

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



December 29, 2010

Advice Letter 3740-E

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: Permanent Closure of PG&E's Humboldt Bay Power Plant

Dear Ms. Yura:

Advice Letter 3740-E is effective December 16, 2010 per Resolution 4387.

Sincerely,

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

Julie A. Fitch, Director
Energy Division

October 12, 2010

Advice 3740-E

(Pacific Gas and Electric Company ID U39E)

Public Utilities Commission of the State of California

Subject: Permanent Closure of PG&E's Humboldt Bay Power Plant

Pursuant to the California Public Utilities Commission's (Commission or CPUC) Consumer Protection and Safety Division (CPSD) recommendation, Pacific Gas and Electric Company (PG&E) hereby submits for filing an advice letter regarding the permanent shut down of the Humboldt Bay Power Plant.

Purpose

On June 2, 2010, pursuant to Operating Standard 23 of General Order (GO) 167, PG&E provided formal notice to the Commission that it planned to permanently shut down the Humboldt Bay Power Plant in the third quarter of 2010. (See Attachment A.) As the Commission is aware, the Humboldt Bay Power Plant has reached the end of its useful life. PG&E's notice also advised the Commission that the new fossil fuel generating plant, Humboldt Bay Generating Station, which will use natural gas and diesel more efficiently and with less impact on air quality, was expected to begin commercial operation in the third quarter of 2010.

PG&E believes it has provided adequate notice regarding the Humboldt Bay Power Plant closure, however, pursuant to the CPSD's recent verbal recommendation, PG&E hereby submits for filing this informational advice letter regarding the permanent shut down of Humboldt Bay Power Plant.

Background

On September 29, 2006, PG&E submitted an Application for Certification to construct and operate the new Humboldt Bay Generating Station to the California Energy Commission (CEC). In September 2008, the CEC approved PG&E's Application and a Certificate to construct and operate the new project was granted. The Final CEC Decision notes that the new Humboldt Bay Generating Station was being built to replace the existing Humboldt Bay Power Plant.¹

¹ See CEC Order No. 08-0924-5, <http://www.energy.ca.gov/2008publications/CEC-800-2008-005/CEC-800-2008-005-CMF.PDF>.

In the Commission's Decision (D.) 06-11-048, dated November 30, 2006, the Commissioners granted PG&E's unopposed request for a certificate of public convenience and necessity (CPCN) for the new Humboldt Bay Generating Station. In this Decision, the Commission acknowledged, among other things, "The facility will replace the existing power plant at Humboldt Bay, which is at the end of its useful life."²

Consequently, since 2006, both the CEC and the Commission were cognizant that the Humboldt Bay Power Plant would be retired when the new cleaner and more efficient Humboldt Bay Generating Station came on line.

As noted above, on June 2, 2010, formal notice under GO 167, Operating Standard 23 was provided to the Commission.

PG&E has also notified the California Independent System Operator (CAISO) and Federal Energy Regulatory Commission (FERC) of the retirement of the Humboldt Bay Power Plant. In addition to prior notices, on June 18, 2010, PG&E formally requested that the CAISO agree to modifications to both the Interim Dual Fuel Agreement and the Interim Black Start Agreement (Agreements) to provide for the substitution of the soon-to-be-retired Humboldt Bay Power Plant with the Humboldt Bay Generating Station in those Agreements. (See Attachment B.) Then, on July 29, 2010, PG&E submitted to FERC proposed revisions to both Agreements. On August 19, 2010, CAISO filed with FERC two Motions to Intervene and Comment which supported PG&E's requested revisions to the Agreements.³ On September 9, 2010 FERC accepted the revised Agreements effective September 27, 2010. (See Attachment C which contains documentation of the events referenced in this paragraph.)

The approval by the Commission of the CPCN for the construction of the Humboldt Bay Generating Station and the revisions to the Agreements discussed above demonstrate that the closure of the Humboldt Bay Power Plant has been reflected in PG&E's resource planning process.

There are no Section 851 issues related to the closure of the Humboldt Bay Power Plant. Units 1 and 2 will be decommissioned and demolished with any salvage credited to PG&E's plant accounts. PG&E will retain ownership of the land at the Humboldt Bay Power Plant site.

