



December 21, 2007

**Advice 3183-E**

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject: Contract for Procurement of Renewable Energy Resources  
Resulting from a Power Purchase Agreement between Public  
Utility District No. 1 of Klickitat County and PG&E**

**I. INTRODUCTION**

Pacific Gas and Electric Company (“PG&E”) seeks the California Public Utilities Commission’s (“Commission”) approval of a power purchase agreement, as amended by the First Amendment thereto (“First Amendment”) (collectively the power purchase agreement and First Amendment are referred to as the “PPA”), that PG&E has executed with Public Utility District No. 1 of Klickitat County, Washington (“Klickitat”), and an associated strategy to purchase and import energy at the California-Oregon Border (“COB”) (“Hedging Strategy”). The PPA and Hedging Strategy will enable PG&E to procure up to 50 megawatts (“MW”), or approximately 147 gigawatt hours (“GWh”) per year of energy eligible for the California Renewables Portfolio Standard (“RPS”) for up to 3.25 years under the California Energy Commission’s (“CEC”) RPS Eligibility Guidebook (the “Guidebook”). These additional energy deliveries from the PPA and the Hedging Strategy will contribute approximately 0.2 percent of PG&E’s forecasted 2010 retail sales, are projected to commence in 2008 and will help PG&E meet the goal of 20 percent eligible renewables procurement required by California’s RPS statute.<sup>1</sup> The Commission should grant CPUC Approval, as that term is defined by Commission Decision (“D.”) 07-11-025, and confirm PG&E’s ability to recover the cost of power purchase payments through its Energy Resource Recovery Account (“ERRA”).

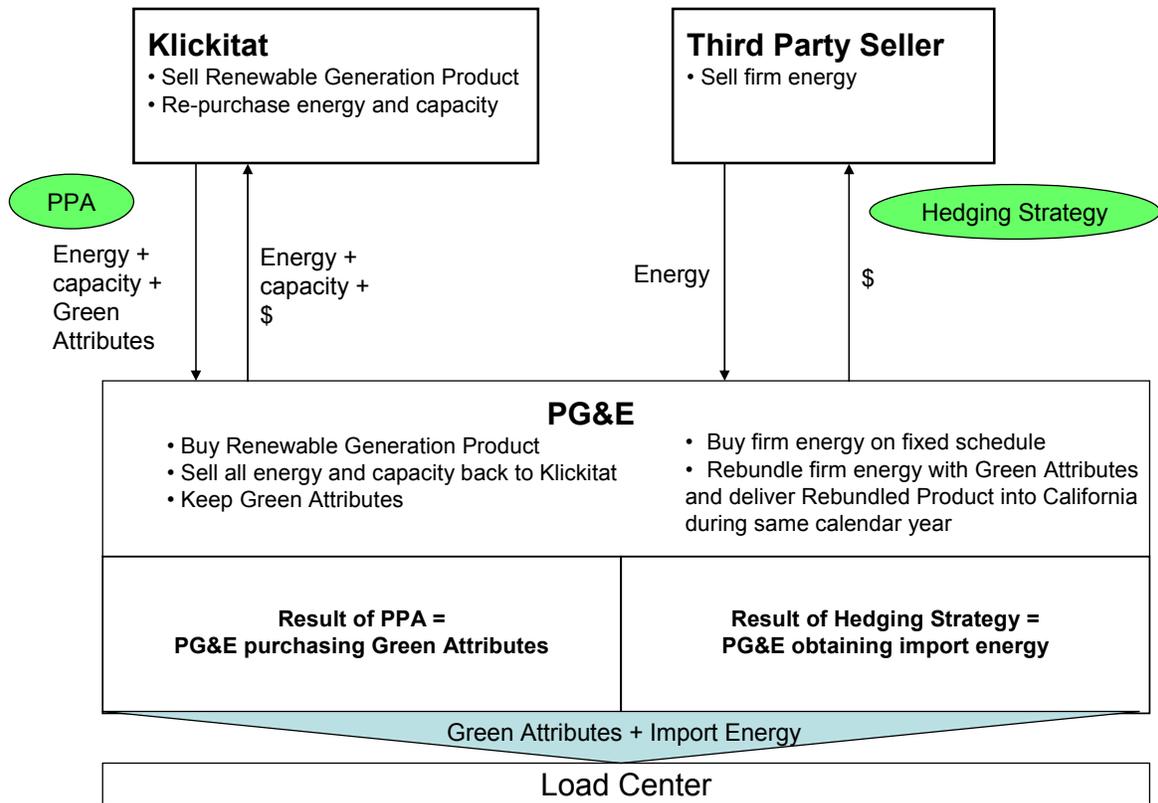
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<sup>1</sup> California Public Utilities Code section 399.11 *et seq.*, as interpreted by D.03-07-061, the “Order Initiating Implementation of the Senate Bill 1078 Renewables Portfolio Standard Program,” and subsequent CPUC decisions in Rulemaking (“R.”) 04-04-026 and R.06-05-027.

The PPA involves the purchase and resale of Klickitat's share of the output from the White Creek Wind Project I (the "Project"), a new 204.7 MW wind facility located in Klickitat County in south-central Washington ("White Creek" or the "White Creek Facility"). Under the PPA, PG&E will purchase a bundled product of energy, capacity and Green Attributes ("Renewable Generation Product") from Klickitat, and will immediately and continuously sell the energy and capacity ("Non-Renewable Generation Product") back to Klickitat with PG&E retaining the Green Attributes. The PPA provides that if CPUC Approval is not obtained by January 1, 2008, the parties will track the volume of Green Attributes generated by the Project from January 1, 2008 through the date of CPUC Approval. If the tracked Green Attributes are eligible for RPS and CPUC Approval is obtained, the tracked Green Attributes will be conveyed to PG&E for a fixed price under the PPA.

After CPUC Approval of the PPA, PG&E will execute its Hedging Strategy. The Hedging Strategy will consist of forward purchases of energy at COB. PG&E will rebundle an equivalent volume of import energy procured pursuant to the Hedging Strategy with the Green Attributes purchased under the PPA (the "Rebundled Product") and deliver the Rebundled Product into California. The transactions under the PPA and Hedging Strategy (collectively the "Klickitat Transaction") will comply with the CEC's RPS eligibility requirements for firmed and shaped deliveries, and will therefore contribute to PG&E's achievement of its RPS goals.

