

From: Sandoval, Catherine J.K.
Sent: 4/8/2013 6:09:33 PM
To: Samson, Renee (/O=PG&E/OU=Corporate/cn=Recipients/cn=r5sz)
Cc: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7);
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(ditas.katague@cpuc.ca.gov); Kersten, Colette (colette.kersten@cpuc.ca.gov)
Bcc:
Subject: RE: Bonus Depreciation

Wow, \$720 million! That's a great investment in safety and reliability. Glad we worked through the Bonus Depreciation item so PG&E could use this opportunity. Thanks Renee for researching this and welcome to the Regulatory Affairs work. Your tax background will be very helpful. Take care, Commissioner Sandoval

Sent from my iPad

On Apr 8, 2013, at 12:40 PM, "Samson, Renee" <r5sz@pge.com> wrote:

Commissioner Sandoval:

It was a pleasure to meet you last week at the CCPUC event honoring yourself and Commissioner Peterman. At the event, you asked if I could provide you an idea of how much incremental spending PG&E was able to invest due to bonus depreciation through the end of 2012. As a result of the adoption of the Tax Act Memorandum Account (TAMA), the Company was more efficiently able to spend approximately \$720 million of capital expenditures. Approximately \$400 million supported electric infrastructure investments such as pole replacements, substation equipment replacements, and generation reliability. Approximately \$320 million supported gas infrastructure investments such as pipeline replacements and high pressure regulator replacements.

If you have any further questions, do not hesitate to contact me or Brian Cherry, our VP of Regulatory Relations.

Renée C. Samson

Director, Regulatory Affairs

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