August 13, 2009

Advice Letter 3485-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: Submits Notice of Construction, Pursuant to G.O. 131-D, for the Construction of Hatchet Ridge Wind Project – Carberry 230 kV Switching Station and Inter-Connecting Transmission Line, County of Shasta

Dear Mr. Cherry:

Advice Letter 3485-E is effective July 31, 2009.

Sincerely,

Julie A. Fitch, Director
Energy Division
July 1, 2009

Advice 3485-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Submits Notice of Construction, Pursuant to General Order 131-D, for the Construction of Hatchet Ridge Wind Project - Carberry 230kV Switching Station and Inter-Connecting Transmission Line, County of Shasta

Pacific Gas and Electric Company (the Company) hereby submits notice pursuant to General Order (G.O.) 131-D, Section XI, Subsection B.4, of the construction of facilities that are exempt from a Permit to Construct and a Certificate of Public Convenience and Necessity.

Purpose

This advice letter provides a copy of the Notice of Proposed Construction (Attachment I) and the Notice Distribution List, which comply with the noticing requirements found in G.O. 131-D, Section XI.

Background

In order to promote the development of renewable energy resources in its service area, Pacific Gas and Electric Company (PG&E) has been requested by the developers of the Hatchet Ridge Wind Project to own and operate a new 2.3-acre switchyard (Carberry Switching Station) and construct a 221-foot long 230kV interconnection transmission line in Shasta County. The proposed project is located approximately five miles west of Burney, north of State Highway 299; this site is situated within remote forested habitat that is not visible from any public vantage point. The proposed project would collect and distribute (through its connection to PG&E’s existing Pit #3-Round Mountain 230kV Transmission Line) up to 103 megawatts of wind-turbine power to be generated by the proposed Hatchet Ridge Wind Project. The proposed switchyard will be constructed by the Hatchet Ridge
Wind Project developers (larger project CEQA) and then deeded over to PG&E upon completion of construction. The proposed interconnection line will consist of the inter-setting of two new structures within the existing 230kV transmission line corridor and the removal of one of the existing structures; these two new structures (approximately 65 feet tall) will connect the existing transmission corridor to the adjacent switchyard and result in a short loop facility of approximately 221 feet (minor relocation of existing power line facilities). Construction is scheduled to begin in August 2009, or as soon as possible thereafter, with work expected to be completed by May 2010, or as soon as possible after project initiation.

CPUC General Order 131-D, Section III, Subsections A and B.1.f, exempts projects meeting specific conditions from the CPUC’s requirement to file an application requesting authority to construct. The Company believes this project qualifies for the following exemption(s):

Section III.A - “the minor relocation of existing power line facilities.”

Section III.B.1.f - “power lines or substations to be relocated or constructed which have undergone environmental review pursuant to CEQA as part of a larger project, and for which the final CEQA document (Environmental Impact Report (EIR) or Negative Declaration) finds no significant unavoidable environmental impacts caused by the proposed line or substation.”

Shasta County approved a Final Environmental Impact Report (FEIR) for the Hatchet Ridge Wind Project on November 4, 2008, finding no significant unavoidable environmental impacts resulting from PG&E’s proposed facilities. (State Clearinghouse #2007042078)

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

Protests

Anyone wishing to protest this filing may do so by filing a protest with the CPUC and the Company by July 21, 2009, at the following address:

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

Facsimile: (415) 703-2200
E-Mail: jnj@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:

David T. Kraska,
Attorney, Law Department
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, California 94120

Facsimile: (415) 973-0516

Brian Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code B10C
San Francisco, California 94177

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

Persons or groups may protest the proposed construction if they believe that the Company has incorrectly applied for an exemption or that the conditions set out in Section III.B.2 of G.O. 131-D exist.

**Effective Date**

The Company requests that this advice filing become effective on **July 31, 2009**, which is 30 days after the date of filing. (In accordance with G.O. 131-D, construction will not begin until 45 days after notice is first published.)

