

April 27, 2016

Advice 4822-E-A

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Submission of Supplemental Advice Letter with Updated Protocol and Appendices for a Solicitation Using the Renewable Auction Mechanism Targeted At Facilities That Utilize Fuel from High Hazard Zones Pursuant to Resolution E-4770**A. Purpose:**

Pursuant to the California Public Utilities Commission's ("Commission") General Order ("G.O.") 96-B,¹ Pacific Gas and Electric Company ("PG&E") submits this supplement to Advice Letter 4822-E to provide an updated solicitation protocol and appendices for a proposed Solicitation Using the Renewable Auction Mechanism ("RAM") Targeted At Facilities That Utilize Fuel from High Hazard Zones Pursuant to Resolution E-4770 ("BioRAM").

The intent of this supplement is to expand the eligibility of bids into the BioRAM to include contract terms of greater than 5 and 10 years for existing and new facilities, respectively. In PG&E's original Advice Letter 4822-E, PG&E had proposed that new facilities may only submit bids for contracts of 10 years and existing facilities may only submit bids for contracts of 5 years, with a PG&E option to extend to a cumulative total of 10 years under certain conditions. This supplement expands the eligibility criteria, and makes conforming changes to both the proposed BioRAM Rider and Solicitation Protocol, to allow new facilities to propose contract terms of 10, 15, or 20 years and existing facilities to propose contract terms of 5 (with a PG&E option to extend up to a cumulative total of 10 years), 10, 15, or 20 years. This supplement supersedes language in the original Advice Letter 4822-E that is inconsistent with the proposed contract durations set forth in this supplement.

This supplement also amends the proposed BioRAM Solicitation Protocol to clarify that, consistent with its most recent Commission-approved Least-Cost, Best-Fit ("LCBF") protocol, PG&E will qualitatively prefer bids offering contracts of less than 20 years.

PG&E is providing both clean versions of the revised BioRAM Rider and Protocol, as supplemented here, and also redlined versions of these documents to show the revisions proposed by this supplement. The list of these appendices may be found below. For ease of

¹ See G.O. 96-B, Section 7.5.1.

reference, PG&E provides the following table listing the location of substantive changes proposed in the appendices to this supplement:

Document	Section Reference (with reference to the redlined version of the documents in Appendices A and B)	Description of Change(s)
Rider	Section II	Deleted "Damage Payment" definition, which referred only to deals up to 10 years in length. The Damage Payment definition will revert to the original definition in the RAM PPA.
Rider	Section V	Deleted the first portion of this section which originally had "tenth, fifteenth, or twentieth" removed.
Rider	Section VI	Added clarification/qualification to the first sentence that the annual extensions are only applicable if the Seller executes a contract with a 5 year Contract Term.
Rider	Appendix C	Added in 10, 15, and 20 year Delivery Term options for existing facilities in addition to the 5 year option. Removed separate distinction for new facilities who now have the 10, 15, and 20 year options as well.
Rider	Appendix C: Section C (Contract Price)	Added in rows for Contract Years 11 – 20.
Rider	Appendix C: Section D (Quantity):	Added in rows for Contract Years 11 – 20.
Protocol	Section 1: Overview	Added in options for longer term contracts and clarified that the annual contract extensions are applicable only to facilities that execute a PPA with a five-year Delivery Term. Added in reference to LCBF preference for contract durations of less than 20 years.
Protocol	Section IV: Evaluation Criteria	Minor updates to LCBF language and stated preference for shorter contract durations.
Protocol	Section V: Price	Added qualification that including 10 years' worth of pricing is applicable to those facilities that bid in a five-year option.

B. Appendices Showing Proposed Supplements to BioRAM Rider and Protocol

PG&E is submitting the following appendices with this supplement:

- Appendix A: Redlined Version of the BioRAM Protocol, showing changes made by this supplement to the original Protocol submitted with Advice Letter 4822-E.
- Appendix B: Redlined Version of the BioRAM Rider, showing changes made by this supplement to the original Rider submitted with Advice Letter 4822-E.
- Appendix C: Clean Version of the BioRAM Protocol, as proposed to be revised by this supplement.
- Appendix D: Clean Version of the BioRAM Rider, as proposed to be revised by this supplement.

C. Request for Commission Approval

PG&E respectfully requests that the Commission approve the modifications set forth in Advice Letter 4822-E with the changes provided in this supplemental Advice Letter 4822-E-A on an expedited basis and requests that the Commission issue a final resolution or disposition letter,² containing:

1. Approval of the modified BioRAM PPA and Rider in its entirety;
2. Approval of PG&E's modified BioRAM Protocol in its entirety;
3. A finding that termination of an existing PPA to allow participation in BioRAM is reasonable, so long as PG&E collects any minimum contractual termination damages specified in the existing PPA.
4. A finding that the statewide high hazard zone designations made available by CAL FIRE on that agency's Tree Mortality Viewer tool constitute the agency's initial high hazard zones designation for purposes of determining the applicable commencement date for the BioRAM Solicitation.
5. Any other and further relief as the Commission finds just and reasonable.

² If Commission approval is in the form of a disposition letter issued by the Commission's Energy Division, such approval shall be deemed to have made the following findings.

Protests

In light of the urgent nature of BioRAM in helping to address the State's declared emergency related to tree mortality, and consistent with G.O. 96-B, Section 7.5.1, PG&E respectfully requests that the minor revisions made by this supplemental advice letter not re-start the timeline for submitting protests or responses on the original advice letter.

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Tier Designation and Effective Date

PG&E is designating this as a Tier 2 advice letter to be approved by May 7, 2016, which is 30 days after filing of the original Advice Letter 4822-E. In light of the urgent nature of BioRAM in helping to address the State's declared emergency related to tree mortality, and consistent with G.O. 96-B, Section 7.5.1., PG&E respectfully requests that the minor revisions made by this supplemental advice letter not re-start the initial 30-day review period for Advice Letter 4822-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 list for R.15-02-020. 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>.

/S/

Erik Jacobson
Director – Regulatory Relations

cc: Paul Douglas – Energy Division
Megha Lakhchaura – Energy Division
Service List R.15-02-020

Attachments:

- Attachment A** – Redlined Version of the BioRAM Protocol, showing changes made by this supplement to the original Protocol submitted with Advice Letter 4822-E
- Attachment B** – Redlined Version of the BioRAM Rider, showing changes made by this supplement to the original Rider submitted with Advice Letter 4822-E
- Attachment C** – Clean Version of the BioRAM Protocol, as proposed to be revised by this supplement
- Attachment D** – Clean Version of the BioRAM Rider, as proposed to be revised by this supplement