

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 6, 2009

Advice Letter 3338-E

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

Subject: Sale of Certain Electric Facilities to McEvoy Power L.L.C.

Dear Mr. Cherry:

Advice Letter 3338-E is effective December 18, 2008 per Resolution E-4218.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

Fax: 415.973.7226

September 8, 2008

Advice 3338-E

(Pacific Gas and Electric Company ID U 39 E)

Subject: Sale of Certain Electric Facilities to McEvoy Power L.L.C.

Public Utilities Commission of the State of California

Purpose

Pursuant to the authority granted in Decisions (D.) 99-12-030 and 04-08-031, PG&E hereby requests approval from the California Public Utilities Commission (“Commission”) of a proposed sale of limited sole-customer public utility facilities to McEvoy Power L.L.C. (“McEvoy”).¹ A detailed description of the facilities to be sold is provided in Attachment 1 – Purchase and Sale Agreement (“Agreement”), Exhibit A (“Material Inventory”). The Agreement is based on the form of purchase and sale agreement previously approved by the Commission in Decision D.04-08-031.²

Background

¹ PG&E believes the subject sale of public utility facilities meets the review process outlined in Resolution ALJ-202.

² Under D.04-08-031, “future modifications to the updated agreement [may be made] without prior Commission approval where such modifications (i) are used only to clarify existing terms for individual transactions; (ii) further strengthen the Company and/or ratepayer protections recognized in D.99-12-030; or (iii) are used only to improve the administrative efficiency of the transaction.” Although PG&E does not believe it is required to identify qualifying modifications, the Commission may be interested to know that the Agreement reflects modifications to the form of purchase and sale agreement approved in D.04-08-031 which include: (i) revising the severance costs from a final number to an estimate, the final number to be determined at a subsequent date by PG&E, and providing McEvoy a right to terminate the Agreement without penalty if the final number is 10% higher than the preliminary estimate, (ii) adding a statement that the severance work will not commence until the Commission approves the transaction; (iii) adding a statement that Buyer will be required to also execute the Agreement to Perform Tariff Scheduled Related Work which is part of PG&E’s standard severance procedure; (vi) adding a statement that CPUC approval of the account consolidation is a condition precedent to the sale and that CPUC approval of both the sale and the account consolidation shall be in a form acceptable to the Buyer and PG&E; and (v) deleting the arbitration clause.

McEvoy is associated with the McEvoy Olive Ranch, an olive growing and oil production facility located on 550 acres west of Petaluma in Sonoma County, California, consisting of an array of buildings and operations currently served by certain PG&E electric distribution facilities spread out over the ranch.

The PG&E's facilities proposed for sale to McEvoy consist of depreciable assets used for electric distribution and dedicated to the sole use of McEvoy. They are typical of the depreciable assets contemplated in Decisions (D.) 99-12-030 and 04-08-031.³ McEvoy currently has nine separate accounts (both residential and non-residential) served by the PG&E electric distribution system on the McEvoy property, which includes approximately three miles of primary and secondary conductor and seven service transformers at different locations on the ranch (the "Facilities"). PG&E's distribution line follows a route from Pt. Reyes Petaluma Road into the property and then throughout the ranch, with services connected along the route. A map of the McEvoy Ranch is at Attachment 2.

In this advice letter, PG&E and McEvoy seek Commission approval for the sale of the Facilities to McEvoy. In a companion advice letter (3339-E), PG&E and McEvoy seek Commission approval for the consolidation of multiple accounts under a single general service rate. The McEvoy purchase of the Facilities and the account consolidation will allow McEvoy to consolidate its entire load into one point of connection with PG&E's distribution grid. It would also provide for efficient use of wind generation Facilities that McEvoy is considering for future installation.

Under the terms of the Agreement, CPUC approval of the account consolidation requested in companion advice 3339-E is a condition precedent to the sale transaction.

The Facilities proposed for sale will not affect PG&E's ability to serve its customers and the public. Consistent with the requirements of D.99-12-030 and 04-08-031, the facilities proposed for sale have been owned, operated and maintained by PG&E solely to provide utility service to the proposed purchaser.

Description of the Financial Terms of the Proposed Transaction

The original cost and net book value of the Facilities is \$81,407 and \$48,920, respectively. The purchase price for the Facilities is \$108,107. See Attachment 3 for a table showing sales price, expenses, and tax effects.

Pursuant to the authority granted in Decisions (D.) 99-12-030 and 04-08-031, the purchase price is greater than or equal to Replacement Cost New Less

³ D.04-08-031, "Examples of Sole Customers Facilities include electric distribution equipment (including conductors, poles, switches, connection hardware, and transformers), gas and electric metering equipment, and gas service piping." (p.2)

Depreciation ("RCNLD").⁴ As a result of the sale, PG&E's rate base will be reduced by the net-of-tax proceeds, which will be credited to the depreciation reserve as a net benefit to PG&E ratepayers.

This filing will not increase any other rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Environmental Information

The proposed sale constitutes a change in ownership only and no direct or indirect environmental impacts will occur as a result of the sale of the Facilities. Accordingly, as stated in D.99-12-030, pp. 7 and 9, this advice letter process is exempt from further action under the California Environmental Quality Act ("CEQA").

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than **21** days after the date of this filing, which is **September 29, 2008**.⁵ Protests should be mailed to:

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

Facsimile: (415) 703-2200
E-mail: jjn@cpuc.ca.gov and mas@cpuc.ca.gov

⁴ The Commission appears to use the terms "Replacement Cost New Less Depreciation" and "Reproduction Cost New Less Depreciation" interchangeably: Decision 04-08-031 at 2 provides that "each facility would be valued at a price equal or greater to *replacement* cost new less depreciation," yet the modified form of Purchase and Sale Agreement (PSA) adopted in that decision cites *Reproduction* Cost New Less Depreciation in Section 3.1 of the PSA as the default appraisal method. Actually, these terms refer to separate, but similar, valuation methodologies: "Reproduction cost new" is defined as the current cost of reproducing a new replica of a property with the same or similar materials, whereas "replacement cost new" is defined as the current cost, new, of a similar new property having the nearest equivalent use as the property being appraised (Application (A.) 02-01-012, p.3-1). According to the appraisal process established by the American Institute of Appraisal the type of asset(s) at issue should drive which of these methodologies is used. For assets subject to significant advances in technology, e.g., certain substation equipment, replacement cost new would be the preferable approach. In appraisal of the Facilities as they relate to McEvoy, PG&E used "reproduction cost new" the assets (transformers, wires, conductors etc.) in this case are not subject to such technological advances. In any event, PG&E believes that either approach in this case would yield a similar result.

⁵ The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

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

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

Brian Cherry, Vice President
Regulatory Relations
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

Effective Date

Pursuant to the review process outlined in GO 96-B, PG&E requests that this advice filing become effective by Commission resolution as soon as possible. **PG&E submits this filing as a Tier 3.**

Notice

In accordance with D.99-12-030 and 04-08-031, a copy of this advice letter is being served on the Energy Division and Division of Ratepayer Advocates. In addition, 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. Address changes should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>



Vice President, Regulatory Relations

Attachments 1-3

cc: Service List – Advice Letter 3338-E

***** **SERVICE LIST Advice 3338-E** *****
APPENDIX A

***** **STATE EMPLOYEES** *****

Peter V. Allen
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 505 VAN NESS AVE
 San Francisco CA 94102 3298
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 Energy Division
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Brewster Fong
 Division Ratepayer Advocates
 505 VAN NESS AVE
 San Francisco CA 94102 3298
 (415) 703- 2187
bfs@cpuc.ca.gov

***** **AGENCIES** *****

Sonoma County Department of Transportation and
 Public Works
 Director: Phillip Demery
 2300 County Center Drive, Suite B100
 Santa Rosa, CA 95403
 Direct: (707) 565-2231
 Fax: (707) 565-2620

***** **3rd Party** *****

McEvoy Power, LLC
 c/o Russ Morita
 5935 Red Hill Road
 Petaluma, CA 94952-0341
 Tel: (707) 778-2307
 Fax: (707) 778-0128

Paul C. Lacourciere
 Thelen Reid Brown Raysman & Steiner LLP
 101 Second Street
 Suite 1800
 San Francisco, CA 94105
 Direct: (415) 369-7601
 Fax: (415) 369-8765
 Email: placourciere@thelen.com

Coblentz, Patch, Duffy & Bass LLP
 c/o Paul Escobosa
 One Ferry Building, Suite 200
 San Francisco, CA 94111
 Direct: (415) 772-5710
 Fax: (415) 989-1663
 Email: paul@escobosa.com

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: Linda Tom-Martinez

Phone #: (415) 973-4612

E-mail: 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) #: **3338-E**

Tier: 3

Subject of AL: Sale of Certain Electric Facilities to McEvoy Power L.L.C.

