December 13th, 2010 **Advice 3170-G/3763-E** CPUC Energy Division Tariff Files, Room 4005 DMS Branch 505 Van Ness Avenue San Francisco, California 94102 Facsimile: (415) 703-2200 E-mail: jnj@cpuc.ca.gov and mas@cpuc.ca.gov

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Protest of CAlifornians for Renewable Energy, Inc. (CARE)

On November 22, 2010 Pacific Gas and Electric Company ("PG&E") notified the Commission "of the formation of a new affiliate "Sequoia Pacific" under Rule II.B of the Affiliate Transaction Rules Rule VI. B." which specifically requires that "Upon creation of a new affiliate, which is addressed by these Rules, the utility shall immediately notify the Commission of the creation of the new affiliate, as well as posting notice on its electronic bulletin board. No later than 60 days after the creation of this affiliate, the utility shall file an advice letter with the Energy Division of the Commission, served on parties to this proceeding. The advice letter shall demonstrate how the utility will implement these Rules with respect to the new affiliate. "

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Introduction

In PG&E's November 22, 2010 Advice 3170-G/3763-E it states with emphasis added:

"Sequoia Pacific Solar I, LLC On September 21, 2010, PG&E Corporation's subsidiary, Pacific Energy Capital III, LLC ("*PEC III*"), acquired a membership interest in Sequoia Pacific Solar I, LLC, a Delaware limited liability company ("Sequoia Pacific"). Sequoia Pacific is an affiliate of Pacific Gas and Electric Company and it is subject to the Affiliate Transaction Rules under Rule II.B thereof because it is active in the electric energy business as a provider of residential rooftop solar energy installations. PEC III's investment in Sequoia Pacific is funded by PG&E Corporation shareholders

Description of the Investment

Under Sequoia Pacific's limited liability company agreement, *PEC III will* provide \$120 million in capital for approximately 23 megawatts of residential and commercial solar energy installations within and outside of PG&E's service territory in 2010 and 2011. As the owner of the installations, Sequoia Pacific will be entitled to the related host customer payments. *PEC III will receive a share of* the cash flows generated by Sequoia Pacific as well as federal investment tax credits and other tax benefits. *PEC III's investment in Sequoia Pacific is of a type* usually characterized as a "tax equity investment."

The managing member of Sequoia Pacific will be Sequoia Pacific Member I, LLC (the Managing Member), an affiliate of SolarCity Corporation ("SolarCity") and a provider of residential solar sales, marketing, financing and monitoring services

The Managing Member will also manage the solar energy projects. The host customers will receive the energy generated by the projects and those customers who reside in PG&E's service territory will participate in PG&E's Net Energy Metering Program

Sequoia Pacific also has a Maintenance Services Agreement with SolarCity, where under host customers will work directly with SolarCity employees for billing, installation and upkeep of their PV systems. "

Protest

CAlifornians for Renewable Energy, Inc. (CARE) respectfully protests since we allege

this new "affiliate" that PG&E proposes is not a mere "passive financial investment" but an

unlawful attempt to game the market of third party solar integrators. On March 3, 2010 CARE

Protested PG&E's Advice 3091-G/3616-E submitted by PG&E on February 11, 2010 to form another alleged so-called joint venture "affiliate" called Pacific Venture Capital, LLC PG&E Corporation changed the affiliate classification of an existing entity, Pacific Venture Capital, LLC, to a Rule II.B affiliate on December 17, 2009. Pacific Venture Capital, LLC, is being activated to establish and manage a portfolio of passive financial investments in growing energy and telecommunications companies.

In response to our March Protest we received letter sent by Julie A. Fitch, Director

Energy Division on July 7, 2010 to Pacific Gas and Electric Company, Attn: Jane K. Yura

Vice President, Regulatory Relations. This letter states:

The advice letter concerns a change to the classification of an existing entity, Pacific Venture Capital, LLC. According to PG&E, Pacific Venture Capital has investments in Banyan SolarCity Owner 2010, LLC (Banyan), a subsidiary of SolarCity Corp. (Solar City). Although PG&E states that is has classified Pacific Venture Capital as an affiliate subject to Rule II.B of the affiliate transaction rules, PG&E contends that Banyan and Solar City are not affiliates pursuant to the definition of affiliate in Rule I.A.

The advice letter does not adequately explain how the utility will ensure compliance with the Affiliate Transactions Rules, or why these rules should not apply to Banyan or Solar City. After several inquiries, the staff does not have the required information to approve the advice letter. Furthermore, CARE's protest raises significant controversial policy issues, in addition to the affiliate rules, that should be addressed by the Commission.

