

From: [Redacted]  
Sent: 4/7/2010 5:57:24 PM  
To: 'as2@cpuc.ca.gov' (as2@cpuc.ca.gov)  
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Rubin, David (/O=PG&E/OU=Corporate/cn=Recipients/cn=DER1)  
Bcc:  
Subject: PG&E SunWheel/VNEM Update

Andy:

Since PG&E met with you and Energy Division staff regarding VNEM, David Rubin has had follow-up discussions with Mike Steinbaum at Sunwheel regarding those elements of his letter to you dated February 15, which had to do with: 1) how to address systems that are not, or would not, be directly connected to a service delivery point under VNEM, or to a specific account under NEM.metering; 2) a proposal by which separate solar systems could be connected by the owner through their own facilities, and use only a single GNOM, and 3) metering costs and requirements under VNEM.

The last item is being addressed through AL 3638-E, filed with the Commission on March 24, 2010. Regarding the second item, we communicated to Mike that the proposal is acceptable under current tariffs (w/o a change).

Regarding the first item, the approach that we have discussed -- loosely labeled QVNEM ("quasi-VNEM") -- would provide the system owner with a cash payment for the power on a cents/kwh basis, where this payment could then be allocated to the landlord and tenants according to some pre-determined allocator. Mike expressed interest in the approach, as his main driver is to figure out a means by which tenants could receive financial benefit from the MASH projects. The issue that we are trying to solve is the basis for the fair compensation. David and his team are planning to talk with SunWheel on Friday to refine alternatives. We hopefully will have something more specific to update you with by early next week.

Thanks,

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Regulatory Relations

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