Keywords (choose from CPUC listing): Section 851

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.99-12-030 and D.04-08-031

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 AL¹: _____

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: **as soon as possible**

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 proposed¹: 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 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

Advice 3338-E

Attachment 1

**PURCHASE AND SALE AGREEMENT
(Customer Specific Sales)**

By and between

PACIFIC GAS AND ELECTRIC COMPANY

and

MCEVOY POWER, LLC

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PURCHASE AND SALE AGREEMENT

DISTRIBUTION:		REFERENCE:
Original	Svc Plng	ORDER NO.
Copy	Division	AP NO.
Copy	PG&E	D&C NO.

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is made and entered into as of this ___ day of _____, 2008 (the "**Effective Date**"), by and between **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation ("**PG&E**"), and **MCEVOY POWER, LLC**, a California limited liability company ("**Buyer**").

RECITALS:

A. PG&E currently owns the facilities (the "**Facilities**") described on **Exhibit A** attached hereto. The Facilities are located on the real property (the "**Land**") described on **Exhibit B** attached hereto, which real property is either owned by Buyer or Buyer has adequate land rights.

B. Buyer is associated with McEvoy Ranch which is an olive growing and olive oil production facility located on the Land and served by PG&E and the Facilities through nine separate accounts (residential and non-residential). In addition to the sale of the Facilities which will allow McEvoy Ranch to combine all its load and a planned wind turbine electricity generator installation into one consolidated point of connection with PG&E's distribution system, in a separate but related transaction, McEvoy Ranch is requesting consolidation of these nine accounts into one account under a general service rate schedule (the "**Account Consolidation**").

C. The Facilities are no longer necessary to PG&E in the performance of its duties to the public.

D. Buyer has expressed a desire to purchase the Facilities, and PG&E is willing to sell the Facilities to Buyer on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the respective covenants and agreements contained in this Agreement, PG&E and Buyer each agree as follows:

1. **DEFINITIONS**. The following terms shall have the meanings ascribed to them below for purposes of this Agreement:

1.1 **Agreement**. "**Agreement**" has the meaning given in the preamble paragraph.

1.2 **Bill of Sale**. "**Bill of Sale**" means a document transferring title to the Facilities to Buyer, which document shall be substantially in the form of **Exhibit C** attached hereto.

1.3 Business Day. "Business Day" means a day other than Saturday, Sunday or a day on which (i) banks are legally closed for business in the State of California; or (ii) PG&E is closed for business.

1.4 Buyer. "Buyer" has the meaning given in the preamble paragraph.

1.5 CEQA. "CEQA" has the meaning given in Section 5.2.

1.6 Claims. "Claims" has the meaning given in Section 7.1.

1.7 Closing. "Closing" has the meaning given in Section 6.1.

1.8 Closing Date. "Closing Date" means the date PG&E delivers the Bill of Sale to Buyer.

1.9 CPUC. "CPUC" means the California Public Utilities Commission, or its regulatory successor, as applicable.

1.10 CPUC Approval. "CPUC Approval" means final, unconditional approval (including exhaustion of all administrative and judicial remedies or the running of time periods and statutes of limitation for rehearing and judicial review without rehearing or judicial review being sought) of this Agreement and the transactions contemplated hereby as well as of the Account Consolidation, in all cases on terms and conditions acceptable to both PG&E and Buyer in their respective and independent good faith discretion, including approval by PG&E of PG&E's proposed accounting and ratemaking treatment of the sale, and subject to Section 4.3.

1.11 CPUC Approval Date. "CPUC Approval Date" means the later of (i) the date on which CPUC approval of this Agreement and the transactions contemplated hereby on terms and conditions acceptable to PG&E and Buyer in their respective and independent good faith discretion, including approval by PG&E of PG&E's proposed accounting and ratemaking treatment of the sale, and subject to Section 4.3, becomes final, unconditional and unappealable (including exhaustion of all administrative and judicial remedies or the running of time periods and statutes of limitation for rehearing and judicial review without rehearing or judicial review being sought) and (ii) the date on which CPUC approval of the Account Consolidation on terms and conditions acceptable to PG&E and Buyer in their respective and independent good faith discretion, and subject to Section 4.3, becomes final, unconditional and unappealable (including exhaustion of all administrative and judicial remedies or the running of time periods and statutes of limitation for rehearing and judicial review without rehearing or judicial review being sought).

1.12 Effective Date. "Effective Date" has the meaning given in the preamble paragraph.

1.13 Environmental Requirements. "Environmental Requirements" means any applicable statutes, regulations or ordinances now in force or that may later be in force relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, including laws, requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of such substances into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal,

transport or handling of such substances. Environmental Requirements include: the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.) ("CERCLA"); the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.); the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.); the Clean Air Act (42 U.S.C. § 7401 et seq.); the Clean Water Act (33 U.S.C. §§1251 et seq.); the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.); the Oil Pollution Act (33 U.S.C. § 2701 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act, (7 U.S.C. §§136 et seq.); the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 et seq.); the Porter-Cologne Water Quality Control Act (Cal. Wat. Code § 13020 et seq.); the Safe Drinking Water and Toxic Enforcement Act of 1986 (Cal. Health & Safety Code § 25249.5 et seq.); the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code §§25300 et seq.); and the Hazardous Waste Control Act (Cal. Health & Safety Code § 25100 et seq.).

1.14 Excluded Taxes. "Excluded Taxes" means (a) Taxes (other than any sales, use, gross receipts, transfer or property Taxes, or any Taxes in the nature of sales, use, gross receipts, transfer or property Taxes) imposed on PG&E that are capital gains Taxes, minimum or alternative minimum Taxes, accumulated earnings Taxes, franchise Taxes or Taxes on or measured by gross or net income, capital or net worth of PG&E; and (b) property Taxes to the extent the payment is addressed in Section 3.4(b), and is not required to be reimbursed to PG&E by Buyer.

1.15 Estimated Closing Date. "Estimated Closing Date" has the meaning given in Section 6.1.

1.16 Facilities. "Facilities" has the meaning given in Recital Paragraph A.

1.17 Governmental Authority. "Governmental Authority" means any federal, state, local or other governmental, regulatory or administrative agency, commission, department, board, subdivision, court, tribunal, or other governmental arbitrator, arbitral body or other authority.

1.18 Hazardous Substances. "Hazardous Substances" means any hazardous or toxic material or waste, which is or becomes regulated by Environmental Requirements. Without limiting the generality of the foregoing, Hazardous Substances include any material or substance: (a) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable Environmental Requirements; or (b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by the United States, the State of California, any local governmental authority or any political subdivision thereof, or which cause, or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or (c) the presence of which poses or threatens to pose a hazard to the health or safety of persons or to the environment; or (d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or (e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls ("PCBs") or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or (f) which contains radon gas; (g) fuel or chemical storage tanks, energized electrical conductors or equipment, or natural gas transmission or distribution pipelines; and (h) other potentially hazardous substances, materials, products or conditions.

1.19 Land. "Land" means the real property described on **Exhibit B** attached hereto.

1.20 Legal Requirements. "Legal Requirements" means all laws, statutes, ordinances, rules, regulations, requirements or orders of any Governmental Authority now in force or that may later be in force, and the conditions of any permit, certificate, license or other approval issued by public officers relating to the Facilities, including Environmental Requirements.

1.21 Intentionally Deleted.

1.22 PG&E Parties. "PG&E Parties" means PG&E and/or each and all of its past, present and future officers, directors, partners, employees, agents, representatives, shareholders, attorneys, affiliates, parent and subsidiary corporations, divisions, insurance carriers, heirs, legal representatives, beneficiaries, executors, administrators, predecessors, transferees, successors and assigns.

1.23 Potential Environmental Hazards. "Potential Environmental Hazards" means electric fields, magnetic fields, electromagnetic fields, electromagnetic radiation, power frequency fields, and extremely low frequency fields, however designated, and whether emitted by electric transmission lines, other distribution equipment or otherwise.

1.24 Purchase Price. "Purchase Price" has the meaning given in **Section 3.1.**

1.25 Reimbursed Severance Costs. "Reimbursed Severance Costs" has the meaning given in **Section 3.2.**

1.26 Tax Claim. "Tax Claim" has the meaning given in **Section 3.3(e).**

1.27 Taxes. "Taxes" mean all federal, state, local or foreign income, ad valorem, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property (including assessments, special assessments, special district assessments, escape assessments, benefit assessments and maintenance assessments, fees or other charges or surcharges of any nature based on the use or ownership of real property), personal property, sales, use, documentary transfer, registration, value added, alternative and add-on minimum, estimated taxes, and all other taxes of any kind whatsoever, including all interest, penalties, fines and additions thereto, whether disputed or not, including all items for which liability arises as a transferee or successor-in-interest.

