

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

November 9, 2009

Advice Letter 3482-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: Update to PG&E Company's Conformed 2006 Long-Term
Procurement Plan – Authorized Procurement Products and
Brokerages and Exchanges Listing**

Dear Mr. Cherry:

Advice Letter 3482-E is effective October 29, 2009 per Resolution E-4276.

Sincerely,



Julie A. Fitch, Director
Energy Division

June 26, 2009

Advice 3482-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Update to Pacific Gas and Electric Company's Conformed 2006 Long-Term Procurement Plan - Authorized Procurement Products and Brokerages and Exchanges Listing

I. Purpose

Pacific Gas and Electric Company (PG&E) hereby requests approval of the following changes to its Conformed 2006 Long-Term Procurement Plan (LTPP):

- An update to PG&E's authorized procurement products;
- Modifications to the list of brokerages and exchanges, Appendix H, and
- Replacement pages to PG&E's Conformed 2006 LTPP.

II. Background

In accordance with Decision (D.) 07-12-052, all updates proposed to the Conformed 2006 LTPP between the biennial procurement plan filings are made via advice letter. In addition, advice letter updates are to include redlined pages of the Conformed 2006 LTPP, as well as clean replacement pages.¹

Accordingly, Section III of this advice letter describes the updates to PG&E's Conformed 2006 LTPP and Attachments A and B reflect the relevant changes to PG&E's Conformed 2006 LTPP. Attachment A is the redlined version of the changes, and Attachment B is the clean version of the changes. PG&E has informed the Energy Division and the Procurement Review Group of these updates.

¹ D.07-12-052 at 184-185.

III. Description of Update Request

This section describes various new financial electric and gas products to support PG&E's electric procurement needs and modifications to its Commission-approved list of brokerages and exchanges.

PG&E uses hedging instruments to mitigate volatility in customer rates due to commodity price movements. Many of the instruments currently approved for use by PG&E have an associated liquidity requirement (e.g., collateral postings²) when underlying commodity prices move. Counterparties are required to post collateral to one another to cover market movements associated with fixed price forward gas and power transactions as well as tolling agreements. Generally, PG&E holds a long financial position where it is required to post collateral when commodity prices fall below the contracted fixed price. Thus, PG&E would provide to counterparties collateral for the mark-to-market value equal to an amount that exceeds the credit line granted by the counterparty.³ The products outlined below add additional tools to PG&E's procurement and hedging portfolio and are designed to reduce liquidity risk because they do not require collateral posting.

Historically, PG&E met its hedging collateral requirements by implementing and using traditional credit facilities. However, it is important to have a wider array of tools in the current liquidity constrained environment. The change in available credit was summarized in a recent Moody's report: "While utilities benefited from several years of favorable credit market conditions and a competitive banking environment, dramatic changes in the bank market in 2008 will insure that renewing or putting in place new credit facilities will be a much more challenging proposition going forward. Utilities will find a lower number of banks providing credit, with those that do requiring higher pricing, shorter tenors, and more restrictive terms and conditions."⁴ For this reason, PG&E is requesting approval for alternative hedging products that will allow it to meet its objective of managing To-expiration-Value-at-Risk (TeVAr) without compromising PG&E's liquidity position.

² Collateral is used as generic term for cash and cash-equivalent postings and includes margin postings on exchanges.

³ The credit limit (also referred to as the collateral threshold) is extended to PG&E by the counterparty. Credit limits represent the amount of credit exposure that a counterparty is willing to allow. If the amount of the credit exposure exceeds the limit, then the counterparty may request that PG&E submit an acceptable form of collateral to cover the amount of exposure in excess of the limit. Posting requirements are governed by: a) International Swap and Derivatives Association, Inc. (ISDA) contracts for financially settled transactions; b) exchange rules for transactions executed or cleared on an exchange; c) Edison Electric Institute (EEI) contracts for tolling agreements and other power transactions that are physically settled transactions; and d) North American Energy Standards Board (NAESB) gas contracts for physically settled gas transactions. Credit exposure is the amount of loss that a counterparty would incur if PG&E failed to perform its contractual obligations. Credit exposure includes the mark-to-market calculations, payables and receivables balance, and any accruals.

⁴ January 2009 Moody's Global Infrastructure Report: "Near-term Bank Credit Facility Renewals Expected To Be More Challenging For U.S. Investor-Owned Electric And Gas Utilities"

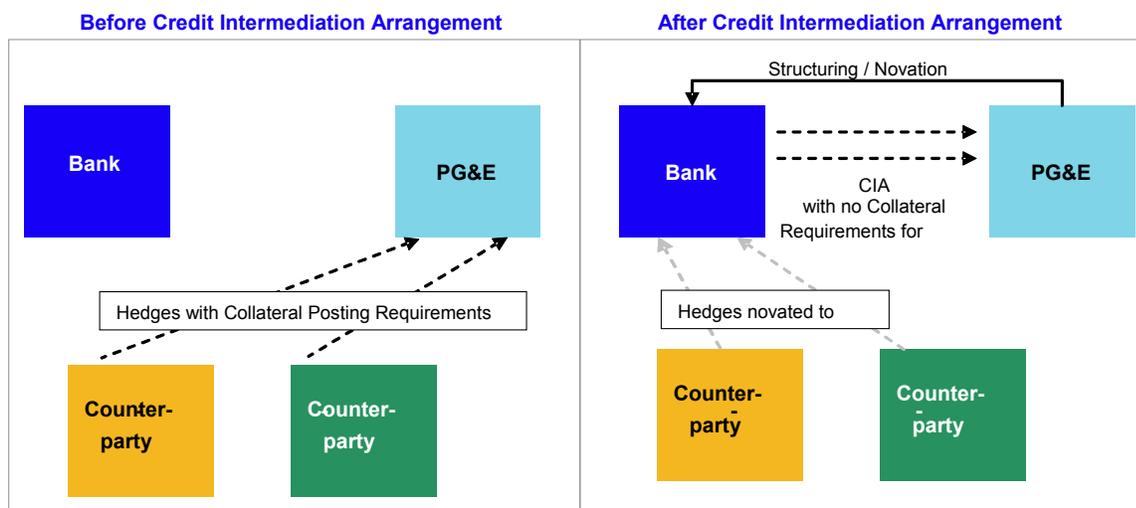
A. Margin-Free Swaps

Margin-free swaps are identical to the Financial Swap products described in PG&E’s Conformed 2006 LTPP (Table II-2, Sheet 10 and Table II-4, Sheet 14) but with one key difference. Margin-free swaps do not require PG&E to post cash or letters of credit to the counterparty when commodity prices move in favor of the counterparty which eliminates the risk of posting significant amounts of cash for the life of the swap. Margin-free swaps may be asymmetric (PG&E does not post collateral with the counterparty but the counterparty posts collateral with PG&E) or symmetric (neither PG&E nor the counterparty posts collateral). PG&E’s counterparties will charge a fee for either type of margin-free swaps.

