

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



November 9, 2012

Advice Letters 4114-E and 4114-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: Advice Letter Filing of PG&E's Second Renewable Auction
Mechanism Power Purchase Agreements and Supplemental
Filing**

Dear Mr. Cherry:

Advice Letters 4114-E and 4114-E-A are effective October 28, 2012.

Sincerely,

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

Edward F. Randolph, Director
Energy Division

October 26, 2012

Advice 4114-E-A

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Supplemental Filing for the Advice Letter Filing of PG&E's Second Renewable Auction Mechanism Power Purchase Agreements

Purpose

Pacific Gas and Electric Company ("PG&E") submits to the California Public Utilities Commission ("Commission" or "CPUC") a supplemental filing for Advice 4114-E ("Advice Letter"), dated September 28, 2012.¹ In the Advice Letter, PG&E submitted the power purchase agreements ("PPAs") PG&E executed as a result of its second Renewable Auction Mechanism ("RAM") Program auction ("Second RAM Solicitation"). Subsequent to PG&E filing the Advice Letter, PG&E and BE California One LLC ("BE California") terminated the BE California PPA executed as part of the Second RAM Solicitation. The BE California PPA was for deliveries from a 20 megawatt ("MW") solar photovoltaic ("PV") plant located in Lancaster, California.

The purpose of this supplement is to update the Advice Letter to reflect the termination of the BE California PPA and the reduction in the amount of renewable energy purchased by PG&E under the Second RAM Solicitation.

Background

On September 28, 2012, PG&E submitted the Advice Letter seeking Commission approval of the eight PPAs that PG&E entered into as a result of the Second RAM Solicitation that closed on May 31, 2012. PG&E agreed to terminate the BE California PPA as of October 16, 2012. PG&E expects to procure an additional 20 MW in the third RAM solicitation to replace the renewable energy that would have been purchased under the BE California PPA. Thus, PG&E's updated procurement target for the third RAM auction is increased from 112 MW to 132 MW, with the as-available peaking product category target for the third RAM auction increased from 85 MW to 105 MW.

¹ Supplements to Advice Letters are authorized by General Order ("GO") 96-B, General Rules Section 7.5.1.

Request for Commission Approval

PG&E requests that the Commission approve the Advice Letter and this supplemental filing. PG&E's requested findings of fact and conclusions of law provided in its Advice Letter should be modified as shown below to reflect the terminated PPA:

5. Adopts the following findings with respect to resource compliance with the EPS adopted in R.06-04-009:
 - a. The Second RAM Solicitation baseload PPA is pre-approved as meeting the EPS because it is for a geothermal facility covered by Conclusion of Law 35 (c) of D.07-01-039;
 - b. The Second RAM Solicitation as-available non-peaking PPA is pre-approved as meeting the EPS because it is for a wind facility covered by Conclusion of Law 35 (b) of D.07-01-039;
 - c. The ~~six~~ five as-available peaking PPAs executed as part of the Second RAM Solicitation are not subject to the EPS because each of the respective generating facilities has a forecast capacity factor of less than 60 percent and, therefore, is not baseload generation under Paragraphs 1(a)(ii) and 3(2)(a) of the Adopted Interim EPS Rules; and
 - d. A finding that PG&E has provided the notice of procurement required by D.06-01-038 in this Advice Letter filing.

Effective Date:

PG&E requests that this Tier 2 Supplemental Advice Letter become effective by October 28, 2012, concurrent with Advice Letter 4114-E.

Notice:

In accordance with General Order 96-B, Section IV, a copy of this Advice Letter 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. Address changes to the General Order 96-B service list should be directed to PG&E at E-mail address 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 approval to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.



Vice President – Regulatory Relations

cc: Service List for R.11-05-005
Paul Douglas – Energy Division
Sean Simon – Energy Division
Adam Schultz – Energy Division

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 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: **Meredith Allen / Shirley Wong**

Phone #: **(415) 973-2868 / (415) 972-5505**

E-mail: **ME Ae@pge.com / slwb@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) #: **4114-E-A**

Tier: 2

Subject of AL: **Supplemental Filing for the Advice Letter Filing of PG&E's Second Renewable Auction Mechanism Power Purchase Agreements**

Keywords (choose from CPUC listing): **Agreements, Procurement**

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: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

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: **October 28, 2012, concurrent with**

No. of tariff sheets: N/A

Advice Letter 4114-E

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:

Service affected and changes proposed:

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

ED Tariff Unit

505 Van Ness Ave., 4th Floor

San Francisco, CA 94102

EDTariffUnit@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

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

1st Light Energy	Department of General Services	North America Power Partners
AT&T	Department of Water Resources	North Coast SolarResources
Alcantar & Kahl LLP	Dept of General Services	Northern California Power Association
Ameresco	Douglass & Liddell	Occidental Energy Marketing, Inc.
Anderson & Poole	Downey & Brand	OnGrid Solar
BART	Duke Energy	PG&E
Barkovich & Yap, Inc.	Economic Sciences Corporation	Praxair
Bartle Wells Associates	Ellison Schneider & Harris LLP	R. W. Beck & Associates
Bloomberg	Foster Farms	RCS, Inc.
Bloomberg New Energy Finance	G. A. Krause & Assoc.	SCD Energy Solutions
Boston Properties	GLJ Publications	SCE
Braun Blaising McLaughlin, P.C.	GenOn Energy Inc.	SMUD
Brookfield Renewable Power	GenOn Energy, Inc.	SPURR
CA Bldg Industry Association	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
CENERGY POWER	Green Power Institute	Seattle City Light
CLECA Law Office	Hanna & Morton	Sempra Utilities
California Cotton Ginners & Growers Assn	Hitachi	Sierra Pacific Power Company
California Energy Commission	In House Energy	Silicon Valley Power
California League of Food Processors	International Power Technology	Silo Energy LLC
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Edison Company
Calpine	Lawrence Berkeley National Lab	Spark Energy, L.P.
Cardinal Cogen	Los Angeles County Office of Education	Sun Light & Power
Casner, Steve	Los Angeles Dept of Water & Power	Sunrun Inc.
Center for Biological Diversity	Luce, Forward, Hamilton & Scripps LLP	Sunshine Design
Chris, King	MAC Lighting Consulting	Sutherland, Asbill & Brennan
City of Palo Alto	MRW & Associates	Tecogen, Inc.
City of Palo Alto Utilities	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
City of San Jose	Marin Energy Authority	TransCanada
City of Santa Rosa	McKenzie & Associates	Turlock Irrigation District
Clean Energy Fuels	Merced Irrigation District	United Cogen
Clean Power	Modesto Irrigation District	Utility Cost Management
Coast Economic Consulting	Morgan Stanley	Utility Specialists
Commercial Energy	Morrison & Foerster	Verizon
Consumer Federation of California	Morrison & Foerster LLP	Wellhead Electric Company
Crossborder Energy	NLine Energy, Inc.	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	NRG West	eMeter Corporation
Day Carter Murphy	NaturEner	
Defense Energy Support Center	Norris & Wong Associates	