September 16, 2010

Advice Letters 3546-E and 3546-E-A

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Subject: Contract between PG&E and Genesis Solar, LLC for Procurement of Renewable Energy Resources Resulting from PG&E’s 2007 Renewables Portfolio Standard Solicitation and Supplemental Filing

Dear Ms. Yura:

Advice Letters 3546-E and 3546-E-A are effective August 12, 2010 per Resolution E-4343.

Sincerely,

Julie A. Fitch, Director
Energy Division
June 14, 2010

Advice 3546-E-A  
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Supplemental Filing for Contract Between PG&E and Genesis Solar, LLC, for Procurement of Renewable Energy Resources

INTRODUCTION

Pacific Gas and Electric Company (“PG&E”) submits to California Public Utilities Commission (“Commission” or “CPUC”) a supplemental filing for Advice 3546-E (“Advice Letter”), dated October 26, 2009.¹ In the Advice Letter, PG&E submitted a power purchase agreement (“PPA”) between PG&E and Genesis Solar, LLC (“Genesis”), for the purchase of approximately 560 gigawatt hours (“GWh”) per year of RPS-eligible energy from two new solar thermal units with a capacity of 125 MW each to be located in Ford Dry Lake, Riverside County, California (the “Project”), for a term of 25 years. The Advice Letter is currently pending before the Commission.

The purpose of this supplement is to obtain CPUC approval of the PPA as amended by the first amendment to the PPA (“First Amendment”) and to provide additional information regarding Genesis’ use of wet cooling technology, which is provided in letter agreement dated June 9, 2010 (“Letter Agreement”).

¹ Supplements to Advice Letters are authorized by General Order 96-B, Section 7.5.1. Due to the limited scope of PG&E’s supplemental information, this filing should not re-open the protest period or delay the effective date of the advice letter.
THE FIRST AMENDMENT AND LETTER AGREEMENT WILL BENEFIT PG&E’S CUSTOMERS

The First Amendment contains a price reduction and the elimination of certain pricing adjustments if certain events occur. The First Amendment is included as Confidential Appendix A to this supplemental filing. The Letter Agreement, which addresses the issue of Genesis’ efforts to obtain governmental approvals for use of wet cooling technology for the Project, is included as Appendix B to this supplemental filing.

PG&E has updated Confidential Appendix D to the Advice Letter with the new price terms and included the update as Appendix D – Updated Contract Terms and Conditions Explained.

Confidential Attachments

Appendix A – First Amendment of Power Purchase Agreement
Appendix B – Letter Agreement
Appendix D – Updated Contract Terms and Conditions Explained

Protests

The protest and comment period for the Advice Letter should not be re-opened due to the limited scope of this update.

Effective Date

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 3546-E

Notice

In accordance with General Order 96-B, Section IV, a copy of this Advice Letter excluding the confidential appendices is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for R.06-02-012, R.08-02-007 and R.08-08-009. Non-market participants who are members of PG&E’s PRG and have signed appropriate Non-Disclosure Certificates will also receive the Advice Letter and accompanying confidential attachments by overnight mail. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to
PGETariffs@pge.com. Advice letter filings can also be accessed electronically at http://www.pge.com/tariffs.

Vice President - Regulation and Rates

cc: Service List for R.08-08-009  
    Service List for R.06-02-012  
    Service List for R.08-02-007  
    Paul Douglas – Energy Division  
    Sean Simon – Energy Division

Attachments

**Limited Access to Confidential Material:**

The portions of this Advice Letter marked Confidential Protected Material are submitted under the confidentiality protection of Section 583 of the Public Utilities Code and General Order 66-C. This material is protected from public disclosure because it consists of, among other items, the contract itself, price information, and analysis of the proposed RPS contract, which are protected pursuant to D.06-06-066 and D.08-04-023. A separate Declaration Seeking Confidential Treatment regarding the confidential information is filed concurrently herewith.

