

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



REVISED

September 16, 2010

Advice Letters 3546-E and 3546-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 between PG&E and Genesis Solar, LLC for Procurement
of Renewable Energy Resources Resulting from PG&E's 2007
Renewables Portfolio Standard Solicitation and Supplemental Filing**

Dear Ms. Yura:

Advice Letters 3546-E and 3546-E-A are effective August 12, 2010 per Resolution E-4343.

Sincerely,

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

Julie A. Fitch, Director
Energy Division



Jane K. Yura
Vice President
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-6520

June 14, 2010

Advice 3546-E-A
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Supplemental Filing for Contract Between PG&E and Genesis Solar, LLC, for Procurement of Renewable Energy Resources

INTRODUCTION

Pacific Gas and Electric Company (“PG&E”) submits to California Public Utilities Commission (“Commission” or “CPUC”) a supplemental filing for Advice 3546-E (“Advice Letter”), dated October 26, 2009.¹ In the Advice Letter, PG&E submitted a power purchase agreement (“PPA”) between PG&E and Genesis Solar, LLC (“Genesis”), for the purchase of approximately 560 gigawatt hours (“GWh”) per year of RPS-eligible energy from two new solar thermal units with a capacity of 125 MW each to be located in Ford Dry Lake, Riverside County, California (the “Project”), for a term of 25 years. The Advice Letter is currently pending before the Commission.

The purpose of this supplement is to obtain CPUC approval of the PPA as amended by the first amendment to the PPA (“First Amendment”) and to provide additional information regarding Genesis’ use of wet cooling technology, which is provided in letter agreement dated June 9, 2010 (“Letter Agreement”).

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 re-open the protest period or delay the effective date of the advice letter.

THE FIRST AMENDMENT AND LETTER AGREEMENT WILL BENEFIT PG&E'S CUSTOMERS

The First Amendment contains a price reduction and the elimination of certain pricing adjustments if certain events occur. The First Amendment is included as Confidential Appendix A to this supplemental filing. The Letter Agreement, which addresses the issue of Genesis' efforts to obtain governmental approvals for use of wet cooling technology for the Project, is included as Appendix B to this supplemental filing.

PG&E has updated Confidential Appendix D to the Advice Letter with the new price terms and included the update as Appendix D – Updated Contract Terms and Conditions Explained.

Confidential Attachments

Appendix A – First Amendment of Power Purchase Agreement

Appendix B – Letter Agreement

Appendix D – Updated Contract Terms and Conditions Explained

Protests

The protest and comment period for the Advice Letter should not be re-opened due to the limited scope of this update.

Effective Date

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 3546-E

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.08-02-007 and R.08-08-009. Non-market participants who are members of PG&E's PRG and have signed appropriate Non-Disclosure Certificates will also receive the Advice Letter and accompanying confidential attachments by overnight mail. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to

PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.



Vice President - Regulation and Rates

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 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 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 Attachment:

Appendix A – First Amendment of Power Purchase Agreement

Appendix B – Letter Agreement

Appendix D – Updated Contract Terms and Conditions Explained

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 and (415) 973-4612

E-mail: dxpu@pge.com and lmt1@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) #: **3546-E-A**

Tier: 3

Subject of AL: **Supplemental Filing for Contract Between PG&E and Genesis Solar, LLC, for Procurement of Renewable Energy Resources**

Keywords (choose from CPUC listing): Contracts, Portfolios

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: Yes No 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: Richard Miram (415) 973-1170

Resolution Required? Yes No

Requested effective date: Upon Commission Approval (concurrent with AL 3546-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 proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 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 and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Jane Yura

Vice President, Regulation and Rates

77 Beale Street, Mail Code B10B

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**DECLARATION OF RICH MIRAM
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION CONTAINED IN ADVICE LETTER
3546-E-A SUBMITTED JUNE 14, 2010
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Rich Miram declare:

1. I am presently employed by Pacific Gas and Electric Company (“PG&E”) and have been an employee at PG&E since 1973. My current title is Principal within PG&E’s Energy Procurement organization. In this position, my responsibilities include negotiating power purchase agreements with counterparties in the business of producing electric energy. 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 Decision (“D.”) 08-04-023 and the August 22, 2006 “Administrative Law Judge’s Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066,” I make this declaration seeking confidential treatment of Appendix A, B, and D to Advice Letter 3546-E-A submitted on June 14, 2010. By this Advice Letter, PG&E is providing supplemental information and seeking this Commission’s approval of the amended power purchase agreement that PG&E has executed with Genesis Solar, LLC.

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 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 data and information corresponds (where applicable), and why confidential protection is justified. Finally, the matrix specifies: (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. By this reference, I am incorporating into this declaration all of the 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, to the best of my knowledge, the foregoing is true and correct. Executed on June 14, 2010 at San Francisco, California.

A handwritten signature in black ink that reads "Rich Miram". The signature is written in a cursive style with a horizontal line underneath it.

Rich Miram

IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 06-06-066 AND DECISION 08-04-023

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)

3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)

5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)

4) That the information is not already public (Y/N)

PG&E's Justification for Confidential Treatment

Length of Time

1 Document: Advice Letter 3546-E-A

2 Appendix A and Appendix B

Item VII F) Renewable Resource Contracts under RPS program - Contracts with SEPs.

Y

Y

Y

Appendix A contains the First Amendment to the PPA and Appendix B contains a Letter Agreement, which further specifies contractual provisions and obligations of the parties. Disclosure of the PPA and amendments to the PPA would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006, 2007, 2008 and 2009 solicitations and with other counterparties, this information should remain confidential. Release of this information would be damaging to negotiations. Furthermore, the counterparty to the PPA has an expectation that the terms of the PPA will remain confidential pursuant to confidentiality provisions in the PPA.

Remain confidential for three years after the commercial operation date.

4 Appendix D

Item VII F) Renewable Resource Contracts under RPS program - Contracts with 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 discusses, analyzes and evaluates the Project and the terms of the PPA. Disclosure of this information would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006, 2007, 2008, and 2009 solicitations and with other counterparties, this information should remain confidential. Release of this information would be damaging to negotiations. Furthermore, the counterparty to the PPA 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 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 would put the counterparty at a business disadvantage PG&E and other regulated utilities, and could have a damaging effect on current and future negotiations with other counterparties.

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