B. Credit Intermediation Arrangement

A Credit Intermediation Arrangement (CIA) can be used by PG&E to mitigate collateral/margin requirements on specific, identifiable existing hedges. Under this arrangement, a bank would assume the hedging agreement obligations of PG&E through novation agreements with PG&E and its hedging agreement counterparties.

The chart below illustrates how the CIA can be structured to mitigate PG&E’s potential collateral/margin requirements associated with hedge positions executed on the exchanges (e.g., NYMEX) and with its Over-the-Counter (OTC) counterparties.⁵ PG&E is using a bank in this example, however, such arrangements are not exclusive to banks.



⁵ PG&E is required to post collateral with its OTC counterparties, which includes physical tolling deals, when PG&E’s mark-to-market with a counterparty exceeds the unsecured line of credit granted to PG&E by that counterparty.

Simultaneously with each respective transaction novation, PG&E and the bank would enter into a financial swap agreement under which the bank would agree to become PG&E's counterparty to the financial swaps for the volume, delivery period, price and other terms identical to the terms of the novated transaction, with limited exceptions. The main exception is that PG&E would not have any obligation to post collateral with the bank based on negative changes to the mark-to-market value of the swaps.

The CIA has several benefits:

- 1) No future collateral postings are required on novated trades. It can be structured so that the bank posts collateral with PG&E for positive mark-to-market changes to the swaps (asymmetric posting) or neither party posts collateral (symmetric).
- 2) It can be structured to free up PG&E's existing posted collateral/liquidity upon the novation of hedges.
- 3) It can help PG&E tailor the provision of necessary collateral. By using CIAs, PG&E can select which transactions from its portfolio it wants to exempt from posting requirements.

There is a structuring fee associated with these transactions, based on the economics of the underlying hedge agreements, to compensate the bank for taking over the liquidity risk for PG&E.

C. Counterparty Sleeves and Counterparty Credit Insurance – Natural Gas and Electric Financial Products

- a. PG&E is currently authorized to execute counterparty sleeves transactions as one of the natural gas physical products to support least-cost dispatch and reliability (Table II-3, Sheet 13). This product is to facilitate a transaction with an un-contracted or non-creditworthy entity through a contracted, creditworthy counterparty. PG&E proposes that this product also applies to the natural gas financial products (Table II-4, Sheet 14) to help reduce its credit exposure with overexposed counterparties. In addition, PG&E wants to clarify that the Counterparty Sleeve for electric products (Table II-2, Sheet 11) applies to both physical and financial electric products.
- b. PG&E wants to clarify that the Counterparty Credit Insurance (Table II-2, Sheet 11) for electric products applies to both physical and financial electric and gas products. This authorized product is a method for PG&E to manage payment or performance risk for a fee.

In an effort to minimize confusion on the intended use of these authorized products described above, PG&E proposes to create a new table for all Credit Products that will be used to support both electric and gas hedging. These Counterparty Sleeves and Counterparty Credit Insurance products

will be moved to a newly created Credits Products, Table II-5, at the end of Section II.A.3.

D. Financial Swaps – Natural Gas and Electric

PG&E wants to enhance the definition of Financial Swaps for natural gas and electricity (Table II-4, Sheet 14 and Table II-2, Sheet 10) to include additional examples such as locational spreads (basis swaps), time spreads, and cross commodity spreads (heat rate swaps). PG&E currently uses locational spreads and wants to ensure that it has the ability to use the other spread swaps if needed to manage the portfolio.

E. Financial Options – Natural Gas and Electric

PG&E wants to enhance the definition of Financial Options for natural gas and electricity (Table II-4, Sheet 14 and Table II-2, Sheet 10) to include additional examples such as locational spread options, time spread options, and cross commodity spread options (heat rate options). PG&E wants to ensure that it has the ability to use these products if needed to manage the portfolio.

F. Exchanges and Futures Commission Merchant

In an effort to allow additional options for executing physical and financial gas trades, PG&E requests to add the following to its list of authorized brokerages and exchanges (Appendix H of its Conformed 2006 LTPP):

- Natural Gas Exchange
- J.P. Morgan Futures, Inc.
- Mizuho Securities, USA
- Wells Fargo Advisors, LLC

Executing an enabling agreement with these exchanges and merchants will not obligate PG&E to use them; instead it will provide an option to do so. In addition, PG&E is removing R.J. O'Brien from its authorized listing and is modifying Barclays to reflect the correct name of the legal entity that is PG&E's Futures Commission Merchant. PG&E is also replacing the London Clearinghouse with ICE Clear Europe to reflect the clearinghouse change made by ICE in late 2008. The decision to use these or any enabled brokerages or exchanges in Appendix H will be made on a transaction-by-transaction basis.

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 **July 16 2009**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, California 94102

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

PG&E requests that this advice filing become effective on regular notice, **July 27, 2009**, which is 30 calendar days after the date of filing⁶. PG&E submits this advice filing as a Tier 3 filing.

⁶ The 30th day after the filing date is a weekend; therefore, PG&E requests that the advice letter become effective on the following business day.

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 on the service list for PG&E's 2007-2016 Long Term Procurement Plan, R.06-02-013. Address changes to the General Order 96-B service list should be directed to San Heng at (415) 973-2640. Advice letter filings can also be accessed electronically at: **<http://www.pge.com/tariffs>**

A handwritten signature in black ink that reads "Brian Cherry" followed by a small mark that looks like "06".

