

Memorandum

Date: September 30, 2011

To: Honorable Michel P. Florio
Commissioner
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Honorable Seaneen Wilson
Administrative Law Judge
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

From: **Department of Water Resources**

Subject: **RULEMAKING 11-03-006 – THE CALIFORNIA DEPARTMENT OF WATER RESOURCES' RESPONSE TO SCOPING MEMORANDUM AND RULING REGARDING THE ANNUAL REVENUE REQUIREMENT DETERMINATION OF THE CALIFORNIA DEPARTMENT OF WATER RESOURCES AND RELATED ISSUES DATED SEPTEMBER 7, 2011**

Pursuant to the Scoping Memorandum of Assigned Commissioner Florio and Assigned Administrative Law Judge Wilson dated September 7, 2011, the California Department of Water Resources ("DWR") hereby submits its response in the above-captioned matter, but only to correct some technical errors in the outline of settlements submitted by Pacific Gas and Electric Company ("PG&E"). DWR has reviewed the Opening Brief of PG&E, Southern California Edison ("SCE") and San Diego Gas & Electric Company ("SDG&E"). DWR notes that these utilities are in agreement that the allocation issues can be resolved based solely on the briefs submitted, and that no evidentiary hearing is necessary. DWR agrees, as well.

DWR submits several technical corrections with regard to the settling parties, not the amounts, listed in Appendix A attached to the PG&E Opening Brief. Those include:

- 01/04/06, \$1,998, settling party is Mirant Energy Trading, not JP Morgan;
- 06/15/07, \$111,693, settling party is Portland General Electric, not JP Morgan;
- 06/24/08, \$3,540,324, settling party is Grant County, not JP Morgan;
- 07/03/08, \$311,507, settling party is City of Anaheim, not JP Morgan; and
- 07/03/08, \$31,944, settling party is City of Riverside, not JP Morgan.

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For the record, JP Morgan was the escrow agent for many of the settlements.

The Department appreciates the Commission's assistance in implementing its Revenue Requirements Determination for 2012. If you have any questions or need additional information, please contact me at (916) 574-2733.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Pacheco".

John Pacheco, Acting Deputy Director
California Energy Resources Scheduling

cc: (See attached list)

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Honorable Seaneen Wilson
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cc: Honorable Michael R. Peevey, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Honorable Timothy Alan Simon, Commissioner
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Honorable Catherine J. K. Sandoval, Commissioner
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Honorable Mark J. Ferron, Commissioner
California Public Utilities Commission
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Honorable John S. Wong
Administrative Law Judge
California Public Utilities Commission
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Mr. Paul Clanon, Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Service List Rulemaking 11-03-006 (via electronic mail)