BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Review of Entries to the Energy Resource Recovery Account (ERRA) and Renewables Portfolio Standard Cost Memorandum Account (RPSMA), and Compliance Review of Fuel Procurement for Utility Retained Generation, Administration of Power Purchase Contracts, and Least Cost Dispatch of Electric Generation Resources for the Record Period of January 1, through December 31, 2010 and for Adoption of Electric Revenue Requirements and Rates Associated with the Market Redesign and Technology Upgrade (MRTU) Initiative. (U39E)

Application 11-02-011 (Filed February 15, 2011)

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 Wednesday, September 4, 2013, at approximately 10:00 a.m., at the offices of California Public Utilities Commission. The communication was oral and a handout was provided, which is attached to this notice. [(Rule 8.4(a)(c)]

Erik Jacobson, Director, Regulatory Relations, PG&E, initiated the communication with Rachel Peterson, Advisor to Commissioner Michel Florio. Also in attendance for PG&E were Roy Kuga, Vice President, Energy Supply Management, and William Tom, Senior Manager, Short-Term Electric Supply. [Rule 8.4(b)]

Mr. Jacobson, Mr. Kuga and Mr. Tom provided Ms. Peterson with an overview of PG&E's least cost dispatch (LCD) process. Mr. Kuga explained the CAISO's LCD role

since implementation of MRTU. He described how PG&E constructs its bids based on incremental cost. The CAISO then optimizes the system based on the bids it receives, subject to transmission and reliability constraints. Mr. Tom explained how PG&E bids its hydroelectric resources. Mr. Tom and Mr. Jacobson summarized the LCD demonstration PG&E made in its 2010 Energy Resource Recovery Account (ERRA) compliance case. Mr. Jacobson stated that the Division of Ratepayer Advocates' proposal for increased self-scheduling of Helms and other dispatchable resources owned by PG&E would increase costs to customers and was inconsistent with Standard of Conduct No. 4. [Rule 8.4(c)]

Respectfully submitted,

<u>/s/ Brian K. Cherry</u> Brian K. Cherry Vice President, Regulatory Relations Pacific Gas and Electric Company P.O. Box 770000, Mail Code B10C San Francisco, CA94177 Phone: 415-973-4977 Fax: 415-973-7226 E-mail: BKC7@pge.com

Attachment

Dated: September 9, 2013