

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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| 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 (Filed November 15, 2012) |
| And Related Matter. | Investigation 13-03-007 |

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, November 13, 2013, at approximately 4:00 p.m., at the offices of California Public Utilities Commission. The communication was oral and two handouts were provided which are attached to this notice. The first was a handout containing pages from PG&E's 2014 General Rate Case (GRC) Workshop presentation that was provided to parties on January 18, 2013. The second handout was an example of a post test year calculation comparing a Consumer Price Index (CPI) escalation calculation to the more traditional method of recognizing post test year capital additions. [Rule 8.4(a)(c)]

John Hughes, Director, Regulatory Relations, PG&E, initiated the communication with Marcelo Poirier, Advisor to Commissioner Michel Florio, and Sepideh Khosrowjah, Chief of Staff to Commissioner Michel Florio. Shelly Sharp, Senior Director, GRC-Regulatory Support, PG&E, also attended. [Rule 8.4(b)]

Mr. Hughes and Ms. Sharp discussed key drivers of the forecasted revenue requirement increase set forth in PG&E's 2014 GRC. Ms. Sharp stated that PG&E's updated request is \$1.16 billion or slightly less than the \$1.28 billion shown on page 2 of the first handout. She also stated that the Office of Ratepayer Advocates recommends a \$162 million decrease. She stated that TURN did not have a formal overall dollar recommendation.

The PG&E representatives discussed the larger items in the first handout. In the second handout, the PG&E representatives demonstrated how a CPI type methodology does not recognize the revenue impact associated with post test year plant expenditure levels similar to the test year. They mentioned that the CPUC gave the Sempra Utilities a CPI type methodology for post test years in its last GRC, though Sempra sought a similar methodology. The CPUC gave Southern California Edison a post test year method almost identical to what PG&E is asking for in this GRC. [Rule 8.4(c)]

Respectfully submitted,

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Attachments

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