**Notice**

In accordance with G.O. 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, including the parties listed in G.O. 131-D, Section XI, Paragraphs B.1 and B.2. These parties are identified in the “Notice Distribution List” included in Attachment I. Address change
requests should be directed to San Heng at (415) 973-2640. Advice letter filings can also be accessed electronically at http://www.pge.com/tariffs.

Vice President, Regulatory Relations

Attachments

cc: Parties Listed in G.O. 131-D, Paragraphs B.1 and B.2
Company name/CPUC Utility No. Pacific Gas and Electric Company (ID U39 M)

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Linda Tom-Martinez</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td>Phone #: (415) 973-4612</td>
</tr>
<tr>
<td>☑ GAS</td>
<td>E-mail: <a href="mailto:lmt1@pge.com">lmt1@pge.com</a></td>
</tr>
<tr>
<td>☐ PLC</td>
<td></td>
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<tr>
<td>☐ HEAT</td>
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<td>☐ WATER</td>
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EXPLANATION OF UTILITY TYPE
ELC = Electric     GAS = Gas
PLC = Pipeline     HEAT = Heat     WATER = Water

Advice Letter (AL) #: 3485-E  Tier: N/A
Subject of AL: Hatchet Ridge Wind Project – Carberry 230kV Switching Station and Interconnecting Transmission Line (County of Shasta)

Keywords (choose from CPUC listing): Power Lines

AL filing type: ☑ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☐ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

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:\n
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: July 31, 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

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
NOTICE OF PROPOSED CONSTRUCTION

PROJECT NAME: HATCHET RIDGE WIND PROJECT - CARBERRY 230kV SWITCHING STATION AND INTERCONNECTING TRANSMISSION LINE, COUNTY OF SHASTA

ADVICE LETTER NUMBER: 3485-E

Proposed Project: In order to promote the development of renewable energy resources in its service area, Pacific Gas and Electric Company (PG&E) has been requested by the developers of the Hatchet Ridge Wind Project to own and operate a new 2.3-acre switchyard (Carberry Switching Station) and construct a 221-foot long 230kV interconnection transmission line in Shasta County. The proposed project is located approximately five miles west of Burney, north of State Highway 299; this site is situated within remote forested habitat that is not visible from any public vantage point. The proposed project would collect and distribute (through its connection to PG&E’s existing Pit #3-Round Mountain 230kV Transmission Line) up to 103 megawatts of wind turbine power to be generated by the proposed Hatchet Ridge Wind Project. The proposed switchyard will be constructed by the Hatchet Ridge Wind Project developers (larger project CEQA) and then deeded over to PG&E upon completion of construction. The proposed interconnection line will consist of the inter-setting of two new structures within the existing 230kV transmission line corridor and the removal of one of the existing structures; these two new structures (approximately 65 feet tall) will connect the existing transmission corridor to the adjacent switchyard and result in a short loop facility of approximately 221 feet (minor relocation of existing power line facilities). Construction is scheduled to begin in August 2009, or as soon as possible thereafter, with work expected to be completed by May 2010, or as soon as possible after project initiation.

Exemption from CPUC Permit Requirement: CPUC General Order 131-D, Section III. A and B.1.f exempt projects meeting specific conditions from the CPUC’s requirement to file an application requesting authority to construct. Pacific Gas and Electric Company believes this project qualifies for the following exemption(s):

Section III.A - “the minor relocation of existing power line facilities.”

Section III.B.1.f - “power lines or substations to be relocated or constructed which have undergone environmental review pursuant to CEQA as part of a larger project, and for which the final CEQA document (Environmental Impact Report (EIR) or Negative Declaration) finds no significant unavoidable environmental impacts caused by the proposed line or substation.”