On September 16, 2010, PG&E filed Advice 3734-E with the Commission regarding PG&E's proposed inclusion of the new Humboldt Bay Generating Station revenue requirement in the Utility Generation Balancing Account.

² See CPUC D.06-11-048 http://docs.cpuc.ca.gov/word_PDF/final_decision/62451, *Opinion Approving Results Of Long-Term Request For Offers* (Nov. 30, 2006), Ordering Paragraphs 1 and 2, p. 45, also see California Energy Commission's September 2008 Final Decision regarding the Humboldt Bay Repowering Project at <http://www.energy.ca.gov/2008publications/CEC-800-2008-005/CEC-800-2008-005-CMF>.

³ See FERC Docket Nos: ER10-2054-000 and ER 10-2055-000.

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

Protests

PG&E requests that the protest period be waived as the advice filing's purpose is to provide notice of permanent closure of PG&E's Humboldt Bay Power Plant.

Effective Date

Similar to Advice 2790-E regarding the permanent closure of the Hunter's Point Power Plant, which was approved by Resolution E-3984, PG&E understands that a resolution is also required to approve this advice filing per the representation of the CPUC's CPSD. Therefore, PG&E requests this Tier 3 advice filing become effective on the date of the filing, October 12, 2010.

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. Address changes to the General Order 96-B service list should be directed to email 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

Attachments:

Attachment A:	June 2, 2010 Notification to CPUC
Attachment B:	June 18, 2010 Letter to CAISO
Attachment C:	Approvals for Revised Interim Dual Fuel and the Interim Black Start Agreements

cc:	Commission President Michael R. Peevey
	Commissioner Nancy E. Ryan
	Commissioner Timothy Alan Simon
	Commissioner Dian M. Grueneich
	Commissioner John A. Bohn
	Mr. Richard Clark, Director – CPSD
	Mr. Mark A. Zeiring, CPSD
	Ms. Charlyn A. Hook, Legal Division
	Ms. Linda Serizawa, DRA
	Ms. Julie Fitch, Energy Division

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) #: 3740-E

Tier: 3

Subject of AL: Permanent Closure of PG&E's Humboldt Bay Power Plant

Keywords (choose from CPUC listing): Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.06-11-048

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/A

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: N/A

Resolution Required? ☒ Yes ☐ No

Requested effective date: October 12, 2010

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). N/A

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

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Jane K. 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

ADVICE 3740-E

**Attachment A:
June 2, 2010 Notification to CPUC**



COPY

Randal S. Livingston, P.E.
Vice President
Power Generation

245 Market Street, Room 1137
San Francisco, CA 94105-1702

Mailing Address
Mail Code N11E
P. O. Box 770000
San Francisco, CA 94177-0001

415.973.6950
Internal: 223.6950
Fax: 415.973.3967

June 2, 2010

Mr. Paul Clanon, Executive Director
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

Re: Planned Permanent Closure of PG&E's Humboldt Bay Power Plant

Dear Mr. Clanon:

This letter provides formal notice to the California Public Utilities Commission ("Commission" or "CPUC") that, pursuant to Operating Standard 23 of General Order 167 ("GO 167"), Pacific Gas and Electric Company ("PG&E") plans to permanently shut down the Humboldt Bay Power Plant in the third quarter of 2010. Operating Standard 23 requires a Generating Asset Owner to notify "the Commission and the Control Area Operator in writing at least ninety days prior to a change in the long-term status of a unit". The notice must include a description of the planned change.

PG&E's Humboldt Bay Power Plant is comprised of two fossil fueled boilers and turbine generator units, producing 50 net megawatts each, and two simple cycle gas turbine driven generators producing 15 net megawatts each. There is also a 65 megawatt nuclear unit presently in decommissioning/dismantlement status. That unit is not addressed in this letter.

A new fossil fueled generating plant, Humboldt Bay Generating Station, is under construction adjacent to Humboldt Bay Power Plant on the same industrial site. This new facility is expected to begin commercial operation in the third quarter of 2010. The new facility will fulfill substantially the same functions as the existing plant.¹ Accordingly, PG&E anticipates that the conditions necessary to permanently shut down Humboldt Bay Power Plant will be met in the third quarter of 2010.

