

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

Order Instituting Rulemaking to Consider the
Annual Revenue Requirement Determination
of the California Department of Water
Resources and Related Issues.

Rulemaking 13-02-019
(Filed February 28, 2013)

**PREHEARING CONFERENCE STATEMENT OF
PACIFIC GAS AND ELECTRIC COMPANY (U 39-E) AND
SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)**

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Dated: August 30, 2013

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In response to the August 1, 2013 Administrative Law Judge Seaneen M. Wilson's Ruling Setting a Prehearing Conference and Inviting Prehearing Conference Statements on the Allocation Issues, Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE) (together, the "IOUs") submit this prehearing conference statement in anticipation of the prehearing conference on September 5, 2013.

The IOUs have received and reviewed the California Department of Water Resources' (CDWR) Determination of Revenue Requirement for the Period January 1, 2014 through December 31, 2014, dated August 1, 2013, and have determined that two comments are necessary in response to the determination. First, the IOUs object to DWR's \$15 million revenue requirement for administrative and general costs. The IOUs have not been informed of any changes in DWR's activity significant enough to justify a 25% increase in DWR's administrative and general revenue requirement for 2014 with only two remaining power contracts and the continuing bond payments as the sole activities remaining. Second, the IOUs request that the Commission authorize the IOUs to incorporate the changes to electric rates that

reflect the adopted CDWR Bond and Power Charges in their respective Supplemental Filings – Annual True-Ups that will be filed on or about December 31, 2013.

Respectfully submitted,

MICHELLE L. WILSON
CRAIG M. BUCHSBAUM

By: _____/s/_____
CRAIG M. BUCHSBAUM

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Submitted on behalf of:
SOUTHERN CALIFORNIA EDISON COMPANY

Dated: August 30, 2013