Vice President, Regulatory Relations

Attachments:
Attachment A
Attachment B

cc: R.06-02-013

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: Olivia Brown

Phone #: 415-973-9312

E-mail: oxb4@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) #: 3482-E

Tier: [3]

Subject of AL: Update to Pacific Gas and Electric Company's Assembly Bill (AB) 57 Authorized Procurement Products and Brokerages and Exchanges Listing - Conformed 2006 Long-Term Procurement Plan

Keywords (choose from CPUC listing): Brokerage fees, Procurement

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D. 07-12-052

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

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

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:

Resolution Required? Yes No

Requested effective date: July 27, 2009

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

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

jjnj@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

PACIFIC GAS AND ELECTRIC COMPANY
CONFORMED 2006 LONG-TERM PROCUREMENT PLAN
REPLACEMENT PAGES

ATTACHMENT A
REDLINE VERSION



3. Description of Procurement Products

a. Electric Products

PG&E uses a variety of physical and financial electric products to meet its electric procurement needs. Table II-2 below provides product names, descriptions and information about PG&E's existing regulatory authority to procure these products.

**TABLE II-2
PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC PRODUCTS**

Line No.	Product	Description	Prior Authorization
1	Ancillary Services	Products that are utilized by the control area operator to ensure electric system reliability, for example, those that are listed in control area operator tariffs, such as the CAISO.	D.02-10-062
2	Capacity (demand side)	The amount of power consumed by a customer, measured in megawatts ("MW"), that can be reduced upon request.	D.02-10-062
3	Capacity (purchase or sale)	The amount of power capable of being generated, measured in MW, that can be converted to energy upon request.	D.02-10-062
4	Contingent Forward	A contract entered into in advance of delivery time, the performance of which is contingent upon the subsequent occurrence of one or more events agreed upon by the counterparties.	AL 2615-E
5	Electric Product Exchange	The buyer has an obligation to receive electric products and an obligation to return electric products as part of the same transaction. The transaction may also include an exchange of payments, in fixed or variable terms. Electric products include energy, capacity, and ancillary services.	AL 2615-E
6	Electricity Transmission Products	Purchase, sale, or allocation of transmission rights, products (e.g., Long-Term Firm Transmission Rights, Congestion Revenue Rights, losses), or the use of locational spreads.	D.02-10-062 and D.07-12-052
7	Financial Call (or Put) Option or Swaption	The right, but not the obligation, to buy (call) a forward electric contract on a specific date (expiration) at a fixed or indexed price (strike). The right to sell is a put option. <u>Additional examples include locational spread options, time spread options, cross-commodity options, and exotic (combination) options. A Swaption is an option on a Financial Swap.</u>	D.02-10-062 <u>AL 3482-E</u>
8	Financial Swap	An agreement to exchange one type of pricing for another. Examples include fixed-for-floating swaps, <u>locational spread (basis) swaps, time spread swaps, cross-commodity swaps</u> and payment obligation swaps (e.g., CAISO IFM Uplift Load Obligations). Swaps are financially settled directly with a counterparty or may be financially cleared through a financial clearing house. <u>Margin-free swaps require just one counterparty or</u>	D.02-10-062 AL 2615-E D.07-12-052 <u>AL 3482-E</u>



Line No.	Product	Description	Prior Authorization
		<u>neither counterparty to post collateral.</u>	
9	Forward Energy (demand side)	Electric energy planned to be consumed by a customer, measured in megawatt-hour ("MWh") that is agreed to be reduced for a specific period for a specified time in the future.	D.02-10-062



**TABLE II-2
PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC PRODUCTS
(CONTINUED)**

Line No.	Product	Description	Prior Authorization
10	Forward Energy (purchase or sale)	Electric energy purchased or sold by a counterparty, measured in MWh that is agreed to be supplied or received for a specific period at a specific location for a specified time in the future.	D.02-10-062
11	Forward Spot (Day-Ahead & Hour-Ahead) purchase, sale, or exchange	Electric energy, capacity, ancillary services or transmission purchased or sold by a counterparty, or exchanged between counterparties measured in MW or MWh that is agreed to be supplied, received or exchanged for a specific period at a specific location in the Day-Ahead or Hour-Ahead markets.	D.02-10-062
12	Insurance (counterparty credit insurance, cross commodity hedges) [relocated to new Credit Table II-5]	A method for managing payment or performance risk for a fee.	D.02-10-062
13	New York Mercantile Exchange ("NYMEX") Electricity Futures (purchase or sale)	Standardized forward energy contract traded on NYMEX. Futures may be physically or financially settled.	AL 2615-E
14	On-Site Energy or Capacity (self-generation on customer side of the meter)	The amount of power measured in MW or MWh that can be generated downstream of the customer's electric meter that can be used to offset the customer's load served by the electric service provider.	D.02-10-062
15	Peak for Off-Peak Exchange	Electric energy, capacity, or ancillary services or transmission exchanged between counterparties measured in MW or MWh that is agreed to be supplied in an on-peak period in exchange for receiving an amount in an off-peak period. These transactions may also include an exchange of dollars.	D.02-10-062
16	Physical Call (or put) Option	The right, but not the obligation, to buy (call) physical electricity for delivery on a specific date at a fixed or indexed price (strike). The right to sell is a put option.	D.02-10-062
17	Real-Time (purchase or sale)	The amount of energy, measured in MWh supplied or received by the control area operator to balance an entity's load and supply.	D.02-10-062
18	Resource Adequacy Product	A capacity product intended to meet resource adequacy obligations.	AL 2615-E AL 2897-E
19	Seasonal Exchange	Electric energy, capacity, or ancillary services or transmission exchanged between counterparties measured in MW or MWh that is agreed to be supplied during one season or set of months in exchange for receiving an amount in another season or set of months. These transactions may also include an exchange of dollars.	D.02-10-062
20	Tolling Agreement	An agreement to provide (receive) gas in exchange for receiving (providing) electricity.	D.02-10-062, D.04-12-048
21	Counterparty Sleeves [relocated to new Credit Table II-5]	An agreement by a counterparty to buy (sell) electricity from one counterparty and sell it to (buy it from) another counterparty.	D.03-12-062
22	Emissions Credits Futures or Forwards	Credits or allowances for emissions that can be bought or sold in order to comply with emissions limits.	D.03-12-062



23	Forecast Insurance	A method for managing load forecast (volume and shape) risk.	D.03-12-062
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**TABLE II-3
PACIFIC GAS AND ELECTRIC COMPANY
NATURAL GAS PHYSICAL PRODUCTS**

