BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39M) San Diego Gas & Electric Company (U902M), Southern California Edison Company (U338M), and Southern California Gas Company (U904G) for Authority to Increase Electric and Natural Gas Rates and Charges to Recover California Air Resources Board Assembly Bill 32 Cost of Implementation Fee.

Application 10-08-002 (Filed August 2, 2010)

Application of Southwest Gas Corporation (U905G) to Establish Memorandum Account to Track and Record California Air Resources Board Assembly Bill 32 Cost of Implementation Fees.

Application 11-03-010 (Filed March 17, 2011)

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), Southern California Edison Company (SCE), San Diego Gas & Electric (SDG&E), and Southern California Gas Company (SoCal Gas) hereby give notice of the following ex parte communications. The communications occurred on Wednesday, October 3, 2012 at approximately 10:00 a.m., at the offices of the California Public Utilities Commission. The communications were oral, and handouts were provided, which are attached to this notice. [(Rule 8.4(a)(c)]

Meredith Allen, Senior Director-Regulatory Relations, PG&E, initiated the communication with Colette Kersten, Advisor to Commissioner Catherine Sandoval.

Also present were Brian Prusnek (Director-Regulatory Affairs, SDG&E and SoCal Gas);

and Laura Genao (Director-Regulatory Affairs, SCE). [Rule 8.4(b)]

Ms. Genao stated that the Commission should approve the Alternate Decision of

Commissioner Ferron, which authorizes cost recovery of the California Air Resources

Board's (ARB) Implementation Fee. Mr. Prusnek explained that AB32 authorized ARB

to adopt fees to be paid by sources of GHG emissions to fund ARB's administrative

costs of implementing AB32. Mr Prusnek also explained that ARB intended for the fee

to be recovered from customers. Ms. Allen stated that recovery is appropriate as the

fee is mandated by state law and the different timing of the utilities' GRC cycles

prevented these costs to be included. [Rule 8.4(c)]

Respectfully submitted,

/s/ Brian K. Cherry

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Attachments

Dated: October 8, 2012