

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's Own Motion to Adopt New
Safety and Reliability Regulations for
Natural Gas Transmission and Distribution
Pipelines and Related Ratemaking
Mechanisms.

Rulemaking 11-02-019
(Filed February 24, 2011)

**NOTICE OF EX PARTE COMMUNICATION OF
SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) and SAN DIEGO GAS
AND ELECTRIC (U 902 M)**

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Dated: August 8, 2011

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**SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)
and SAN DIEGO GAS AND ELECTRIC (U 902 M) NOTICE OF EX PARTE
COMMUNICATION**

In accordance with Rule 8.3 of the Commission's Rules of Practice and Procedure, Southern California Gas Company (SoCalGas) and San Diego Gas and Electric (SDG&E) hereby gives notice of the following *Ex Parte* communication in the above proceeding.

On Wednesday, August 3, 2011, at 4:30 p.m. in the Commission's offices in San Francisco, Brian Prusnek, Director of Regulatory Affairs, met with Matthew Tisdale, Advisor to Commissioner Florio. The communication was initiated by SoCalGas and SDG&E to discuss the approval of a memorandum account in Rulemaking (R.) 11-02-019. The meeting lasted approximately 20 minutes. Communication was oral.

Mr. Prusnek discussed SoCalGas and SDG&E's motion for authority to create a memorandum account to track incremental expenses that were not anticipated or included in the companies' most recent General Rate Cases (GRCs). The costs to be recorded in

this memo account will be directly attributable to SoCalGas' and SDG&E's efforts to comply with the directives and orders issued by the CPUC in the pipeline safety OIR, the National Transportation Safety Board (NTSB) recommendations incorporated in the OIR as well as any other legislative mandates related to pipeline safety that may become effective prior to our next GRC. In this meeting, Mr. Tisdale requested further information regarding the types of activities for which the companies are incurring costs. Subsequently, on August 5th, 2001, Mr. Prusnek sent to Mr. Tisdale a memo describing in further detail the request for a memorandum account (attached).

Dated this 8th day of August, 2011 at San Francisco, California.

Respectfully submitted,

By: /s/ Brian C Prusnek

Brian C. Prusnek

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