

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



April 27, 2012

**Advice Letters 3736-E and 3736-E-A**

Brian K. Cherry  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Withdrawal of Advice Letter 3736-E and 3736-E-A Regarding  
Power Purchase Agreement for Procurement of Renewable Energy  
Resources between TGP Coyote Canyon, LLC and PG&E**

Dear Mr. Cherry:

Advice Letters 3736-E and 3736-E-A are withdrawn as requested in your letter dated April 25, 2012

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division



**Brian K. Cherry**  
Vice President  
Regulation and Rates

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415.973.6520

June 30, 2011

**Advice 3736-E-A**

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject: Supplemental Filing to the Power Purchase Agreement for Procurement of Renewable Energy Resources Between TGP Coyote Canyon, LLC, and Pacific Gas and Electric Company**

**I. INTRODUCTION**

**A. Purpose and Overview**

Pacific Gas and Electric Company ("PG&E") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") a supplemental filing to Advice Letter 3736-E, dated September 21, 2010. The Advice Letter requested approval of a 25-year Renewables Portfolio Standard ("RPS")-eligible power purchase agreement ("PPA") that PG&E executed with TGP Coyote Canyon, LLC ("TGP"), a wholly-owned subsidiary of Terra-Gen Power, LLC ("Terra-Gen Power"). Subsequent to filing Advice Letter 3736-E, PG&E and TGP executed an amendment to the PPA ("First Amendment") which amends certain terms and conditions in the PPA to conform exactly to the non-modifiable standard terms and conditions ("STC") required by CPUC Decision ("D.") 10-03-021, as amended by D.11-01-025. The purpose of this supplemental filing is to describe the First Amendment and request that the Commission approve the PPA, as amended by the First Amendment. Advice Letter 3736-E is currently pending approval at the Commission.

**B. Background**

On July 10, 2010, PG&E executed a PPA with TGP that was submitted for Commission approval on September 21, 2010. Under the terms of the PPA, PG&E will accept deliveries of RPS-eligible energy from a new 53 megawatts ("MW") geothermal project located near Dixie Valley, Nevada, for a term of 25 years. With an expected commercial operation date of June 1, 2013, the Project is expected to deliver on average approximately 441 gigawatt hours ("GWh") per year over the term of the PPA.

The First Amendment was executed on June 15, 2011 and amends the PPA to ensure that it conforms exactly to the "non-modifiable" terms set forth in Appendix C of D.10-03-021, as modified by D.11-01-025.

PG&E provides a copy of the First Amendment in Appendix A.

## II. REGULATORY PROCESS

### Protests:

Due to the limited scope of PG&E's supplemental filing, PG&E respectfully requests the protest period for this filing not be re-opened.

### Effective Date:

PG&E requests that this supplemental filing become effective concurrently with the Commission's approval of Advice Letter 3736-E.

### Notice:

In accordance with General Order 96-B, Section IV, a copy of this Advice Letter and the public appendix is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for R.11-05-005 and R.08-02-007. 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. 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>.



Vice President – Regulation and Rates

cc: Service List for R.11-05-005  
Service List for R.08-02-007  
Paul Douglas – Energy Division  
Sean Simon – Energy Division  
Jason Simon – Energy Division

Attachments

### Public Attachments:

**Appendix A – First Amendment to the PPA**

# 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) #: **3736-E-A**

Tier: **3**

Subject of AL: **Supplemental Filing to the Power Purchase Agreement for Procurement of Renewable Energy Resources Between TGP Coyote Canyon, LLC, and Pacific Gas and Electric Company**

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:

Confidential information will be made available to those who have executed a nondisclosure agreement:  Yes  No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:

Resolution Required?  Yes  No

Requested effective date: **Upon Commission Approval (concurrent with Advice 3736-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<sup>1</sup>: 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: Brian Cherry**  
**Vice President, Regulation and Rates**  
**77 Beale Street, Mail Code B10C**  
**P.O. Box 770000**  
**San Francisco, CA 94177**  
**E-mail: PGETariffs@pge.com**

# Advice 3736-E-A

## Appendix A

## FIRST AMENDMENT OF POWER PURCHASE AGREEMENT

This FIRST AMENDMENT OF POWER PURCHASE AGREEMENT (this "Amendment") is made as of the Effective Date (defined below), by and between Pacific Gas and Electric Company ("Buyer") and TGP Coyote Canyon, LLC ("Seller"). Seller and Buyer are each considered a "Party", and collectively, the "Parties."

