

**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. (U39M)

Application 12-11-009
(Filed November 15, 2012)

And Related Matter.

Investigation 13-03-007

NOTICE OF EX PARTE COMMUNICATION

Evelyn Kahl
Nora Sheriff
Katy Morsony
Alcantar & Kahl LLP
33 New Montgomery Street
Suite 1850
San Francisco, CA 94105
415.421.4143 office
415.989.1263 fax
nes@a-klaw.com
klr@a-klaw.com

Counsel to the
Energy Producers and Users Coalition

July 10, 2014

**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. (U39E)

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 of the California Public Utilities Commission's Rules of Practice and Procedure, the Energy Producers and Users Coalition (EPUC) hereby gives notice of the following oral ex parte communications.

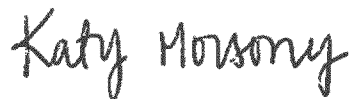
Katy Morsony, counsel to EPUC, had short phone conversations with the following:

- Allison Brown, advisor to Commissioner Sandoval, from approximately 2:25 to 2:30 pm on July 7, 2014;
- Melicia Charles, advisor to Commissioner Peterman, from approximately 12:25 to 12:30 pm on July 9, 2014; and
- Marcelo Poirier, advisor to Commissioner Florio, from approximately 3:20 to 3:25 pm on July 10, 2014.

All telephone calls were initiated by EPUC. Ms. Morsony followed up on EPUC's previous indication that the reliability hydro capital expenditures in the Proposed Decision may warrant further reduction. Ms. Morsony recommended that the

Commission make additional cuts to reliability Major Work Categories (2M, 2N and 2P) consistent with EPUC's litigation position. Ms. Morsony explained that the increases requested by PG&E are not necessary for reliability since PG&E's facilities already operate reliably. Additionally, EPUC's proposal makes no reductions to safety major work categories or projects with a safety or compliance driver. Based on these two points and the impact of increased spending on rates, the Commission should adopt the EPUC proposal.

Respectfully submitted,

A handwritten signature in black ink that reads "Katy Morsony". The signature is written in a cursive, slightly slanted style.

Katy Morsony

Counsel to the
Energy Producers and Users Coalition

July 10, 2014