

Pacific Gas and Electric Company  
**2009 AS-DELIVERED CAPACITY PRICES FOR QUALIFYING FACILITIES**  
 Effective August 1, 2009 <sup>1</sup>

|  | Capacity <sup>2</sup><br>Value<br>\$/kw-year<br>(a) | Capacity<br>Allocation<br>Factor <sup>3</sup><br>year/hr<br>(b) | Capacity Loss<br>Adjustment Factor <sup>4</sup> |   | As-Delivered<br>Capacity Price <sup>5</sup> |   |
|--|---|---|---|---|---|---|
|  |   |   | Transmission<br>(c)                             | Primary &<br>Secondary<br>Distribution<br>(d) | Transmission<br>\$/kwh<br>(e) = a * b * c   | Primary &<br>Secondary<br>Distribution<br>\$/kwh<br>(f) = a * b * d |
|  |   |   |   |   |   |   |
| <b>With Time-of-Delivery Metering</b>                                      |   |   |   |   |   |   |
| <b>Period A - Summer</b><br>(May through October)                          |   |   |   |   |   |   |
| Peak   | 37.610  | 0.0009844   | 0.989   | 0.991   | <b>0.036616</b>                             | <b>0.036690</b>   |
| Partial-Peak   | 37.610  | 0.0000264   | 0.989   | 0.991   | <b>0.000982</b>                             | <b>0.000984</b>   |
| Off-Peak   | 37.610  | 0.0000001   | 0.989   | 0.991   | <b>0.000004</b>                             | <b>0.000004</b>   |
| Super Off-Peak   | 37.610  | 0.0000000   | 0.989   | 0.991   | <b>0.000000</b>                             | <b>0.000000</b>   |
| <b>Period B - Winter</b><br>(January through April, November and December) |   |   |   |   |   |   |
| Partial-Peak   | 37.610  | 0.0001308   | 0.989   | 0.991   | <b>0.004865</b>                             | <b>0.004875</b>   |
| Off-Peak   | 37.610  | 0.0000008   | 0.989   | 0.991   | <b>0.000030</b>                             | <b>0.000030</b>   |
| Super Off-Peak   | 37.610  | 0.0000000   | 0.989   | 0.991   | <b>0.000000</b>                             | <b>0.000000</b>   |
| <b>Without Time-of-Delivery Metering</b>                                   |   |   |   |   |   |   |
| <b>Period A</b>  | 18.805  | 0.0001780   | 0.989   | 0.991   | <b>0.003310</b>                             | <b>0.003317</b>   |
| <b>Period B</b>  | 18.805  | 0.0000493   | 0.989   | 0.991   | <b>0.000917</b>                             | <b>0.000919</b>   |

- Interested parties are hereby notified that PG&E reserves all its available rights and remedies to obtain a revision to this posting effective as of August 1, 2009.
- The as-delivered capacity value is derived in accordance with CPUC Decision No. 07-09-040 COL 36, adopting a Combustion Turbine (CT) cost proposed by TURN in its Exhibit 149, less adjustments for ancillary services and energy benefits. The 2009 CT cost is \$69.21/kW-year and is adjusted annually, as detailed in TURN's Exhibit 149, Appendix B. A weighted average of the capacity value is used for meters without time-of-delivery metering.
- Capacity allocation factors (CAF) allocate the capacity value for seasons and time-of-delivery periods. These factors are derived by dividing the allocation percentages effective January 1, 2009, and approved in D. 97-03-017 by the number of hours in each time-of-delivery period. These percentages and hours are summarized, as follows:

|                | CAFs (%)      |               | 2009 Delivery Hours |             |
|----------------|---------------|---------------|---------------------|-------------|
|                | Period A      | Period B      | Period A            | Period B    |
| Peak           | 76.19%        | N/A           | 774                 | 0           |
| Partial-Peak   | 2.38%         | 21.25%        | 903                 | 1625        |
| Off-Peak       | 0.02%         | 0.15%         | 2003                | 1995        |
| Super-Off-Peak | N/A           | N/A           | 736                 | 724         |
| Season total   | <u>78.59%</u> | <u>21.41%</u> | <u>4416</u>         | <u>4344</u> |

Example of year/hr CAF for "Period A - Peak:"  
 76.19% divided by 774 hours = 0.0009844

- Capacity prices are adjusted for the effect of deliveries on PG&E's transmission and distribution losses based upon the seller's interconnection voltage level. The loss adjustment factors for non-remote facilities (as defined by the CPUC) are shown here.
- The as-delivered capacity price is the product of three factors: capacity value, allocation factor, and capacity loss adjustment factor.