

From: Bruno, Kenneth
Sent: 10/24/2013 4:52:48 PM
To: Doll, Laura (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=LRDD)
Cc: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7); Malashenko, Elizaveta I. (elizaveta.malashenko@cpuc.ca.gov); Cooke, Michelle (michelle.cooke@cpuc.ca.gov); Sharp, Shelly (/O=PG&E/OU=Corporate/cn=Recipients/cn=SSM3); Clanon, Paul (paul.clanon@cpuc.ca.gov)
Bcc:
Subject: RE: PG&E funding of SED consultants

Laura – Thank you for the confirmation of PG&E's increased commitment related to the GRC consultant work. Although the contracts were extended to the end of the current fiscal year (June 2014) we anticipate that most of the work should be completed by the end of the calendar year. I'll keep you posted. Thanks again.

Kenneth Bruno

Supervisor – Risk Assessment Section

Safety and Enforcement Division

California Public Utilities Commission

kenneth.bruno@cpuc.ca.gov

(415) 703-5265

From: Doll, Laura [mailto:LRDD@pge.com]
Sent: Thursday, October 24, 2013 4:03 PM
To: Bruno, Kenneth
Cc: Sharp, Shelly; Malashenko, Elizaveta I.; Cherry, Brian K
Subject: RE: PG&E funding of SED consultants

Ken

This email confirms that PG&E commits to fund the SED safety consultant costs up to a total of \$1.4 million.

We share your hope that the amount will not exceed \$1.329 million. We also assume the funding will conclude by the end of 2013.

Regards

Laura

From: Bruno, Kenneth [<mailto:kenneth.bruno@cpuc.ca.gov>]
Sent: Thursday, October 24, 2013 9:08 AM
To: Doll, Laura
Subject: RE: PG&E funding of SED consultants

Hi Laura - Although we do not expect to go over the full contract amount of \$1,328,866 my suggestion of a "slight buffer" was just in case something comes up related to the invoice processing and accountability. Since you are likely seeking approval from your top executives, it's probably better to ask now than have to burden them again to account for any unforeseen issues. I would anticipate that a commitment of \$400,000 would be more than sufficient to complete the work and provide for this buffer in the event of an unforeseen invoicing/accounting issue. Please let me know if you have any questions. Thank you,

Kenneth Bruno

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Safety and Enforcement Division

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(415) 703-5265

From: Bruno, Kenneth
Sent: Wednesday, October 23, 2013 4:53 PM
To: Doll, Laura (LRDD@pge.com)
Cc: Malashenko, Elizaveta I.; Sharp, Shelly (SSM3@pge.com)
Subject: PG&E funding of SED consultants

Hi Laura – The contracts of the consultants that SED hired to complete the safety and underlying risk review of PG&E's 2014-TY GRC total approximately \$1,328,866. This amount exceeds the initial amount that PG&E committed as stated in the PG&E March 16th 2012 reply letter from Tom Bottorff to Paul Clanon by \$328,866. As offered in the attached letter by Mr. Bottorff, SED respectfully requests an increased commitment from PG&E for this difference (and perhaps a slight buffer amount) as work to date has already exceeded this \$1 Million dollar threshold and additional invoices are outstanding as well as additional work as specified in the contracts. Please let me know if you require in additional information. Thank you,

The reference information is as follows:

- On March 5, 2012, Paul's letter directed PG&E to fund independent consultants at shareholder expense

<http://www.cpuc.ca.gov/NR/rdonlyres/FADAFEB8-55DD-472D-9402-F02CE63F795D/0/CPUCLettertoPGE030512.PDF>

- On March 16, 2012 Tom Bottorff of PG&E replied that they would initially commit \$1 Million dollars of shareholder funds for the review and to notify him if that amount is inadequate (letter attached)

Kenneth Bruno

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