## Klickitat Transaction



The PPA resulted from bilateral negotiations independent of PG&E’s RPS solicitations. Consistent with the protocol used for review of RPS contracts resulting from the 2007 RPS Solicitation, PG&E has included Confidential Appendices A through H, which address the reasonableness of the PPA and the Hedging Strategy. As is discussed below under the section entitled “Request for Confidential Treatment,” PG&E is seeking confidential treatment of the information contained in these appendices.

PG&E selected the Klickitat Transaction in accordance with the least-cost and best-fit criteria defined in D.04-07-029. The PPA incorporates the standard terms and conditions for RPS contracts adopted by D.04-06-014, D.07-02-011 as modified by D.07-05-057, and D.07-11-025. The changes to the modifiable and non-modifiable standard terms and conditions have been identified for Commission staff review in Confidential Appendix H to this Advice Letter and are also discussed below in the section entitled “Consistency with Adopted Standard Terms and Conditions.”

Because the term of the PPA is 3.25 years, there is currently no market price referent (“MPR”) for comparison to the Klickitat Transaction. The all-in price for the Rebundled Product (based on recent market prices at COB) and the fixed price under the PPA for the Renewable Generation Product are below the 2007 MPR for RPS contracts with a 10-year delivery term beginning in 2008. These prices are also consistent with PG&E’s proposed pricing standards for short-term RPS contracts.<sup>2</sup>

Under Senate Bill (“SB”) 1036, which eliminates the CEC’s authority to award supplemental energy payments (“SEPs”), SEPs will no longer be available as of January 1, 2008. Instead, SB 1036 establishes a public goods charge (“PGC”)-based procurement cap equal to the funds that would have been collected under the SEP program. The above-MPR costs of approved long-term RPS contracts with new or repowered facilities resulting from RPS solicitations may be counted toward this PGC-based procurement cap. Because the PPA is a short-term contract that resulted from bilateral negotiations rather than a competitive solicitation, procurement under the PPA is not eligible to count against this cap. It is also a non-issue for this PPA because the price is below the most comparable MPR.

PG&E requests that the Commission issue a resolution no later than April 10, 2008 containing the findings required by the definition of CPUC Approval adopted by D.07-11-025 and incorporated in the PPA so that the PPA will remain in effect.<sup>3</sup> PG&E further requests that the resolution be issued sooner than April 10, 2008 if possible, as the Project began commercial operation on November 21, 2007 and PG&E is only waiting for CPUC Approval in order to be able to accept deliveries for RPS-eligible energy under the PPA.

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<sup>2</sup> “Comments of Pacific Gas and Electric Company (U 39-E) On the May 10, 2007 Administrative Law Judge’s Ruling Providing Opportunity for Comments and Reply Comments,” June 14, 2007, Rulemaking 06-02-012, p. 2.

<sup>3</sup> As provided by D.07-11-025, the Commission must approve the PPA and the payments to be made thereunder, and find that the procurement will count toward PG&E’s RPS procurement obligations, for the executed PPA to be binding on the parties. Furthermore, the PPA between Klickitat and PG&E is subject to no-fault termination if final, non-appealable CPUC approval is not received within 180 days of filing of this Advice Letter.

## II. DETAILED DESCRIPTION OF THE PROJECT

Klickitat is one of four Pacific Northwest public utilities that control the rights to the power generation from White Creek. Under the PPA, PG&E will purchase and resell Klickitat's share of the output from White Creek, which is 24.43 percent of the total output. Pursuant to the PPA, PG&E will:

- (a) pay a fixed price for the purchase of the Renewable Generation Product at the Project bus bar; and
- (b) immediately and continuously resell the Non-Renewable Generation Product at a fixed price back to Klickitat at the Project bus bar.

The net result of the purchase of the Renewable Generation Product and the immediate resale of the Non-Renewable Generation Product is PG&E's purchase of the Green Attributes at a fixed price.

The PPA also provides that if CPUC Approval is not obtained by January 1, 2008, the parties will track the volume of Green Attributes generated by the Project from January 1, 2008 through the date of CPUC Approval. Following CPUC Approval, such Green Attributes will be conveyed to PG&E for a fixed price under the PPA which price reflects the net result of the purchase of the Renewable Generation Product and the immediate resale of the Non-Renewable Generation Product. These Green Attributes will be rebundled with energy imported into California, consistent with the Hedging Strategy described below. The parties negotiated this tracking provision as part of the PPA to address the California regulatory process and the short-term nature of the PPA.

After CPUC Approval of the PPA, PG&E will execute its Hedging Strategy. The Hedging Strategy will consist of the forward purchase of energy at COB, for volumes approximating, but not to exceed, the expected annual generation from Klickitat's share of the Project, which is 147 GWh per year. This energy purchased pursuant to the Hedging Strategy will consist of standard energy products (peak and off-peak seasonal or annual blocks) to maximize product liquidity, and will also factor in the incremental portfolio needs. The purchases pursuant to the Hedging Strategy will be solicited through a competitive process to be executed within approximately 30 days after CPUC Approval of the PPA and Hedging Strategy.

The following table summarizes the substantive features of the Klickitat PPA:

<b>Generating Facility</b>	<b>Type</b>	<b>Term Years</b>	<b>MW Capacity</b>	<b>Annual Deliveries</b>	<b>Commercial Operating Date</b>	<b>Project Location</b>
White Creek	Wind	3 years, 3 months	50 MW	147 GWh	Guaranteed Commercial Operating Date: January 1, 2008 Actual Commercial Operating Date: November 21, 2007	Klickitat County, Washington

Copies of the PPA and the First Amendment are provided in Confidential Appendix G and a contract analysis is provided in Confidential Appendix D.

#### **A. Compliance with CEC RPS Eligibility Criteria for Out-of-State Deliveries**

The CEC recently adopted revisions to the Guidebook that clarified the process for “firming and shaping” deliveries of out-of-state power generation for consumption in California at a different time, as permitted by 2006 legislation and codified under the definition of “delivery” at California Public Resources Code Section 25741 subsection (a).<sup>4</sup> The Klickitat Transaction satisfies the terms of RPS-eligible firming and shaped deliveries as provided in the Guidebook.