2. PURCHASE AND SALE OF FACILITIES.

Subject to the terms and conditions of this Agreement, PG&E agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer agrees to purchase and acquire from PG&E, all of PG&E's right, title and interest in the Facilities.

3. PURCHASE PRICE AND OTHER COSTS.

3.1 Purchase Price. Subject to adjustment as provided in this Section 3.1, the purchase price ("**Purchase Price**") for the Facilities is One Hundred Eight Thousand One Hundred Seven Dollars (\$108,107). The Purchase Price is based upon the Facilities existing on the Effective Date. If any additions to or retirements from the Facilities are made after the Effective Date and prior to the Closing Date, the Purchase Price shall be adjusted upward or downward, as the case may be, in accordance with the Reproduction Cost New Less Depreciation method of valuing assets, using five percent (5%) present worth depreciation. PG&E shall provide Buyer with written notice of the adjusted Purchase Price no later than the ten (10) Business Days after the CPUC Approval Date. If the Purchase Price is adjusted upward by more than ten percent (10%), Buyer may terminate this Agreement without further liability by providing written notice to PG&E within ten (10) Business Days of Buyer's receipt of notice of the adjusted Purchase Price.

3.2 Reimbursed Severance Costs. In addition to the Purchase Price, Buyer shall pay to PG&E, within ten (10) Business Days after written request, PG&E's good faith estimate of the cost of physically separating the Facilities from the balance of PG&E's distribution facilities ("**Reimbursed Severance Costs**"), provided that PG&E shall not request the Reimbursed Severance Costs until after the CPUC Approval Date. The preliminary estimated Reimbursed Severance Costs at the time of execution of the Agreement are \$26,826.80, but this sum may be adjusted accordingly to include, among other things, inflation and PG&E's cost adjustments at the time PG&E formally requests payment of the Reimbursed Severance Costs from Buyer. At that time, if PG&E underestimates the Reimbursed Severance Costs, Buyer shall not be obligated to pay any shortfall, and if PG&E overestimates the Reimbursed Severance Costs, Buyer shall not be entitled to any refund. If the Reimbursed Severance Costs are adjusted upward by more than ten percent (10%) above the preliminary estimate, Buyer may terminate this Agreement without payment of any termination fee or penalty by providing written notice to PG&E within ten (10) Business Days of Buyer's receipt of notice of the adjusted Reimbursed Severance Costs, and PG&E and Buyer shall thereupon each be released from all obligations under this Agreement except those which expressly survive termination. If the Closing does not occur for any reason other than Buyer's breach of this Agreement, any remaining balance of the Reimbursed Severance Costs shall be refunded to Buyer. In connection with this severance work, within five (5) business days after receipt of written request by PG&E, Buyer shall execute PG&E's standard Agreement to Perform Tariff Scheduled Related Work substantially in the form attached hereto as **Exhibit D**.

3.3 Taxes.

(a) Except for any Excluded Taxes for which Buyer will have no liability, Buyer shall pay all Taxes arising in connection with the sale and transfer of the Facilities (or any part thereof), this Agreement or the transactions contemplated herein, or the receipt of the Purchase Price or other amounts hereunder, regardless of whether levied or imposed on or with respect to PG&E, Buyer or all or any part of the Facilities or any use thereof, and regardless of when such Taxes are levied or imposed. Without limiting the generality of the foregoing, Buyer shall pay PG&E a charge to cover PG&E's estimated liability for federal and state income tax on the severance work, calculated at the tax factor approved by the CPUC for the Income Tax Component of Contributions, if applicable.

(b) State and local personal property Taxes relating to the Facilities for the tax year (ending June 30) will be prorated between Buyer and PG&E on the following basis: PG&E is to be responsible for all such Taxes for the period up to the Closing Date; and Buyer is responsible for all such Taxes for the period on and after the Closing Date. All Taxes assessed on an annual basis will be prorated on the assumption that an equal amount of Taxes applies to each day of the year, regardless of how any installment payments are billed or made, except that Buyer will bear all supplemental or other state and local personal property Taxes which arise out of a change in ownership of the Facilities. In addition, Buyer acknowledges that the Facilities are assessed by the California State Board of Equalization as of January 1 of each year, and, if the Closing occurs between January 1 and June 30, PG&E must pay personal property taxes arising out of the ownership of the Facilities for the subsequent fiscal year. If the Closing occurs between January 1 and June 30, Buyer will deposit with PG&E the full amount to pay personal property taxes for the tax year beginning on July 1, in addition to the prorated amount of personal property taxes for the current tax year (ending June 30), and PG&E will pay the personal property taxes for these tax years before they become delinquent; provided however, that PG&E may pay such taxes in installments as permitted by law. If the personal property taxes for the tax year beginning on July 1 are not available as of the Closing, then the amount due from Buyer to PG&E for such tax year will be estimated on the basis of the prior year's personal property taxes and such amount will be subject to adjustment after the Closing. If the Closing occurs between July 1 and December 31, Buyer will deposit with PG&E the prorated amount of personal property taxes for the tax year in which the Closing occurs and PG&E will pay the personal property taxes for such tax year before they become delinquent; provided however, PG&E may pay such taxes in installments as permitted by law.

(c) PG&E will be entitled to any refunds or credits of Taxes relating to the Facilities that are allocable to the period prior to the Closing Date. Buyer will promptly notify and forward to PG&E the amounts of any such refunds or credits to PG&E within five (5) Business Days after receipt thereof. Buyer will be entitled to a refund of Taxes relating to the Facilities that are allocable to the period on and after the Closing Date. PG&E agrees to reasonably cooperate with Buyer's efforts to obtain such refund.

(d) After the Closing Date, Buyer will notify PG&E in writing, within five (5) Business Days after Buyer's receipt of any correspondence, notice or other communication from a taxing authority or any representative thereof, of any pending or threatened tax audit, or any pending or threatened judicial or administrative proceeding that involves Taxes relating to the Facilities for the period prior to the Closing Date, and furnish PG&E with copies of all correspondence received from any taxing authority in connection with any audit or information request with respect to any such Taxes relating to the Facilities for the period prior to the Closing Date.

(e) Notwithstanding any provision of this Agreement to the contrary, with respect to any claim for refund, audit, examination, notice of deficiency or assessment or any judicial or administrative proceeding that involves Taxes relating to the Facilities for the periods entirely prior to the Closing Date, both prior to and after the Closing Date, or after the Closing if such Taxes were paid by PG&E or otherwise reported on a tax return or other tax report submitted by PG&E (collectively, "Tax Claim"), the parties will reasonably cooperate with each other in contesting any Tax Claim, including making available original books, records, documents and information for inspection, copying and, if necessary, introduction as evidence at any such Tax Claim contest and making employees available on a mutually convenient basis to provide additional information or explanation of any material provided hereunder with respect to such Tax Claim or to testify at proceedings relating to such Tax Claim. PG&E will control all

proceedings taken in connection with any Tax Claim that pertains entirely to the period prior to the Closing Date, and PG&E and Buyer will jointly control all proceedings taken in connection with any Tax Claim pertaining to the period both prior to and after the Closing Date. Buyer will control all proceedings taken in connection with any Tax Claim that pertains entirely to the period after the Closing Date as long as such Tax Claim does not involve Taxes either paid by PG&E or otherwise reported on a tax return or other tax report submitted by PG&E (in which case PG&E shall retain all control for such Tax Claim). Buyer has no right to settle or otherwise compromise any Tax Claim which pertains entirely to the period prior to the Closing Date and/or which is paid by PG&E or otherwise reported on a tax return by PG&E; neither party has the right to settle or otherwise compromise any Tax Claim which pertains to the period both prior to and after the Closing Date without the other party's prior written consent; and PG&E has no right to settle or otherwise compromise any Tax Claim which pertains entirely to the period prior to the Closing Date as long as such Tax Claim does not involve Taxes either paid by PG&E or otherwise reported on a tax return or other tax report submitted by PG&E (in which case PG&E shall retain all control for such Tax Claim including the right to settle it).

(f) The obligations of the parties pursuant to this Section 3.3 shall survive the Closing.

4. CONDITIONS PRECEDENT.

4.1 Conditions to Buyer's Obligations. Buyer's obligation under this Agreement to purchase the Facilities is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) PG&E shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed or complied with by PG&E at or prior to the Closing.

(b) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

4.2 Conditions to PG&E's Obligations. PG&E's obligation under this Agreement to sell the Facilities to Buyer is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) Buyer shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed by Buyer at or prior to the Closing.

