

From: Bawa, Niki
Sent: 10/18/2010 4:27:46 PM
To: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe)
Cc: Simon, Sean A. (sean.simon@cpuc.ca.gov)
Bcc:
Subject: SunPower HPR III

Hi Meredith,

In regards to our conversation earlier today regarding parties' assumption of receiving an ITC in the HPR III contract, I went through the amended pro forma HPR III contract and saw that reference to the Investment Tax Credit had been specifically deleted when coming to a final contract. Articles 1.64, 1.121, 1.17, 1.167, and 11.1 exclude the term Investment Tax Credit (see attached). This is in contrast to the HPR II AL (AL 3318-E) and Resolution E-4229 which included references to the HPR II project obtaining an ITC. Therefore, it seems that the HPR III contract price assumed there would not be an ITC or ARRA funding as neither was referenced during negotiations or within the contract. Please call if you would like to discuss further.

Niki

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