Although the White Creek Facility and its first point of interconnection with the Western Electricity Coordinating Council (“WECC”) transmission system are located outside California, White Creek’s generation is eligible for the RPS pursuant to the criteria set forth in the Guidebook as follows: (a) White Creek is interconnected to the WECC transmission system; (b) the White Creek Facility began initial commercial operations after January 1, 2005; (c) PG&E will demonstrate delivery of the generation procured from the Project to an in-state

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<sup>4</sup> See California Energy Commission Renewables Portfolio Standard Eligibility Draft Committee Guidebook, Third Edition, December 2007, CEC-300-2007-006-ED3-CTD, posted on December 7, 2007, as amended by Errata circulated and adopted at the CEC’s December 19, 2007 business meeting (“Guidebook”).

market hub or in-state location, as specified in the Guidebook's delivery requirements; (d) the White Creek Facility will not cause or contribute to any violation of a California environmental quality standard or requirement within California; and (e) White Creek, Klickitat and PG&E will participate in the CEC's approved RPS tracking and verification system.

The RPS delivery requirements enumerated in the Guidebook are satisfied in every respect by the Klickitat Transaction. Relevant portions of the Guidebook are reproduced below.

Electricity may be delivered into California at a different time than when the RPS-certified facility generated electricity, pursuant to Public Resources Code Section 25741, Subdivision (a). Further, the electricity delivered into California may be generated at a different location than that of the RPS-certified facility. In practical terms, out-of-state energy may be "firmed" or "shaped" within the calendar year. Firming and shaping refers to the process by which resources with variable delivery schedules may be backed up or supplemented with delivery from another source to meet customer load. . . . For contracts that require CPUC approval, the Energy Commission will provide written documentation addressing whether a proposed contract delivery structure would be eligible for the RPS. . . .

To count generation from out-of-state facilities for RPS compliance, the RPS-certified facility must enter a power purchase agreement with a retail seller, procurement entity or third party, and a matching quantity of electricity must be delivered to an in-state market hub (also referred to as "zone") or in-state point of delivery (also referred to as "node") located within California. . . . The retail seller or procurement entity and seller may negotiate which party is responsible for securing transmission, as necessary, at any point along the delivery path as long as the energy is delivered into California.

The retail seller or procurement entity may document delivery of electricity from any control area operator (also referred to as "balancing authority") in the WECC transmission system outside California, and the delivered electricity may originate from a control area that is different from that in which the RPS-certified facility is located. The electricity delivery may occur through typical delivery

arrangements, such as through wheeling across multiple control areas, and the delivery may occur at any delivery point into California.

The Energy Commission will compare the amount of RPS-eligible energy generated by the RPS-eligible facility per calendar year with the amount of energy delivered into California for the same calendar year and the lesser of the two amounts may be counted as RPS-eligible procurement (for more discussion see “verification of delivery”). The electricity generated and associated RECs from the RPS-certified facility must be procured through a power purchase agreement with the retail seller, procurement entity or third party. The electricity from the RPS-eligible facility may be remarketed consistent with any applicable CPUC rules so long as a quantity of electricity is delivered into California that matches the amount originally procured from the out-of-state RPS-eligible facility. The delivery of electricity to an in-state market hub or in-state point of delivery located within California must be made consistent with North American Electric Reliability Corporation (NERC) rules and documented with a NERC E-tag as described below.<sup>5</sup>

The Guidebook provides examples of contracting structures that would satisfy the RPS delivery requirements, and states that the examples provided “do not constitute tradeable RECs or authorize tradeable RECs for RPS compliance.”<sup>6</sup> One of these contracting structures is described as follows:

The retail seller could provide firming and shaping services. The retail seller could buy energy and RECs from an RPS-eligible facility, sell the energy back to the facility, and “match” the RECs with energy delivery into California from a second PPA and/or with imports under a pre-existing PPA.<sup>7</sup>

The Klickitat Transaction is representative of this contracting structure, and satisfies the Guidebook’s delivery requirements for RPS-eligible generation from an out-of-state facility as follows:

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<sup>5</sup> Guidebook, pp. 31-33 (footnotes omitted).

<sup>6</sup> Guidebook, pp. 31-32, footnote 21.

<sup>7</sup> Guidebook, pp. 31-32, footnote 21.

- Under the PPA, PG&E (a retail seller) will purchase the bundled product of power and Green Attributes at a fixed contract price at the Project's bus bar.
- Also pursuant to the PPA, PG&E will immediately resell all of the underlying energy and capacity back to Klickitat at a fixed price (with PG&E retaining the Green Attributes).
- After CPUC Approval of the PPA, PG&E will execute its Hedging Strategy. PG&E will rebundle imported energy in volumes consistent with the Hedging Strategy with the Green Attributes purchased under the PPA and deliver the Rebundled Product into California. Deliveries of the Rebundled Product will be documented with a NERC tag that relates them with the generated energy from the White Creek Facility through a note in the miscellaneous field.
- RPS-eligible deliveries of the Rebundled Product will be equal to the lesser of the Renewable Generation Product metered at the Project bus bar and the amount of imported energy procured pursuant to the Hedging Strategy that has been rebundled with the Green Attributes.

The conveyance of the Green Attributes generated by the Project from January 1, 2008 through the date of CPUC Approval to PG&E, and the Hedging Strategy which includes rebundling those Green Attributes with energy procured for import into California, are also consistent with the Guidebook's requirements for firm and shaped deliveries. The Renewable Generation Product generated by the Project between January 1, 2008 and the date of CPUC Approval will be metered at the Project's bus bar and tracked by the parties. Following CPUC Approval, the Green Attributes produced during such time period will be conveyed to PG&E and PG&E will rebundle these Green Attributes with energy imported into California, consistent with the Hedging Strategy, resulting in a quantity of Rebundled Product (approximating but not to exceed the metered volume of the Renewable Generation Product generated at the Project's bus bar) being delivered into California during the same calendar year documented with a NERC tag in the manner described above. Moreover, PG&E may be able to use the Green Attributes generated between January 1, 2008 and CPUC Approval and conveyed to PG&E pursuant to the PPA for RPS compliance purposes when the issue of tradable renewable energy credits ("RECs") is resolved. This provides a potential added benefit to the conveyance of those attributes to PG&E.