	Product	Description	Prior Authorization
1	Natural Gas Purchases (physical supply)	Purchases/sales/exchanges of physical natural gas for terms of one month or longer.	D.02-10-062
2	Spot Natural Gas (physical supply)	Purchases/sales/exchanges of physical natural gas for terms less than one month.	D.02-10-062
3	Physical Options on Natural Gas Supply (purchase or sale)	The right, but not the obligation, to buy (call) physical gas for delivery on a particular date at a fixed or index price (strike). The right to sell is a put option.	D.02-10-062
4	Biomethane (purchase or sale)	Pipeline quality natural gas produced from renewable (non-fossil based) resources. May include renewable or environmental attributes.	D.07-12-052
5	Contingent Forward (purchase or sale)	A contract entered into in advance of delivery time, the performance of which is contingent upon the subsequent occurrence of one or more events agreed upon by the counterparties.	AL 2615-E
6	Gas Storage (purchase or sale)	Includes firm and as-available storage inventory, injection and withdrawal. Also includes parking and borrowing services.	D.02-10-062
7	Gas Transportation (purchase or sale)	Interstate, Intrastate, and distribution gas transportation services. Includes firm, as-available and interruptible services.	D.02-10-062
8	Counterparty Sleeves [relocated to new Credit Table II-5]	Facilitating a transaction with an un-contracted or non-creditworthy through a contracted, creditworthy counterparty.	D.02-10-062

Financial products are used to support gas hedging. Table II-4 below provides financial gas product names, descriptions and information about PG&E's existing regulatory authority to procure these products.



**TABLE II-4
PACIFIC GAS AND ELECTRIC COMPANY
NATURAL GAS FINANCIAL PRODUCTS**

	Product	Description	Prior Authorization
1	Natural Gas Financial Swaps (purchase or sale)	Over-the-counter <u>gas</u> forward products including fixed-for-floating swaps, <u>locational spread</u> (basis) swaps, <u>time spread swaps</u> , <u>cross commodity swaps</u> and swing-swaps <u>(fixed-price or monthly index for daily index) for gas</u> . Swaps are financially settled directly with a counterparty or may be financially cleared through financial clearinghouse. <u>Margin-free swaps require just one counterparty or neither counterparty to post collateral.</u>	AL 2615-E D.02-10-062 <u>AL 3482-E</u>
2	Natural Gas Futures (purchase or sale)	Standardized forward contracts for gas that trade on an exchange. Futures may be physically or financially settled. Physically settled futures may be unwound by an offsetting trade, exchanged for a physical position, or held to physical delivery.	AL 2615-E
3	Financial Options (Call or Put) <u>or Swaptions</u> (purchase or sale)	The right, but not the obligation, to buy (call) a forward gas contract on gas on a particular date (expiration) at a particular price (strike). The right to sell is a put option. OTC-traded options settle in cash, whereas exchange traded (NYMEX) options must be exercised, which causes delivery of a futures position to the option holder. <u>Options may be combined with other options or swaps to hedge a wide variety of positions.</u> <u>Additional examples include locational spread options, time spread options, cross-commodity options, and exotic (combination) options. A Swaption is an option on a Financial Swap.</u>	D.02-10-062 <u>AL 3482-E</u>

c. Credit Products

Credit products are used to support electric and gas hedging. Table II-5 below provides credit product names, descriptions and information about PG&E's existing regulatory authority to procure these products.



TABLE II-5
PACIFIC GAS AND ELECTRIC COMPANY
CREDIT PRODUCTS

	<u>Product</u>	<u>Description</u>	<u>Prior Authorization</u>
<u>1</u>	<u>Counterparty Credit Insurance)</u> <u>[relocated from electric table]</u>	<u>A method for managing payment or performance risk for a fee. Applies to physical and financial electric and gas products.</u>	<u>D.02-10-062</u> <u>AL 3482-E</u>
<u>2</u>	<u>Counterparty Sleeves</u> <u>[relocated from electric and gas tables]</u>	<u>Facilitating a transaction with an un-contracted or non-creditworthy counterparty through a contracted, creditworthy counterparty. Applies to physical and financial electric and gas products.</u>	<u>D.03-12-062</u> <u>D.02-10-062</u> <u>AL 3482-E</u>
<u>3</u>	<u>Credit Intermediation Arrangement</u>	<u>Eliminates the need to post collateral on specific, identified, existing hedge positions. Under this arrangement, PG&E would novate existing positions from one counterparty to a financial institution. The financial institution becomes PG&E's counterparty to the positions. The financial institution does not require PG&E to post collateral in exchange for a negotiated fee. The financial institution may or may not post collateral to PG&E, depending on the arrangement.</u>	<u>AL 3482-E</u>

The products presented in this section include those products PG&E is currently authorized to transact, as well as products that it knows may be required in the future. PG&E will request approval through advice letter filings of new products that arise from changed policies or market developments that are not covered by the above lists. Such products may be necessary to satisfy procurement needs arising from MRTU implementation, new legislation or other requirements such as the emergence of Renewable Energy Credit markets for compliance with the RPS Program.

4. Overview of Energy Product Markets

This section provides an overview of the markets available to PG&E to purchase the products described in Section II.A.3, above. PG&E's specific procurement practices are described in detail in Section II.A.5, which follows this section.

a. Exchanges

For electric and gas markets there are several types of transparent exchanges: Over-The-Counter electronic trading platforms such as the Intercontinental Exchange ("ICE"), New York Mercantile Exchange ("NYMEX") Clearport, NYMEX Globex, and the Natural Gas



5. PG&E's Procurement Contracting Methods and Practices

In this section, PG&E describes its electric procurement methods and practices for short-term, medium-term and long-term contracts. Table II-56 below reflects the procurement methods and practices that PG&E is authorized to use.

