

Pacific Gas and Electric Company
2010 AS-DELIVERED CAPACITY PRICES FOR QUALIFYING FACILITIES
 Effective January 1, 2010 ¹

| | Capacity ² Value \$/kw-year (a) | Capacity Allocation Factor ³ year/hr (b) | Capacity Loss Adjustment Factor ⁴ | | As-Delivered Capacity Price ⁵ | |
|--|---|---|---|---|---|---|
| | | | Transmission (c) | Primary & Secondary Distribution (d) | Transmission \$/kwh (e) = a * b * c | Primary & Secondary Distribution \$/kwh (f) = a * b * d |
| | | | | | | |
| With Time-of-Delivery Metering | | | | | | |
| Period A - Summer (May through October) | | | | | | |
| Peak | 39.390 | 0.0009999 | 0.989 | 0.991 | 0.038953 | 0.039032 |
| Partial-Peak | 39.390 | 0.0000268 | 0.989 | 0.991 | 0.001044 | 0.001046 |
| Off-Peak | 39.390 | 0.0000001 | 0.989 | 0.991 | 0.000004 | 0.000004 |
| Super Off-Peak | 39.390 | 0.0000000 | 0.989 | 0.991 | 0.000000 | 0.000000 |
| Period B - Winter (January through April, November and December) | | | | | | |
| Partial-Peak | 39.390 | 0.0001287 | 0.989 | 0.991 | 0.005014 | 0.005024 |
| Off-Peak | 39.390 | 0.0000008 | 0.989 | 0.991 | 0.000031 | 0.000031 |
| Super Off-Peak | 39.390 | 0.0000000 | 0.989 | 0.991 | 0.000000 | 0.000000 |
| Without Time-of-Delivery Metering | | | | | | |
| Period A | 19.695 | 0.0001780 | 0.989 | 0.991 | 0.003467 | 0.003474 |
| Period B | 19.695 | 0.0000493 | 0.989 | 0.991 | 0.000960 | 0.000962 |

- Interested parties are hereby notified that PG&E reserves all its available rights and remedies to obtain a revision to this posting effective as of January 1, 2010.
- The as-delivered capacity value is derived in accordance with CPUC Decision No. 07-09-040 COL 36, adopting a Combustion Turbine (CT) cost proposed by TURN in its Exhibit 149, less adjustments for ancillary services and energy benefits. The 2010 CT cost is \$70.99/kW-year and is adjusted annually, as detailed in TURN's Exhibit 149, Appendix B. A weighted average of the capacity value is used for meters without time-of-delivery metering.
- Capacity allocation factors (CAF) allocate the capacity value for seasons and time-of-delivery periods. These factors are derived by dividing the allocation percentages effective January 1, 2010, and approved in D. 97-03-017 by the number of hours in each time-of-delivery period. These percentages and hours are summarized, as follows:

| | CAFs (%) | | 2010 Delivery Hours | |
|----------------|---------------|---------------|---------------------|--------------|
| | Period A | Period B | Period A | Period B |
| Peak | 76.1900% | N/A | 762 | 0 |
| Partial-Peak | 2.38% | 21.25% | 889 | 1,651 |
| Off-Peak | 0.02% | 0.15% | 2,029 | 1,969 |
| Super-Off-Peak | N/A | N/A | 736 | 724 |
| Season total | <u>78.59%</u> | <u>21.41%</u> | <u>4,416</u> | <u>4,344</u> |

Example of year/hr CAF for "Period A - Peak:"
 76.19% divided by 762 hours = 0.0009999

- Capacity prices are adjusted for the effect of deliveries on PG&E's transmission and distribution losses based upon the seller's interconnection voltage level. The loss adjustment factors for non-remote facilities (as defined by the CPUC) are shown here.
- The as-delivered capacity price is the product of three factors: capacity value, allocation factor, and capacity loss adjustment factor.