Pursuant to the Guidebook, the CEC will certify to the Commission that a proposed delivery structure for out-of-state deliveries satisfies the CEC's RPS delivery requirements. For this purpose, the Guidebook invites retail sellers to submit to the Commission, with their advice letters, schematic diagrams of the transactions for which they are seeking Commission approval, which can then be provided to the CEC.<sup>8</sup> Accordingly, PG&E submits the diagram of the Klickitat Transaction as set forth above in the Introduction.

### **B. Economic Justification for the Klickitat Transaction**

The all-in price of the Klickitat Transaction is competitive. The all-in price is market sensitive information, disclosure of which could foreseeably influence the price that other suppliers would be willing to accept for similar deliveries. Accordingly, the basis of the price is not described here, but is discussed fully in Confidential Appendix D. Although there is no MPR for RPS contracts with terms of less than 10 years, the price for the Renewable Generation Product as set forth in the PPA is below the 10-year 2007 MPR of \$92.71 for a 2008 online date.<sup>9</sup> As of December 5, 2007, the market price for a flat, 7x24 system energy product at COB combined with the premium for the Green Attributes under the PPA was also below the 2007 MPR for a 10-year delivery term beginning in 2008. PG&E provides this second comparison for illustration purposes only, as an example of potential prices for the Rebundled Product had PG&E executed the Hedging Strategy as of December 5, 2007.

PG&E presented its proposed pricing benchmarks for short-term RPS contracts in its June 14, 2007 comments to the Commission. In its comments, PG&E proposed that short-term RPS contracts priced at or below the following benchmarks are reasonable for the purpose of approval and cost recovery:

- (1) For RPS contracts of 1 to 3 years' duration, a price up to the greater of the market index price plus \$20/MWh, or market plus 10% is reasonable *per se*.

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<sup>8</sup> Guidebook, p. 37.

<sup>9</sup> Resolution E-4118.

(2) For RPS contracts of 3 years up to 10 years, a price is reasonable *per se* up to the MPR plus 10% and could be more if required to serve the public interest.<sup>10</sup>

The all-in price of the Rebundled Product (based on market prices for system energy at COB as of December 5, 2007) and the price of the Renewable Generation Product pursuant to the PPA fall well within the proposed short-term benchmarks.

### **C. Compliance with the Greenhouse Gas Emissions Performance Standard**

The Commission has adopted an Emissions Performance Standard (“EPS”) that limits covered procurement of certain baseload generation with an annualized plant capacity factor of at least 60 percent. The PPA is not a long-term financial commitment subject to the EPS under Public Utilities Code section 8340(j) because its term of contract is less than five years. PG&E has provided notice of the Project’s exemption from the interim EPS requirements by serving this Advice Letter on the service list in the RPS rulemaking, R.06-05-027.

## **III. PRG PARTICIPATION AND FEEDBACK**

PG&E provided its PRG with a report on this transaction on May 30, 2007. None of the PRG members objected to this PPA in any respect.

## **IV. THE KLICKITAT PPA AND HEDGING STRATEGY ARE CONSISTENT WITH THE COMMISSION’S RPS-RELATED DECISIONS**

### **A. Consistency with PG&E’s Adopted RPS Plan**

#### **1. Consistency with Identified Renewable Resource Need**

PG&E’s 2007 RPS Solicitation Plan (the “Plan”) was approved in D.07-02-011 on February 15, 2007. As required by statute, the Plan includes an assessment of supply and demand to determine the optimal mix of renewable generation resources, consideration of compliance flexibility mechanisms established by the

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<sup>10</sup> “Comments of Pacific Gas and Electric Company (U 39-E) On the May 10, 2007 Administrative Law Judge’s Ruling Providing Opportunity for Comments and Reply Comments,” June 14, 2007, Rulemaking 06-02-012, p. 2.

Commission, and a bid solicitation protocol setting forth the need for renewable generation of various operational characteristics.<sup>11</sup>

In its approved Plan, PG&E estimates its 2007 Annual Procurement Target (“APT”) to be approximately 750 GWh. In addition, in order to meet the 20 percent renewable energy target by 2010, PG&E will require additional annual energy deliveries from newly contracted resources. Projects capable of providing actual deliveries with only a short or no delay are especially valuable to PG&E. With expected annual deliveries of 147 GWh and the capability of starting deliveries in 2008, the Klickitat Transaction is expected to contribute to PG&E’s achievement of its RPS targets.

## **2. Consistency with PG&E’s Long-Term Procurement Plans**

PG&E’s 2004 long-term procurement plan stated that PG&E would aggressively pursue procurement of RPS-eligible renewable resources. This same strategy was reflected in PG&E’s 2006 long-term procurement plan. Procurement pursuant to the Klickitat Transaction will contribute to achieving the goal of 20 percent renewables generation by the year 2010, and will provide deliveries during the interval before 2010, consistent with the long-term plans.

### **B. Consistency of Bid Evaluation Process with Least-Cost Best Fit Decision**

The California RPS requires procurement of the “least-cost, best-fit” (“LCBF”) eligible renewable resources. In D.04-07-029, the Commission provided guidance on how bids received through an RPS solicitation should be evaluated and ranked to carry out LCBF principles. It described the process by which the utility ranks bids to select or “shortlist” the bids with which it will commence negotiations. The renewables bid evaluation process focuses on four primary areas:

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<sup>11</sup> Pub. Util. Code § 399.14(a)(3) (2007).

1. Determination of market value of bid;
2. Calculation of transmission adders and integration costs;
3. Evaluation of portfolio fit; and
4. Consideration of non-price factors.

Since the PPA is a result of bilateral negotiations, PG&E did not evaluate the Project in the same manner that PG&E evaluated bids received in the 2007 RPS Solicitation. However, the Project was generally compared with other RPS transactions received in the 2007 RPS Solicitation. PG&E compared the net market value of the Project with the net market values of offers received in the 2007 RPS Solicitation and of current bilateral opportunities. As shown in the confidential appendices, very few 2007 RPS Solicitation offers have a net market value that is better than the Project's net market value, which represents a proxy for what PG&E is paying for Green Attributes under the PPA. The effective cost of the Rebundled Product from the Klickitat Transaction is very competitive compared to other offers.

