

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) and Southern California Edison Company (SCE) hereby give notice of the following ex parte communication. The communication occurred on Thursday, October 10, 2013, at approximately 2:00 p.m., at the offices of California Public Utilities Commission (CPUC). The communication was oral and no handout was provided. [(Rule 8.4(a)]

Erik Jacobson, Director, Regulatory Relations, PG&E, initiated the communication with Rachel Peterson, Advisor to Commissioner Michel Florio. Also in attendance for SCE was Laura Genao, Director of Regulatory Affairs. [Rule 8.4(b)]

Mr. Jacobson recommended that the Proposed Decision be modified to eliminate language requiring "precise numerical calculations" to demonstrate PG&E achieved least-cost dispatch (LCD). He stated it may not be possible to develop such a

calculation. The Commission should not pre-judge the outcome of the LCD workshop by specifying the requirements for PG&E's LCD showing. Ms. Genao described the LCD standard as articulated by the Commission in D.10-07-049. Mr. Jacobson and Ms. Genao emphasized the importance of evaluating LCD compliance based on information the utilities' knew or should have known at the time they schedule resources with the CAISO. Mr. Jacobson said that PG&E's hydro resources are bid into the CAISO market at opportunity costs, based on forecasts and planning assumptions at the time. Mr. Jacobson and Ms. Genao described the role of the CAISO in dispatching resources. Ms. Genao stated that it would be inappropriate to judge the utilities on LCD results after-the-fact given the CAISO's prominent role and control over these dispatch decisions. Mr. Jacobson suggested that a good goal for the LCD workshop would be to develop a checklist of information PG&E should submit in future EERA proceedings to demonstrate LCD for the record period. [Rule 8.4(c)]

Respectfully submitted,

/s/ Brian K. Cherry

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code B10C
San Francisco, CA 94177
Phone: 415-973-4977
Fax: 415-973-7226
E-mail: BKC7@pge.com

Dated: October 14, 2013