(b) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

4.3 CPUC Approval. The obligation of each party to close the sale of the Facilities is conditioned upon obtaining CPUC Approval on or prior to the Closing Date. The parties may (but are not obligated to) mutually agree to extend the Estimated Closing Date to obtain CPUC Approval as set forth in Section 6.1. PG&E shall use good faith efforts to obtain

CPUC Approval, and Buyer agrees to cooperate with PG&E's efforts to obtain CPUC Approval, including by promptly reviewing and signing the application for CPUC Approval. Buyer acknowledges and agrees that PG&E makes no representation or warranty with respect to the likelihood of obtaining CPUC Approval, and Buyer hereby waives all Claims against PG&E that may arise as a result of the need for CPUC Approval or PG&E's failure to obtain CPUC Approval, unless PG&E did not make a good faith effort to obtain CPUC Approval. If CPUC Approval has not been obtained on or prior to the Estimated Closing Date, as the same may be extended, the provisions of Section 4.4 below shall apply. Nothing in this Section in any way imposes upon PG&E an obligation to accept any term or condition imposed by the CPUC as a condition of its approval which term or condition is not acceptable to PG&E in its sole discretion. Nothing in this Section in any way imposes upon Buyer an obligation to accept any term or condition imposed by the CPUC as a condition of its approval which term or condition is not acceptable to Buyer in its sole discretion. The parties acknowledge and agree that the physical separation of the Facilities from the balance of PG&E's distribution facilities shall not commence until after the CPUC Approval Date and unless and until CPUC Approval is obtained.

4.4 Satisfaction or Waiver of Conditions. Buyer may waive any of the conditions precedent set forth in Section 4.1, and PG&E may waive any of the conditions precedent set forth in Section 4.2. Neither party shall have the right to waive the condition precedent set forth in Section 4.3. Subject to the foregoing, in the event that any of the conditions precedent set forth in this Section 4 shall not be satisfied or waived on or before the Estimated Closing Date (as the same may be extended), then the party whose obligations are subject to such condition precedent shall have the right to terminate this Agreement upon written notice to the other party, and PG&E and Buyer shall thereupon each be released from all obligations under this Agreement, except those which expressly survive termination.

5. CONDITION OF FACILITIES.

5.1 Prior Inspection. Buyer acknowledges that prior to the execution of this Agreement, Buyer has had ample opportunity to inspect the Facilities and has inspected the Facilities to its satisfaction. Based on Buyer's independent investigation of the Facilities, Buyer has decided to execute this Agreement.

5.2 Compliance with Legal Requirements and Governmental Approvals. Except for (a) CPUC Approval; and (b) PG&E's obligations under Section 6.4; Buyer, at Buyer's sole expense, is responsible for complying with all Legal Requirements and obtaining all authorizations, consents, licenses, permits and approvals of Governmental Authorities and third persons required by applicable Legal Requirements or required by any such third persons in connection with the consummation of the transactions contemplated by this Agreement and with Buyer's operation of the Facilities, whether as a result of the PCB content or otherwise, including all consents to the assignment from PG&E to Buyer of the Facilities (or any portion thereof). Notwithstanding the foregoing, Buyer is responsible for complying with the California Environmental Quality Act ("CEQA") to the extent applicable, and satisfying, at Buyer's sole expense, any and all mitigation measures under CEQA that may apply to Buyer's acquisition or operation of the Facilities. Buyer shall promptly notify PG&E of any and all mitigation measures that may affect PG&E. If PG&E determines in good faith that any such mitigation measures may adversely affect PG&E, PG&E shall have the right, without liability to Buyer, to terminate this Agreement upon written notice to Buyer. In the event of such termination, PG&E and Buyer shall each be released from all obligations under this Agreement, except those that expressly survive termination. Buyer's obligations under this Section 5.2 shall survive the termination of this Agreement or the Closing.

5.3 Disclosure Regarding Hazardous Substances. PG&E hereby discloses to Buyer that Potential Environmental Hazards and Hazardous Substances, including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities or the Land, or portions thereof. Buyer represents that it is purchasing the Facilities for Buyer's own use, and not for resale. Buyer will continue to use the Facilities substantially in the manner in which they are currently being used for distribution purposes. If Buyer sells the Facilities or the Land, or any part thereof, it shall disclose, in writing, to all potential buyers, prior to the sale, that Potential Environmental Hazards and Hazardous Substances, including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities or the Land, or portions thereof. Further, in the event the Facilities or the Land (or any portion thereof) are sold, conveyed or transferred in any manner to a person other than PG&E, Buyer shall incorporate in the agreement effectuating such transfer, language substantially in the same form as this paragraph. Buyer's obligations under this Section 5.3 shall survive the Closing.

5.4 Disclaimers Regarding the Facilities. BUYER ACKNOWLEDGES THAT IT IS RELYING UPON ITS OWN INDEPENDENT INVESTIGATION IN DECIDING TO PURCHASE THE FACILITIES. BUYER EXPRESSLY DISCLAIMS RELIANCE ON ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES, EITHER EXPRESS OR IMPLIED, BY PG&E, ITS OFFICERS, DIRECTORS, COUNSEL, REPRESENTATIVES OR AGENTS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PG&E EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE FACILITIES, THE PROSPECTS (FINANCIAL AND OTHERWISE) OF THE FACILITIES, THE QUALITY OF WORKMANSHIP OF THE FACILITIES, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. PG&E FURTHER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING POTENTIAL ENVIRONMENTAL HAZARDS, THE PRESENCE OF HAZARDOUS SUBSTANCES, COMPLIANCE OF THE FACILITIES WITH ENVIRONMENTAL REQUIREMENTS, OR LIABILITY OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL REQUIREMENTS. NO SCHEDULE OR EXHIBIT TO THIS AGREEMENT, NOR ANY OTHER MATERIAL OR INFORMATION PROVIDED BY OR COMMUNICATIONS MADE BY PG&E, WILL CAUSE OR CREATE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED.

5.5 "AS IS" SALE. THE FACILITIES ARE BEING TRANSFERRED "AS IS, WHERE IS, AND WITH ALL FAULTS" IN THEIR EXISTING CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY PG&E, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST PG&E, EXCEPT AS SET FORTH IN THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PG&E EXPRESSLY DISCLAIMS: (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY; (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR MATERIALS.

5.6 Maintenance of Facilities Pending Closing. From the Effective Date through the Closing Date, PG&E will, at its expense, operate and maintain the Facilities in a manner consistent with PG&E practices.

6. CLOSING.

6.1 Closing Date. The parties estimate that the closing of this transaction (the "Closing") will take place on May 29, 2009 (the "Estimated Closing Date"); provided,

however, that if the CPUC Approval Date has not occurred prior to the Estimated Closing Date, the parties may (but are not obligated to) mutually agree to extend the Estimated Closing Date for up to an additional one (1) year to obtain CPUC Approval, in which case the Closing Date shall occur on the date agreed to by the parties, which date shall be no later than one hundred eighty (180) days following the CPUC Approval Date. If PG&E fails to obtain CPUC Approval prior to the Estimated Closing Date (as the same may be extended), this Agreement shall automatically terminate and except for agreements that expressly survive the termination of this Agreement, all obligations and liabilities of the parties under this Agreement shall terminate. If the conditions set forth in Section 4 have been satisfied (or waived by the party for whose benefit such condition precedent exists) prior to the Estimated Closing Date, the parties may mutually agree to accelerate the Closing Date. In addition, the parties may mutually agree to extend the Closing Date to take into account the scheduling of the final reading of electrical meters, weather conditions that may delay severance work, and other similar matters. The parties shall reasonably cooperate in modifying the Closing Date to accommodate the requirements of the other party, provided that in the event of any emergency situation or for other good cause, PG&E may unilaterally delay the Closing Date for a maximum of forty-five (45) days by written notice to Buyer. Upon request by PG&E, Buyer shall acknowledge the Closing Date in writing; provided, however, that Buyer's failure to execute such acknowledgement shall not affect the Closing Date.

6.2 Delivery of Funds and Documents. The parties shall take the following actions on the respective dates specified below:

(a) Within ten (10) Business Days after written request, Buyer shall pay to PG&E in U.S. dollars the Purchase Price, the Reimbursed Severance Costs, and the Taxes (to the extent the amount owing by Buyer to PG&E is determined as of the date of the request), provided that PG&E shall not request such payment until approximately thirty (30) Business Days prior to the Closing Date.

(b) On the Closing Date, PG&E shall deliver to Buyer an original Bill of Sale duly executed by PG&E. The parties agree that delivery of the Bill of Sale shall be effective upon the earlier of (i) delivery to Buyer by hand of an original Bill of Sale; or (ii) Buyer's receipt of a facsimile transmission of the Bill of Sale as evidenced by electronic confirmation of receipt. If delivery is made by facsimile transmission, PG&E shall concurrently send the original document(s) to Buyer by registered or certified mail or overnight courier.

