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March 27, 2013

Mr. Paul Clanon Executive Director California Public Utilities Commission 505 Van Ness Avenue, Room 5223 San Francisco, CA 94102

Re: <u>Implementation of the Catastrophic Event Memorandum Account for December 2012 Severe Rainstorm</u>

Dear Mr. Clanon:

In accordance with Commission Resolution E-3238, dated July 24, 1991, and the associated PG&E currently effective tariff sheets (Electric Preliminary Statement Section G), PG&E hereby provides notice that PG&E is recording in the electric Catastrophic Event Memorandum Account (CEMA) the costs associated with the restoration of service following a severe rainstorm that began, approximately, on December 23, 2012.

PG&E is submitting this letter to preserve the option of filing an application for cost recovery under CEMA provisions at a later date. Details about the disaster, the effects on PG&E's facilities, and the estimated restoration costs are provided below:

1. Disaster

By proclamation dated March 1, 2013 a state of emergency was declared to exist in the County of San Mateo by Governor Edmund G. Brown. The proclamation reported that the rainstorms damaged property, threatened transportation infrastructure, and caused extreme peril to the safety of people and property within the county of San Mateo.

2. Effects on PG&E's Facilities

The rainstorm damaged electric distribution facilities throughout PG&E's Peninsula Division. The storm is estimated to have disrupted service to more than 20,000 customers over its duration.

3. Estimated Restoration Costs

PG&E estimates it has incurred approximately \$592,000 of incremental costs due to the severe rainstorm, of which \$206,000 is estimated to be capital related and \$386,000 is estimated to be expense related. PG&E continues to assess the total restoration costs incurred and will supplement this letter should further damage be identified.

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If you have any questions about PG&E's implementation of the CEMA, please contact Jonathan Seager at (415) 973-6410.

Sincerely,

Brian K. Cherry

VP, Regulatory Relations

cc: President Michael R. Peevey Commissioner Mike Florio

Commissioner Catherine Sandoval

Commissioner Mark Ferron

Commissioner Carla Peterman

Ed Randolph, Director, Energy Division