TABLE II-56
PACIFIC GAS AND ELECTRIC COMPANY
PROCUREMENT METHODS AND PRACTICES

Item #	Transaction Process	Description	Prior Authorization
1	Competitive Solicitations (RFO)	Widely distributed request for offers or proposals. Required items include among other things: Description of product requirements, term, minimum and maximum bid quantities, scheduling and delivery attributes, credit requirements, and pricing attributes. Additional requirements for the RFO process are specified in D.07-12-052, pages 142-152.	D.02-10-062 D.04-12-048 AL 2615-E
2	Direct bilateral contracting with counterparties for short-term products (e.g., three months or less)	Bilateral process for products procured with a term three months or less. Investor-owned utilities ("IOU") demonstrate that such transactions are reasonable based on available and relevant market data supporting the transaction. The demonstration may include showing competing price offers, result of market surveys, broker and online quotes, and/or other source of price information such as published indices, historical price information for similar time blocks, and comparison to RFOs completed within one month of the transaction.	D.02-10-062 D.04-12-048 AL 2615-E
3	Inter-Utility Exchanges	Exchange with other regulated utilities and other load-serving entities negotiated through private negotiation crafted to best fit the resources and needs of both parties.	D.02-10-062 D.04-12-048 AL 2615-E
4	ISO markets: Imbalance Energy, Hour Ahead, and Day Ahead	Spot market transactions are authorized to balance system and short-term needs. IOUs justify their planned spot market purchases if they exceed 5% of monthly needs.	D.02-10-062 D.04-12-048 AL 2615-E
5	Transparent exchanges, such as Bloomberg and Intercontinental Exchange, voice and on-line brokers	Electronic trading exchanges for transparent prices.	D.02-10-062 D.03-12-062 D.04-12-048 AL 2615-E



TABLE II-56
PACIFIC GAS AND ELECTRIC COMPANY
PROCUREMENT METHODS AND PRACTICES
(CONTINUED)

Item #	Transaction Process	Description	Prior Authorization
6	Utility ownership of generation	Utility-ownership of generation can be pursued through an RFO under certain conditions (see D.07-12-052 at 198-205; D.08-11-008 at 18-20) or outside of the RFO process under certain conditions (see D.07-12-052 at 209-213; D.08-11-008 at 20-23).	D.07-12-052 D.08-11-008
7	Open Access Same-Time Information Systems ("OASIS")	Procure standard electric transmission products from transmission providers throughout the Western Electric Coordinating Council ("WECC") region at FERC tariffed rates and voice and on-line brokers.	D.03-12-062 D.04-12-048 AL 2615-E
8	Negotiated bilateral contracts for non-standard products which terms exceed three months provided that the IOUs include a product justification in quarterly compliance filings.	Process to purchase products provided they are included in quarterly compliance filings to justify the need and process in each case. Terms and conditions are benchmarked against the best available market information for similar products recently offered.	D.03-12-062 D.04-12-048 AL 2615-E
9	Transparent exchanges to include voice and on-line brokers	Transparent price products from voice and on-line brokers.	D.03-12-062 D.04-12-048 AL 2615-E
10	Electronic Auction	IOUs are authorized to conduct procurement using an electronic auction format.	D.04-12-048 AL 2615-E
11	Generator Requests for Proposals	IOUs can bid in open season or RFPs held by generator owners.	D.04-01-050 AL 2615-E
12	CAISO Allocations and Auctions	CAISO allocation and auctions for LT-CRRs and CRRs.	AL-3095-E and AL 3106-E

In the remainder of this section, PG&E describes its procurement practices and methods for: (a) short- and medium-term procurement transactions; (b) long-term transactions; (c) RPS transactions; and (d) the length of time between the date contracts are executed and when actual deliveries commence.



a. Procurement Practices and Methods for Short-Term and Medium-Term Transactions

This section describes PG&E’s methods and practices for short-term and medium-term procurement transactions. PG&E utilizes various Commission-approved transaction methods that are set forth in Table II-56 for short- and medium-term transactions.

PG&E’s electric procurement process is not a one-time event. Rather, it is comprised of a series of ongoing analyses and activities that focus on different time frames and decisions. This process ensures that resources are available to meet energy and ancillary service requirements and allows PG&E to minimize the cost of generation and risks by participating in a variety of transactions over time.

The short- and medium-term electric procurement time frames include: (1) multi-year;⁶ (2) annual; quarterly, and monthly; (3) intra-month and weekly; (4) daily; and (5) hour-ahead. The CAISO also manages a “real-time” market. The procurement process is conceptually identical in all time frames insofar as all considered resources are reviewed on an equal basis in determining how to meet PG&E’s demand and energy requirements in a least cost manner. The input assumptions and the granularity of those assumptions differ. PG&E begins by determining total load requirements, including customer retail demand, wholesale sales, transmission and distribution losses, ancillary services, and any and all operating constraints. PG&E then determines the quantity of generation from baseload “must-run” resources such as the Diablo Canyon Power Plant (“DCPP”), QFs, and DWR allocated contracts. Finally, PG&E assesses market conditions in order to optimize production from dispatchable resources and market transactions. PG&E’s objectives are to meet any remaining load requirements as well as extract value from resources when it is economic to sell into the market.

⁶ For this discussion, the term “multi-year” is limited to less than five years.



APPENDIX H
UPDATED LIST OF BROKERAGES AND EXCHANGES



Brokerages

- Tullett Liberty (acquired Natsource)
- ICAP Energy LLC (acquired APB)
- Prebon
- TFS
- Amerex (recently acquired by GFI Group, Inc.)
- Landmark
- Saddleback
- Anahau Energy LLC
- Evolution Markets Inc

Exchanges and Futures Commission Merchants

- Intercontinental Exchange (ICE) – Exchange and Cleared (~~London Clearinghouse~~ Clear Europe) trades
- New York Mercantile Exchange (NYMEX) – Exchange and Cleared trades
- Natural Gas Exchange (NGX) – Physical and Financially Cleared Gas Products
- ~~R.J. O'Brien (allows accessibility to NYMEX and NYMEX Clearing)~~
- Barclays Capital (allows accessibility to NYMEX, NYMEX Clearing, and ICE Clearing (~~London Clearinghouse~~) Europe)
- J.P. Morgan Futures, Inc., (allows accessibility to NYMEX, NYMEX Clearing, and ICE Clear Europe)
- Mizuho Securities, USA, (allows accessibility to NYMEX, NYMEX Clearing, and ICE Clear Europe)
- Wells Fargo Advisors, LLC., (allows accessibility to NYMEX, NYMEX Clearing, and ICE Clear Europe)

PACIFIC GAS AND ELECTRIC COMPANY
CONFORMED 2006 LONG-TERM PROCUREMENT PLAN
REPLACEMENT PAGES

ATTACHMENT B
CLEAN VERSION



3. Description of Procurement Products

a. Electric Products

PG&E uses a variety of physical and financial electric products to meet its electric procurement needs. Table II-2 below provides product names, descriptions and information about PG&E's existing regulatory authority to procure these products.