Accordingly, the Energy Division rejects Advice 3091-G/3616-E without prejudice, for the reasons stated above. We suggest that PG&E file an application for the approvals requested and for any subsequent transactions that may be similar to this advice letter.

PG&E is playing an Enron type shell game through the creation of unregulated joint venture affiliates

It appears to CARE that PG&E is playing an Enron type shell game through the creation

of unregulated joint venture affiliates to gain market share over PV solar integration and third-

party owned PV solar systems within its own service territories where it acts as the program

administrator under the CSI and SGIP rebate programs funded by the state. Essentially

irrespective of the ED's ruling against them PG&E continues to create so-called joint venture PV

solar affiliates including those listed below on PG&E's website for Affiliate Transactions¹

On October 13, 2010, PG&E Corporation changed the name of PG&E Ventures, LLC to PCG Capital, Inc.

Posted on October 14, 2010*

PG&E Corporation has formed a new Rule II.B affiliate, Sequoia Pacific Solar I, LLC. Sequoia Pacific Solar I, LLC is being formed to own and manage solar photovoltaic projects with host customers in a variety of states

Posted on September 21, 2010*

PG&E Corporation formed a new Rule II.B affiliate, SunRun Pacific Solar LLC. SunRun Pacific Solar LLC is being formed to own and manage solar photovoltaic projects with host customers in a variety of states.

Posted on June 2, 2010*

On May 7, 2010, PG&E Corporation formed three new affiliates; Pacific Energy Capital II, LLC, Pacific Energy Capital III, LLC, and Pacific Energy Capital IV, LLC. Additionally, PG&E Corporation has changed the name of Pacific Venture Capital, LLC to Pacific Energy Capital I, LLC.

Pacific Energy Capital II, LLC, Pacific Energy Capital III, LLC and Pacific Energy Capital IV are being formed to establish and manage a portfolio of passive financial investments in growing energy companies. Pacific Energy Capital I, LLC has not changed its business description. All four entities are Rule II.B affiliates.

Posted on May 7, 2010

On December 17, 2009, PG&E Corporation changed the affiliate classification of an existing entity, Pacific Venture Capital, LLC, to a Rule II.B affiliate.

Pacific Venture Capital, LLC is being activated to establish and manage a portfolio of passive financial investments in growing energy and telecommunications companies.

Posted on December 17, 2009

This Advice 3170-G/3763-E move is to add an additional 120 million dollars in capital to

its already committed investment of 100 million dollars to Solar City and likewise with SunRun,

which we see as a conflict of interest with PG&E's role as Project Administrator of the California

^{1*} Designates that CARE was not notified of this PG&E advice letter filing with the Commission. Also see source at: http://www.pge.com/about/rates/affiliate/ and for current PG&E website postings of affiliate's transactions.

Solar Initiative in which Solar City is one of hundreds of solar installers whom PG&E monitors, provides incentives and interconnection permits and sign-offs for. In fact, Solar City's current PPA installations are on the customer side of the meter with Solar City receiving both the incentives and the Net Energy Metering credits. So that PG&E's ratepayers are paying PG&E for both the incentives and the Net Metering. PG&E would be "double dipping," by getting dividends or growth from its ratepayer's payments and from Solar City's profits. However Solar City can easily move in to the wholesale PPA side of the market and use its affiliation with PG&E to its competitive advantage. Solar City will in fact displace current IBEW workers. Therefore, because PG&E's new Venture Capital affiliate will become part owner of Solar City, and PG&E shareholders will benefit from profits which SolarCity derives from both CSI ratepayer funded incentives and from ratepayer subsidized Net Energy Metering credits, there is real or perceived conflict of interest.

PG&E has effectively stopped the competition of homeowners owning their systems

PACE means Property Assessed Clean Energy, a bipartisan initiative at the local level that creates permanent jobs in our communities and makes our nation more energy secure by encouraging energy efficiency and use of renewable energy in our homes and commercial buildings. PACE is voluntary and based in our communities, not mandated by Washington. It provides long term funding from private capital markets at low cost and needs no government subsidies or taxes. PACE raises property values by making buildings less expensive to heat and cool and it enjoys broad bipartisan support nationwide at state and local levels. In just two years, PACE enabling legislation has been adopted in CA, CO, FL, GA, IL, LA, MA, ME, MD, MN, MO, NV, NH, NM, NY, NC, OH, OK, OR, TX, VT, VA, and WI.