¹ See CPUC D.06-11-048 http://docs.cpuc.ca.gov/word_PDF/final_decision/62451, *Opinion Approving Results Of Long-Term Request For Offers* (Nov. 30, 2006), Ordering Paragraphs 1 and 2, p. 45, also see California Energy Commission's September 2008 Final Decision regarding the Humboldt Bay Repowering Project at <http://www.energy.ca.gov/2008publications/CEC-800-2008-005/CEC-800-2008-005-CMF>



Mr. Paul Clanon, Executive Director
CALIFORNIA PUBLIC UTILITIES COMMISSION
June 2, 2010
Page Two

If you have any questions regarding this notification, please contact Annette Faraglia in the Law Department at (415) 973-7145.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'R. Livingston', with a long horizontal flourish extending to the right.

Randal S. Livingston

cc: Commission President Michael R. Peevey
Commissioner Dian M. Grueneich
Commissioner John A. Bohn
Commissioner Timothy Alan Simon
Commissioner Nancy E. Ryan
Mr. Richard Clark, Director – Consumer Protection & Safety Division
Mr. Mark A. Zeiring, Consumer Protection & Safety Division
Charlyn A. Hook, Esq. – Legal Division
Ms. Linda Serizawa, Division of Ratepayer Advocates

ADVICE 3740-E

**Attachment B:
June 18, 2010 Letter to CAISO**



**Pacific Gas and
Electric Company®**

Randal S. Livingston, P.E.
Vice President
Power Generation

245 Market Street, Room 1137
San Francisco, CA 94105-1702

Mailing Address
Mail Code N11E
P. O. Box 770000
San Francisco, CA 94177-0001

415.973.6950
Internal: 223.6950
Fax: 415.973.3967

June 18, 2010

Mr. Chetty Mamandur
Director, Reliability and Market Modeling
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Dear Mr. Mamandur:

This letter requests that the California Independent System Operator ("CAISO") agree to modifications to Schedule 1 and Schedule 2 of both the Interim Dual Fuel Agreement and Interim Black Start Agreement between the CAISO and Pacific Gas and Electric Company ("PG&E").

As you are aware, construction of the new Humboldt Bay Generating Station ("HBGS") units are nearing completion and the HBGS units will soon start on-line testing. The current expected timeline is to begin on-line testing in mid June with the intent to release 5 units for commercial operations by mid to late July. At this point, one of the existing Humboldt Bay thermal units will be shut down. Testing will continue on the remaining 5 units with the intent that these units would be released for commercial operation by mid September to early October. At that point, the second existing Humboldt Bay thermal unit and two mobile CT units will be shut down.

The HBGS units have both dual fuel capability and black start capability. Therefore, PG&E proposes to modify Schedule 2 of the Interim Dual Fuel Agreement only to substitute the new HBGS units for the two existing Humboldt Bay thermal units, which will be retired. Likewise, PG&E proposes to modify Schedule 2 of the Interim Black Start Agreement only to substitute one of the HBGS resources for the two mobile CT units.

Updates were also made to Schedule 1 of both agreements to update the list of PG&E contacts. The revised schedules are attached to this letter.

PG&E requests the CAISO's written concurrence with these proposed changes. Upon receiving your concurrence, PG&E will file the revised schedules at FERC and seek an effective date for the amendments of the commercial operation date of the HBGS units.

PG&E requests that the CAISO confirm its agreement to the amended schedules for the Interim Dual Fuel Agreement and the Interim Black Start Agreement by e-mailing me a signed copy of this letter at RSL3@pge.com, and returning the original, executed letter to me at the above-referenced address.



Mr. Chetty Mamandur
June 18, 2010
Page 2

Please contact Kevin Coffee at 415-973-7631 if you have any questions. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Randal S. Livingston', written over a horizontal line.