**TABLE II-2
PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC PRODUCTS**

Line No.	Product	Description	Prior Authorization
1	Ancillary Services	Products that are utilized by the control area operator to ensure electric system reliability, for example, those that are listed in control area operator tariffs, such as the CAISO.	D.02-10-062
2	Capacity (demand side)	The amount of power consumed by a customer, measured in megawatts ("MW"), that can be reduced upon request.	D.02-10-062
3	Capacity (purchase or sale)	The amount of power capable of being generated, measured in MW, that can be converted to energy upon request.	D.02-10-062
4	Contingent Forward	A contract entered into in advance of delivery time, the performance of which is contingent upon the subsequent occurrence of one or more events agreed upon by the counterparties.	AL 2615-E
5	Electric Product Exchange	The buyer has an obligation to receive electric products and an obligation to return electric products as part of the same transaction. The transaction may also include an exchange of payments, in fixed or variable terms. Electric products include energy, capacity, and ancillary services.	AL 2615-E
6	Electricity Transmission Products	Purchase, sale, or allocation of transmission rights, products (e.g., Long-Term Firm Transmission Rights, Congestion Revenue Rights, losses), or the use of locational spreads.	D.02-10-062 and D.07-12-052
7	Financial Call (or Put) Option or Swaption	The right, but not the obligation, to buy (call) a forward electric contract on a specific date (expiration) at a fixed or indexed price (strike). The right to sell is a put option. Additional examples include locational spread options, time spread options, cross-commodity options, and exotic (combination) options. A Swaption is an option on a Financial Swap.	D.02-10-062 AL 3482-E
8	Financial Swap	An agreement to exchange one type of pricing for another. Examples include fixed-for-floating swaps, locational spread (basis) swaps, time spread swaps, cross-commodity swaps and payment obligation swaps (e.g., CAISO IFM Uplift Load Obligations). Swaps are financially settled directly with a counterparty or may be financially cleared through a financial clearing house. Margin-free swaps require just one counterparty or	D.02-10-062 AL 2615-E D.07-12-052 AL 3482-E



Line No.	Product	Description	Prior Authorization
		neither counterparty to post collateral.	
9	Forward Energy (demand side)	Electric energy planned to be consumed by a customer, measured in megawatt-hour ("MWh") that is agreed to be reduced for a specific period for a specified time in the future.	D.02-10-062



**TABLE II-2
PACIFIC GAS AND ELECTRIC COMPANY
ELECTRIC PRODUCTS
(CONTINUED)**

Line No.	Product	Description	Prior Authorization
10	Forward Energy (purchase or sale)	Electric energy purchased or sold by a counterparty, measured in MWh that is agreed to be supplied or received for a specific period at a specific location for a specified time in the future.	D.02-10-062
11	Forward Spot (Day-Ahead & Hour-Ahead) purchase, sale, or exchange	Electric energy, capacity, ancillary services or transmission purchased or sold by a counterparty, or exchanged between counterparties measured in MW or MWh that is agreed to be supplied, received or exchanged for a specific period at a specific location in the Day-Ahead or Hour-Ahead markets.	D.02-10-062
12	[relocated to new Credit Table II-5]		
13	New York Mercantile Exchange ("NYMEX") Electricity Futures (purchase or sale)	Standardized forward energy contract traded on NYMEX. Futures may be physically or financially settled.	AL 2615-E
14	On-Site Energy or Capacity (self-generation on customer side of the meter)	The amount of power measured in MW or MWh that can be generated downstream of the customer's electric meter that can be used to offset the customer's load served by the electric service provider.	D.02-10-062
15	Peak for Off-Peak Exchange	Electric energy, capacity, or ancillary services or transmission exchanged between counterparties measured in MW or MWh that is agreed to be supplied in an on-peak period in exchange for receiving an amount in an off-peak period. These transactions may also include an exchange of dollars.	D.02-10-062
16	Physical Call (or put) Option	The right, but not the obligation, to buy (call) physical electricity for delivery on a specific date at a fixed or indexed price (strike). The right to sell is a put option.	D.02-10-062
17	Real-Time (purchase or sale)	The amount of energy, measured in MWh supplied or received by the control area operator to balance an entity's load and supply.	D.02-10-062
18	Resource Adequacy Product	A capacity product intended to meet resource adequacy obligations.	AL 2615-E AL 2897-E
19	Seasonal Exchange	Electric energy, capacity, or ancillary services or transmission exchanged between counterparties measured in MW or MWh that is agreed to be supplied during one season or set of months in exchange for receiving an amount in another season or set of months. These transactions may also include an exchange of dollars.	D.02-10-062
20	Tolling Agreement	An agreement to provide (receive) gas in exchange for receiving (providing) electricity.	D.02-10-062, D.04-12-048
21	[relocated to new Credit Table II-5]		
22	Emissions Credits Futures or Forwards	Credits or allowances for emissions that can be bought or sold in order to comply with emissions limits.	D.03-12-062



Pacific Gas and Electric Company
San Francisco, California

Cal. P.U.C. Sheet No. 11-A
2006 Pacific Gas and Electric Company
Long-Term Procurement Plan

Line No.	Product	Description	Prior Authorization
23	Forecast Insurance	A method for managing load forecast (volume and shape) risk.	D.03-12-062