Shasta County approved a Final Environmental Impact Report (FEIR) for the Hatchet Ridge Wind Project on November 4, 2008, finding no significant unavoidable environmental impacts resulting from PG&E’s proposed facilities. (State Clearinghouse #2007042078)

Public Review Process: Persons or groups may protest the proposed construction if they believe that Pacific Gas and Electric Company has incorrectly applied for an exemption or that the conditions set out in Section III.B.2 of General Order 131-D exist;

a. There is reasonable possibility that the activity may have an impact on an environmental resource of hazardous or critical concern where designated, precisely mapped and officially adopted pursuant to law by federal, state, or local agencies; or
b. The cumulative impact of successive projects of the same type in the same place, over time, is significant; or
c. There is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

Protests should include the following:

1. Your name, mailing address and daytime telephone number.
2. Reference to the CPUC Advice Letter Number and Project Name.
3. A clear description of the reason for the protest.
4. Whether you believe that evidentiary hearings are necessary to resolve factual disputes.

Protests for this project must be filed by July 21, 2009 at the following address:

CPUC Energy Division
Attn: Tariff Unit, 4th Floor
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

With a copy mailed to:

David Kraska, Law Department
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, California 94120

Pacific Gas and Electric Company must respond within five business days of receipt and serve copies of its response on each protestant and the Energy Division. Within 30 days after Pacific Gas and Electric Company has submitted its response, the Executive Director of the CPUC will send you a copy of an Executive Resolution granting or denying the request and stating the reasons for the decision.

Assistance in Filing a Protest: For assistance in filing a protest, contact the CPUC Public Advisor in San Francisco at (415) 703-2074 or 1-866-849-8390 (toll-free) or TTY (415) 703-5258 or public.advisor@cpuc.ca.gov.

Additional Project Information: To obtain further information on the proposed project, please call Pacific Gas and Electric Company’s Project Information Line at (415) 973-5530.
Notice Distribution List

HATCHET RIDGE WIND PROJECT - CARBERRY 230Kv SWITCHING STATION
AND INTERCONNECTING TRANSMISSION LINE
COUNTY OF SHASTA
Advice 3485-E

Energy Commission

Ms. Melissa Jones, Executive Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, California 95814

Mr. Terry O’Brien, Deputy Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, California 95814

County of Shasta

Richard W. Simon
Assistant Director/Planning Division Manager
1855 Placer Street, Suite 103
Redding, CA 96001
(530) 225-5532

Newspaper

Intermountain News
37095 Main Street, Suite C
P.O. Box 1030
Burney, CA 96013
(530) 335-4533
Day Carter Murphy  Norris & Wong Associates
Defence Energy Support Center  North Coast Solar Resources
Department of Water Resources  Northern California Power Association
Department of the Army  Occidental Energy Marketing, Inc.
Dept of General Services  OnGrid Solar
Division of Business Advisory Services  Praxair
Douglas & Liddell  R. W. Beck & Associates
Douglass & Liddell  RCS, Inc.
Downey & Brand  Recon Research
Duke Energy  SCD Energy Solutions
Dutcher, John  SCE
Ellison Schneider & Harris LLP  SMUD
Foster Farms  SPURR
FPL Energy Project Management, Inc.  Santa Fe Jets
Goodin, MacBride, Squeri, Schlotz & Ritchie  Seattle City Light
G. A. Krause & Assoc.  Sempra Utilities
GLJ Publications  Sierra Pacific Power Company
Goodin, MacBride, Squeri, Schlotz & Ritchie  Silicon Valley Power
Hanna & Morton  Southern California Edison Company
Hitachi  Sunshine Design
International Power Technology  Sutherland, Asbill & Brennan
Intestate Gas Services, Inc.  Tabors Carmanais & Associates
Los Angeles Dept of Water & Power  Tecogen, Inc.
Luce, Forward, Hamilton & Scripps LLP  Tiger Natural Gas, Inc.
MBMC, Inc.  Tioga Energy
MRW & Associates  TransCanada
Manatt Phelps Phillips  Turlock Irrigation District
Matthew V. Brady & Associates  U S Borax, Inc.
McKenzie & Associates  United Cogen
Merced Irrigation District  Utility Cost Management
Mirant  Utility Specialists
Modesto Irrigation District  Verizon
Morgan Stanley  Wellhead Electric Company
Morrison & Foerster  Western Manufactured Housing
New United Motor Mfg., Inc.  Communities Association (WMA)
eMeter Corporation