

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 24, 2014

Advice Letter 4313-E/4313-E-A/4313-E-B

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 Fourth Renewable Auction Mechanism Power Purchase Agreements

Dear Mr. Cherry:

Pursuant to Decision (D.) 10-12-048,¹ Pacific Gas and Electric Company (PG&E) held its fourth Renewable Auction Mechanism (RAM) auction, which closed on June 28, 2013. Consistent with that decision, PG&E executed five long-term power purchase agreements (PPAs) resulting from RAM 4 and submitted those PPAs on November 15, 2013 via Tier 2 advice letter (AL 4313-E) and December 13, 2013 via supplemental Tier 2 AL (4313-E-A) for Commission approval. On January 22, 2014, PG&E filed supplemental Tier 2 AL 4313-E-B, to submit corrections to Appendix C and Appendix F2 of the original AL.

In addition to seeking approval of its RAM 4 PPAs, PG&E proposed in its Tier 2 AL to update the Time of Delivery (TOD) factors and Buyer Curtailment Order provisions for the RAM 5 auction to be consistent with those included in its 2013 RPS Protocol and PPA. The purpose of the Tier 2 AL filing, as ordered by D.10-12-048, is to submit for Commission approval executed RAM PPAs. Therefore, the proposed TOD factor and Buyer Curtailment Order provision adjustments are outside the scope of the authorized Tier 2 AL filing process and are denied without prejudice.

PG&E's request for approval of its RAM 4 PPAs is approved with modifications, effective January 12, 2014.

Sincerely,

A handwritten signature in black ink, appearing to read "ER", written over a light blue horizontal line.

Edward Randolph
Director, Energy Division

¹ D.10-12-048 has been modified by Resolutions E-4414 (August 18, 2011), E-4489 (April 19, 2012), E-4546 (November 8, 2012), and E-4582 (May 9, 2013).

January 22, 2014

Advice 4313-E-B

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Second Supplemental Filing for the Advice Letter Filing of PG&E's Fourth Renewable Auction Mechanism Power Purchase Agreement**I. Purpose**

In Advice Letter 4313-E (“Advice Letter”), Pacific Gas and Electric Company (“PG&E”) submitted to the California Public Utilities Commission (“Commission” or “CPUC”) four Power Purchase Agreements (“PPAs”) executed as a result of its fourth Renewable Auction Mechanism (“RAM”) Program auction (“Fourth RAM Solicitation”). In Advice Letter 4313-E-A, PG&E filed one additional PPA that was executed as a result of its Fourth RAM Solicitation.¹

In Advice Letter 4313-E, PG&E inadvertently did not include a clean version of Appendix C Valuation Process Summary and did not include the appendices for Appendix F2, the STS Hydropower, Ltd PPA. In this supplement, PG&E provides the corrected Appendix C and Appendix F2.

At PG&E's August 13, 2013 Procurement Review Group (“PRG”) meeting, PG&E was asked to discuss in its RAM 4 Advice Letter Filing how it will take steps to reach out to developers of baseload renewable projects to encourage their participation in future RAM solicitations. PG&E inadvertently did not address this issue in Advice Letter 4313-E. PG&E will be holding a Bidders' Webinar to review the Fourth RAM Solicitation, discuss planned changes for the Fifth RAM Solicitation and receive feedback from the development community. The baseload issue will be one of the topics discussed at the webinar.

PG&E will use input and feedback received at the webinar to conduct outreach to the baseload developers and incorporate any needed process improvements for the Fifth RAM Solicitation. PG&E will inform the PRG participants of the status of this follow up item and will also inform them of this Bidders' Webinar. This will allow the PRG participants further exposure to the

¹ Supplemental Advice Letters are authorized by General Order (“GO”) 96-B, General Rules Section 7.5.1.

RAM community and will provide an opportunity for additional feedback to PG&E when the next status update is provided to the PRG.

The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

II. Request for Commission Approval

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 4313-E and supplemental Advice Letter 4313-E-A.

III. Request for Confidential Treatment

In support of this supplemental filing, PG&E has provided the following confidential information below. 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 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 supplement.

Confidential Attachments:

Confidential Appendix C: Valuation Process Summary
Confidential Appendix F2: STS Hydropower, Ltd PPA Executed Contract

Effective Date

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 4313-E and supplemental Advice Letter 4313-E-A.