(c) On the Closing Date, PG&E shall sever the Facilities from the balance of PG&E's distribution system. Buyer hereby acknowledges receipt of the severance engineering drawings, a copy of which is attached hereto as Exhibit E.

6.3 Assumption of Liabilities. Upon the Closing Date, Buyer will assume all obligations and liabilities of any kind or nature whatsoever related to, arising from, or associated with ownership or possession of the Facilities.

6.4 Warranty of Title. PG&E warrants that upon CPUC Approval and execution and delivery of the Bill of Sale, Buyer shall have good title to the Facilities, free and clear of all liens and encumbrances.

6.5 Survival. The covenants, agreements, and obligations of PG&E and Buyer contained in Section 6.3 and Section 6.4 shall survive the Closing.

7. RELEASE.

7.1 Release. Buyer, for itself, and for any future owners or holders of all or a part of the Facilities and/or the Land, and each of their respective predecessors, successors, assigns, licensees, officers, directors, employees, agents, partners, shareholders, transferees, parent and subsidiary corporations, legal representatives, heirs, beneficiaries, executors and administrators hereby fully and forever releases, exonerates, discharges and covenants not to sue PG&E Parties of, from and for any and all losses (including diminution in the value of the Land and other consequential damages), costs, claims, demands, actions, suits, orders, causes of action, obligations, controversies, debts, expenses, accounts, damages, judgments and liabilities of whatever kind or nature (including fines and civil penalties), and by whomsoever asserted, in law, equity or otherwise, whether known or unknown, (each a "**Claim**" and, collectively, "**Claims**") arising from or in any way connected with the Facilities, including Claims relating to PG&E's maintenance of the Facilities prior to the Closing, Claims relating to Potential Environmental Hazards, and Claims relating to the presence of PCBs or any other Hazardous Substances in the Facilities and/or in, on or about the Land.

7.2 Statutory Waiver. Buyer acknowledges that it may hereinafter discover facts different from or in addition to those, which it now knows or believes to be true with respect to the matters that are the subject of this Agreement, and agrees that this Agreement shall remain in effect in all respects, notwithstanding the discovery of such different or additional facts. In addition, Buyer understands and agrees that its agreements and covenants contained in this Agreement extend to all Claims of any nature and kind, known or unknown, suspected or unsuspected, based in whole or in part on facts existing in the past or as of the date hereof, and in that regard, Buyer acknowledges that it has read, considered and understands the provisions of Section 1542 of the California Civil Code which reads as follows:

Section 1542. General Release

A general release does not extend to claims which a creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Based upon the advice of its counsel, Buyer knowingly and voluntarily waives and relinquishes any and all rights that it may have under Section 1542 as well as under the provisions of all comparable, equivalent, or similar statutes and principles of common law or other decisional law of any and all states of the United States or of the United States. Buyer understands and acknowledges the significance and consequences of this waiver and hereby assumes the risk of any injuries, losses or damages which may arise from such waiver.

7.3 Survival. The releases, covenants, agreements, and obligations of Buyer contained in Section 7.1 and Section 7.2 shall survive the termination of this Agreement or the Closing.

8. INDEMNITY. Buyer agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold the PG&E Parties harmless, to the fullest extent permitted by law, from and against any and all Claims (including the payment of damages, both actual and consequential, the payment of penalties and fines, the payment of the actual fees and expenses

of experts, attorneys and others, and the payment of the cost of environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial work and other "response costs" under CERCLA or any other Environmental Requirements) arising from or in any way connected with: (a) any inspection of the Facilities, or activities conducted in connection therewith by Buyer, its employees, agents, or contractors prior to the Closing, including Claims arising from the passive or active negligence of PG&E Parties; or (b) the ownership, possession, use or operation of the Facilities from and after the Closing; or (c) Potential Environmental Hazards relating to the Facilities or (d) the presence, disposal, dumping, escape, seepage, leakage, spillage, discharge, emission, pumping, emptying, injecting, leaching, pouring, release or threatened release of PCBs or any other Hazardous Substances which occur on or after the Closing Date in connection with the Facilities; or (e) violation of any Legal Requirements which occur on or after the Closing Date. Notwithstanding anything to the contrary in this Section 8, Buyer shall not be required to indemnify, protect, defend or hold PG&E Parties harmless from or against any Claims that are brought by current or former employees of PG&E, their heirs, beneficiaries, executors or administrators, and which relate to such employees' activities in connection with the Facilities within the scope of their employment by PG&E. If any action or proceeding is brought against any one or more PG&E Parties for any Claim against which Buyer is obligated to indemnify or provide a defense hereunder, Buyer, upon written notice from PG&E, shall defend such action or proceeding at Buyer's sole expense by counsel approved by PG&E, which approval shall not be unreasonably withheld, conditioned or delayed. Buyer's obligation to defend the PG&E Parties includes the obligation to defend claims and participate in administrative proceedings, even if they are false or fraudulent. The covenants, agreements and obligations of Buyer contained in this Section 8 shall survive the termination of this Agreement or the Closing.

9. MISCELLANEOUS.

9.1 Time of Essence. Time is of the essence of this Agreement and each and every provision hereof.

9.2 Further Assurances. Each party hereto agrees to execute and deliver to the other party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the parties as contained in this Agreement.

9.3 Binding Effect; Assignment. This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the parties hereto.

9.4 Severability. If any provision of this Agreement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Agreement and the provisions of this Agreement are intended to be and shall be severable; provided, however, if such unenforceability or invalidity alters the substance of this Agreement (taken as a whole) so as to deny either party, in a material way, the realization of the intended benefit of its bargain, such party may terminate this Agreement by notice to the other within thirty (30) Business Days after the final determination. If such party so elects to terminate this Agreement, PG&E and Buyer shall thereupon each be released from any obligations under this Agreement, except those that expressly survive termination.

9.5 Governing Laws. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

9.6 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9.7 Notices. Any notice or other communication required or permitted under this Agreement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx or Airborne Express, addressed to the parties as follows:

If to PG&E:

Patty Soon Larson
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code B8M
San Francisco, CA 94177-0001
(If by registered or certified mail)

Or

Patty Soon Larson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B8M
San Francisco, CA 94105
(415) 973-5735
(If by personal delivery or overnight courier)

With a copy to:

Law Department
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, CA 94120
Attention: Wendy T. Coleman, Esq.
(If by registered or certified mail)

Or

Law Department
Pacific Gas and Electric Company
77 Beale Street, Mail Code B30A
San Francisco, CA 94105
Attention: Wendy T. Coleman, Esq.
(415) 973-6067
(If by personal delivery or overnight courier)

If to Buyer:

McEvoy Power, LLC
c/o Russ Morita
5935 Red Hill Road
Petaluma, CA 94952

With a copy to:

Coblentz, Patch, Duffy & Bass LLP
c/o Paul Escobosa
One Ferry Building, Suite 200
San Francisco, CA 94111

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Any party may change its address for notice by giving notice to the other party in accordance with this Section 9.7.

9.8 Attorneys' Fees. In the event that either party shall bring an action to enforce its rights under this Agreement, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys' fees, costs and expenses (including accountants', consultants' or other professionals' fees, investigation expenses and any and all other out-of-pocket expenses), including in connection with any appeal thereof. Any such attorneys' fees and expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment. For purposes hereof, the reasonable fees of in-house attorneys who perform services in connection with any such enforcement action are recoverable. The covenants of PG&E and Buyer contained in this Section 9.8 shall survive the termination of this Agreement or the Closing.

9.9 Limitation on Liability. Buyer expressly agrees that the obligations and liabilities of PG&E under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals or representatives of PG&E. The limitations contained in this Section 9.9 shall survive the termination of this Agreement or the Closing.

9.10 Statute of Limitations. Any action by Buyer arising out of or in any way connected with the sale contemplated by this Agreement, whether sounding in tort, contract, strict liability or otherwise, must be commenced within two (2) years after the cause of action therefor has accrued.

9.11 Exhibits. The following Exhibits are attached hereto and incorporated by reference into this Agreement:

Exhibit A	Description of the Facilities
Exhibit B	Description of the Land
Exhibit C	Form of Bill of Sale
Exhibit D	Form of Agreement to Perform Tariff Scheduled Related Work
Exhibit E	Severance Engineering Drawings

9.12 Intentionally Omitted.

9.13 Interpretation. The language in all parts of this Agreement shall be construed according to its normal and usual meaning and not strictly for or against either PG&E or Buyer. The headings of the paragraphs of this Agreement are inserted solely for convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction of any terms or provisions hereof. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

9.14 Survival. The attorneys' fees provision, the limitation on liability, the waivers of the right of jury trial, the other waivers of claims or rights, the releases and the obligations of Buyer under this Agreement to indemnify, protect, defend and hold harmless PG&E Parties shall survive the termination of this Agreement or the Closing, and so shall all other obligations or agreements of PG&E or Buyer which by their terms survive the termination of this Agreement or the Closing or which by their nature arise or occur following the termination of this Agreement or the Closing.