Advice Letter No. 3482-E
Decision No. 07-12-052

Issued by
Brian K. Cherry
Vice President
Regulatory Relations

Date Filed June 26, 2009
Effective _____
Resolution No. _____



**TABLE II-3
PACIFIC GAS AND ELECTRIC COMPANY
NATURAL GAS PHYSICAL PRODUCTS**

	Product	Description	Prior Authorization
1	Natural Gas Purchases (physical supply)	Purchases/sales/exchanges of physical natural gas for terms of one month or longer.	D.02-10-062
2	Spot Natural Gas (physical supply)	Purchases/sales/exchanges of physical natural gas for terms less than one month.	D.02-10-062
3	Physical Options on Natural Gas Supply (purchase or sale)	The right, but not the obligation, to buy (call) physical gas for delivery on a particular date at a fixed or index price (strike). The right to sell is a put option.	D.02-10-062
4	Biomethane (purchase or sale)	Pipeline quality natural gas produced from renewable (non-fossil based) resources. May include renewable or environmental attributes.	D.07-12-052
5	Contingent Forward (purchase or sale)	A contract entered into in advance of delivery time, the performance of which is contingent upon the subsequent occurrence of one or more events agreed upon by the counterparties.	AL 2615-E
6	Gas Storage (purchase or sale)	Includes firm and as-available storage inventory, injection and withdrawal. Also includes parking and borrowing services.	D.02-10-062
7	Gas Transportation (purchase or sale)	Interstate, Intrastate, and distribution gas transportation services. Includes firm, as-available and interruptible services.	D.02-10-062
8	[relocated to new Credit Table II-5]		

Financial products are used to support gas hedging. Table II-4 below provides financial gas product names, descriptions and information about PG&E's existing regulatory authority to procure these products.



**TABLE II-4
PACIFIC GAS AND ELECTRIC COMPANY
NATURAL GAS FINANCIAL PRODUCTS**

	Product	Description	Prior Authorization
1	Natural Gas Financial Swaps (purchase or sale)	Over-the-counter gas forward products including fixed-for-floating swaps, locational spread (basis) swaps, time spread swaps, cross commodity swaps and swing-swaps (fixed-price or monthly index for daily index). Swaps are financially settled directly with a counterparty or may be financially cleared through financial clearinghouse. Margin-free swaps require just one counterparty or neither counterparty to post collateral.	AL 2615-E D.02-10-062 AL 3482-E
2	Natural Gas Futures (purchase or sale)	Standardized forward contracts for gas that trade on an exchange. Futures may be physically or financially settled. Physically settled futures may be unwound by an offsetting trade, exchanged for a physical position, or held to physical delivery.	AL 2615-E
3	Financial Options (Call or Put) or Swaptions (purchase or sale)	The right, but not the obligation, to buy (call) a forward gas contract on gas on a particular date (expiration) at a particular price (strike). The right to sell is a put option. OTC-traded options settle in cash, whereas exchange traded (NYMEX) options must be exercised, which causes delivery of a futures position to the option holder. Additional examples include locational spread options, time spread options, cross-commodity options, and exotic (combination) options. A Swaption is an option on a Financial Swap.	D.02-10-062 AL 3482-E

c. Credit Products

Credit products are used to support electric and gas hedging. Table II-5 below provides credit product names, descriptions and information about PG&E's existing regulatory authority to procure these products.



**TABLE II-5
PACIFIC GAS AND ELECTRIC COMPANY
CREDIT PRODUCTS**

	Product	Description	Prior Authorization
1	Counterparty Credit Insurance) [relocated from electric table]	A method for managing payment or performance risk for a fee. Applies to physical and financial electric and gas products.	D.02-10-062 AL 3482-E
2	Counterparty Sleeves [relocated from electric and gas tables]	Facilitating a transaction with an un-contracted or non-creditworthy counterparty through a contracted, creditworthy counterparty. Applies to physical and financial electric and gas products.	D.03-12-062 D.02-10-062 AL 3482-E
3	Credit Intermediation Arrangement	Eliminates the need to post collateral on specific, identified, existing hedge positions. Under this arrangement, PG&E would novate existing positions from one counterparty to a financial institution. The financial institution becomes PG&E's counterparty to the positions. The financial institution does not require PG&E to post collateral in exchange for a negotiated fee. The financial institution may or may not post collateral to PG&E, depending on the arrangement.	AL 3482-E

The products presented in this section include those products PG&E is currently authorized to transact, as well as products that it knows may be required in the future. PG&E will request approval through advice letter filings of new products that arise from changed policies or market developments that are not covered by the above lists. Such products may be necessary to satisfy procurement needs arising from MRTU implementation, new legislation or other requirements such as the emergence of Renewable Energy Credit markets for compliance with the RPS Program.

4. Overview of Energy Product Markets

This section provides an overview of the markets available to PG&E to purchase the products described in Section II.A.3, above. PG&E's specific procurement practices are described in detail in Section II.A.5, which follows this section.

a. Exchanges

For electric and gas markets there are several types of transparent exchanges: Over-The-Counter electronic trading platforms such as the Intercontinental Exchange ("ICE"), New York Mercantile Exchange ("NYMEX") Clearport, NYMEX Globex, and the Natural Gas



5. PG&E's Procurement Contracting Methods and Practices

In this section, PG&E describes its electric procurement methods and practices for short-term, medium-term and long-term contracts. Table II-6 below reflects the procurement methods and practices that PG&E is authorized to use.

**TABLE II-6
PACIFIC GAS AND ELECTRIC COMPANY
PROCUREMENT METHODS AND PRACTICES**

Item #	Transaction Process	Description	Prior Authorization
1	Competitive Solicitations (RFO)	Widely distributed request for offers or proposals. Required items include among other things: Description of product requirements, term, minimum and maximum bid quantities, scheduling and delivery attributes, credit requirements, and pricing attributes. Additional requirements for the RFO process are specified in D.07-12-052, pages 142-152.	D.02-10-062 D.04-12-048 AL 2615-E
2	Direct bilateral contracting with counterparties for short-term products (e.g., three months or less)	Bilateral process for products procured with a term three months or less. Investor-owned utilities ("IOU") demonstrate that such transactions are reasonable based on available and relevant market data supporting the transaction. The demonstration may include showing competing price offers, result of market surveys, broker and online quotes, and/or other source of price information such as published indices, historical price information for similar time blocks, and comparison to RFOs completed within one month of the transaction.	D.02-10-062 D.04-12-048 AL 2615-E
3	Inter-Utility Exchanges	Exchange with other regulated utilities and other load-serving entities negotiated through private negotiation crafted to best fit the resources and needs of both parties.	D.02-10-062 D.04-12-048 AL 2615-E
4	ISO markets: Imbalance Energy, Hour Ahead, and Day Ahead	Spot market transactions are authorized to balance system and short-term needs. IOUs justify their planned spot market purchases if they exceed 5% of monthly needs.	D.02-10-062 D.04-12-048 AL 2615-E
5	Transparent exchanges, such as Bloomberg and Intercontinental Exchange, voice and on-line brokers	Electronic trading exchanges for transparent prices.	D.02-10-062 D.03-12-062 D.04-12-048 AL 2615-E



