

From: Allen, Meredith
Sent: 10/19/2010 11:03:29 AM
To: 'Schwartz, Andrew' (andrew.schwartz@cpuc.ca.gov)
Cc:
Bcc:
Subject: RE: High Planes and Manzana

Hi Andy,

No problem. I figured you must be swamped.

The issue with High Plains Ranch is that Sunpower did not inform us that they planned to seek the DOE loan guarantee and ITC cash grant until very recently. We asked them a few weeks ago to extend the final and non-appealable date in the PPA until next year to allow more time for approval and they informed us that they needed approval this year given the ARRA deadline for the ITC cash grant.

While I don't think it is a significant price driver, we have contacted Sunpower to ask them for a price reduction, if they do obtain these benefits. We haven't heard back yet but I hope to have an update this afternoon. As you mention, the price is good but I think it is worth raising the issue with them.

We can discuss whenever you get a chance. I'm around all afternoon.

Thanks,
Meredith

From: Schwartz, Andrew [mailto:andrew.schwartz@cpuc.ca.gov]
Sent: Tuesday, October 19, 2010 10:45 AM
To: Allen, Meredith
Subject: High Planes and Manzana

Hi, Meredith,

I know I owe you a phone call. Sadly work has not been providing the opportunity to "ease back into things" and instead has been full bore since I got back. Anyway, hope you're well. I have a question regarding the High Planes Ranch PPA, related to ARRA funding/support the project may receive. Does the pricing reflect an assumption that the project gets that support? If not, just curious why not and what the magnitude of that might be were it included in the price. That said, it does seem like a pretty reasonably priced contract, so this may not be a big deal, but I view it in a lot of ways in the same way we view the ITC and PTC...that the reduced costs resulting from these programs should flow through to ratepayers in reduced energy costs, or at least at some level, shared between ratepayers and the developer.

Are you around this afternoon. I'd like to talk about this and Manzana.

Thanks,

Andrew Schwartz

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