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 list for R.11-05-005. Address changes to the General Order 96-B list and electronic approvals should be directed to 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. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

Brian Cherry /IG

Vice President – Regulatory Relations

cc: Paul Douglas – Energy Division
Sean Simon – Energy Division
Shannon O’Rourke – Energy Division
Service List for R.11-05-005

Limited Access to Confidential Material:

The portions of this Advice Letter marked Confidential Protected Material are submitted under the confidentiality protection of Section 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 contracts themselves and price information of a proposed RPS-eligible RAM 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:

Confidential Appendix C: Valuation Process Summary
Confidential Appendix F2: Executed Contract

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: Anupama Vege and Igor Grinberg

Phone #: (415) 973-7600 and (415) 973-8580

E-mail: alvb@pge.com, ixg8@pge.com and PGETariffs@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) #: **4313-E-B**

Tier: **2**

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

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 #: D.10-12-048 and Resolution E-4414

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: Dennis L. Sullivan (415) 973-4666

Resolution Required? Yes No

Requested effective date: **Concurrent with Advice Letter 4313-E and supplemental Advice Letter 4313-E-A** 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

Pending advice letters that revise the same tariff sheets: N/A

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:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian 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 DENNIS L. SULLIVAN
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION CONTAINED IN
ADVICE LETTER 4313-E-B
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Dennis L. Sullivan, declare:

1. I am presently employed by Pacific Gas and Electric Company ("PG&E"). I am a Renewable Energy Principal in PG&E's Energy Procurement organization. In this position, my responsibilities include management of PG&E's Renewable Auction Mechanism Power Purchase Agreements Request for Offers and finalization of the Power Purchase Agreements submitted for approval in this Advice Letter. 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 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of Appendix C and F2 to PG&E's Advice Letter 4313-E-B, submitted on January 22, 2014.

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"). The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, if applicable, 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, if applicable; (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.

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 January 22, 2014, San Francisco, California.

A handwritten signature in cursive script, appearing to read "Dennis L. Sullivan", written in black ink. The signature is positioned above a horizontal line.

DENNIS L. SULLIVAN

PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)
Advice Letter 4313-E-B
January 22, 2014

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

Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, Appendix I 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, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
Document: Advice Letter 4313-E-B							
Appendix C	Y	Item VIII B) Specific quantitative analysis involved in scoring and evaluation of participating bids. Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects.	Y	Y	Y	This Appendix contains the confidential summary and discussion of PG&E's valuation and selection process. Disclosure of this information would provide valuable market sensitive information to competitors. 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 counterparties in other renewables programs.	For information covered under Item VIII B), remain confidential for three years after winning bidders selected. For information covered under un-numbered category following VII G), remain confidential for three years after the commercial operation date.
Appendix F2	Y	Item VII G) Renewable Resource Contracts under RPS program - Contracts without SEPs.	Y	Y	Y	This Appendix contains the PPA for which PG&E seeks approval in the Advice Letter filing. Disclosure of this information would provide valuable market sensitive information to competitors. Furthermore, the counterparty to the PPA has an expectation that the terms of the PPA will remain confidential.	For information covered under Item VII G), remain confidential for three years after the commercial operation date, or one year after expiration (whichever is sooner).

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

1st Light Energy	Douglass & Liddell	OnGrid Solar
AT&T	Downey & Brand	Pacific Gas and Electric Company
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Praxair
Anderson & Poole	G. A. Krause & Assoc.	Regulatory & Cogeneration Service, Inc.
BART	GenOn Energy Inc.	SCD Energy Solutions
Barkovich & Yap, Inc.	GenOn Energy, Inc.	SCE
Bartle Wells Associates	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
Braun Blasing McLaughlin, P.C.	Green Power Institute	SPURR
CENERGY POWER	Hanna & Morton	San Francisco Public Utilities Commission
California Cotton Ginners & Growers Assn	In House Energy	Seattle City Light
California Energy Commission	International Power Technology	Sempra Utilities
California Public Utilities Commission	Intestate Gas Services, Inc.	SoCalGas
California State Association of Counties	K&L Gates LLP	Southern California Edison Company
Calpine	Kelly Group	Spark Energy
Casner, Steve	Linde	Sun Light & Power
Center for Biological Diversity	Los Angeles Dept of Water & Power	Sunshine Design
City of Palo Alto	MRW & Associates	Tecogen, Inc.
City of San Jose	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Clean Power	Marin Energy Authority	TransCanada
Coast Economic Consulting	McKenna Long & Aldridge LLP	Utility Cost Management
Commercial Energy	McKenzie & Associates	Utility Power Solutions
County of Tehama - Department of Public Works	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	NLine Energy, Inc.	Water and Energy Consulting
Day Carter Murphy	NRG Solar	Wellhead Electric Company
Defense Energy Support Center	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Dept of General Services	North America Power Partners	
Division of Ratepayer Advocates	Occidental Energy Marketing, Inc.	