Randal S. Livingston

Attachments

cc: Kevin Ballard
Franz Casosala
Kevin Coffee
Laura Douglass
Gil Grotta (CAISO)
Alyssa Koo
Ann Segesman
Bill Tom

AGREED TO BY:

CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION

By: _____

Date: _____

Its: _____

SCHEDULE 1

DUAL FUEL GENERATOR

Company Name: Pacific Gas and Electric Company

Address: 77 Beale Street, San Francisco, California, 94105

Contact Persons:

Kevin Coffee
Manager, Power Trading
Pacific Gas and Electric Co.
P.O. Box 770000, Mail Code N13C
San Francisco, CA 94177
Telephone: 415/973-6950
Facsimile: 415/973-5333
Email: kfc1@pge.com

With a copy to:

Randy Livingston
Vice President, Power Generation
Pacific Gas and Electric Co.
P.O. Box 770000, Mail Code N11E
San Francisco, CA 94177
Telephone: 415/973-6950
Facsimile: 415/973-3967
Email: rsl3@pge.com

Deleted: Lead Director

With a copy to:

Candice Chan
Director, Energy Contract Management and Settlement
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code N12E
San Francisco, CA 94177
Telephone: 415/973-7780
Facsimile: 415/972-5507
Email: cww9@pge.com

Deleted: Kelly A. Everidge

Deleted: Counterparty Settlements
and Compliance

Deleted: 2055

Deleted: kabd

Deleted: January 1, 2007

Issued by: DeAnn Hapner, Vice President – FERC and ISO Relations
Issued on: December 7, 2006

Effective:

SCHEDULE 2

DUAL FUEL FACILITIES

Facility/Unit	HBGS unit 1	HBGS unit 2	HBGS unit 3	Deleted: Humboldt Unit 1 ¹
ISO Identification No.	HUMBPP 6 UNITS1	HUMBPP 6 UNITS2	HUMBPP 1 UNIT TS3	Formatted Table
Control Room Phone No.	707-269-1800	707-269-1800	707-269-1800	Deleted: Humboldt Unit 2
Dependable Operating Capacity (MW)	48.81	48.81	65.08	Deleted: HUMBPP_7_UNIT 1
Primary Fuel Type	Natural Gas	Natural Gas	Natural Gas	Deleted: HUMBPP_7_UNIT 2
Secondary Fuel Type	Diesel	Diesel	Diesel	Deleted: 707-444-0711
Minimum Operating Level (MW) ²	12	12	12	Deleted: 707-444-0711
Power Factor Range (lead to lag)	0.95 to 0.90	0.95 to 0.90	0.95 to 0.90	Deleted: 52
Maximum Reactive Power Leading (MVar)	16.3	16.3	16.3	Deleted: 53
Load at Maximum MVar Leading (MW)	48.81	48.81	65.08	Deleted: Residual Oil
Maximum Reactive Power Lagging (MVar)	23.7	23.7	31.6	Deleted: Residual Oil
Load at Maximum MVar Leading (MW)	48.81	48.81	65.08	Deleted: 5
Ramp Point 1 - MW, Min MW/min., Max MW/min.	12, 1, 2	12, 1, 2	12, 1, 2	Deleted: 5
Ramp Point 2 - MW, Min MW/min., Max MW/min.	48.81, 3, 6	48.81, 3, 6	65.08, 4, 8	Deleted: 80
Outside Fuel Storage ³	640,000 gallons	640,000 gallons	640,000 gallons	Deleted: 8

² Minimum safe operation of this resource taking into account any operational constraints.

³ HBGS units 1, 2 and 3 share the onsite fuel oil inventory. Expected inventory between 320,000 gallons and 340,000 gallons, enough for 3 days operations on Diesel.

Deleted: January 1, 2007

Issued by: DeAnn Hapner, Vice President – FERC and ISO Relations
Issued on: December 7, 2006

Effective:

Deleted: umboldt Unit 1 and Unit 2

SCHEDULE 1

BLACK START GENERATOR

Company Name: Pacific Gas and Electric Company

Address: 77 Beale Street, San Francisco, California, 94105

Contact Persons:

Kevin Coffee
Manager, Power Trading
Pacific Gas and Electric Co.
P.O. Box 770000, Mail Code N13C
San Francisco, CA 94177
Telephone: 415/973-6950
Facsimile: 415/973-5333
Email: kfc1@pge.com

With a copy to:

