

From: Galvin, Michael J.
Sent: 6/7/2011 4:07:40 PM
To: Hughes, John (Reg Rel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS)
Cc:
Bcc:
Subject: A.11-04-016 PG&E LAND Transfer

John,

Van Mieghem stated in a discussion with Gurbux that "There will be no net upside to shareholders from this transaction in the form of tax benefits or any other financial benefits"

1. Has any cost analysis been done on this transaction?
2. What is the financial impact of keeping the land in rate base until PG&E's next test year?
(Application indicates it will remain in rate base (thereby earning a return) until the next GRC.)
3. PG&E land was last appraised on July 1, 2010. Will a more current appraisal be undertaken?
4. Regarding tax benefit - What about tax benefit PG&E may receive from Topaz Solar donating Land to BMW via Sequoia Riverlands Trust? (See Appendix A of Original Application at page 19).