From: Cherry, Brian K

Sent: 12/30/2010 3:39:51 PM

To: 'Clanon, Paul' (paul.clanon@cpuc.ca.gov)

Cc:

Bcc:

Subject: RE:

Thanks.

From: Clanon, Paul [mailto:paul.clanon@cpuc.ca.gov]

Sent: Thursday, December 30, 2010 3:34 PM

**To:** Cherry, Brian K **Subject:** Re: RE:

It's coming out of Water Division, just to throw you off the scent!

We don't know exactly what TURN will be asking for. It won't be what's in the Resolution.

On Dec 30, 2010, at 3:12 PM, "Cherry, Brian K" < BKC7@pge.com > wrote:

I think the letter from TURN coming on the same day the resolution is issued is unorthodox because it makes one wonder how coordinated communications have been between ED and TURN on this issue. That's all.

From: Clanon, Paul [mailto:paul.clanon@cpuc.ca.gov]

Sent: Thursday, December 30, 2010 3:10 PM

To: Cherry, Brian K

Subject: Re:

We're putting a Resolution out for comment that would make the bonus depreciation effects of the Tax Relief Act subject to refund, in case there's a later decision to flow them to ratepayers. Unorthodox? I don't know.

On Dec 30, 2010, at 3:00 PM, "Cherry, Brian K" < BKC7@pge.com > wrote:

Paul - I understand that TURN is going to file a request for an investigation into Bonus Depreciation

today and that the Commission is going to mail a resolution asking the utilities for information on bonus depreciation. I can appreciate the Commission's concern, but isn't this an unorthodox way of doing this ?