

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Approval of Amended Purchase and Sale Agreement between Pacific Gas and Electric Company and Contra Costa Generating Station LLC and for Adoption of Cost Recovery and Ratemaking Mechanisms. Application 12-03-026 (Filed March 30, 2012)

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 two, separate ex parte communications. The two communications occurred on Wednesday, December 12, 2012, at approximately 11:30 a.m. and 1:30 p.m. at the offices of the California Public Utilities Commission (CPUC). The communications were oral and the attached handouts were used. In addition, copies of PG&E's December 10, 2012 comments on the proposed decision and alternate proposed decision were provided, which are available on the CPUC web site. (Rule 8.4(a)(c))

Erik Jacobson, Senior Director, Regulatory Relations, PG&E, initiated the first communication with Marcelo Poirier, Advisor to Commissioner Michel Florio, and the second communication with Bishu Chatterjee, Advisor to Commissioner Timothy Simon. Also in attendance on behalf of PG&E were Fong Wan, Senior Vice President, Energy Procurement and Charles Middlekauff, Attorney. In addition, Bryan Bertacchi, CEO, Radback Energy participated in the meeting. [Rule 8.4(b)]

Mr. Jacobson stated that PG&E recommends approval of the Oakley Project. He described the procedural history of the Project. It was originally proposed in PG&E's 2008 Long-Term Request for Offers and had a better market valuation than other projects approved by the Commission. Mr. Jacobson explained that PG&E has met the conditions established by the Commission in D.10-07-045 for reconsideration of the Oakley Project prior to the next Long-Term Procurement Plan (LTPP) proceeding. In particular, the California Independent System Operator's renewable integration studies show that there are significant negative reliability risks from integrating the 33% Renewable Portfolio Standard (RPS). Mr. Bertacchi stated that the Oakley Project is fully permitted and under construction. He described some of the environmental and operational benefits that would be derived from the Project. Mr. Wan provided an overview of PG&E's projected RPS portfolio. He described the reliability risks associated with integrating these intermittent resources. Mr. Jacobson emphasized the importance of approving the Oakley Project now given the 6-8 year lead time required to develop new resources. [Rule 8.4(c)]

Respectfully submitted,
/s/ Brian K. Cherry
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Attachment

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