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 R.12-03-014 (Filed March 22, 2012)

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

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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 Counsel, Marin Energy Authority. The discussions included only oral communications.

Ms. Mara and Ms. R asmussen 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 imposing a new CAM obligation on ESPs and CCAs, if it intends to establish a multi—year forward RA pro curement obligation for all load -serving entities ("LSEs"). Ms. Mara and Ms. Rasmussen also expressed support for resolving CAM -related issues as soon as possible, especially the rules by which a LSE may opt-out of the CAM.

Respectfully submitted,

/s/ Sue Mara

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