From: Peevey, Michael R.

Sent: 3/21/2011 3:44:04 PM

To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7);

Florio, Michel Peter (mike.florio@cpuc.ca.gov)

Cc:

Subject: RE: SmartMeter Opt Out

Please be careful, given the changes in Bagley-Keene, on these types of communication. For example, you cannot now speak, I believe, with the other two Commissioners on this subject. Having said that, my preference would be a slightly higher initial fee (which could be paid off over six months or one year) of \$250 and a monthly fee of \$10. Also, I thought another option to manually reading the meter was using a telephone line. No?

From: Cherry, Brian K [mailto:BKC7@pge.com]

Sent: Mon 3/21/2011 3:29 PM

To: Florio, Michel Peter; Peevey, Michael R.

Subject: SmartMeter Opt Out

I wanted to run this by both of you. We are looking at a \$200 + one time fee and a monthly charge of \$15 or so per month as an option for those not wanting a RF enabled smart meter (and have meter manually read). We can do higher charges and lower monthly fees, but we are looking for balance. This scenario also assumes little or no cross subsidy by other customers. I'm just looking for your initial reaction. We are trying to n ail things down by tomorrow for a Wednesday filing.