**TABLE II-6
PACIFIC GAS AND ELECTRIC COMPANY
PROCUREMENT METHODS AND PRACTICES
(CONTINUED)**

Item #	Transaction Process	Description	Prior Authorization
6	Utility ownership of generation	Utility-ownership of generation can be pursued through an RFO under certain conditions (see D.07-12-052 at 198-205); D.08-11-008 at 18-20) or outside of the RFO process under certain conditions (see D.07-12-052 at 209-213; D.08-11-008 at 20-23).	D.07-12-052 D.08-11-008
7	Open Access Same-Time Information Systems ("OASIS")	Procure standard electric transmission products from transmission providers throughout the Western Electric Coordinating Council ("WECC") region at FERC tariffed rates and voice and on-line brokers.	D.03-12-062 D.04-12-048 AL 2615-E
8	Negotiated bilateral contracts for non-standard products which terms exceed three months provided that the IOUs include a product justification in quarterly compliance filings.	Process to purchase products provided they are included in quarterly compliance filings to justify the need and process in each case. Terms and conditions are benchmarked against the best available market information for similar products recently offered.	D.03-12-062 D.04-12-048 AL 2615-E
9	Transparent exchanges to include voice and on-line brokers	Transparent price products from voice and on-line brokers.	D.03-12-062 D.04-12-048 AL 2615-E
10	Electronic Auction	IOUs are authorized to conduct procurement using an electronic auction format.	D.04-12-048 AL 2615-E
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12	CAISO Allocations and Auctions	CAISO allocation and auctions for LT-CRRs and CRRs.	AL-3095-E and AL 3106-E

In the remainder of this section, PG&E describes its procurement practices and methods for: (a) short- and medium-term procurement transactions; (b) long-term transactions; (c) RPS transactions; and (d) the length of time between the date contracts are executed and when actual deliveries commence.



a. Procurement Practices and Methods for Short-Term and Medium-Term Transactions

This section describes PG&E’s methods and practices for short-term and medium-term procurement transactions. PG&E utilizes various Commission-approved transaction methods that are set forth in Table II-6 for short- and medium-term transactions.

PG&E’s electric procurement process is not a one-time event. Rather, it is comprised of a series of ongoing analyses and activities that focus on different time frames and decisions. This process ensures that resources are available to meet energy and ancillary service requirements and allows PG&E to minimize the cost of generation and risks by participating in a variety of transactions over time.

The short- and medium-term electric procurement time frames include: (1) multi-year;⁶ (2) annual; quarterly, and monthly; (3) intra-month and weekly; (4) daily; and (5) hour-ahead. The CAISO also manages a “real-time” market. The procurement process is conceptually identical in all time frames insofar as all considered resources are reviewed on an equal basis in determining how to meet PG&E’s demand and energy requirements in a least cost manner. The input assumptions and the granularity of those assumptions differ. PG&E begins by determining total load requirements, including customer retail demand, wholesale sales, transmission and distribution losses, ancillary services, and any and all operating constraints. PG&E then determines the quantity of generation from baseload “must-run” resources such as the Diablo Canyon Power Plant (“DCPP”), QFs, and DWR allocated contracts. Finally, PG&E assesses market conditions in order to optimize production from dispatchable resources and market transactions. PG&E’s objectives are to meet any remaining load requirements as well as extract value from resources when it is economic to sell into the market.

⁶ For this discussion, the term “multi-year” is limited to less than five years.



APPENDIX H
UPDATED LIST OF BROKERAGES AND EXCHANGES



Brokerages

- Tullett Liberty (acquired Natsource)
- ICAP Energy LLC (acquired APB)
- Prebon
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Exchanges and Futures Commission Merchants

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- Wells Fargo Advisors, LLC., (allows accessibility to NYMEX, NYMEX Clearing, and ICE Clear Europe)

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

Aglet	Day Carter Murphy	Norris & Wong Associates
Alcantar & Kahl	Defense Energy Support Center	North Coast SolarResources
Anderson & Poole	Department of Water Resources	Northern California Power Association
Arizona Public Service Company	Department of the Army	Occidental Energy Marketing, Inc.
BART	Dept of General Services	OnGrid Solar
BP Energy Company	Division of Business Advisory Services	Praxair
Barkovich & Yap, Inc.	Douglas & Liddell	R. W. Beck & Associates
Bartle Wells Associates	Douglass & Liddell	RCS, Inc.
C & H Sugar Co.	Downey & Brand	Recon Research
CA Bldg Industry Association	Duke Energy	SCD Energy Solutions
CAISO	Dutcher, John	SCE
CLECA Law Office	Ellison Schneider & Harris LLP	SMUD
CSC Energy Services	FPL Energy Project Management, Inc.	SPURR
California Cotton Ginners & Growers Assn	Foster Farms	Santa Fe Jets
California Energy Commission	G. A. Krause & Assoc.	Seattle City Light
California League of Food Processors	GLJ Publications	Sempra Utilities
California Public Utilities Commission	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sierra Pacific Power Company
Calpine	Green Power Institute	Silicon Valley Power
Cameron McKenna	Hanna & Morton	Southern California Edison Company
Cardinal Cogen	Hitachi	Sunshine Design
Casner, Steve	International Power Technology	Sutherland, Asbill & Brennan
Chamberlain, Eric	Intestate Gas Services, Inc.	Tabors Caramanis & Associates
Chevron Company	Los Angeles Dept of Water & Power	Tecogen, Inc.
Chris, King	Luce, Forward, Hamilton & Scripps LLP	Tiger Natural Gas, Inc.
City of Glendale	MBMC, Inc.	Tioga Energy
City of Palo Alto	MRW & Associates	TransCanada
City of San Jose	Manatt Phelps Phillips	Turlock Irrigation District
Clean Energy Fuels	Matthew V. Brady & Associates	U S Borax, Inc.
Coast Economic Consulting	McKenzie & Associates	United Cogen
Commerce Energy	Merced Irrigation District	Utility Cost Management
Commercial Energy	Mirant	Utility Specialists
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)
	New United Motor Mfg., Inc.	eMeter Corporation