### **1. Market Valuation**

In a "mark-to-market analysis," the present value of a bidder's payment stream is compared with the present value of the product's market value to determine the benefit (positive or negative) from the procurement of the resource, irrespective of PG&E's portfolio. PG&E evaluates a bid price and indirect costs, such as the costs to the utility transmission system caused by interconnection of a resource to the grid or integration of the generation into the system-wide electrical supply.<sup>12</sup>

### **2. Portfolio Fit**

Portfolio fit considers how well an offer's features match PG&E's portfolio needs. This analysis includes the anticipated transaction costs involved in any energy remarketing (i.e., the bid-ask spread) if a contract adds to PG&E's net long position.

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<sup>12</sup> PG&E's RPS Renewable Energy Procurement Plan, June 24, 2004, p. 6, lines 4-18.

### **3. Consistency with the Transmission Ranking Cost Decision**

Under the transmission ranking cost decision, the customer's potential cost of accepting energy deliveries from a project must be considered when determining the project's value. The decision also allows for alternative delivery points/commercial arrangements to effect delivery of renewable energy. In the Klickitat Transaction, the Rebundled Product at COB reflects an alternative commercial arrangement to the procurement of transmission services from the Project to COB. Additionally, rather than assigning a transmission adder to reflect the cost of potential transmission upgrades to import power into the CAISO, the Klickitat Transaction's valuation against COB forward prices reflects the potential for congestion south of COB.

### **4. Consistent Application of TODs**

The price for the Renewable Generation Product at the Project bus bar is a fixed price not subject to Time of Day ("TOD") factors. Similarly, the fixed price of the Non-Renewable Generation Product sold back to Klickitat is not subject to TOD factors.

### **5. Qualitative Factors**

PG&E considered qualitative factors as required by D.04-07-029 and as presented in Confidential Appendix D of this filing.

### **6. Impact of Debt Equivalence**

Debt equivalence is addressed in the LCBF Ranking section of Confidential Appendix D.

### **C. Consistency with Adopted Standard Terms and Conditions**

The Commission set forth standard terms and conditions to be incorporated into RPS agreements in D.04-06-014, D.07-02-011 as modified by D.07-05-057, and D.07-11-025.

After execution of the PPA, the Commission issued D.07-11-025. The parties thereafter executed the First Amendment to conform certain terms and conditions of the PPA to D.07-11-025. During the course of negotiations, the parties found it necessary to modify some of the non-modifiable standard terms to reach agreement.

Klickitat could not accept the non-modifiable standard term and condition for Governing Law in its entirety due to its status as a Washington public utility district. Klickitat's powers and authorities as a public utility district are governed by and construed, enforced, and performed according to the laws of the State of Washington. The relevant Washington statutes and case law clearly provide that Klickitat's powers and authorities to act as a public utility district are limited to those expressly granted by statute and "also those [powers] essential to the declared objects and purposes of the corporation" (*Washington Public Util. Dist. Utils. Sys., et al. v. Public Util. Dist. No. 1 of Clallam County, et al.*, 771 P.2d 701, 704 (Wash. 1989), citing *Chemical Bank v. WPPSS*, 99 Wash.2d 772, 792, 666 P2d 329 (1983); see also WASH. REV. CODE §§ 54.16.110 and 4.96).

Therefore, given Klickitat's statutory constraints as a public utility district, PG&E and Klickitat were required to specifically provide in the Governing Law provision that if PG&E commences a proceeding against Klickitat with respect to Klickitat's powers or authorities, such proceeding must be governed by Washington law and brought in Washington state court or federal court for the Western District of Washington. However, the Commission should note that the parties also further clarified the Governing Law provision to explicitly provide that for Klickitat to commence a proceeding against PG&E, such proceeding must be governed by California law and brought in California state court or federal court for the Northern District of California. Due to Klickitat's status as a Washington public utility, Klickitat could not have agreed to accept the Governing Law provision without modification and in order for the parties to enter into the PPA it was reasonable for the parties to clarify Klickitat's unique status as a public utility district.

Overall and to address the Commission's concerns expressed in D.07-11-025, page 19, as a general matter the PPA is subject to California law and Washington law will only be applied with respect to issues of Klickitat's powers or authorities due to Klickitat's status as Washington public utility district. The modifications to the Governing Law provision as described above and presented in Confidential Appendix H1 do not impact the RPS-eligibility of the Renewable Generation Product or the Klickitat Transaction.

Modifications were also made to the non-modifiable standard term and condition for the conveyance of Green Attributes. Klickitat has pre-existing agreements with the other owners that control the rights to the output of the White Creek Facility which were previously negotiated over an extended period of time with multiple parties, and was therefore not able to accept the non-modifiable terms to the extent that such

terms conflicted with the pre-existing agreements. The term for the conveyance of Green Attributes was modified to reflect that Klickitat has rights to a portion of the White Creek Facility's output pursuant to the pre-existing agreements, and to reflect the specific defined terms used in the PPA. The term for the conveyance of Green Attributes still requires Klickitat to convey any and all Green Attributes from Klickitat's portion of the White Creek Facility to PG&E. A description of the changes to the Green Attributes standard term and condition has been provided in Confidential Appendix H1 to this Advice Letter.

Changes have also been made to terms that the Commission has designated as modifiable in D.07-11-025. Confidential Appendix H2 compares each modifiable standard term and condition that has been modified in the PPA against its form in the 2007 Solicitation Protocol issued on March 12, 2007.

The PPA represents a meeting of the minds between Klickitat and PG&E, and each term was bargained for in consideration of every other term. Each provision is essential to the negotiated agreement between the parties and the Commission should therefore not modify the parties' agreement. The Commission should evaluate the reasonableness of the PPA as a whole, in terms of its ultimate effect on utility customers. PG&E submits that the PPA protects the interests of ratepayers while achieving the Commission's goal of increasing procurement from eligible renewable resources.

