

From: Fulcher, Jack  
Sent: 9/15/2010 5:48:08 PM  
To: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1)  
Cc: Ikle, Judith (judith.ikle@cpuc.ca.gov); Fitch, Julie A. (julie.fitch@cpuc.ca.gov);  
Kahlon, Gurbux (gurbux.kahlon@cpuc.ca.gov); Roscow, Steve  
(steve.roscow@cpuc.ca.gov); Clinton, Jeanne (jeanne.clinton@cpuc.ca.gov);  
Sterkel, Merideth "Molly" (merideth.sterkel@cpuc.ca.gov)  
Bcc:  
Subject: RE: Mitchell Shapson

Thanks, Erik. When you respond to these questions, please clarify your statement regarding investments "in PEC I, PEC II,..." since these are your newly-created affiliates, according to your advice letters, formed to make investments in energy companies such as SunRun and SolarCity. If you think these are not actually investments, please clarify why, and what these money outlays actually are, in your answers.

Thanks, Erik. Jack

**From:** Jacobson, Erik B (RegRel) [mailto:EBJ1@pge.com]  
**Sent:** Wednesday, September 15, 2010 5:21 PM  
**To:** Fulcher, Jack  
**Subject:** RE: Mitchell Shapson

Jack,

Thanks for the information. I'm sure we will want to have further discussions with you and the right folks from legal about the application of Rule 1A. With respect to the financial information, I am assuming that you want that information for SolarCity and SunRun. Just to be clear, PG&E Corporation has invested in PEC I, PEC II and SunRun Solar Pacific. PG&E Corporation is not making investments in either SolarCity or SunRun. Nevertheless, I have told folks on our end, that what you are looking for is the financials for SolarCity and SunRun.

Erik

**From:** Fulcher, Jack [mailto:jack.fulcher@cpuc.ca.gov]  
**Sent:** Wednesday, September 15, 2010 12:40 PM  
**To:** Jacobson, Erik B (RegRel); Fitch, Julie A.; Kahlon, Gurbux; Clinton, Jeanne; Roscow, Steve; Sterkel, Merideth "Molly"; Ikle, Judith

**Subject:** Mitchell Shapson

Hi Erik. Just to let you know, I finally got to sit down with Mitchell, per your suggestion, and it turns out he hasn't done much work on the affiliate rules; he has never had to interpret or apply the several provisions of Rule I.A. However, consistent with what I've heard from others here, he stresses that, however we decide to apply this rule, it is important that we have information about the companies in which the holding company is making investments. As the Romans say, it's a *sine qua non*.

Hope you're having a great day, Erik. Jack