9.15 Authority. Each party represents and warrants that the execution, delivery and performance of this Agreement has been duly authorized by such party and each person signing this Agreement on its behalf is duly and validly authorized to do so.

[Remainder of page intentionally left blank.]

9.16 Prior Agreements. This Agreement and the exhibits hereto contain the entire understanding of the parties relating to the subject matter hereto and shall supersede any prior written or oral agreements or communications between the parties pertaining to such subject matter.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the day and year first above written.

PG&E:

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

APPROVED AS TO FORM:



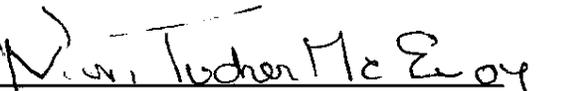
Attorney
PAUL LAVOIE

By: 
Name: CHARLES TWAMUGABO
Its: _____

Date: 9-4-2008

BUYER:

MCEVOY POWER, LLC,
a California limited liability company

By: 
Name: _____
Its: _____

Date: _____

EXHIBIT A

DESCRIPTION OF THE FACILITIES

[See attached.]

PN order number: 30570712

PLANT TO BE RETIRED

Page 1

April 25, 2007 08:14

Account Number	Material Code	Unit of Issue	Quantity	Material Description
205	33-0180	EA	3	100A Fused C/O PT-44R
206	01-6472	FT	2238	4" Plas Conduit DB120
206	01-6472	FT	309	4" Plas Conduit DB120
206	01-6472	FT	21	4" Plas Conduit DB120
206	02-5601	AY	3	ENCLOSURE ASSY 3'X5'X3
206	02-5601	AY	2	ENCLOSURE ASSY 3'X5'X3
206	02-5601	AY	1	ENCLOSURE ASSY 3'X5'X3
206	04-0291	EA	1	PAD CONC 61" X 80" 75
206	36-0002	EA	1	PAD BOX 50" X 52" X 18
207	29-4372	FT	16	CABLE ELEC INSUL AL 60
207	29-4415	FT	3043	CBL AL XLPCONC ENCAPPE
207	29-4416	FT	1161	CABLE ELEC INSUL AL 15
207	29-4416	FT	92	CABLE ELEC INSUL AL 15
207	29-4416	FT	2898	CABLE ELEC INSUL AL 15
207	29-4421	FT	5168	CABLE ELEC INSUL AL 22
207	29-4421	FT	659	CABLE ELEC INSUL AL 22
207	29-4421	FT	859	CABLE ELEC INSUL AL 22
207	30-0485	EA	3	JUNCTION LOAD-BREAK 3-
207	30-0485	EA	2	JUNCTION LOAD-BREAK 3-
207	30-0485	EA	3	JUNCTION LOAD-BREAK 3-
209	26-1410	EA	1	TRANSFORMER DISTR 3PH
209	26-1411	EA	1	TRANSFORMER DISTR 3PH
209	26-1507	EA	2	TRANSFORMER DISTR 1 PH
209	26-1548	EA	1	TRANSFORMER DISTR 3 PH
209	26-1898	EA	1	TRANSFORMER DISTRIBUTI
211	29-0226	FT	70	CABLE ELEC INSUL AL 60
211	29-0226	FT	50	CABLE ELEC INSUL AL 60
211	29-0227	FT	202	CABLE ELEC INSUL AL 60
211	29-0286	FT	154	CABLE ELEC INSUL AL 60
211	29-4339	FT	154	CABLE ELEC INSUL AL 60
211	29-4371	FT	114	CABLE ELEC INSUL AL 60
211	29-4372	FT	324	CABLE ELEC INSUL AL 60
211	29-4462	FT	91	CABLE ELEC INSUL AL 60
211	29-4463	FT	123	CABLE ELEC INSUL AL 60
211	29-4463	FT	144	CABLE ELEC INSUL AL 60
222	26-2389	EA	1	TRANSFORMER DISTR 1PH

EXHIBIT B

DESCRIPTION OF THE LAND

[See attached.]

11-21-2005

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
Name: Todd E. Becky, Esq.
Coburntz, Pritch, Drury & Bass, LLP
One Ferry Building, Suite 200
San Francisco, California 94111-4213
City, State, Zip

MAIL TAX STATEMENTS TO
Name: Nan Tucker McEvoy
Street Address: 611 Washington Street, Apt. 2501
City, State, Zip: San Francisco, CA 94111

2005-0088606
RECEIVED
OFFICIAL RECORDS
COUNTY OF SAN FRANCISCO
JOSHUA C. TURNER
Recorder

REC FEE 18.00
OVERSEER 3.90

03:48PM 21-Nov-2005 Page 1 of 2

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

APN: 125-070-05; 125-070-06; 125-070-16

The undersigned grantor(s) declares:

Documentary transfer tax is \$ 0.00.

- () computed on full value of property conveyed, or
- () computed on full value less value of liens and encumbrances remaining at the time of sale.
- () Unincorporated area: _____ () City of _____
- (X) Realty not sold. No Change in beneficial ownership (Revenue and Taxation Code Section 11925(d)).

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

NAN TUCKER MCEVOY, TRUSTEE OF THE TRUST ESTABLISHED UNDER DECLARATION OF TRUST DATED JULY 30, 2001 BY NAN TUCKER MCEVOY, THE SETTLOR AND TRUSTEE HEREBY GRANTS TO MCEVOY LAND, LLC, a California limited liability company the following described real property in the City of Petaluma, County of Marin, State of California:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

Date: 11-21-2005
STATE OF CALIFORNIA
COUNTY OF _____

)
) as
)

On 11-21-2005 before me, the undersigned, a Notary Public in and for said State, personally appeared Nan Tucker McEvoy, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument, the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Michael J. Conzoman
Signature (Seal)

Nan Tucker McEvoy, Trustee of the Trust established under Declaration of Trust dated July 30, 2001 by Nan Tucker McEvoy, the settlor and trustee

Nan Tucker McEvoy
Nan Tucker McEvoy, Trustee



EXHIBIT "A"
(Legal Description)

Said land is situated in the County of Marin, State of California.

PARCEL ONE

BEGINNING at the southwest corner of Lot 2, of Section 30, Township 4 North, Range 7 West, N.D.M., thence easterly along the South boundary of said Section 30, 50.76 chains to the westerly boundary of the Olcott Park; thence leaving said section line and along said Rancho Rancho North 7 1/2° East 24.85 chains to the Northerly gate post in fence on said boundary; thence leaving said boundary and along the Northerly side of a private road North 67° West 5.80 chains to stakes; thence leaving said road North 17° West 2.30 West 5.80 chains to stakes; thence leaving said road North 17° West 2.30 chains to stakes; thence North 39 1/4° West 10.78 chains to a point in the middle of Red Hill Road, so called, area which point the easterly gate post in the fence on the southerly side of said road, near its junction with the abandoned portion of said road bears South 39 1/4° East; thence to and along the middle of said abandoned portion of said Red Hill Road, southerly to its intersection with the West boundary of said Section 30; and thence leaving said abandoned road, and along the said Section line southerly 7.78 chains to place of beginning, bearings true, Magnetic variation 17 1/2° East.

Being the same real property conveyed by A. Riccioli to Vincenza Riccioli by Deed dated December 4, 1915 and recorded on January 24, 1916 in Volume 175 of Deeds at Page 224, Marin County Records.

EXCEPTING THEREFROM that portion thereof described in the deed from Etta M. Merrill, et al to Jesse Reichel et ux recorded May 2, 1973 in Book 2682 of Official Records at Page 322, Marin County Records.

PARCEL TWO

AN EASEMENT for roadway and utility purposes 40 feet in width, lying southerly of and contiguous to the Northerly line of Parcel One, as shown upon that certain map entitled, "Parcel Map, Portion of the Lands of Merrill" filed for record on April 25, 1973 in Book 8 of Parcel Maps at page 35, Marin County Records.

PARCEL THREE

ALL THAT certain parcel of land situated in the County of Marin, State of California, known and described as Lots 3, 4, 5 and 6 in Section 30 Township 4 North of Range 7 West N. Diablo Meridian; also the East half of the Southwest quarter of Section 30; also Lots numbered 1, 2, 3, 4 and 5 in Section 31 in said Township; also the Northeast quarter of the Northwest quarter of said section 31, United States Survey.

