

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 22, 2010

Advice Letters 3469-E and 3469-E-A

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

**Subject: Contract for Procurement of Renewable Energy Resources Resulting
from PG&E's Power Purchase Agreement with AV Solar Ranch 1, LLC
and Supplemental Filing**

Dear Ms. Yura:

Advice Letters 3469-E and 3469-E-A are effective March 11, 2010 per Resolution E-4315.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

77 Beale Street
San Francisco, CA 94105

Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

Fax: 415.973.7226

December 4, 2009

Advice 3469-E-A
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Supplemental Filing for the Contract for Procurement of Renewable Energy Resources Resulting from PG&E's Power Purchase Agreement with AV Solar Ranch 1, LLC (A Subsidiary of Nextlight)

Pacific Gas and Electric Company ("PG&E") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") a supplemental filing for Advice 3469-E, dated June 4, 2009.¹ Advice 3469-E submitted a Power Purchase Agreement ("PPA") between PG&E and AV Solar Ranch 1, LLC ("Antelope Valley") for CPUC review and approval. The PPA provides for PG&E's purchase of generation from a 230 megawatt ("MW") solar photovoltaic ("PV") facility ("the Project") to be constructed in California's Antelope Valley, in the western tip of the Mojave Desert. Annual deliveries for the PPA's 25-year term are expected to average 592 gigawatt hours ("GWh"). The advice letter is currently pending approval by the Commission.

The purpose of this supplement is to obtain CPUC approval of changes that result from updates to certain information discussed in the PPA. As addressed in Confidential Appendix A, these changes do not impact the base contract price that PG&E will pay for power generated under the agreement. These changes do, however, impact potential adjustments made to the contract price under the terms of the PPA.

¹ Supplements to Advice Letters are authorized by General Order 96-B, section 7.5.1. Due to the limited scope of PG&E's supplemental information, this filing should not delay the effective date of the advice letter.

Effective Date

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 3469-E, which is currently pending Commission Approval.

Request for Confidential Treatment

In support of this supplemental filing, PG&E has provided the following confidential information, including PPA terms and other information that more specifically describes the rights and obligations of the parties. This information is being submitted in the manner directed by D.08-04-023 and the August 22, 2006 Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066 to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under either the terms of the IOU Matrix, Appendix 1 of D.06-06-066 and Appendix C of D.08-04-023, or General Order 66-C. A separate Declaration Seeking Confidential Treatment is being filed concurrently with this supplemental filing.

Confidential Attachments:

Appendix A – Explanation of Changes to Contract Conditions

Appendix B – Independent Evaluator's Update

Request for Commission Approval

The continued effectiveness of the PG&E-Antelope Valley PPA is conditioned on the CPUC's approval of the price adjustments discussed in Confidential Appendix A of this filing. Therefore, PG&E requests that any resolution that approves AL 3469-E also include the confidential findings discussed in Appendix A of this report.

Protests

PG&E asks that the protest and comment period for the Antelope Valley PPA not be reopened since this supplement simply updates the Commission about findings relevant to specific PPA terms.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, 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 list for R.08-08-009, R.06-02-012,

and R.08-02-007. 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 PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

Brian K. Cherry (sc)

Brian K. Cherry
Vice President - Regulatory Relations

cc: Service List for R.08-08-009
Service List for R.06-02-012
Service List for R.08-02-007
Paul Douglas - Energy Division
Sean Simon – Energy Division

Attachments

Limited Access to Confidential Material:

The portions of this Advice Letter marked Confidential Protected Material are submitted under the confidentiality protections of Sections 583 and 454.5(g) of the Public Utilities Code and General Order 66-C. This material is protected from public disclosure because it consists of, among other items, the contract itself, price information, and analysis of the proposed RPS contract, which are protected pursuant to D.06-06-066 and D.08-04-023. A separate Declaration Seeking Confidential Treatment regarding the confidential information is filed concurrently herewith.

Confidential Attachments:

Appendix A – Explanation of Changes to Contract Conditions

Appendix B – Independent Evaluator's Update

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 and Linda Tom-Martinez

Phone #: (415) 973-1082 or (415) 973-5012

E-mail: DXPU@pge.com and A2C7@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) #: **3469-E-A**

Tier: [3]

Subject of AL: **Supplemental Filing for the Contract for Procurement of Renewable Energy Resources Resulting From PG&E's Power Purchase Agreement with AV Solar Ranch 1, LLC (A Subsidiary of Nextlight)**

Keywords (choose from CPUC listing): Contracts, Portfolio

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: Sandra Burns (415) 973-1627

Resolution Required? Yes No

Requested effective date: **Concurrent with Advice 3469-E**

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: 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

jn@cpuc.ca.gov and 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

**DECLARATION OF SANDRA J. BURNS
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION CONTAINED IN SUPPLEMENTAL
FILING 3469-E-A
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Sandra J. Burns declare:

1. I am presently employed by Pacific Gas and Electric Company (“PG&E”) and have been an employee since 1985. I am a principal in the Structured Transactions Group in the Energy Procurement department within Pacific Gas and Electric Company (PG&E). I am responsible for managing PG&E’s Renewables Portfolio Standard solicitation and negotiating power purchase agreements with counterparties in the business of producing electric energy. In carrying out these responsibilities, I have acquired knowledge of such sellers in general and, based on my experience in dealing with facility owners and operators, I am familiar with the types of data and information about their operations that such owners and operators consider confidential and proprietary.

