(/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=HOL1)

Bcc:

Subject: RE: A1011002 DRA PHC Statement

Sarah, as we discussed when you called back late yesterday after serving this Prehearing Conf statement, PG&E is disappointed that the joint parties chose to file this statement without informally discussing and seeking to resolve the issues raised in the statement directly with PG&E, as a followup to our expedited discovery responses and our informal joint party meeting on Monday. In particular, as you know, we have mutually discussed most of the issues raised in your PHC statement in some detail, including responding orally to questions on the details of the term sheet, and we expressly offered to answer any addit questions the parties might have. In addition, a couple of the issues raised in your PHC statement are brand new and to the best of my recollection have not been raised in any of the parties' data requests or in our informal meeting on Monday, e.g. the "fairness" of the proportional PG&E/customer financial interest in the project vs. the interest of SVTC and its investors (who after all are responsible for raising approx 92% of the 5-year public and private project funding compared to the contribution from PG&E's customers.) Also, as we discussed, we are not sure the basis of the claim in the PHC statement that PG&E submitted materials to its Board of Directors on the SVTC project, because our team has never submitted materials to PG&E's Board of Directors on the project.

Nonetheless, I very much appreciate that you returned my phone call yesterday and as we discussed, PG&E will be constructive and positive in our discussions in the PHC today, as we continue to seek an expedited decision by the Commission on the merits of this project which has the potential to leverage and bring over \$100 million in federal funding to Northern California for a cutting-edge solar PV manufacturing R&D facility.

Thanks!

Chris

----Original Message---From: Rojo, Rebecca [mailto:rebecca.rojo@cpuc.ca.gov] On Behalf Of legal\_support
Sent: Wednesday, January 12, 2011 3:11 PM
To: JRedacted \_\_\_\_\_\_\_ austin.yang@sfgov.org; blake@consumercal.org; cem@newsdata.com; Warner, Christopher (Law); Franz, Damon A.; douglass@energyattorney.com; hrasool@semprautilities.com; Bemesderfer, Karl J.; marcel@turn.org; matthew@turn.org; michaelboyd@sbcglobal.net; Stueve, Mary Jo; mrw@mrwassoc.com; Sterkel, Merideth "Molly"; ryany@greenlining.org; Thomas, Sarah R.; Walter, Stacy W (Law)

Cc: WebDra; Cox, Cheryl; Ashuckian, David

Subject: A1011002 DRA PHC Statement

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In case of problems with the e-mail or the attached document, contact the following person:

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