A.P. 125-070-05, 06 & 16

Property Detail Report

For Property Located At

RealQuest.com

CA

Owner Information:

Owner Name: MC EVOY LAND LLC
 Mailing Address: 611 WASHINGTON ST #2501, SAN FRANCISCO CA 94111-2105 C002
 Phone Number: SW / /

Location Information:

Legal Description: MARIN, CA APN: 125-070-05
 Census Tract / Block: /
 Township-Range-Sect: /
 Legal Book/Page: /
 Legal Lot: /
 Market Area: PETALUMA
 Neighbor Code: GRANT DEED

Owner Transfer Information:

Recording/Sale Date: 11/21/2005 / 11/21/2005 Deed Type: GRANT DEED
 Sale Price: 88806 1st Mtg Document #:

Last Market Sale Information:

Recording/Sale Date: 10/10/1990 / 10/1990 1st Mtg Amount/Type: \$1,000,000 / CONV
 Sale Price: \$3,000,000 1st Mtg Int. Rate/Type: /
 Sale Type: FULL 1st Mtg Document #: /
 Document #: 59441 2nd Mtg Amount/Type: /
 Deed Type: GRANT DEED 2nd Mtg Int. Rate/Type: /
 Transfer Document #: Price Per SqFt: /
 New Construction: Multi/Spilt Sale: MULTIPLE

LENDER SELLER

CERT MILTON & ADRIENNE

Prior Sale Information:

Prior Rec/Sale Date: /
 Prior Sale Price: /
 Prior Doc Number: /
 Prior Deed Type: /

Property Characteristics:

Gross Area: /
 Living Area: /
 Tot Adj Area: /
 Above Grade: /
 Total Rooms: /
 Bedrooms: /
 Bath(Fr): /
 Year Built / Eff: /
 Fireplaces: /
 # of Stories: /
 Other Improvements: /
 Site Information: /

Site Information:

Zoning: VACANT-AGRI PRESERVE (32)
 Acres: 4.60
 County Use: /
 Flood Zone: /
 Flood Panel: /
 Flood Panel Date: /

Land Use:

Land Use: AGRICULTURAL LAND
 Lot Area: 196,020
 Lot Width/Depth: x
 Res/Comm Units: /

Tax Information:

Total Value: \$13,805
 Land Value: \$13,805
 Improvement Value: /
 Assessed Year: 2007
 Improve %: /
 Tax Year: 2007
 Property Tax: \$289.20
 Tax Area: 089000
 Tax Exemption: /

EXHIBIT C

FORM OF BILL OF SALE

DISTRIBUTION

Original Buyer
Copy Division
Copy Svc. PIng.

REFERENCE

ORDER NO.
AP NO.
SAP BD NO.
Wire Transfer No.

BILL OF SALE

Pursuant to that certain Purchase and Sale Agreement dated _____, 2008 (the "**Purchase Agreement**"), by and between **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation ("**PG&E**"), and **MCEVOY POWER, LLC**, a California limited liability company ("**Buyer**"), effective on the Closing Date (as defined in the Purchase Agreement), PG&E hereby sells, assigns, transfers, and delivers to Buyer all of PG&E's right, title and interest in and to the property described on **Exhibit A**, attached hereto and incorporated herein by this reference (collectively, the "**Facilities**").

THE FACILITIES ARE BEING TRANSFERRED "AS IS, WHERE IS, AND WITH ALL FAULTS" IN THEIR EXISTING CONDITION ON THE CLOSING DATE, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY PG&E, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST PG&E. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PG&E EXPRESSLY DISCLAIMS: (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY; (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR MATERIALS.

Notwithstanding the above paragraph, PG&E warrants that upon CPUC Approval and execution and delivery of the Bill of Sale, Buyer shall have good title to the Facilities, free and clear of all liens and encumbrances.

This Bill of Sale is executed pursuant to authorization contained in _____, dated _____, and is subject to all the terms and conditions of the Purchase Agreement.

IN WITNESS WHEREOF, PG&E has executed this Bill of Sale as of the date set forth below.

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

Dated: _____

By: _____
Name: _____
Its: _____

EXHIBIT D

FORM OF AGREEMENT TO PERFORM TARIFF SCHEDULED RELATED WORK

[See attached.]



Pacific Gas and Electric Company
Agreement to Perform
Tariff Schedule Related Work

DISTRIBUTION:

- APPLICANT (Original)
- DIVISION (Original)
- ACCTG. SVCS

REFERENCE:

PM: 30570712
 Notification: 101266033
 Rep: Dana Massuk DJMQ

McEvoy Power, LLC, a California Limited Liability Corporation, (Applicant) has requested **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation (PG&E) to perform the tariff schedule related work as located and described in paragraph 3 herein.

PG&E agrees to perform the requested work and furnish all necessary labor, equipment, materials and related facilities required therefore, subject to the following conditions:

1. Whenever part or all of the requested work is to be furnished or performed upon property other than that of Applicant, Applicant shall first procure from such owners all necessary rights-of-way and/or permits in a form satisfactory to PG&E and without cost to it.
2. Applicant shall indemnify and hold harmless PG&E, its officers, agents and employees, against all loss, damage, expense and liability resulting from injury to or death of any person, including but not limited to, employees of PG&E, Applicant or any third party, or for the loss, destruction or damage to property, including, but not limited to property of PG&E, Applicant or any third party, arising out of or in any way connected with the performance of this agreement, however caused, except to the extent caused by the active negligence or willful misconduct of PG&E, its officers, agents, and employees. Applicant will, on PG&E's request, defend any suit asserting a claim covered by this indemnity. Applicant will pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorneys' fees.
3. The location and requested work are described as follows: *(Describe in detail the materials and facilities to be furnished and/or work to be performed by PG&E. If more space is required, use other side and attach any necessary drawings as Exhibits A, B, C, etc.)*

LOCATION: 5935 Redhill Rd., Petaluma, County of Sonoma, CA

DESCRIPTION OF WORK:

Reimbursed Severance Costs	\$26,826.80
Total Due:	<u>\$26,826.80</u>

4. Applicant shall pay to PG&E, promptly upon demand by PG&E, as the complete contract price hereunder, the sum of Twenty Six Thousand Eight Hundred Twenty Six 80/100 dollars (**\$26,826.80**).

Upon completion of requested work, ownership shall vest in: PG&E Applicant

Executed this ____ day of _____ 200__.

Applicant
 By: _____

 (Print/Type Name)
 Title: _____

Pacific Gas and Electric Company
 By: _____

Brad Chance
 (Print/Type Name)
 Title: **Service Planning Supervisor**
Area 7 / North Coast Division

Mailing Address:
 Nan Tucker McEvoy
 c/o Russ Morita
 5935 Red Hill Rd.
 Petaluma, CA 94952

EXHIBIT E

SEVERANCE ENGINEERING DRAWINGS

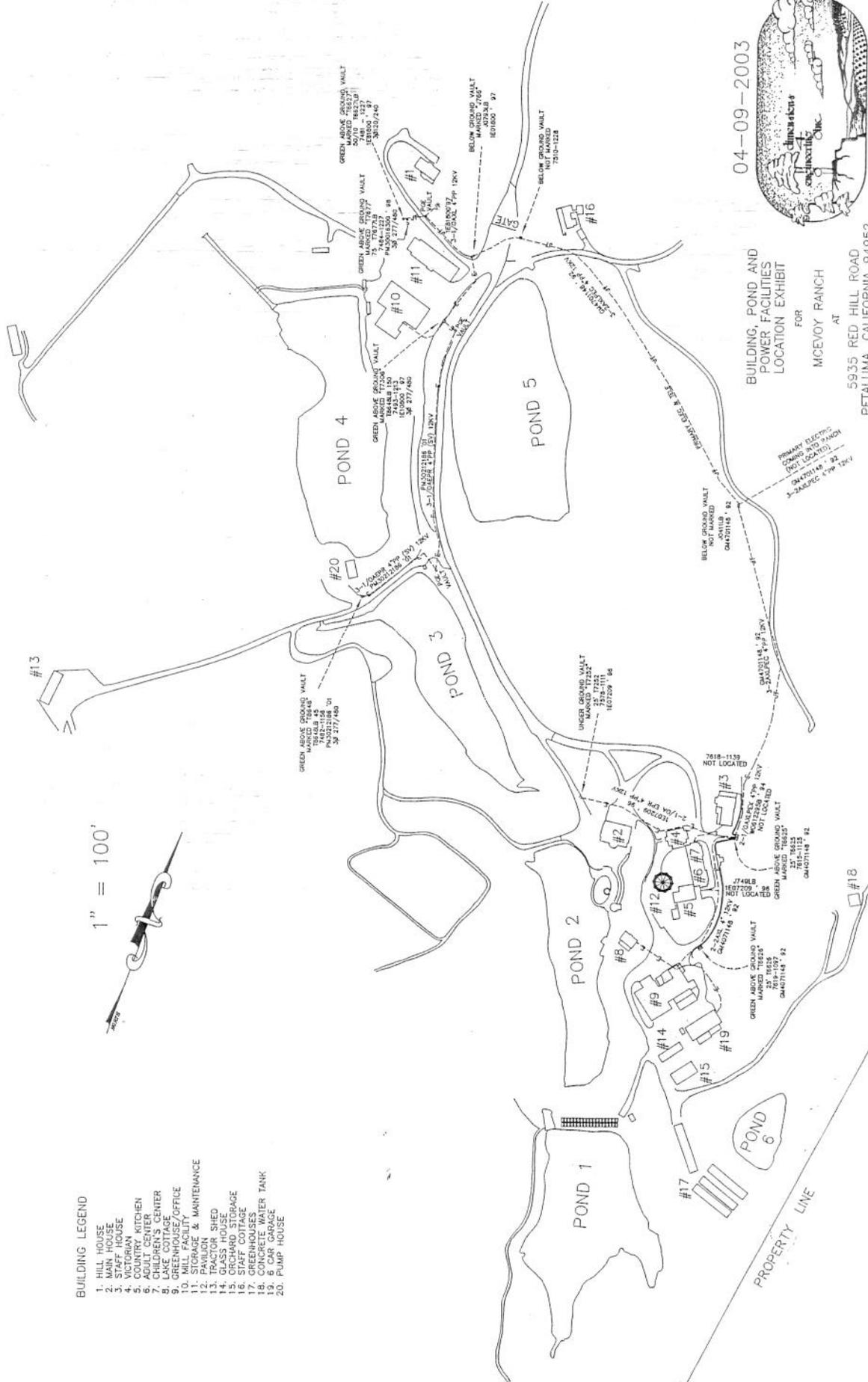
[See attached.]