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PACE emerged in 2008 with a pilot program in California and quickly caught the attention of communities around the country. In just two years, enabling legislation was passed in 23 and is being considered in nearly 20 more. Early California programs in Sonoma County and Palm Desert were soon followed by ones in Boulder County, CO and in Babylon, NY. Before programs were stopped by the Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac, over 2,000 homes and commercial buildings had used PACE to finance efficiency and renewable energy projects.

Pacific Ventures went ahead and invested 100 million in SunRun, and now those two companies, SolarCity and SunRun have lobbied Fannie Mae and Freddie Mac and they have had the PACE programs stopped, and this means that through their affiliate investment, PG&E has effectively stopped the competition of homeowners owning their systems, and has left the field wide open for SolarCity and SunRun leases and PPAs. Michael Swartz of Hennigan, Bennett & Dorman, LLP prepared a white paper dated February 18, 2010 titled "A White Paper on PACE Loans ...²² This White Paper is a separate attachment 1. The tables turned against PACE in May when Fannie Mae and Freddie Mac barred lenders from writing mortgages for PACE homes. PACE programs, which allow homeowners to borrow money for energy-efficiency improvements, raise money through government-sponsored bonds and allow homeowners to repay the money through special assessments on property tax bills. The mortgage giant had initially been supportive of the program, but changed its mind and complained the assessments, or liens, took priority over its mortgages in the event of defaults.

A blow came in July when the mortgage regulator Federal Housing Finance Agency released a list of specific PACE concerns. The agency took issue with PACE's first-lien priority,

²See

http://pacenow.org/documents/PHJW%20PACE%20White%20Paper%205.28.10%20%28final%29.pdf

but also argued that the program lacked standards for underwriting, consumer protection and energy remodeling. The objections sparked lawsuits in California and from the Long Island town of Babylon after most of the PACE programs in 23 states suspended operations.

The reversal on PACE came after months of backroom negotiations failed to budge regulators. Supporters say they offered numerous concessions, including an offer from the White House to cover any PACE loses during a trial period. The offer was rejected. The future of PACE now rests with a federal court or with Congress. California, Attorney General Edmond Brown Jr. filed suit also in July claiming Fannie Mae, Freddie Mac and the FHFA are taking away the rights of municipalities to raise money through special tax assessments.

Several people following the inner workings of the PACE debate says lobbying was fierce, particularly from solar-power financier SunRun, which passed around the attached white paper calling PACE loans unconstitutional. The Mortgage Bankers Association was equally active, both on the federal and state levels.

The Commission's failure to exercise appropriate oversight over utility affiliates creates a culture of corruption ripe for organized crime to exploit

The public's perception of the Commission's oversight of utilities like PG&E is one of skepticism. As stated in a recent SF Chronicle article titled *San Bruno blast victims skeptical of PUC oversight* "The PUC has been criticized in the past three months for taking what critics call a hands-off approach with the pipeline operator, Pacific Gas and Electric Co., not closely watching the company's safety efforts and opting not to issue fines to the company for missteps." Demonstrating the mistrust of the CPUC regulatory oversight the article quotes one of the San Bruno pipeline explosion's victims.

Many who listened to Clanon said they did not trust the PUC. They included Bill Magoolaghan, whose home was gutted in the blast. He now has a roof and

exterior walls, but little else and is living with his family in a rental while working with his insurance company to figure out how to rebuild.

"They almost seem like they're in bed with PG&E," Magoolaghan said of the PUC. "It's like being best friends with your kid. That's not a good relationship. They're going to walk right over you."

This failure to exercise appropriate oversight over utility affiliates creates a culture of

corruption which is ripe for manipulation including international organized crime as

demonstrated by the results of organized crime's fruit born by CPUC approval of Southern

California Edison's Advice Letter 1452-E³ submitted on May 12, 2000 for "Implementation of

Affiliate Transaction Rules With Respect to Four Recently-Created Affiliates". The filing lists:

New Affiliate Name, Italian Vento Power Corporation 4 S.r.l. Date this affiliate was created: March 15, 2000

Headquarters: via Circumcallazione

83100 Avellino, Italy Primary Officers (Directors): Marco Ferrando, Clive Warden (EME representatives)

James Houston, (partners representative)

Brain Caffyn, (partners representative)

Oreste Vigorito (partners representative)

Contact for CPUC: James A. Kelly, (626) 302-2284

Intended Function: To build, own and operate wind power plants in

Italy for the purpose of selling electricity at a profit.