Randy Livingston
Vice President, Power Generation
Pacific Gas and Electric Co.
P.O. Box 770000, Mail Code N11E
San Francisco, CA 94177
Telephone: 415/973-6950
Facsimile: 415/973-3967
Email: rsl3@pge.com

Deleted: Lead Director

With a copy to:

Candice Chan,
Director, Energy Contract Management and Settlement
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code N12E
San Francisco, CA 94177
Telephone: 415/973-7780
Facsimile: 415/972-5507
Email: cww9@pge.com

Deleted: Kelly A. Everidge

Deleted: Counterparty Settlements
and Compliance

Deleted: 73-2055

Deleted: kabd

Deleted: January 1, 2007

Issued by: DeAnn Hapner, Vice President – FERC and ISO Relations
Issued on: December 7, 2006

Effective:

SCHEDULE 2

BLACK START FACILITIES

Facility	Kings River	Kings River	Kings River	Kings River	Kings River
Unit	Balch 2-2	Balch 2-3	Haas 1	Haas 2	Kings River
Maximum Net Dependable Capacity (MW)	52	54.6	72	72	48
Minimum Operating Level (MW) ¹	0	0	0	0	0
Ramp Rate (MW/min) ²	17.66	17.2	7.2	7.2	7.24
Maximum Reactive Power Leading (MVAR) ³	-12	-12	-22	-22	-12
Maximum Reactive Power Lagging (MVAR)	12	12	12	12	9
Load at Maximum MVar Leading (MW)	52.5	54.6	72	72	52
Load at Maximum MVar Lagging (MW)	52.5	54.6	72	72	52
Start-up Lead Time (min.) ⁴	10	10	10	10	10
Minimum Starts/Event ⁵	1	1	1	1	1

The duration of sustained load upon black start is dependent on water availability.

¹ Minimum safe operation of this resource taking into account any operational constraints.

² Minimum manual ramp rate for the resource – it should not be implied that the resource can ramp at this rate over its entire load range.

³ Reactive capabilities are a function of voltage and load requirements – it should not be implied that the reactive capability can achieve these limits under every condition.

⁴ Time from notification to synchronization. Start-up Lead Time may be specified as "Normal work hours / Outside normal work hours" as applicable.

⁵ Additional starts will be attempted only to the extent that resources are available.

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Issued by: DeAnn Hapner, Vice President – FERC and ISO Relations
Issued on: December 7, 2006

Effective: _____

SCHEDULE 2 (continued)

BLACK START FACILITIES

Facility	San Joaquin	HBGS unit 1	▼
Unit	Kerckhoff 2	HUMBPP 6 UNITS1	▼
Maximum Net Dependable Capacity (MW)	140	48.81	▼
Minimum Operating Level (MW) ¹	5	2	▼
Ramp Rate (MW/min) ²	30	2	▼
Maximum Reactive Power Leading (MVAR) ³	45	6.6	▼
Maximum Reactive Power Lagging (MVAR)	50	7.9	▼
Load at Maximum MVar Leading (MW)	140	16.3	▼
Load at Maximum MVar Lagging (MW)	140	16.3	▼
Start-up Lead Time (min.) ⁴	10	10	▼
Minimum Starts/Event ⁵	1	1	▼

¹ Minimum safe operation of this resource taking into account any operational constraints.

² Minimum manual ramp rate for the resource – it should not be implied that the resource can ramp at this rate over its entire load range.

³ Reactive capabilities are a function of voltage and load requirements – it should not be implied that the reactive capability can achieve these limits under every condition.

⁴ Time from notification to synchronization.

⁵ Additional starts will be attempted only to the extent that resources are available.

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Issued by: DeAnn Hapner, Vice President – FERC and ISO Relations
Issued on: December 7, 2006

Effective: ▼

ADVICE 3740-E

Attachment C: Approvals for Revised Interim Dual Fuel and the Interim Black Start Agreements

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

Pacific Gas and Electric Company
Docket No. ER10-2054-000

September 9, 2010

Pacific Gas and Electric Company
Law Department
Post Office Box 7442
San Francisco, California 94120

Attention: Alyssa T. Koo
Attorney

Reference: PG&E Rate Schedule FERC No. 234

Dear Ms. Koo:

On July 29, 2010, Pacific Gas and Electric Company (PG&E) submitted for filing revisions to its Interim Black Start Agreement (Agreement), PG&E Rate Schedule FERC No. 234, between PG&E and the California Independent System Operator Corporation. Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's regulations (18 C.F.R. § 35.11) is granted,¹ and the revised Agreement is accepted, effective September 27, 2010.