**Confidential Attachment:**

- Appendix A – First Amendment of Power Purchase Agreement
- Appendix B – Letter Agreement
- Appendix D – Updated Contract Terms and Conditions Explained
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type: ☑️ ELC  ☑️ GAS  
☐ PLC  ☐ HEAT  ☐ WATER  

Contact Person: David Poster and Linda Tom-Martinez  
Phone #: (415) 973-1082 and (415) 973-4612  
E-mail: dxpu@pge.com and lmt1@pge.com

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**EXPLANATION OF UTILITY TYPE**

ELC = Electric  GAS = Gas  
PLC = Pipeline  HEAT = Heat  WATER = Water

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**ADVICE LETTER FILING SUMMARY**

**ENERGY UTILITY**

**MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)**

Advice Letter (AL) #: **3546-E-A**  
Tier: **3**

Subject of AL: **Supplemental Filing for Contract Between PG&E and Genesis Solar, LLC, for Procurement of Renewable Energy Resources**

Keywords (choose from CPUC listing): Contracts, Portfolios

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: ____________________

Is AL requesting confidential treatment?  If so, what information is the utility seeking confidential treatment for: Yes. See the attached matrix that identifies all of the confidential information.

Confidential information will be made available to those who have executed a nondisclosure agreement: ☐ Yes  ☐ No  
All members of PG&E’s Procurement Review Group who have signed nondisclosure agreements will receive the confidential information.

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: Richard Miram (415) 973-1170

Resolution Required?  ☑️ Yes  ☐ No

Requested effective date: **Upon Commission Approval (concurrent with AL 3546-E)**

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](mailto:jnj@cpuc.ca.gov)  
E-mail: PGETariffs@pge.com

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**Pacific Gas and Electric Company**

Attn: Jane Yura  
Vice President, Regulation and Rates  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, CA 94177

E-mail: PGETariffs@pge.com
DECLARATION OF RICH MIRAM
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION CONTAINED IN ADVICE LETTER
3546-E-A SUBMITTED JUNE 14, 2010
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)

I, Rich Miram declare:

1. I am presently employed by Pacific Gas and Electric Company ("PG&E") and have been an employee at PG&E since 1973. My current title is Principal within PG&E’s Energy Procurement organization. In this position, my responsibilities include negotiating power purchase agreements with counterparties in the business of producing electric energy. In carrying out these responsibilities, I have acquired knowledge of PG&E’s contracts with numerous counterparties and have also gained knowledge of the operations of electricity sellers in general. Through this experience, I have become familiar with the type of information that would affect the negotiating positions of electricity sellers with respect to price and other terms, as well as with the type of information that such sellers consider confidential and proprietary.

2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge’s Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of Appendix A, B, and D to Advice Letter 3546-E-A submitted on June 14, 2010. By this Advice Letter, PG&E is providing supplemental information and seeking this Commission’s approval of the amended power purchase agreement that PG&E has executed with Genesis Solar, LLC.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix 1 of
D. 06-06-066 and Appendix C of D. 08-04-023 ("the IOU Matrix"), or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds (where applicable), and why confidential protection is justified. Finally, the matrix specifies: (1) that PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information (where applicable); (2) that the information is not already public; and (3) that the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the text in the attached matrix that is pertinent to this filing.

I declare under penalty of perjury, under the laws of the State of California that, to the best of my knowledge, the foregoing is true and correct. Executed on June 14, 2010 at San Francisco, California.

[Signature]

