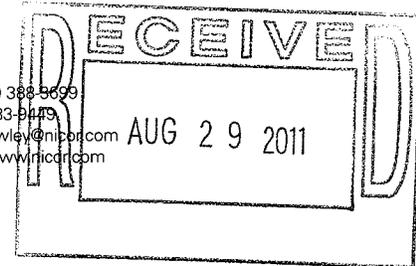




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August 23, 2011

Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37

To Whom It May Concern:

I am writing in connection with the PCAOB's evaluation of the requirement for mandatory rotation of audit firms by public companies.

I completely agree with the PCAOB's objective of ensuring auditor independence and maintenance by auditors of appropriate levels of objectivity and professional skepticism. Having been on both sides of the situation (as an audit partner, a Fortune 500 and 1000 CFO, and chair of a public company audit committee), I also believe that, in the vast majority of situations, such conditions are adequately addressed in existing standards and am very concerned that consideration of mandatory rotation of audit firms is a wonderful theoretical solution looking for a nonexistent problem.

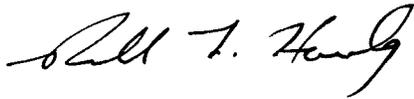
My issues with the proposal are many. First, it presumes the company boards and management, who bear significant liability for inaccurate financial statements, are not capable of selecting audit firms that will live up to professional standards, and are in need of government assistance in making a change when necessary. I don't believe there is any significant evidence suggesting that is the case.

Second, and probably most important, is the fact that requiring rotation will have the opposite effect on the quality of audits and financial statements. Professional skepticism is best employed by knowledgeable parties. That knowledge comes over time, especially when dealing with large public companies. Mandatory rotation of firms, and the institutional knowledge built up over time that is available to those firms' auditors, is not a way to improve the understanding of a company's operations.

Third, such a proposal presents an unnecessary diversion to boards and management teams. Experience on both sides of the rotation process tells me that the costs, in time and money, associated with evaluating, selecting and educating new auditors on a rotating basis will be significant. I have no objection to same when benefits follow, but the idea of paying more for an inferior product leaves me cold.

My last objection to this proposal is that it is built on the faulty premise that somehow the real audit work is performed by firms rather than the people within those firms. Existing rules governing personnel rotation, training, etc. are in place to ensure audit professionals are independent, objective and employ appropriate professional skepticism. If the PCAOB believes a problem actually exists in those areas, look to those rules; do not insert yourself into areas best left to the boards and management of public companies.

Very truly yours,

A handwritten signature in black ink, appearing to read "Richard L. Hawley". The signature is written in a cursive, flowing style with a prominent initial "R".

Richard L. Hawley

cc: Russ M. Strobel