

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

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 10-05-006
(Filed May 6, 2010)

NOTICE OF *EX PARTE* COMMUNICATION

Pursuant to Rule 8.4(a) of the Commission's Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) hereby gives notice of the following ex parte communication. The communication occurred on Tuesday, December 13, 2011, at approximately 1:45 p.m. by phone to the offices of California Public Utilities Commission. The communication was oral and no written material was used. [Rule 8.4(a)]

Erik Jacobson, Senior Director-Regulatory Relations, PG&E, initiated the communication with Damon Franz (Energy Advisor to Commission President Michael Peevey). [Rule 8.4(b)]

Mr. Jacobson stated that a cost cap would be inconsistent with the intent of Public Utilities Code Section 454.5. He recommended deleting the language in the revised Proposed Decision that states otherwise. There is no need for the Commission to address this legal issue because the cost cap is no longer proposed for adoption and the Commission is free to revisit this matter in the future. [Rule 8.4(c)]

Respectfully submitted,

/s/ BRIAN K. CHERRY

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