BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking to Consider the Annual Revenue Requirement Determination of the California Department of Water Resources and related issues.

Rulemaking 11-03-006 (Filed March 10, 2011)

JOINT NOTICE OF EX PARTE COMMUNICATION

Pursuant to Rule 8.4 of the California Public Utilities Commission \mathbb{S} (<u>Commission</u>) Rules of Practice and Procedure, the Kings River Conservation District (<u>KRCD</u>), California Department of Water Resources (<u>CDWR</u>) and Pacific Gas and Electric Company (<u>PG&E</u>) (collectively, Joint Parties) hereby give notice of the following *ex parte* communication.

The communication occurred on September 27, 2011 at approximately 9:30 a.m. The Joint Parties representatives participated in a meeting for the purpose of discussing a matter identified in the Scoping Ruling for this proceeding, namely, the possibility of early termination or contract novation of KRCD is contract with CDWR. (*See* Scoping Ruling at 3.) Also participating in the first ten minutes of the meeting were Commissioner Michael Florio, Sepideh Khosrowjah, chief of staff for Commissioner Florio and Matthew Tisdale, advisor to Commissioner Florio.

The communication was oral and occurred at the San Francisco office of the Commission. The Joint Parties initiated the meeting. Participating in the meeting for KRCD were David Orth (General Manager), Randy Schilling (Deputy General Manager), and Scott Blaising (Special Counsel). Participating in the meeting for CDWR were John Pacheco (Acting Deputy Director, California Energy Resources Scheduling), Jim Spence (Chief, Contracts Management), Chuck Toney (Supervising Hydroelectric Power Utility Engineer), and James Openshaw (Senior Staff Counsel). Participating in the meeting for PG&E were Roy Kuga (Vice President, Energy Supply Management), Terrance Robertson (Manager, Financial Analysis-General Portfolio Management), Matt Mullins (Electric Portfolio Management & Trading-Energy Supply), and Don Howerton (Director and Counsel, Energy Procurement Contracts).

The Joint Parties generally discussed the background of the KRCD contract and the potential for early termination or novation, and each party expressed willingness to participate in the effort. A handout used by Mr. Pacheco is attached to this notice.

Pursuant to Rule 1.8(d), CDWR and PG&E have authorized KRCD to submit this notice on their behalf.

Respectfully submitted,

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September 30, 2011

Counsel for the Kings River Conservation District