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August 7, 2001

VIA FACSIMILE AND U.S. MAIL

Kenneth Adelman 1365 Meadowridge Road Corralitos, California 95076-0356

Re: Disconnection Of Onsite Generation Being Operated Without Authorization In Parallel With PG&E's Electric Distribution System

Dear Mr. Adelman:

On August 4, 2001 PG&E notified you that you are operating your photovoltaic (PV) electric generating system in parallel with PG&E's distribution system without authorization and in violation of PG&E's California Public Utilities Commission-approved Electric Tariff Rule 21. We requested you to immediately disconnect your generation facility from our system and to not reconnect that facility, or any part of it, until you have received PG&E's express written permission as required by Rule 21 section B.1. We asked you to provide immediate written confirmation that you had complied with this request.

On Monday, August 6 you sent me a response indicating that you were not willing to disconnect your facility, despite PG&E's determination that your actions created a potentially hazardous condition on our system. We have reconfirmed with our engineers that until the requisite study of the impacts of your operation on our distribution system is complete, and all protective measures installed, operation of your generator creates a potentially unsafe operating condition on PG&E's system, posing a danger to you and your neighbors. The potential for an energized wire in close proximity to the ground caused by a fallen tree limb, for example, is a very real possibility if inadequate protection is in place for your generator.

This letter is to inform you that pursuant to its authority under Rule 21 section B.9 (permitting disconnection without notice to correct unsafe operating conditions) PG&E is taking steps to disconnect your generator immediately. You

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will not be permitted to operate in parallel with PG&E's system until you have received express written permission from PG&E as required by Rule 21.



As always, we remain open to working with you on an expedited basis to connect your facility at the 10 kW level. We would need to be assured, through further inspection, that your facility cannot deliver more than 10 kW to our system. This approach is based on your July 26 letter where you stated: "I am agreeing to limit the amount delivered into the grid to the maximum that your facilities will take (which you represent to be 10 kW), to give you time to study and upgrade your facilities. During this interim period, the system will be configured not to produce more than 10 kW in excess of what is required to meet my instantaneous load." As you have been previously advised, interconnecting at the 10 kW level does not require any upgrades to our system, and hence involves no cost to you. As to deliveries above 10 kW, we are willing to move forward with the study upon receipt of the study fee as previously communicated to you.

Again, PG&E regrets the need to write this letter, and to take the step of physically disconnecting your generating system but we have no alternative given your unilateral and unauthorized actions that are creating a potentially hazardous condition for you, your neighbors, and our system. If either you or your attorney wish to contact me, I can be reached at (415) 973-2286 or (415) 973-0516 (fax).

Sincerely,

Peter Ouborg

Attorney for Pacific Gas and Electric Company