

**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.
(U 39 M)

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

And Related Matter.

Investigation 13-03-007

EX PARTE NOTICE OF THE UTILITY REFORM NETWORK

August 11, 2014

Marcel Hawiger

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EX PARTE NOTICE OF THE UTILITY REFORM NETWORK

Pursuant to Rules 8.2, 8.3, and 8.4 of the Commission's Rules of Practice and Procedure, The Utility Reform Network (TURN) gives notice of the following ex parte communication in this proceeding.

On August 8, 2014, Marcel Hawiger, Staff Attorney at TURN, met with Christine Hammond, Advisor, and Kenneth Koss, Chief of Staff, to Commissioner Michael Picker, at 4:00 p.m. The meeting was in-person, lasted approximately 15 minutes, and took place on the 5th Floor of the Commission's office building located at 505 Van Ness Avenue, San Francisco, California, 94102. Mr. Hawiger initiated the meeting.

Mr. Hawiger discussed the Proposed Decision of Administrative Law Judge Thomas R. Pulsifer (PD), issued in this proceeding on June 18, 2014. Mr. Hawiger stated that the Proposed Decision adequately funded PG&E to implement necessary safety measures. Mr. Hawiger noted that the funding reductions discussed by PG&E and CCUE in their *ex parte* notices simply reduced very large proposed increases, and still resulted in very large funding increases from 2011 to 2014. For example, PG&E requested a 160% increase in pipe replacement spending, and the PD granted a 140% increase in pipe replacement spending. PG&E requested a 140% increase in leak survey and repair spending, and the PD granted a 75% increase in spending. The relatively small reductions in the requested increases reflected proper analysis and optimization of risk reduction measures. Mr. Hawiger explained that PG&E's approach of spending huge amounts on everything without conducting proper risk analyses and alternative comparisons is not the best way to ensure safe operations.

Mr. Hawiger also noted that the combination of increases authorized in the PD

and increases requested in PG&E's Gas Transmission and Storage rate case, A.13-12-012, would result in bill increases of 30% for residential customers in 2015.

Mr. Hawiger used no written materials in the meeting.

Date: August 11, 2014

Respectfully submitted,

By: _____ /s/_____
Marcel Hawiger
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