One of these affiliates approved by the Commission, Italian Vento Power Corporation 4

S.r.l. and Oreste Vigorito have been demonstrated to be connected to the Mafia.

On February 17, 2009, the Organized Crime Section of Provincial Department's Detective unit of the Italian police concluded their investigation⁴ [which is attachment 2], the results of its investigation in to the "*political and entrepreneurial dynamics concerning the*

³See http://www.sce.com/nr/sc3/tm2/pdf/1452-e.pdf

⁴ Trapani lì, 17.2.2009, comunicato stampa, Operazione Antimafia "EOLO"

From this link: www.televallo.it/comunicato%20operazione%20eolo.doc

Translated to English using Italian to English translation tool: http://www.freetranslation.com/

accomplishment of "wind parks" in Sicily" commenced at the request of the anti-mafia Attorney's office (P. M. To. Cartosio –P. Padua). [pg. 1.] *This report describes offenses of "prisoners" "to the family mafia member of Mazara of the Rampart the economical control of activity, of authorizations, contracts and public services in the area of the electric production of energy by means of wind installations as well as to the political exchange of vows – mafia member." [pg. 2.] Actions taken by mafia members include the removal of a strongbox with a document given back to concurrent society "SUDWIND" for the purposes of providing "advantageous conditions" [pg. 2.] Consistently favored by criminal endeavors is "South Wind s. r. l." [pg.2.] A parallel investigation conducted by Anti-Mafia prosecutors in Sicily, "Gone with the wind" resulted in the arrest of Oreste Vigorito", of Italian Vento Power Corporation 4 S.r.l., on November 10, 2009. Italian Police seized seven IVPC projects. Financial Times reports that these wind developers build wind projects that fail to produce energy, yet developers still collect public subsidies. [F.T.]⁵*

Oreste Vigorito was identified by Southern California Edison as "partners representative", and a newly created affiliate of SCE on March 15, 2000. The intended function: "To build, own and operate wind power plants in Italy for the purpose of selling electricity at a profit. [SCE Advice Letter 1452-E]

Sud Wind srl, Eight arrested in Sicily for allegedly interfering with wind plant tender call according to Windpower Monthly Magazine, 01 March 2009, 12:00am, Eight have been arrested in Sicily for allegedly interfering with a tender call for wind farm construction in

http://search.ft.com/search?queryText=Oreste+Vigorito+Vito+Nicastri&ftsearchType=type_news This is a copy of the Financial Times article as they archive for members only.

⁵ Financial Times:

http://redneckusa.wordpress.com/2009/11/12/president-of-italian-wind-energy-association-arrested-for-fraud/

Mazara del Vallo, near Trapani on the western tip of the island. Taken into custody were

suspected members of a crime syndicate, politicians, civil servants and businessmen. Corrupt

officials are accused of receiving money and luxury gifts including a Mercedes-Benz in exchange

for allowing Italian company **Sud Wind Srl**, allegedly favoured by a local crime group, to..."⁶

Financial Times:⁷

"Gone with the wind", mounted by the finance ministry's anti-fraud police, started in 2007 and began by blocking public subsidies worth \notin 9.4m (\$14m, £8.4m) granted by the ministry for economic development. Last year police confiscated seven wind farms with 185 turbines in Sicily linked to IVPC.

Anti-Mafia prosecutors in Sicily have launched a parallel investigation. The Financial Times was told in April that a large number of wind farms had been built with public subsidies but had never functioned.

Police said yesterday they had sent requests for documentation to five foreign companies – two in the Netherlands and three in Spain – that were linked to IVPC. Other companies in Ireland and the UK, said to be Italian affiliates of IVPC, have been asked by Italian authorities to provide information.

Oreste Vigorito, head of the IVPC energy company and president of Italy's National Association of Wind Energy, was arrested on Tuesday in Naples. Vito Nicastri, a Sicilian business associate, was arrested in Alcamo, Sicily.