2. Based on my knowledge and experience, and in accordance with Decision (“D.”) 08-04-023 and the August 22, 2006 the “Administrative Law Judge’s Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066,” I make this declaration seeking confidential treatment of Appendices A and B to Supplemental Advice Filing 3469-E-A submitted on December 4, 2009. By this Supplemental Filing, PG&E is updating information contained in Advice Letter 3469-E, which seeks this Commission’s approval of a power purchase agreement (PPA) that PG&E has executed with AV Solar Ranch 1, LLC. Confidential Appendix A is an explanation of how certain contract terms are affected by new information. Confidential Appendix B is the Independent Evaluator’s report concerning the terms of the contract in view of the new information.

3. Attached to this declaration is a matrix that indicates that the material PG&E is seeking to protect contains the particular type of information listed in Appendix 1 of D. 06-06-066 and Appendix C of D. 08-04-023 (“the IOU Matrix”), or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the information corresponds (where applicable), and why confidential protection is justified. Finally, the matrix specifies that: (1) that PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information (where applicable); (2) that the information is not already public; and (3) that the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure.

4. I incorporate into this declaration all of the information 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, to the best of my knowledge, the foregoing is true and correct.

Executed December 4, 2009 at San Francisco, California.

A handwritten signature in cursive script, reading "Sandra J. Burns", written in black ink. The signature is positioned above a solid horizontal line.

Sandra J. Burns

PACIFIC GAS AND ELECTRIC COMPANY Supplemental Filing 3469-E-A December 4, 2009		IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 05-06-066 AND DECISION 08-04-023					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 and Appendix C to D.08-04-023 (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: Supplemental Filing 3469-E-A	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. General Order 66-C.	Y	Y	Y	This Appendix consists of PG&E's analysis of how certain new information affects the Contract Price and affects the rights of the parties under the PPA. Contract terms, in particular, the Contract Price, are confidential according to D.06-06-066. Since PG&E is currently in negotiations with bidders from the 2005-2009 RPS solicitations, as well as bilateral negotiations, the disclosure of RPS contract terms would confer a bargaining advantage on these potential sellers and hinder the utility's ability to obtain the best terms for its ratepayers. PG&E's analysis of contract terms should remain confidential for the maximum period, that is, three years from the time of this filing, to avoid the impairment of PG&E's ongoing negotiations. In addition, General Order 66-C protects from public disclosure "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). The terms of the PPA are confidential in accordance with the Confidentiality Agreement executed by PG&E and the seller. The public interest would be harmed if the terms of the PPA were publicly revealed because the seller's ability to protect confidential business information would put it at a competitive disadvantage and would create a disincentive for any counterparty to do business with PG&E or other regulated utilities.	
2 Appendix A -- PG&E's Explanation of New Information on PPA Contract Terms	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. General Order 66-C.	Y	Y	Y	For information covered under Item VII F), remain confidential for three years after the commercial operation date For information covered by General Order 66-C, remain confidential	
3 Appendix B -- Independent Evaluator's Update to the Second Advice Letter Report on the (2008) Bid Evaluation and Selection Process	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. General Order 66-C.	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 F) and Item VII (un-numbered category following VII G), remain confidential for three years after the commercial operation date For information covered by General Order 66-C, remain confidential	

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

Alcantar & Kahl	Defense Energy Support Center	North Coast SolarResources
Ameresco	Department of Water Resources	Northern California Power Association
Anderson & Poole	Department of the Army	Occidental Energy Marketing, Inc.
Arizona Public Service Company	Dept of General Services	OnGrid Solar
BART	Division of Business Advisory Services	Praxair
BP Energy Company	Douglas & Liddell	R. W. Beck & Associates
Barkovich & Yap, Inc.	Douglass & Liddell	RCS, Inc.
Bartle Wells Associates	Downey & Brand	Recon Research
C & H Sugar Co.	Duke Energy	SCD Energy Solutions
CA Bldg Industry Association	Dutcher, John	SCE
CAISO	Ellison Schneider & Harris LLP	SMUD
CLECA Law Office	FPL Energy Project Management, Inc.	SPURR
CSC Energy Services	Foster Farms	Santa Fe Jets
California Cotton Ginners & Growers Assn	G. A. Krause & Assoc.	Seattle City Light
California Energy Commission	GLJ Publications	Sempra Utilities
California League of Food Processors	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sierra Pacific Power Company
California Public Utilities Commission	Green Power Institute	Silicon Valley Power
Calpine	Hanna & Morton	Silo Energy LLC
Cameron McKenna	Hitachi	Southern California Edison Company
Cardinal Cogen	International Power Technology	Sunshine Design
Casner, Steve	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Chamberlain, Eric	Los Angeles Dept of Water & Power	Tabors Caramanis & Associates
Chevron Company	Luce, Forward, Hamilton & Scripps LLP	Tecogen, Inc.
Chris, King	MBMC, Inc.	Tiger Natural Gas, Inc.
City of Glendale	MRW & Associates	Tioga Energy
City of Palo Alto	Manatt Phelps Phillips	TransCanada
Clean Energy Fuels	Matthew V. Brady & Associates	Turlock Irrigation District
Coast Economic Consulting	McKenzie & Associates	U S Borax, Inc.
Commerce Energy	Merced Irrigation District	United Cogen
Commercial Energy	Mirant	Utility Cost Management
Consumer Federation of California	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	Morrison & Foerster	Wellhead Electric Company
Day Carter Murphy	New United Motor Mfg., Inc.	Western Manufactured Housing Communities Association (WMA)
	Norris & Wong Associates	eMeter Corporation