

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's Own Motion to Adopt New Safety
and Reliability Regulations for Natural Gas
Transmission and Distribution Pipelines and
Related Ratemaking Mechanisms.

Rulemaking 11-02-019
(Filed February 24, 2011)

NOTICE OF EX PARTE COMMUNICATION

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January 25, 2013

Pursuant to Rule 8.4 of the Commission's Rules of Practice and Procedure, The Utility Reform Network (TURN) gives notice of the following written ex parte communication.

On January 22, 2013, Thomas Long, TURN's Legal Director met with Commissioner Florio and his Chief of Staff, Sepideh Khosrowjah.. The meeting took place at the Commission's office in San Francisco from approximately 4:00 p.m. to 4:30 p.m. The communication consisted of an oral presentation accompanied by a written handout, a copy of which is attached.

In the meeting, Mr. Long discussed the changes to Decision (D.) 12-12-030 that TURN intends to seek in a forthcoming petition for modification, and as described in TURN's handout. The changes include: (1) modifying Ordering Paragraph ("OP") 11 to require PG&E to file its application presenting its updated MAOP Validation data by a date certain as soon as possible; (2) requiring PG&E to include in its quarterly compliance reports the engineering justification the company uses to justify any replacement of segments under Decision Tree Box M2; (3) requiring PG&E to remove from the scope of Phase 1 any non-adjacent Class 1 or 2 pipe segments and to reduce its revenue requirements and budgeted caps accordingly; (4) clarifying that "other higher priority projects" that are allowed to substitute for specific authorized projects must be within the approved criteria for Phase 1 projects; and (5) requiring an independent third-party monitor to ensure that PG&E performs the Implementation Plan work properly and maintains adequate records of the work.

January 25, 2013

Respectfully submitted,

_____/s/_____
Thomas J. Long
Legal Director

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ATTACHMENT A



Ex Parte Meeting
R.11-02-019
January 22, 2013

In a Petition for Modification of D.12-12-030, TURN intends to seek the following changes to the PSEP decision:

- PG&E should be required to file its application presenting the results of its updated MAOP Validation data as soon as possible and, in any event, no later than 30 days after the decision on the Petition, in order to prevent delays that would allow PG&E to collect ratepayer funding for work that is not performed;
- To promote transparency, PG&E should be required to include in its quarterly compliance reports the engineering justification it uses to support any replacement of segments under Decision Tree Box M2;
- PG&E should be required to remove from the scope of Phase 1 any non-adjacent Class 1 or 2 pipe segments and reduce its revenue requirements and budgeted caps accordingly;
- The Decision should be modified to clarify that “other higher priority projects” that are allowed to substitute for specific authorized projects must be within the approved criteria for Phase 1 projects; and
- The Decision should require an independent third-party monitor to ensure that PG&E performs the PSEP work properly and maintains adequate records of the work.