### RECITALS

WHEREAS, the Parties entered into a power purchase agreement on July 10, 2010, (hereinafter the "Power Purchase Agreement"); and

WHEREAS, the Parties wish to enter into an amendment to the Power Purchase Agreement as set forth below; and

WHEREAS, capitalized terms defined in the Power Purchase Agreement are used in this Amendment as defined in the Power Purchase Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### AGREEMENT

The Power Purchase Agreement is hereby amended as set forth herein, and this Amendment shall be effective as of the last dated signature on the signature page hereto ("Effective Date").

- A. Amendment to Section 3.1(k)(viii): Replace the words "renewable energy credits" with the words "Renewable Energy Credits".
- B. Amendment to Section 10.2(b): Replace the words "renewable energy credits" with the words "Renewable Energy Credits".
- C. Miscellaneous.

1. Effect of Amendment. The Power Purchase Agreement, as modified by this Amendment, remains in effect in accordance with its terms. If there is any conflict between the Power Purchase Agreement and this Amendment, this Amendment shall control.

2. Entire Agreement. This Amendment along with the Power Purchase Agreement constitute the entire agreement between the Parties relating to the subject matter thereof and shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter thereof.

3. Governing Law. This Amendment shall be governed by Section 10.12 of the Power Purchase Agreement.

4. Captions; Construction. The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. Any term and provision of this Amendment shall be construed simply according to its fair meaning and not strictly for or against any Party. The Parties collectively

have prepared this Amendment, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Amendment or any part hereof.

5. Counterparts. This Amendment may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same amendment. Delivery of an executed counterpart of this Amendment by facsimile will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Amendment by facsimile will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Amendment.

6. Any Amendments or Modifications. This Amendment may only be amended or modified in writing signed by each of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Amendment to the Power Purchase Agreement to be duly executed by its authorized representatives, as of the day and year written below. This Amendment shall not become effective as to either Party unless and until executed by both Parties.

**TGP Coyote Canyon, LLC**

**PACIFIC GAS AND ELECTRIC COMPANY, a  
California corporation**

Signature: B. Raemy  
Name: Bernard Raemy  
Title: Vice President  
Date: 5/24/11

Signature: [Signature]  
Name: DAVE LEWIS  
Title: DIRECTOR  
Date: 6/15/11

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

AT&T	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl LLP	Douglass & Liddell	OnGrid Solar
Ameresco	Downey & Brand	Praxair
Anderson & Poole	Duke Energy	R. W. Beck & Associates
Arizona Public Service Company	Economic Sciences Corporation	RCS, Inc.
BART	Ellison Schneider & Harris LLP	Recurrent Energy
Barkovich & Yap, Inc.	Foster Farms	SCD Energy Solutions
Bartle Wells Associates	G. A. Krause & Assoc.	SCE
Bloomberg	GLJ Publications	SMUD
Bloomberg New Energy Finance	GenOn Energy, Inc.	SPURR
	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
Boston Properties	Green Power Institute	
Braun Blaising McLaughlin, P.C.	Hanna & Morton	Santa Fe Jets
Brookfield Renewable Power	Hitachi	Seattle City Light
CA Bldg Industry Association	In House Energy	Sempra Utilities
CLECA Law Office	International Power Technology	Sierra Pacific Power Company
CSC Energy Services	Intestate Gas Services, Inc.	Silicon Valley Power
California Cotton Ginners & Growers Assn	Lawrence Berkeley National Lab	Silo Energy LLC
California Energy Commission	Los Angeles Dept of Water & Power	Southern California Edison Company
California League of Food Processors	Luce, Forward, Hamilton & Scripps LLP	Spark Energy, L.P.
California Public Utilities Commission	MAC Lighting Consulting	Sun Light & Power
Calpine	MBMC, Inc.	Sunshine Design
Cardinal Cogen	MRW & Associates	Sutherland, Asbill & Brennan
Casner, Steve	Manatt Phelps Phillips	Tabors Caramanis & Associates
Chris, King	McKenzie & Associates	Tecogen, Inc.
City of Palo Alto	Merced Irrigation District	Tiger Natural Gas, Inc.
City of Palo Alto Utilities	Modesto Irrigation District	TransCanada
Clean Energy Fuels	Morgan Stanley	Turlock Irrigation District
Coast Economic Consulting	Morrison & Foerster	United Cogen
Commercial Energy	NLine Energy, Inc.	Utility Cost Management
Consumer Federation of California	NRG West	Utility Specialists
Crossborder Energy	Navigant Consulting	Verizon
Davis Wright Tremaine LLP	Norris & Wong Associates	Wellhead Electric Company
		Western Manufactured Housing Communities Association (WMA)
Day Carter Murphy	North America Power Partners	eMeter Corporation
Defense Energy Support Center	North Coast SolarResources	
Department of Water Resources	Northern California Power Association	