



March 21, 2011

Advice Letter 3782-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: Contract Amendments in Compliance with Resolution E-4377
Approving Five Contracts for Procurement of Renewable
Energy Resources Between Pacific Gas and Electric Company
and Solar Projects Solutions, LLC**

Dear Ms. Yura:

Advice Letter 3782-E is effective December 17, 2010.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Jane K. Yura
Vice President
Regulation and Rates

Pacific Gas and Electric Company
77 Beale St., Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-7226

December 17, 2010

Advice 3782-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: **Contract Amendments in Compliance With Resolution E-4377
Approving Five Contracts for Procurement of Renewable Energy
Resources Between Pacific Gas and Electric Company (“PG&E”) and
Solar Projects Solutions, LLC (“SPS”)**

Purpose:

In compliance with Resolution E-4377, approved November 19, 2010, PG&E submits this Advice Letter attaching amendments to four power purchase agreements (“PPAs”) for procurement of renewable energy resources between PG&E and SPS Alpaugh North, LLC; SPS Atwell Island, LLC, SPS Corcoran, LLC, and SPS White River, LLC all subsidiaries of SPS (collectively “PPAs”).

Background:

On November 19, 2010, in Resolution E-4377, the Commission approved the four PPAs, which were filed in PG&E’s Advice Letter 3613-E on February 10, 2010. However, in Ordering Paragraph 2, the Commission requested that, within thirty days of the effective date of Resolution E-4377, PG&E submit a Tier 1 advice letter containing the PPAs modified to: (1) require those projects to apply for certification as resource adequacy resources if the California Independent System Operator’s (“CAISO”) Small Generation Interconnection Procedures are revised to allow those projects to obtain resource adequacy qualification; and (2) require the Seller to pay for the costs associated with obtaining Resource Adequacy for each project, consistent with the cost cap provisions specified in Confidential Appendix C to Resolution E-4377. In compliance with Resolution E-4377, PG&E provides in Confidential Appendices A1, A2, A3 and A4 an amendment to each of the four PPAs. Each amendment modifies the corresponding PPA to satisfy the requirements of Resolution E-4377.

Confidential Attachments:

In support of this Advice Letter, PG&E submits the following confidential information in the manner directed by D.08-04-023 and the August 22, 2006, Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066 to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under either the terms of the IOU Matrix, Appendix 1 of D.06-06-066 and Appendix C of D.08-04-023, or General Order 66-C. A separate Declaration Seeking Confidential Treatment is being filed concurrently with this Advice Letter.

Confidential Attachments:

Appendix A1 – Amendment to Power Purchase Agreement (SPS Alpaugh North, LLC)

Appendix A2 – Amendment to Power Purchase Agreement (SPS Atwell Island, LLC)

Appendix A3 – Amendment to Power Purchase Agreement (SPS Corcoran, LLC)

Appendix A4 – Amendment to Power Purchase Agreement (SPS White River, LLC)

Protests:

Anyone wishing to protest this filing may do so by sending a letter by **January 6, 2011**, which is **20** days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

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

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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, 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.

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

Facsimile: (415) 973-6520
E-Mail: PGETariffs@pge.com

Effective Date:

PG&E requests that this advice filing become effective on **December 17, 2010**. PG&E submits this as a Tier 1 advice filing effective pending disposition.

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 on 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 Procurement Review Group and have signed appropriate Non-Disclosure Certificates will also receive the Advice Letter and accompanying confidential attachment by overnight mail. Address changes should be directed to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in black ink that reads "Jane Yura / lmt". The signature is fluid and cursive, with a small "lmt" written below the main name.

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 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 Attachments:

Appendix A1 – Amendment to Power Purchase Agreement (SPS Alpaugh North, LLC)

Appendix A2 – Amendment to Power Purchase Agreement (SPS Atwell Island, LLC)

Appendix A3 – Amendment to Power Purchase Agreement (SPS Corcoran, LLC)

Appendix A4 – Amendment to Power Purchase Agreement (SPS White River, LLC)

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:	Contact Person: <u>Linda Tom-Martinez</u>
<input checked="" type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS	Phone #: <u>(415) 973-4612</u>
<input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	E-mail: <u>lmt1@pge.com</u>

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3782-E**

Tier: 1

Subject of AL: Contract Amendments in Compliance With Resolution E-4377 Approving Five Contracts for Procurement of Renewable Energy Resources Between Pacific Gas and Electric Company (“PG&E”) and Solar Projects Solutions, LLC (“SPS”)

Keywords (choose from CPUC listing): Contracts, Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Resolution E-4377

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: Patrick Fox (415) 973-1379

Resolution Required? Yes No

Requested effective date: **December 17, 2010**

No. of tariff sheets:

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:

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Ave.,
San Francisco, CA 94102
jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: 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 PATRICK FOX
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN ADVICE LETTER 3782-E
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Patrick M. Fox, declare:

1. I am presently employed by Pacific Gas and Electric Company (“PG&E”), and have been an employee at PG&E since 2007. My current title is Principal within PG&E’s Energy Procurement organization. In this position, my responsibilities include negotiating PG&E’s Renewables Portfolio Standard Program (“RPS”) Power Purchase Agreements. 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 Appendices A1, A2, A3, and A4 to PG&E’s Advice Letter 3782-E submitted on December 17, 2010. By this Advice Letter, PG&E is filing amendments to four photovoltaic solar energy PPAs that PG&E has executed with Solar Project Solutions, LLC in compliance with Commission Resolution E-4377.

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"), and/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, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public; and (3) 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 explanatory 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 December 17, 2010 at San Francisco, California.



Patrick M. Fox

IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 06-04-023 AND DECISION 06-04-023						
Redaction Reference	Document: Advice Letter 3782-E	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-066 and Appendix C to D.08-04-023 (Y/N)	2) Which category or categories in the Matrix the data correspond to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure (Y/N)
1	PACIFIC GAS AND ELECTRIC COMPANY Advice Letter 3782-E December 17, 2010					PG&E's Justification for Confidential Treatment
2	Appendices A1, A2, A3, and A4	Y	Item VII G) Renewable Resource Contracts under RPS program - Contracts without SEPs.	Y	Y	Length of Time

These Appendices contain Amendments to Agreements between PG&E and Solar Project Solutions, LLC for energy from the Alpaugh North, Corcoran, Atwell, and White River 20 MW projects. 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 Agreement has an expectation that the terms of the Agreement will remain confidential pursuant to confidentiality provisions in the Agreement.

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

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