Europe: Italian wind leader charged with fraud

Windpower Monthly Magazine, 01 December 2009, 12:00am, "Oreste Vigorito,

managing director of leading Italian wind developer Italian Vento Power Corporation (IVPC)

and a pioneer of the country's wind industry, was arrested on November 10."8

Anti-mafia police make largest asset seizure by Guy Dinmore in Rome Published:

September 14 2010 "Italian anti-mafia police have made their largest seizure of assets as part of

an investigation into windfarm contracts in Sicily. Officers confiscated property and accounts

valued at €1.5bn belonging to a businessman suspected of having links with the mafia...Roberto

⁶ See http://www.windpowermonthly.com/news/login/959998/

⁷ http://redneckusa.wordpress.com/2009/11/12/president-of-italian-wind-energy-association-arrested-for-fraud/

⁸ http://www.windpowermonthly.com/news/login/970563/

Maroni, interior minister, on Tuesday accused the businessman - identified by police as Vito Nicastri and known as the island's "lord of the winds" - of being close to a fugitive mafia boss, Matteo Messina Denaro...General Antonio Mirone, of the anti-mafia police, said the seized assets included 43 companies - some with foreign participation and mostly in the solar and windpower sector - as well as about 100 plots of land, villas and warehouses, luxury cars and a catamaran. More than 60 bank accounts were frozen...Until his arrest last November, Mr. Nicastri, based in the inland hill town of Alcamo, was Sicily's largest developer of windfarms, arranging purchases of land, financing and official permits. Some projects were sold through intermediaries to foreign renewable energy companies attracted to Italy by generous subsidy schemes...In an interview with the Financial Times at his head office in Alcamo last year, Mr. Nicastri denied any wrongdoing and welcomed police probes. "It is like going to the hospital and having check-ups and you come out without doubts about your health," he said...Police confirmed that Mr. Nicastri, 54, had been released after his arrest on suspicion of fraud last year and had not been re-arrested. Italy's tough anti-mafia laws give authorities powers unparalleled in Europe to seize assets as a precautionary measure... The police statement said Mr. Nicastri was suspected of being close to mafia gangsters, and that investigations had revealed that Sicily's *Cosa Nostra* and Calabria's '*Ndrangheta* had infiltrated Sicily's renewable energy sector...Mr. Nicastri was not immediately available for comment but a colleague in his Alcamo office called the seizures an "injustice"... The renewable energy sector is under scrutiny across much of southern Italy. Some windfarms, built with official subsidies, have never functioned...A separate probe in Sardinia has involved political allies of Silvio Berlusconi, prime minister. They have denied bribing officials to win tenders...Mr. Berlusconi's government is proud of its record of cracking down on the mafia, seizing more than €10bn in assets and arresting more than 5,800

suspects since taking office in May 2008...While commending Mr. Maroni's tenure, critics, including prominent anti-mafia magistrates, have attacked legislation seen to favour the mafia, such as last year's tax amnesty and proposed restrictions on police use of wiretapping...Mr. Nicastri sold most of his windfarm projects to IVPC, a company near Naples run by Oreste Vigorito, also president of Italy's windpower association. Mr. Vigorito was also arrested last November on suspicion of fraud and later released. He denied wrongdoing."⁹

Italy Seizes Mafia-Linked Assets Worth \$1.9 Billion, **September 14, 2010**, 6:02 AM EDT by Lorenzo Totaro "Sept. 14 (Bloomberg) -- Italian police today seized 1.5 billion euros (\$1.9 billion) in assets belonging to a Sicilian businessman linked to the Mafia in the country's biggest haul against organized crime, Interior Minister Roberto Maroni said.... "It was the biggest seizure of assets" in Italian history, Maroni said in a television interview on "Mattino Cinque" on Mediaset SpA's Canale 5. The businessman, based in the Sicilian city of Trapani, is "close to the Mafia boss Matteo Messina Denaro, currently at large," Maroni said.... A statement by anti-Mafia investigators in Rome identified the businessman as Vito Nicastri, who works in alternative- energy production. He has not been arrested. His seized assets include more than 100 properties, 43 companies operating mainly in the wind-power industry, luxury cars, a 46-foot catamaran, bank accounts and securities, according to the statement...Italian police seized 15 billion euros in assets from organized crime groups in the 14 months through August, Maroni said on Aug. 15. Among the seizures was Rome's Café de Paris, famous for appearing in Federico Fellini's 1960 film "La Dolce Vita." Investigators said the café was owned by the Calabrian 'Ndrangheta mafia."¹⁰

The Independent, Mafia's dirty money linked to clean energy by Michael Day in Milan

⁹See http://www.ft.com/cms/s/0/265e25ea-390c-11de-8cfe-00144feabdc0.html

¹⁰ See http://www.businessweek.com/news/2010-09-14/italy-seizes-mafia-linked-assets-worth-1-9-billion.html

