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VIA FEDERAL EXPRESS

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Peter Brundage
Executive Officer
Sacramento Local Agency Formation Commission
1112 I Street, Suite 100
Sacramento, CA 95814

Nancy C. Miller
Miller, Owen & Trost
428 J Street, Suite 400
Sacramento, CA 95814

Re: Memorandum Regarding Eminent Domain Valuation Methodologies

Dear Mr. Brundage and Ms. Miller:

Pursuant to the Sacramento Local Agency Formation Commission's request, enclosed is a memorandum assessing Pacific Gas and Electric Company's and Sacramento Municipal Utility District's submissions regarding eminent domain valuation methodologies. Please call me with any questions.

Very truly yours,

Davis Wright Tremaine LLP

Steven F. Greenwald

Enclosure