

From: Horner, Trina
Sent: 11/30/2010 5:05:37 PM
To: 'Skala, Pete' (pete.skala@cpuc.ca.gov)
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe)
Bcc:
Subject: RE: "Regulatory Out" Clauses

Hey Pete, good to hear from you! Meredith Allen should be a good resource for you on this to start. She'll give you a call.
Trina

From: Skala, Pete [mailto:pete.skala@cpuc.ca.gov]
Sent: Tuesday, November 30, 2010 4:16 PM
To: Horner, Trina
Subject: "Regulatory Out" Clauses

Hi Trina,

I am assuming this is a good question for Todd and Marino, but thought I would filter through you in case you think others should take a crack at it...

I am curious whether, in PG&E's long term contracting experience, counterparties attempt to amend the "government charges" provisions of your pro forma, which hold the Seller responsible for paying govt fees, permits, etc. (specifically, I am curious if counterparties ever attempt to shift the risk unforeseen FUTURE govt regs to PG&E in exchange for offering the product at a lower price)? (And if so, how commonplace the practice is...)

Thanks,

Pete Skala
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