Advice 3338-E

Attachment 2

BUILDING LEGEND

1. HILL HOUSE
2. MAIN HOUSE
3. STAFF HOUSE
4. VICTORIAN KITCHEN
5. ADULTS CENTER
6. CHILDREN'S CENTER
7. LAKE COTTAGE
8. GREENHOUSE/OFFICE
9. MULTIFUNCTIONAL FACILITY
10. STORAGE & MAINTENANCE
11. PAVILION
12. TRACTOR SHED
13. GLASS HOUSE
14. GARDEN STORAGE
15. STAFF COTTAGE
16. GREENHOUSES
17. CONCRETE WATER TANK
18. 6 CAR GARAGE
19. PUMP HOUSE



04-09-2003



BUILDING, POND AND
POWER FACILITIES
LOCATION EXHIBIT
FOR
MCEVOY RANCH
AT
5935 RED HILL ROAD
PETALUMA, CALIFORNIA 94952

PRIMARY ELECTRIC
CONDUIT 3" WHICH
NOT LOCATED
04/27/18 '82
3-240/250 6" PP 12KV

BELOW GROUND VAULT
NOT MARKED
04/27/18 '82

UNDER GROUND VAULT
NOT MARKED
22 7/23/84
18/2208 '84

7618-1138
NOT LOCATED
2-1/2" 12KV 4" PP 12KV
NOT LOCATED

2-240/250 6" PP 12KV
04/27/18 '82

GREEN ABOVE GROUND VAULT
MARKED 'TESSE' 7
7618-1137
04/27/18 '82

7618-1135
04/27/18 '82

Advice 3338-E

Attachment 3

Attachment 3
PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC DISTRIBUTION ASSET sale
to McEvoy Power, LLC
(DOLLARS)

1 SALES PROCEEDS

Sales Price	108,107
Less: Transaction Costs	<u>0</u>
Net Sale Proceeds	<u><u>108,107</u></u>

2 ALLOCATION OF SALES PROCEEDS BASED ON THE HISTORICAL COST OF PROPERTY

	Historical Cost	Proportional %	Valuation Method
Non-Depreciable Property (Land)	0	0.00%	Appraisal
Depreciable Property	<u>81,407</u>	<u>100.00%</u>	May 2008
	<u><u>81,407</u></u>	<u><u>100.00%</u></u>	

3 GROSS GAIN/(LOSS) ON SALE

	Historical Cost	Net Book Value	Sales Proceeds	Pre-Tax Gain/(Loss)
Non-Depreciable Property (Land)	0	0	0	0
Depreciable Property	<u>81,407</u>	<u>48,920</u>	<u>108,107</u>	<u>59,187</u>
	<u><u>81,407</u></u>	<u><u>48,920</u></u>	<u><u>108,107</u></u>	<u><u>59,187</u></u>

4 TAXES ON PROPERTY

	Net Tax Value	Sales Proceeds	Before Tax Gain/ (Loss)	Tax 40.746%
Non-Depreciable Property (Land)	0	0	0	0
Depreciable Property	<u>27,282</u>	<u>108,107</u>	<u>80,825</u>	<u>32,933</u>
	<u><u>27,282</u></u>	<u><u>108,107</u></u>	<u><u>80,825</u></u>	
Less Accumulated Deferred Taxes				<u>9,255</u>
Total Cumulative Tax Liability				<u><u>23,678</u></u>
				After-Tax Gain/(Loss)
Pre-Tax Gain/Loss Non-Depreciable Property (Land)				<u>0</u>
Pre-Tax Gain/Loss Depreciable Property				<u>59,187</u>
Less Tax Liability (net of deferred taxes)				<u>23,678</u>
After-Tax Gain				<u><u>35,509</u></u>

5 RATE BASE CHANGES

Reduction to Gross Plant	(81,407)
Reduction to Depreciation Reserve (depreciation reserve is reduced by the historical cost of depreciable property)	81,407
Property Sale Proceeds credited to Depreciation Reserve (sales proceeds benefit to customers)	108,107
Reduction to Rate Base	<u><u>108,107</u></u>

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

Aglet	Department of the Army	Northern California Power Association
Agnews Developmental Center	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Division of Business Advisory Services	OnGrid Solar
Ancillary Services Coalition	Douglas & Liddell	PITCO
Anderson & Poole	Douglass & Liddell	PPL EnergyPlus, LLC
Arizona Public Service Company	Downey & Brand	Pinnacle CNG Company
BART	Duke Energy	Praxair
BP Energy Company	Duncan, Virgil E.	R. W. Beck & Associates
Barkovich & Yap, Inc.	Dutcher, John	RCS, Inc.
Bartle Wells Associates	Ellison Schneider & Harris LLP	RMC Lonestar
Blue Ridge Gas	Energy Management Services, LLC	Recon Research
Braun & Associates	FPL Energy Project Management, Inc.	SCD Energy Solutions
C & H Sugar Co.	Foster Farms	SCE
CA Bldg Industry Association	Foster, Wheeler, Martinez	SESCO
CAISO	Franciscan Mobilehome	SMUD
CLECA Law Office	G. A. Krause & Assoc.	SPURR
CSC Energy Services	GLJ Publications	Santa Fe Jets
California Cotton Ginners & Growers Assn	Goodin, MacBride, Squeri, Schlotz & Ritchie	Seattle City Light
California Energy Commission	Green Power Institute	Sempra Utilities
California League of Food Processors	Hanna & Morton	Sequoia Union HS Dist
California Public Utilities Commission	Heeg, Peggy A.	Sierra Pacific Power Company
California Water Company	Hitachi	Silicon Valley Power
Calpine	Hogan Manufacturing, Inc.	Smurfit Stone Container Corp
Cameron McKenna	Imperial Irrigation District	Southern California Edison Company
Cardinal Cogen	Innercite	St. Paul Assoc.
Casner, Steve	International Power Technology	Sunshine Design
Cerox	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Chamberlain, Eric	J. R. Wood, Inc.	TFS Energy
Chevron Company	JTM, Inc.	Tabors Caramanis & Associates
Chris, King	Los Angeles Dept of Water & Power	Tecogen, Inc.
City of Glendale	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
City of Palo Alto	MBMC, Inc.	TransCanada
City of San Jose	MRW & Associates	Turlock Irrigation District
Clean Energy Fuels	Manatt Phelps Phillips	U S Borax, Inc.
Coast Economic Consulting	Matthew V. Brady & Associates	United Cogen
Commerce Energy	McKenzie & Associates	Utility Cost Management
Commercial Energy	Meek, Daniel W.	Utility Resource Network
Constellation	Merced Irrigation District	Utility Specialists
Constellation New Energy	Mirant	Vandenberg Air Force
Consumer Federation of California	Modesto Irrigation District	Verizon
Crossborder Energy	Morgan Stanley	Wellhead Electric Company
Davis Wright Tremaine LLP	Morrison & Foerster	Western Manufactured Housing Communities Association (WMA)
Day Carter Murphy	New United Motor Mfg., Inc.	White & Case
Defense Energy Support Center	Norris & Wong Associates	eMeter Corporation
Department of Water Resources	North Coast SolarResources	