

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

Rulemaking Regarding Whether, or Subject to What Conditions, the Suspension of Direct Access May Be Lifted Consistent with Assembly Bill 1X and Decision 01-09-060.

Rulemaking 07-05-025
(Filed May 24, 2007)

NOTICE OF EX PARTE COMMUNICATION

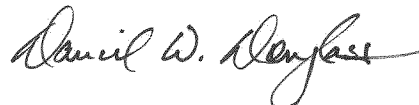
Pursuant to Rule 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the Marin Energy Authority (“MEA”), the Alliance for Retail Energy Markets (“AReM”) and the Direct Access Customer Coalition (“DACC”) provide the following joint notice of three ex parte communications that occurred on Thursday, November 3, 2011. From approximately 11:00 to 11:30 a.m., an ex parte meeting was held with Sarah Thomas and Charlotte TerKeurst, Advisor and Chief of Staff to Commissioner Mark Ferron. The meeting was initiated by Daniel Douglass, counsel to MEA, AReM and DACC, who was joined by Elizabeth Rasmussen of MEA, Mary Lynch of Constellation Energy, Chris Hendrix of Walmart, Inc. and Len Pettis of the California State University. Two subsequent ex parte meetings were held with Damon Franz, Advisor to Commissioner Peevey, from 2:00 to 2:30 p.m. and with Bishu Chatterjee, Advisor to Commissioner Simon, from 2:45 to 3:10. Joining the latter two meetings were Greg Bass of Noble Americas Energy Solutions, Dirk Van Ulden of the University of California and Michael Rochman of SPURR. The meetings occurred at the office of the Commission at 505 Van Ness Avenue, San Francisco.

The purpose of the meetings was to discuss the latest revisions to the proposed decision (“PD”) issued in this docket on August 23, 2011. MEA, AReM and DACC expressed appreciation for the revisions to the proposed decision with regard to the financial security

requirement (“FSR”) for electric service providers. The revised PD is reasonable and will not serve as a deterrent to retail competition in California.

The proposed new phase of the proceeding to deal with the FSR for residential and small commercial customers was also discussed. While not expressing opposition to this new phase, the parties expressed certain concerns with the revised PD’s inclusion of small commercial customers. Many medium and large commercial, as well as industrial, customers have metered accounts with a demand of less than 20 kW that can be categorized as small commercial. Also, many small commercial accounts are, from time to time, re-categorized as medium or commercial accounts, due to load changes. Therefore, it would be much easier to administer a system in which small commercial customers were not treated separately from medium and large commercial customers. Alternatively, it would be important to note in the final decision that the FSR to be considered in the new phase will not apply to small commercial load that is affiliated with the load of medium and large commercial and industrial DA customers.

Respectfully submitted,



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November 8, 2011