#### **D. Consistency with Minimum Quantity Decision**

Under Public Utilities Code section 399.14(b), the Commission "may authorize a retail seller to enter into a contract of less than 10 years' duration with an eligible renewable energy resource," provided that it "has established, for each retail seller, minimum quantities of eligible renewable energy resources to be procured either through contracts of at least 10 years' duration or from new facilities commencing commercial operations on or after January 1, 2005." In D.07-05-028, the Commission determined that in order to count energy deliveries from short-term contracts with existing facilities toward RPS goals, RPS-obligated load-serving entities must contract for deliveries equal to at least 0.25 percent of their prior year's retail sales through long-term contracts or through short-term contracts with new facilities.

The PPA is a short-term contract with a new facility. All of the RPS contracts that PG&E has signed this year are with new facilities and/or are long-term.

**V. MPR AND SEPS**

SB 1036 eliminates SEPs and establishes a PGC-based procurement cap effective January 1, 2008. As the PPA is a short-term contract that is not based on a bid received in a competitive RPS solicitation, procurement under the PPA is not eligible to count against the PGC-based cap. Please see the “Introduction” and “Economic Justification” sections above for additional discussion regarding SB 1036 and the MPR.

**VI. PROJECT VIABILITY**

White Creek is a new wind generating facility constructed and being operated by experienced project operators. It began commercial operations on November 21, 2007. PG&E has reviewed the credit-related information provided by Klickitat and is satisfied that it possesses the necessary credit and experience to perform as required by the PPA. The likelihood that the PPA will be a source of renewable power as described in the PPA is further evaluated in Confidential Appendix E, “Project Viability.”

**VII. CONTINGENCIES AND PROJECT MILESTONES**

The PPA identifies the commercial operation date as a guaranteed project milestone. Other contingencies and milestones are addressed in Confidential Appendix D.

**VIII. TERMS AND CONDITIONS OF DELIVERY**

The delivery point for the Renewable Generation Product purchased pursuant to the PPA is the Project’s bus bar in Klickitat County, Washington. The delivery point for the imported energy purchased pursuant to the Hedging Strategy, to be rebundled with the Green Attributes, will be at COB. PG&E will serve as the scheduling coordinator for the Rebundled Product from COB to NP-15 throughout the delivery term.

**IX. REGULATORY PROCESS****A. Requested Effective Date**

PG&E requests that the Commission issue a resolution approving this advice filing no later than April 10, 2008, and that the effective date of such resolution be December 21, 2007.

Time is of the essence in the Commission's consideration and approval of this Advice Letter. California's ambitious RPS goals require resources in addition to those that have responded to the utility RPS solicitations. New resources to achieve and maintain those goals must be identified and developed as soon as possible to maintain California's growth of renewable generation. As noted above, the Project can commence deliveries in 2008 and is currently operating, meaning that this Project could immediately contribute to PG&E's RPS target.

**B. Earmarking**

PG&E is not proposing to earmark the PPA.

**C. RPS-Eligibility Certification**

An application for RPS certification of the White Creek Facility has been filed with the CEC. The PPA includes the standard representation and warranty that the Project is an eligible renewable energy resource certified by the CEC.

**D. Request for Confidential Treatment**

In support of this Advice Letter, PG&E has provided the following confidential information, which includes the PPA and other information that more specifically describe the rights and obligations of the parties. This information is being submitted in the manner directed by the Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066, issued August 22, 2006, to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided by Section 583 of the Public Utilities Code under either the terms of the IOU Matrix, Appendix 1 of D.06-06-066 or General Order 66-C. A separate Declaration Seeking Confidential Treatment is being filed concurrently with this Advice Letter.

**Confidential Attachments:**

Appendix A – Overview of 2004 – 2007 Solicitation Bids

Appendix B – 2007 Bid Evaluations

Appendix C – Intentionally Omitted as N/A

Appendix D – Contract Terms and Conditions Explained

Appendix E – Project Viability

Appendix F – Project’s Contribution Toward RPS Goals

Appendix G1 – Power Purchase Agreement

Appendix G2 – First Amendment to Power Purchase Agreement

Appendix H1 – Standard Terms and Conditions Comparison – Non-Modifiables

Appendix H2 – Standard Terms and Conditions Comparison – Modifiables

**X. REQUEST FOR COMMISSION APPROVAL**

The continued effectiveness of the PPA is conditioned on the occurrence of CPUC Approval. Time is of the essence in the Commission’s consideration and approval of this Advice Letter.

Therefore, PG&E requests that the Commission issue a resolution no later than April 10, 2008, or sooner if possible as the Project is currently operational, that:

1. Approves the PPA and the Hedging Strategy in their entirety, including payments to be made by PG&E pursuant to the PPA and Hedging Strategy, subject to the Commission’s review of PG&E’s administration of the PPA and Hedging Strategy.
2. Finds that any procurement pursuant to the PPA and the Hedging Strategy is procurement from an eligible renewable energy resource for purposes of determining PG&E’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the

California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.) (“RPS”), Decision (“D.”) D.03-06-071 and D.06-10-050, or other applicable law.

3. Finds that all indirect costs, as provided by Public Utilities Code section 399.15(d), associated with procurement under the PPA and under the Hedging Strategy shall be recovered in rates.
4. Adopts the following finding of fact and conclusion of law in support of CPUC Approval:
  - a. The PPA and the Hedging Strategy are consistent with PG&E’s approved 2007 RPS procurement plan.
  - b. The terms of the PPA, including the price of delivered energy, are reasonable.
5. Adopts the following finding of fact and conclusion of law in support of cost recovery for the PPA and Hedging Strategy:
  - a. The utility’s cost of procurement under the PPA and Hedging Strategy shall be recovered through PG&E’s Energy Resource Recovery Account.
  - b. Any stranded costs that may arise from the PPA and from the Hedging Strategy are subject to the provisions of D.04-12-048 that authorize recovery of stranded renewables procurement costs over the life of the contract. The implementation of the D.04-12-048 stranded cost recovery mechanism is being addressed in Rulemaking (“R.”) 06-02-013.
6. Adopts the following findings with respect to resource compliance with the Emissions Performance Standard (“EPS”) adopted in R.06-04-009:
  - a. The PPA is not a long-term financial commitment subject to the EPS under Public Utilities Code section 8340(j) because its term of contract is less than five years.

