BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ApplicationofPacificGas and ElectricCompanylication 12-06-002(U39E)forAdoption ofElectricRevenue(Filed June 1, 2012)Requirements and RatesAssociated with its2013EnergyResourceRecoveryAccount (ERRA)andGenerationNon-BypassableChargesForecast.(U39E)

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 Monday, December 3, 2012, at approximately 3:00 p.m., via telephone to the offices of California Public Utilities Commission. The communication was oral and no handout was provided. [(Rule 8.4(a)]

Erik Jacobson, Senior Director, Regulatory Relations, PG&E, initiated the communication with Matthew Tisdale, Advisor to Commissioner Michel Florio. [Rule 8.4(b)]

Mr. Jacobson stated that PG&E is seeking authorization to recover costs associated with Greenhouse Gas (GHG) compliance obligations under the California cap-and-trade program, as presented in its 2013 Energy Resource Recovery Account (ERRA) forecast application. To be consistent with a separate proposed decision that addresses GHG allowance revenue allocation in R.11-03-012, PG&E will recommend in its comments on the ERRA proposed decision to defer collection in rates of an estimated \$180 million in forecasted GHG costs. An ERRA subaccount will be created to track these GHG costs. Mr. Jacobson explained that once the GHG allowance revenue allocation implementation details are decided by the Commission, PG&E would file a Tier 1 Advice Letter to begin collecting the previously deferred \$180 million in rates. [Rule 8.4(c)]

Respectfully submitted,

<u>/s/ Brian K. Cherry</u> Brian K. Cherry Vice President, Regulatory Relations Pacific Gas and Electric Company P.O. Box 770000, Mail CodeB10C San Francisco, CA94177 Phone: 415-973-4977 Fax: 415-973-7226 E-mail: BKC7@pge.com

Dated: December 6, 2012