This filing was noticed on July 30, 2010, with comments, protests, or motions to intervene due on or before August 19, 2010. No protests or comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

¹ *Central Hudson Gas & Electric Corporation, et al.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

Docket No. ER10-2054-000

2

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

cc: All Parties

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

Pacific Gas and Electric Company
Docket No. ER10-2055-000

September 9, 2010

Pacific Gas and Electric Company
Law Department
Post Office Box 7442
San Francisco, California 94120

Attention: Alyssa Koo
Attorney for Pacific Gas and Electric Company

Reference: Revisions to Interim Dual Fuel Agreement

Dear Ms. Koo:

On July 29, 2010, Pacific Gas and Electric Company (PG&E) submitted for filing revisions to the Interim Dual Fuel Agreement (Dual Fuel Agreement) with the California Independent System Operator Corporation to account for the replacement of the old units at the Humboldt Bay Power Plant with the recently installed Humboldt Bay Generating Station (HBGS). Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's regulations (18 C.F.R. § 35.11) is granted,¹ and the revised dual fuel agreement is accepted, effective September 27, 2010.

This filing was noticed on July 30, 2010, with comments, protests, or motions to intervene due on or before August 19, 2010. No protests or comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

¹ *Central Hudson Gas & Electric Corporation, et al.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

Docket No. ER10-2055-000

2

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PG&E.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

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

Ameresco	Department of the Army	Northern California Power Association
Anderson & Poole	Dept of General Services	Occidental Energy Marketing, Inc.
Arizona Public Service Company	Division of Business Advisory Services	OnGrid Solar
BART	Douglass & Liddell	Praxair
BP Energy Company	Downey & Brand	R. W. Beck & Associates
Barkovich & Yap, Inc.	Duke Energy	RCS, Inc.
Bartle Wells Associates	Dutcher, John	Recon Research
Bloomberg	Economic Sciences Corporation	Recurrent Energy
Bloomberg New Energy Finance	Ellison Schneider & Harris LLP	SCD Energy Solutions
Boston Properties	Foster Farms	SCE
Braun Blasing McLaughlin, P.C.	G. A. Krause & Assoc.	SMUD
Brookfield Renewable Power	GLJ Publications	SPURR
	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
CA Bldg Industry Association	Green Power Institute	
CAISO	Hanna & Morton	Santa Fe Jets
CLECA Law Office	Hitachi	Seattle City Light
CSC Energy Services	In House Energy	Sempra Utilities
California Cotton Ginners & Growers Assn	International Power Technology	Sierra Pacific Power Company
California Energy Commission	Intestate Gas Services, Inc.	Silicon Valley Power
California League of Food Processors	Lawrence Berkeley National Lab	Silo Energy LLC
California Public Utilities Commission	Los Angeles Dept of Water & Power	Southern California Edison Company
Calpine	Luce, Forward, Hamilton & Scripps LLP	Spark Energy, L.P.
Cardinal Cogen	MAC Lighting Consulting	Sunshine Design
Casner, Steve	MBMC, Inc.	Sutherland, Asbill & Brennan
Chris, King	MRW & Associates	Tabors Caramanis & Associates
City of Glendale	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto	McKenzie & Associates	Tiger Natural Gas, Inc.
City of Palo Alto Utilities	Merced Irrigation District	Tioga Energy
Clean Energy Fuels	Modesto Irrigation District	TransCanada
Coast Economic Consulting	Morgan Stanley	Turlock Irrigation District
Commercial Energy	Morrison & Foerster	United Cogen
Consumer Federation of California	NLine Energy, Inc.	Utility Cost Management
Crossborder Energy	NRG West	Utility Specialists
Davis Wright Tremaine LLP	Navigant Consulting	Verizon
Day Carter Murphy	Norris & Wong Associates	Wellhead Electric Company
		Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	North America Power Partners	eMeter Corporation
Department of Water Resources	North Coast SolarResources	