**Protests:**

Anyone wishing to protest this filing may do so by sending a letter by January 10, 2007, which is **20** days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

CPUC Energy Division  
Attention: Tariff Unit, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov) and [jnj@cpuc.ca.gov](mailto:jnj@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission.

Pacific Gas and Electric Company  
Attention: Brian Cherry  
Vice President, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-Mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

**Effective Date:**

PG&E requests that this advice filing become effective on December 21, 2007. PG&E submits this as a Tier 3 filing.

**Notice:**

In accordance with General Order 96-B, Section IV, a copy of this Advice Letter excluding the confidential appendices is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for R.06-02-012, R.06-02-013 and R.06-05-027. Non-market participants who are members of PG&E's Procurement Review Group and have signed appropriate Non-Disclosure Certificates will also receive the Advice Letter and accompanying confidential attachments by overnight mail. Address changes should be directed to Rose De La Torre (415) 973-4716. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>



Brian K. Cherry  
Vice President - Regulatory Relations

cc: Service List for R.06-02-012  
Service List for R.06-02-013  
Service List for R.06-05-027  
Paul Douglas - Energy Division

**Limited Access to Confidential Material:**

The portions of this Advice Letter marked Confidential Protected Material are submitted under the confidentiality protection of Section 583 of the Public Utilities Code and General Order 66-C. This material is protected from public disclosure because it consists of, among other things, the contract itself, price information, and analysis of the proposed RPS contract, which are protected pursuant to D.06-06-066. A separate Declaration Seeking Confidential Treatment regarding the confidential information is being filed concurrently herewith.

**Confidential Attachments:**

Appendix A – Overview of 2004 – 2007 Solicitation Bids

Appendix B – 2007 Bid Evaluations

Appendix C – Intentionally Omitted as N/A

Appendix D – Contract Terms and Conditions Explained

Appendix E – Project Viability

Appendix F – Project’s Contribution Toward RPS Goals

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Appendix H1 – Standard Terms and Conditions Comparison – Non-Modifiables

Appendix H2 – Standard Terms and Conditions Comparison – Modifiables

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:

- ELC       GAS  
 PLC       HEAT       WATER

Contact Person: David Poster

Phone #: (415) 973-1082

E-mail: DXPU@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas  
 PLC = Pipeline      HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3183-E**

Tier: **[3]**

Subject of AL: Contract for Procurement of Renewable Energy Resources Resulting from a Power Purchase Agreement between Public Utility District No. 1 of Klickitat County and PG&E

Keywords (choose from CPUC listing): RPS

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: Yes. See the attached matrix that identifies all of the confidential information.

Confidential information will be made available to those who have executed a nondisclosure agreement: All members of PG&E's Procurement Review Group who have signed nondisclosure agreements will receive the confidential information.

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: Gary Jeung, (415)-973-5481.

Resolution Required?  Yes  No

Requested effective date: **04/10/2008**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division**

**Tariff Files, Room 4005**

**DMS Branch**

**505 Van Ness Ave., San Francisco, CA 94102**

**[jnj@cpuc.ca.gov](mailto:jnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)**

**Pacific Gas and Electric Company**

**Attn: Brian K. Cherry, Vice President, Regulatory Relations**

**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)**

**DECLARATION OF GARRETT P. JEUNG  
SEEKING CONFIDENTIAL TREATMENT  
FOR CERTAIN DATA AND INFORMATION  
CONTAINED IN ADVICE LETTER 3183-E  
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Garrett P. Jeung, declare:

1. I am presently employed by Pacific Gas and Electric Company (PG&E) and have been an employee at PG&E since 2003. My current title is Director within PG&E's Energy Procurement organization. In this position, my responsibilities include managing a department that negotiates power purchase agreements and manages electric portfolio risk. In carrying out these responsibilities, I have acquired knowledge of PG&E's contracts with numerous counterparties and have also gained knowledge of the operations of electricity sellers in general. Through this experience, I have become familiar with the type of information that would affect the negotiating positions of electricity sellers with respect to price and other terms, as well as with the type of information that such sellers consider confidential and proprietary.

2. Based on my knowledge and experience, and in accordance with the "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," issued August 22, 2006, I make this declaration seeking confidential treatment of "Appendices A, B, D, E, F, G1, G2, H1, and H2 to Advice Letter 3183-E," submitted on December 21, 2007. By this Advice Letter, PG&E is seeking this Commission's approval of a PPA that PG&E has executed with Public Utility District No. 1 of Klickitat County, Washington.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix 1 (the "IOU Matrix") of Decision 06-06-066, or constitutes information that should be protected

under Public Utilities Code § 583 and General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this filing.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on December 21, 2007 at San Francisco, California.

  
GARRETT P. JEUNG

PACIFIC GAS AND ELECTRIC COMPANY Advice Letter 3183-E December 21, 2007		IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 06-06-066					Length of Time
Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category or categories in the Matrix the data correspond to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	
1 Document: Advice Letter 3183-E	Y	Item VIII A) Bid information and B) Specific quantitative analysis involved in scoring and evaluation of participating bids.	Y	Y	Y	This Appendix contains bid information and bid evaluations from the 2004, 2005, 2006, 2007 and 2008 solicitations. This information would provide market sensitive information to competitors and is therefore considered confidential. Furthermore, contracts from the 2005, 2006 and 2007 solicitations are still under negotiation, further substantiating why releasing this information would be damaging to the negotiation process.	
2 Appendix A	Y	Item VIII A) Bid information and B) Specific quantitative analysis involved in scoring and evaluation of participating bids.	Y	Y	Y	For information covered under Item VIII A), remain confidential for three years after winning bidders selected	
3 Appendix B	Y	Item VIII A) Bid information and B) Specific quantitative analysis involved in scoring and evaluation of participating bids.	Y	Y	Y	For information covered under Item VIII A), remain confidential for three years after winning bidders selected	
4 Appendix D	Y	Item VIII B) Specific quantitative analysis involved in scoring and evaluation of participating bids. Item VII G) Renewable Resource Contracts under RPS program - Contracts without SEPs. Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects.	Y	Y	Y	For information covered under Item VIII B), remain confidential for three years after winning bidders selected For information covered under Item VII G) and Item VII (un-numbered category following VII G), remain confidential for three years	
5 Appendix E	Y	Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects.	Y	Y	Y	For information covered under Item VII G) and Item VII (un-numbered category following VII G), remain confidential for three years	

Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category of categories in the Matrix the data correspond to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
6 Appendix F	Y	Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects. Item VI B) Utility Bundled Net Open Position for Energy (MWh).	Y	Y	Y	This Appendix contains information that, if disclosed, would provide valuable market sensitive information to competitors and allow them to see PG&E's remaining RPS net open energy position. Since negotiations are still in progress with bidders from the 2005, 2006 and 2007 solicitations, this information should remain confidential for three years.	Remain confidential for three years
7 Appendices G1 and G2	Y	Item VII (G) Renewable Resource Contracts under RPS program - Contracts without SEPs.	Y	Y	Y	This Appendix contains the PPA. Disclosure of the PPA would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006 and 2007 solicitations, this information should remain confidential for three years. Release of this information would be damaging to negotiations. Furthermore, the counterparty has an expectation that the terms of the PPA will remain confidential pursuant to confidentiality provisions in the PPA. I am informed and believe that General Order 66-C provides a separate and independent basis for confidential treatment. General Order 66-C includes in its category of records not open to public inspection "Information obtained in confidence from other than a business regulated by this Commission where the disclosure would be against the public interest." (Paragraph 2.8). It is in the public interest to treat such information as confidential because if such information were made public, it could have a damaging effect on current and future negotiations with other offers.	Remain confidential for three years
8 Appendices H1 and H2	Y	Item VII (G) Renewable Resource Contracts under RPS program - Contracts without SEPs.	Y	Y	Y	This Appendix contains certain terms of the PPA. Disclosure of certain terms of the PPA would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006 and 2007 solicitations, this information should remain confidential for three years. Release of this information would be damaging to negotiations. Furthermore, the counterparty has an expectation that the terms of the PPA will remain confidential pursuant to the confidentiality provisions of the PPA. I am informed and believe that General Order 66-C provides a separate and independent basis for confidential treatment. General Order 66-C includes in its category of records not open to public inspection "Information obtained in confidence from other than a business regulated by this Commission where the disclosure would be against the public interest." (Paragraph 2.8). It is in the public interest to treat such information as confidential because if such information were made public, it could have a damaging effect on current and future negotiations with other offers.	Remain confidential for three years

**PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV**

ABAG Power Pool	Douglass & Liddell	PG&E National Energy Group
Accent Energy	Downey, Brand, Seymour & Rohwer	Pinnacle CNG Company
Aglet Consumer Alliance	Duke Energy	PITCO
Agnews Developmental Center	Duke Energy North America	Plurimi, Inc.
Ahmed, Ali	Duncan, Virgil E.	PPL EnergyPlus, LLC
Alcantar & Kahl	Dutcher, John	Praxair, Inc.
Ancillary Services Coalition	Dynergy Inc.	Price, Roy
Anderson Donovan & Poole P.C.	Ellison Schneider	Product Development Dept
Applied Power Technologies	Energy Law Group LLP	R. M. Hairston & Company
APS Energy Services Co Inc	Energy Management Services, LLC	R. W. Beck & Associates
Arter & Hadden LLP	Exelon Energy Ohio, Inc	Recon Research
Avista Corp	Exeter Associates	Regional Cogeneration Service
Barkovich & Yap, Inc.	Foster Farms	RMC Lonestar
BART	Foster, Wheeler, Martinez	Sacramento Municipal Utility District
Bartle Wells Associates	Franciscan Mobilehome	SCD Energy Solutions
Blue Ridge Gas	Future Resources Associates, Inc	Seattle City Light
Bohannon Development Co	G. A. Krause & Assoc	Sempra
BP Energy Company	Gas Transmission Northwest Corporation	Sempra Energy
Braun & Associates	GLJ Energy Publications	Sequoia Union HS Dist
C & H Sugar Co.	Goodin, MacBride, Squeri, Schlotz &	SESCO
CA Bldg Industry Association	Hanna & Morton	Sierra Pacific Power Company
CA Cotton Ginners & Growers Assoc.	Heeg, Peggy A.	Silicon Valley Power
CA League of Food Processors	Hitachi Global Storage Technologies	Smurfit Stone Container Corp
CA Water Service Group	Hogan Manufacturing, Inc	Southern California Edison
California Energy Commission	House, Lon	SPURR
California Farm Bureau Federation	Imperial Irrigation District	St. Paul Assoc
California Gas Acquisition Svcs	Integrated Utility Consulting Group	Sutherland, Asbill & Brennan
California ISO	International Power Technology	Tabors Caramanis & Associates
Calpine	Interstate Gas Services, Inc.	Tecogen, Inc
Calpine Corp	IUCG/Sunshine Design LLC	TFS Energy
Calpine Gilroy Cogen	J. R. Wood, Inc	Transcanada
Cambridge Energy Research Assoc	JTM, Inc	Turlock Irrigation District
Cameron McKenna	Luce, Forward, Hamilton & Scripps	U S Borax, Inc
Cardinal Cogen	Manatt, Phelps & Phillips	United Cogen Inc.
Cellnet Data Systems	Marcus, David	URM Groups
Chevron Texaco	Matthew V. Brady & Associates	Utility Resource Network
Chevron USA Production Co.	Maynor, Donald H.	Wellhead Electric Company
City of Glendale	MBMC, Inc.	White & Case
City of Healdsburg	McKenzie & Assoc	WMA
City of Palo Alto	McKenzie & Associates	
City of Redding	Meek, Daniel W.	
CLECA Law Office	Mirant California, LLC	
Commerce Energy	Modesto Irrigation Dist	
Constellation New Energy	Morrison & Foerster	
CPUC	Morse Richard Weisenmiller & Assoc.	
Cross Border Inc	Navigant Consulting	
Crossborder Inc	New United Motor Mfg, Inc	
CSC Energy Services	Norris & Wong Associates	
Davis, Wright, Tremaine LLP	North Coast Solar Resources	
Defense Fuel Support Center	Northern California Power Agency	
Department of the Army	Office of Energy Assessments	
Department of Water & Power City	OnGrid Solar	
DGS Natural Gas Services	Palo Alto Muni Utilities	