

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2014. (U 39 M)	Application 12-11-009 and (Filed November 15, 2012)
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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, April 8, 2013, at approximately 2:00 p.m., by telephone to the offices of California Public Utilities Commission. The communication lasted for approximately 15 minutes, and no written material was provided. [Rule 8.4(a)]

John Hughes, Director, Regulatory Relations, PG&E, initiated the communication with Administrative Law Judge (ALJ) Tom Pulsifer. Steven Frank, Attorney, Law Department, PG&E, also participated via telephone. [Rule 8.4(b)]

Mr. Hughes and Mr. Frank discussed with ALJ Pulsifer two substantive matters relating to PG&E's 2014 General Rate Case (Phase I).

First, PG&E mentioned that on Friday, March 29, PG&E filed its budget report in compliance with Ordering Paragraph 42 of the Commission's 2011 GRC decision. This report provides 2012 recorded spending in distribution-related Major Work Categories, as well as 2013 budget data for the same. PG&E explained that this report provides a comprehensive view of distribution-related spending in 2012. PG&E supports the admission of this report into evidence in the 2014 GRC, which would address PG&E's concerns about the potential for parties'

selective use of 2012 recorded data. Therefore, PG&E plans to issue supplemental workpapers for Exhibit (PG&E-1), Chapter 5, that would include the most recent budget report (as an addition to the prior budget reports already included in those workpapers).

Second, PG&E explained that it is modifying its proposal concerning the proceeds from Department of Energy litigation. PG&E's original proposal was to credit 100% of the proceeds to the Utility Generation Balancing Account (UGBA). PG&E's modified proposal is to credit the portion of the proceeds relating to the Humboldt Bay facility to the Nuclear Decommissioning Adjustment Mechanism (NDAM) thereby reducing the NDAM rate. PG&E's modified proposal is consistent with Commission Resolution E-3941 and the preliminary statement for PG&E's balancing account for these funds. Under PG&E's modified proposal, about \$50 million per year – the amount of the proceeds pertaining to the Humboldt Bay facility - would be credited to the NDAM. In order to avoid duplication with the ongoing Nuclear Decommissioning Cost Triennial Proceeding, PG&E continues to ask that the Commission address the reasonableness of the modified proposal, including the costs to be credited to the NDAM, in the GRC. [Rule 8.4(c)]

Respectfully submitted,

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