

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Approval of Economic Development Rate for
2013-2017 (U39E).

Application 12-03-001
(Filed March 1, 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) and the Local Government Parties hereby give notice of the following ex parte communication. The communication occurred on Tuesday, February 19, 2013, at approximately 2:00 p.m. at the offices of California Public Utilities Commission. The communication was oral and no handout was provided. [Rule 8.4(a)]

John Hughes, Director, Regulatory Relations, PG&E, initiated the communication with Michael Colvin, Advisor to Commissioner Mark Ferron. Also in attendance: for PG&E - Brian Cherry, Vice President, Regulatory Relations; and for the Local Government Parties - Stephen A. S. Morrison, Special Deputy to the City Attorney, City of Fresno; and James Renzas, Principal, The RSH Group. [Rule 8.4(b)]

Mr. Hughes started the meeting by stating that the application was filed in March, 2012 or eleven months ago. He stated that although the timing is important, it is more critical to get it right in the Proposed Decision (PD).

Mr. Cherry stated that it would serve the Commissioners well to have meetings with several of the Mayors of cities in the Central Valley and Northern California as well as other

parties to this proceeding. He suggested that those meetings take place after the PD is issued.

Mr. Morrison discussed the continued high unemployment in the Central Valley and Northern California. He stressed that it is difficult to attract new business, or for that matter retain businesses in the central valley where production costs are among the highest in the nation without effective business incentives. He stressed that approval of this application will send the right signal to food processors and others that California and the Central Valley could be an ideal location to expand operations.

Mr. Renzas discussed recent statistics of business who have relocated out of California. He stated that over 200 companies have left or expanded operations outside of California. As a result, 36,000 jobs have left the state. Mr. Renzas also discussed the fact that thirteen states have or are in the process of setting up offices in California with the intention of luring companies to move to their states. [Rule 8.4(c)]

Respectfully submitted,

/s/Brian K. Cherry

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Dated: February 22, 2013