

Pacific Gas and Electric Company  
**2010 AS-DELIVERED CAPACITY PRICES FOR QUALIFYING FACILITIES**  
 Effective January 1, 2010 <sup>1</sup>

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

- 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.