BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local Procurement Obligations Rulemaking 11-10-023 (Filed October 20, 2011)

NOTICE OF EX PARTE COMMUNICATION OF THE THE ALLIANCE FOR RETAIL ENERGY MARKETS AND THE MARIN ENERGY AUTHORITY

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Consultant to
ALLIANCE FOR RETAIL ENERGY MARKETS

AND ON BEHALF OF THE MARIN ENERGY AUTHORITY

May 22, 2012

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local Procurement Obligations Rulemaking 11-10-023 (Filed October 20, 2011)

NOTICE OF EX PARTE COMMUNICATION OF THE THE ALLIANCE FOR RETAIL ENERGY MARKETS AND THE MARIN ENERGY AUTHORITY

Pursuant to Rule 8.4 of the Commission's Rules of Practice and Procedure, the Alliance for Retail Energy Markets ("AReM") ¹ and the Marin Energy Authority provide this notice of *ex parte* communication on Thursday, May 17, 2012, at the offices of the California Public Utilities Commission at 505 Van Ness Avenue in San Francisco, California, with:

- Sara Kamins, Advisor to Commissioner Mark J. Ferron, at 3:30 p.m., for approximately 20 minutes; and
- Matthew Tisdale, Advisor to Commissioner Michel Peter Florio, at 3:55 p.m., for approximately 30 minutes.

The meetings were initiated by AReM and attended by Sue Mara, RTOAdvisors, L.L.C., a consultant to AReM, and Elizabeth Rasmussen, Regulatory and Legal Counse 1, Marin Energy Authority. The discussions included only oral communications.

Ms. Mara and Ms. Rasmussen expressed concern about issues that overlap between the Resource Adequacy ("RA") proceeding (Rulemaking 11 -10-023) and Rulemaking 12 -03-014,

¹ AReM is a California non -profit mutual benefit corporation formed by electric service providers that are active in the California's direct access market. This filing represents the position of AReM, but not necessarily that of a particular member or any affiliates of its members with respect to the issues addressed herein.

the Long-Term Procurement Plans ("LTTP") proceeding. In particular, they noted that the scope of the RA proceeding includes consideration of a multi-year forward procurement obligation for electric service providers ("ESPs") and community choice aggregators ("CCAs"), whereas the LTPP proceeding will consider whether additional non-bypassable charges for utility procurement should be imposed on ESP and CCA customers through the cost adjustment mechanism ("CAM"). They explained that the Commission should avoid impose ing a new CAM obligation on ESPs and CCAs, if it intends to establish a multi—year forward RA procurement obligation for all load—serving entities ("LSEs"). Ms. Mara and Ms. Rasmussen also expressed support for resolving CAM—related issues as soon as poss ible, especially the rules by which a LSE may opt-out of the CAM.

Respectfully submitted,

/s/ Sue Mara

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