

From: Cherry, Brian K  
Sent: 2/2/2011 3:13:25 PM  
To: 'bruce.foster@sce.com' (bruce.foster@sce.com); Schavrien, Lee (LSchavrien@semprautilities.com)  
Cc: Kim, Ann (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=AHK4); Buchsbaum, Craig (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=CMB3); francis.mcnulty@sce.com (francis.mcnulty@sce.com); frl@cpuc.ca.gov (frl@cpuc.ca.gov); Hughes, John (Reg Rel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS); jtp@cpuc.ca.gov (jtp@cpuc.ca.gov); Linda.Sullivan@sce.com (Linda.Sullivan@sce.com); Rose, Randall G. (RRose@sempra.com)  
Bcc:  
Subject: RE: Bonus Depreciation - Follow-Up

The idea is to establish a memorandum account. While that is better than 'rates subject to refund', I have issues with designating one activity where there is a potential for gain without reserving one for a loss (ex. insurance increases as a result of San Bruno for us). Carol has been clear that Mike agrees with this approach - so what do we think we are going to do to change his mind ?

**From:** Bruce.Foster@sce.com [mailto:Bruce.Foster@sce.com]  
**Sent:** Wednesday, February 02, 2011 3:08 PM  
**To:** Schavrien, Lee  
**Cc:** Kim, Ann (Law); Cherry, Brian K; Buchsbaum, Craig (Law); Francis.Mcnulty@sce.com; frl@cpuc.ca.gov; Hughes, John (Reg Rel); jtp@cpuc.ca.gov; Linda.Sullivan@sce.com; Rose, Randall G.  
**Subject:** RE: Bonus Depreciation - Follow-Up

So, why don't we go visit Peevey. What date is good for everyone? Thanks.

Bruce Foster, Senior Vice President  
Southern California Edison  
(415) 929-5512  
Fax (415) 929-5540

(Please note new telephone and fax numbers)

From: "Schavrien, Lee" <LSchavrien@semprautilities.com>  
To: ""Kim, Ann (Law)" <AHK4@pge.com>, "frl@cpuc.ca.gov" <frl@cpuc.ca.gov>, "jtp@cpuc.ca.gov" <jtp@cpuc.ca.gov>  
Cc: "Cherry, Brian K" <BKC7@PGE.COM>, "Bruce.Foster@sce.com" <Bruce.Foster@sce.com>, "Buchsbaum, Craig (Law)" <CMB3@PGE.COM>, "Hughes, John (Reg Rel)" <J8HS@pge.com>, "Linda.Sullivan@sce.com" <Linda.Sullivan@sce.com>, "Rose, Randall G." <RRose@sempra.com>, "Francis.Mcnulty@sce.com" <Francis.Mcnulty@sce.com>  
Date: 02/02/2011 12:46 PM

Subject: RE: Bonus Depreciation - Follow-Up

Ann Kim or Frank McNulty and John Hughes, please give me a call ASAP at  
[Redacted] Marzia Zafar just called.

-----Original Message-----

From: Kim, Ann (Law) [mailto:AHK4@pge.com]  
Sent: Friday, January 28, 2011 5:00 PM  
To: frl@cpuc.ca.gov; jtp@cpuc.ca.gov  
Cc: Cherry, Brian K; Bruce.Foster@sce.com; Buchsbaum, Craig (Law); Hughes, John (Reg Rel); Linda.Sullivan@sce.com; Rose, Randall G.; Schavrien, Lee; Francis.Mcnulty@sce.com  
Subject: Bonus Depreciation - Follow-Up  
Importance: High

Frank and Joel,

Thank you for taking the time to meet with PG&E, SCE, SDG&E, and SoCalGas last week to discuss the draft resolution on bonus depreciation. Attached for your consideration is a proposed revision to the draft resolution that we hope addresses the concerns that you raised in the meeting. (The first file is a clean version. The second file is redlined against the original draft resolution.)

Our apologies for the delay in getting this proposed revision to you, and we look forward to hearing your thoughts. We would very much like to get this matter resolved as soon as possible for the reasons we discussed at last week's meeting.

Sincerely,

Ann Kim  
PG&E Law Department  
(415) 973-7467

On behalf of PG&E, SCE, SDG&E, and SoCalGas