Rich Miram
<table>
<thead>
<tr>
<th>Document</th>
<th>Redaction Reference</th>
<th>Description</th>
<th>1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 and Appendix C to D.08-04-023 (Y/N)</th>
<th>2) Which category or categories in the Matrix the data correspond to:</th>
<th>3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)</th>
<th>4) That the information is not already public (Y/N)</th>
<th>5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)</th>
<th>PG&amp;E's Justification for Confidential Treatment</th>
<th>Length of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice Letter 3546-E-A</td>
<td>Y</td>
<td>Item VII F) Renewable Resource Contracts under RPS program - Contracts with SEPs.</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Appendix A contains the First Amendment to the PPA and Appendix B contains a Letter Agreement, which further specifies contractual provisions and obligations of the parties. Disclosure of the PPA and amendments to the PPA would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006, 2007, 2008 and 2009 solicitations and with other counterparties, this information should remain confidential. Release of this information would be damaging to negotiations. Furthermore, the counterparty to the PPA has an expectation that the terms of the PPA will remain confidential pursuant to confidentiality provisions in the PPA.</td>
<td>Remain confidential for three years after the commercial operation date.</td>
<td></td>
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</tr>
<tr>
<td>Appendix A and Appendix B</td>
<td>Y</td>
<td>Item VII F) Renewable Resource Contracts under RPS program - Contracts with SEPs. Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects. General Order 66-C.</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>This Appendix discusses, analyzes and evaluates the Project and the terms of the PPA. Disclosure of this information would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006, 2007, 2008, and 2009 solicitations and with other counterparties, this information should remain confidential. Release of this information would be damaging to negotiations. Furthermore, the counterparty to the PPA has an expectation that the terms of the PPA will remain confidential pursuant to confidentiality provisions in the PPA. I am informed and believe that General Order 66-C provides a basis for confidential treatment. General Order 66-C includes in its category of records not open to public inspection &quot;information obtained in confidence from other than a business regulated by this Commission where the disclosure would be against the public interest.&quot; (Paragraph 2 B). It is in the public interest to treat such information as confidential because if such information were made public, it would put the counterparty at a business disadvantage PG&amp;E and other regulated utilities, and could have a damaging effect on current and future negotiations with other counterparties.</td>
<td>For information covered under Item VII F) and Item VII (un-numbered category following VII G), remain confidential for three years after the commercial operation date.</td>
<td></td>
<td></td>
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<tr>
<td>Appendix D</td>
<td>Y</td>
<td>Item VII F) Renewable Resource Contracts under RPS program - Contracts with SEPs.</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
<td>For information covered by General Order 69-C, remain confidential</td>
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Alcantar & Kahl
Ameresco
Anderson & Poole
Arizona Public Service Company
BART
BP Energy Company
Barkovich & Yap, Inc.
Bartle Wells Associates
Bloomberg New Energy Finance
Boston Properties
Brookfield Renewable Power
C & H Sugar Co.
CA Bldg Industry Association
CAISO
CLECA Law Office
CSC Energy Services
California Cotton Ginners & Growers Assn
California Energy Commission
California League of Food Processors
California Public Utilities Commission
Calpine
Cameron McKenna
Cardinal Cogen
Casper, Steve
Chris, King
City of Glendale
City of Palo Alto
Clean Energy Fuels
Coast Economic Consulting
Commerce Energy
Commercial Energy
Consumer Federation of California
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Department of Water Resources
Department of the Army
Dept of General Services
Division of Business Advisory Services
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Duker Energy
Dutcher, John
Economic Sciences Corporation
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Hanna & Morton
Hitachi
International Power Technology
Intestate Gas Services, Inc.
Los Angeles Dept of Water & Power
Luce, Forward, Hamilton & Scripps LLP
MAC Lighting Consulting
MBMC, Inc.
MRW & Associates
Manatt Phelps Phillips
McKenzie & Associates
Merced Irrigation District
Miran
Modesto Irrigation District
Morgan Stanley
Morrison & Foerster
NRG West
New United Motor Mfg., Inc.
Norris & Wong Associates
North Coast SolarResources
Northern California Power Association
Occidental Energy Marketing, Inc.
OnGrid Solar
Praxair
R. W. Beck & Associates
RCS, Inc.
Recon Research
Recurrent Energy
SCD Energy Solutions
SCE
SMUD
SPURR
Santa Fe Jets
Seattle City Light
Sempra Utilities
Sierra Pacific Power Company
Silicon Valley Power
Silo Energy LLC
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Sunshine Design
Sutterland, Asbill & Brennan
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Tiger Natural Gas, Inc.
Tioga Energy
TransCanada
Turlock Irrigation District
U S Borax, Inc.
United Cogen
Utility Cost Management
Utility Specialists
Verizon
Wellhead Electric Company
Western Manufactured Housing
Communities Association (WMA)
eMeter Corporation