

From: Zafar, Marzia  
Sent: 3/7/2012 5:06:34 PM  
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)  
Cc:  
Bcc:  
Subject: Re: Commission ruling on shareholder responsibility for audits, expert review

Hi,

Can I forward this to others?

marz

**From:** Cherry, Brian K [mailto:BKC7@pge.com]  
**Sent:** Wednesday, March 07, 2012 4:42 PM  
**To:** Zafar, Marzia  
**Subject:** Fw: Commission ruling on shareholder responsibility for audits, expert review

**From:** Skopec, Dan [mailto:DSkopec@semprautilities.com]  
**Sent:** Wednesday, March 07, 2012 02:55 PM  
**To:** Cherry, Brian K; Leslie E. Starck (Les.Starck@sce.com) <Les.Starck@sce.com>  
**Subject:** Commission ruling on shareholder responsibility for audits, expert review

Les & Brian,

We asked the Commission to hold Item #4 on the agenda this week. The item was a ruling on the scope of the pipeline safety OIR that required utilities to pay for a financial and management audit of our pipeline safety spending over the last two rate cases.

And then there was this letter that PG&E organized with the PUC, telling them to pay for consultants to review various aspects of PG&E's operations.

We believe these are both bad precedents and intend to push back. I'd like to understand your position on the matter and whether you want to join us in addressing this issue.

*Dan Skopec*

*Vice President, Regulatory & Legislative Affairs*

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