

From: Cherry, Brian K
Sent: 10/12/2011 5:45:48 PM
To: 'cab@cpuc.ca.gov' (cab@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW: Amended PG&E SVTC Application

Can we talk about this tomorrow ?

From: Warner, Christopher (Law)
Sent: Wednesday, October 12, 2011 05:42 PM
To: Cherry, Brian K
Cc: Johnson, Aaron
Subject: Amended PG&E SVTC Application

Brian, here is the amended PG&E application that we filed for the SVTC project, requesting a lower amount of ratepayer funding and reflecting the fact that SVTC has received an award of \$30M from DOE for which the \$9M in ratepayer funding is needed as partial match.

CJW

<<SVTCAmendAppl07-15-11.pdf>>

Pursuant to the April 6, 2011, email direction of the Administrative Law Judge, PG&E hereby files its amendment to Application (A.) 10-11-002. ("Amended Application").

The

purpose of the Amended Application is to reflect the reduced scope and revenue requirements

requested for the California Solar Photovoltaic Manufacturing Development Facility ("California

Solar PV MDF") in light of the U.S. Department of Energy's ("DOE's") decision to fund the

project at a level of \$30 million, instead of the \$98 million in federal funding originally requested and referenced in the original A.10-11-002.

The reduction in DOE funding means that PG&E's share of the costs of the project and investment in the project requested in the Application is reduced from \$19.8 million to \$9.9

million in after-tax support (from \$35.6 million to \$17.8 million in revenue requirements). The

DOE funding reduction also means that the scope of the project is reduced from the original

three phases proposed to DOE and described in the original Application, to one phase ("Phase

1a") focusing on silicon-only PV manufacturing development. PG&E's equity interest in the

project will be increased commensurately to reflect the ratio of its reduced \$9.9 million

contribution to the project to the reduced pre-money valuation of the project of \$40.5 million, thereby enhancing the potential for reimbursement of customer costs.

As a result of this Amendment to the Application, PG&E is requesting \$12.6 million and \$5.2 million in revenue requirements for 2012 and 2013, respectively, as the pre-tax customer contribution toward the matching funds required for the DOE award for the California Solar PV MDF. PG&E's contribution remains contingent on CPUC approval of PG&E's requests in this application and on SVTC Solar receiving the DOE grant funds, an agreement for which is expected contemporaneous with this Amendment. Pursuant to CPUC Rule 3.2(a)(3), the percentage increase in rates would not be in excess of one percent.