16 September 2010 AP "Italian police say Matteo Messina Denaro, the Mafia's 'boss of bosses' is linked to the seized assets...After decades of drug-running, extortion and prostitution, the Mafia appears to have found a rather more ecological way of laundering their money: green power...And if the assets of the Italian police's latest target are any indication, the Mafia is embracing the renewable energy business with an enthusiasm that would make Al Gore look like a dilettante. The surprising revelation of organised crime's new green streak came as Italian police said vesterday they had made the largest recorded seizure of mob assets – worth €1.5bn (£1.25bn) - from the Mafia-linked Sicilian businessman Vito Nicastri, who had vast holdings in alternative energy concerns, including wind farms...Organised crime in Italy has previously been notorious for trading in environmental destruction – principally earning billions of euros by illegally dumping toxic waste. But most of the newly seized assets are in the form of land, property and bank accounts in Sicily, the home of Cosa Nostra, and in the neighbouring region of Calabria, the base of the rival 'Ndrangheta crime syndicate...Police said the operation was based on a 2,400-page investigative report and followed 54-year-old Mr. Nicastri's arrest last year. He has since been released without charge, and has denied wrongdoing. But General Antonio Girone, the head of the national anti-Mafia agency DIA, said that Mr. Nicastri, known as "lord of the winds", was linked to Matteo Messina Denaro, the fugitive believed to be the Sicilian Mafia's "boss of bosses"...Senator Costantino Garraffa, of the parliamentary anti-Mafia committee, said the Mafia was trying to break into the "new economy" of alternative energy as it sought to launder money earned from crime. The seizure of Mr. Nicastri's assets "confirms the interest that organised crime has in renewable energy, which several annual reports on environmental issues have already stressed," added Beppe Ruggiero, an official with the anti-Mafia association Libera... Generous subsidies have led to rapid growth in wind power in Italy in recent years. Mr.

Ruggiero said: "It is very important for this sector to stay far from Mafia activities." However, he stressed the need for renewable energy to develop in Italy's poorer South. "Investment in renewable energy should not be discouraged," he said, adding that the nuclear alternative would be "a losing choice"...*Recent estimates suggest the total annual turnover of Italy's main organised crime groups is around €100bn (£83bn), or 7 per cent of <u>GDP</u>. Officials, including the Bank of Italy governor, Mario Draghi, have argued that organised crime has perpetuated poverty in the south of the country."¹¹*

Bloomberg, Matteo Messina Denaro Forbe's "*The World's Ten Most Wanted Fugitives*". "The Italian mafia remains the most famous organized criminal group, and Matteo Messina Denaro has taken control of it. Denaro, nicknamed "Diabolic," was only emerging as a leader of the Italian mafia following the capture of Bernardo Provenzano when Denaro appeared on the first Forbes Most Wanted list two years ago. Since then arrests of other top mafia men leave no doubt that he is the new boss. The Italian mafia's playboy, Denaro is known for living a fast lifestyle, driving Porches and fancying Rolex watches. Mafia Inc. is believed to have done very well amid Italy's economic downturn and has been described as Italy's biggest corporation. On the flip side, Italian authorities have recently been making some high-profile arrests, including that of Denaro's brother."¹² Video News Coverage regarding the largest seizure of assets in the history of the Mafia.¹³

Conclusion

 $^{^{11}\,}See \,http://www.independent.co.uk/news/world/europe/mafias-dirty-money-linked-to-clean-energy-2080467.html$

¹² See http://www.forbes.com/2010/05/13/bin-laden-joaquin-guzman-dawood-ibrahim-business-world-most-wanted_slide_6.html

¹³ See http://bitterqueen.typepad.com/friends_of_ours/matteo-messina-denaro/

The advice letter does not adequately explain how the utility PG&E will ensure compliance with the Affiliate Transactions Rules, or why these rules should not apply to Sequoia Pacific or Solar City. Accordingly CARE requests the Commission deny with prejudice Advice 3170-G/3763-E, for the reasons stated above.

Respectfully submitted,

michael E. Boy of

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Separe Brown

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Verification

I am an officer of the Protesting Corporation (where applicable) herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except matters, which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 13th, 2010, at Soquel, California

michael E. Boyd

Michael E. Boyd – President, CARE CAlifornians for Renewable Energy, Inc. 5439 Soquel Dr. Soquel, CA 95073-2659 Tel: (408) 891-9677 E-mail: michaelboyd@sbcglobal.net

ATTACHMENT 1 A White Paper on PACE Loans This is a separate attachment

ATTACHMENT 2

Trapani lì, 17.2.2009, comunicato stampa, Operazione Antimafia "EOLO" Italian Police report This is a separate attachment