Attachment K

Letter from PG&E to Dr. Virgil Adkins of the Bureau of Indian Affairs disclosing PG&E's intent to purchase property



Power Generation

245 Market Street San Francisco, CA 94105

Mailing Address Mail Code N11D P.O. Box 770000 San Francisco, CA 94117

September 4, 2009

Dr. Virgil Akins, Superintendent Bureau of Indian Affairs Northern California Agency 1900 Churn Creek Road, Suite 300 Redding, CA 96002-0292

Dear Dr. Akins:

Pursuant to your request during our discussion on July 30th, 2009, I am writing to clarify PG&E's intentions regarding the BIA's land and the decommissioning related to the Kilarc-Cow Creek Hydroelectric Project (FERC License No. 606) and license surrender application.

Currently, PG&E is researching the possibility of purchasing the parcel on which the penstock to the Cow Creek powerhouse is located by having an appraisal prepared on the subject property. Once that appraisal is complete, we plan on making an offer consistent with the guidelines you mailed to us in June. We anticipate the appraisal process will take approximately four weeks to complete. Based on the appraisal we would then send an offer to purchase the land.

If you have any further questions or need additional information from PG&E at this time, please contact me at 415-973-7465, or LxWt@pge.com.

Sincerely,

Lisa Whitman Interim Project Manager