

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 30, 2014

Advice Letter 4546-E and 4546-E-A

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Modifications to PG&E's 2014 Renewables Portfolio
Standard Procurement Plan and Supplemental**

Dear Ms. Allen:

Advice Letter 4546-E and 4546-E-A are effective December 23, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division

December 8, 2014

Advice 4546-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Modifications to PG&E's 2014 Renewables Portfolio Standard Procurement Plan

I. Purpose

Pacific Gas and Electric Company ("PG&E") respectfully submits this advice letter in compliance with Ordering Paragraph ("OP") 11 of Decision ("D.") 14-11-042 (the "Decision"), which orders PG&E to file an Advice Letter to seek California Public Utilities Commission ("Commission" or "CPUC") approval to modify its 2014 Renewables Portfolio Standard ("RPS") Procurement Plan in certain circumstances.

II. Background

Ordering Paragraph 11 of the Decision provides as follows:

In the final Renewables Portfolio Standard (RPS) Procurement Plans filed pursuant to the schedule adopted herein, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall obtain Commission approval to change the material included in their Plan after the Commission approves the RPS Procurement Plans under Section 399.13(a)(1). After the Plans are approved by the Commission, the utilities may seek Commission approval to correct typographical errors, clarify requirements, incorporate directives from the Commission, or other non-material revisions via a Tier 1 Advice Letter.

In compliance with this order, PG&E is submitting this Advice Letter to describe and seek the Commission's approval for the changes PG&E is making in its final 2014 Renewable Energy Procurement Plan ("Final 2014 RPS Plan"), which PG&E is filing in Rulemaking ("R.") 11-05-005 concurrently with the submission of this Advice Letter.

PG&E's Final 2014 RPS Plan includes both clean and redlined versions of the Final 2014 RPS Plan,^{1/} with the redline showing changes from the Draft 2014 RPS Plan filed on June 4, 2014 and

^{1/} See Final 2014 RPS Plan, filed in R.11-05-005 on December 8, 2014, Appendix I (redline of 2014 RPS Solicitation Protocol, including the 2014 Form RPS PPA); *id.* Appendix A (redline of the 2014 RPS Plan, including Appendices D and G).

updated on August 20, 2014.^{2/} Thus, the redlines show all changes made subsequent to, and in compliance with, the Commission's conditional approval of the draft 2014 RPS Plan on November 24, 2014. While PG&E has sought to list significant or material changes generally in the table included in this Advice Letter, PG&E refers to and incorporates by reference into this Advice Letter the complete redlines included with its Final 2014 RPS Plan in order to show all non-material changes and those that clarify requirements. PG&E has not attached the Final 2014 RPS Plan again to this Advice Letter in order to avoid unnecessary redundancy.

III. Changes to Final 2014 RPS Plan Documents

The following table generally describes the changes made in the Final 2014 RPS Plan for which PG&E seeks approval, provides document and section references for those changes, and notes the type of change in each instance that allows for it to be considered by Tier 1 Advice Letter.

<u>Final 2014 RPS Plan Document and Page Reference</u>	<u>General Description of Change</u>	<u>Category of Change Pursuant to D.14-11-042, OP 11</u>
2014 Plan, Section 9.2; 2014 RPS Solicitation Protocol – Main Document, Appendix H to Final 2014 RPS Plan (“2014 Protocol”), Section IV.B. and Attachment D1	Changed minimum bid size to 500 kilowatt (“kW”)	Compliance with OP 12 of D.14-11-042
2014 Plan, Section 9.2; 2014 Protocol, Sections VI.C., VIII.B.	Clarified that bidders must provide both primary and secondary offers that include varying levels of economic curtailment rights.	Compliance with requirement in OP 20 of D.14-11-042
2014 Protocol, Section IV.E., Attachment J1	Bidding requirement that “application deemed complete” by lead CEQA/NEPA agency.	Compliance with OP 21 of D.14-11-042
2014 RPS Plan, Sections 1, 3.3.1, 9.2, 9.3; 2014 Protocol, Section VIII.A. and Attachment K	Incorporated and described interim integration cost adder	Compliance with OP 23 of D.14-11-042
2014 Protocol at Section III.A.	Incorporated requirement to file advice letters within 90 days of Power Purchase Agreement (“PPA”) execution	Compliance with OP 26 of D.14-11-042

^{2/} PG&E's June 4, 2014 Draft 2014 RPS Plan filed in R.11-05-005 included a redline showing changes from PG&E's Final 2013 RPS Plan. Accordingly, the record of the proceeding includes redlines showing all changes between the Final 2013 RPS Plan and the Final 2014 RPS Plan.

<u>Final 2014 RPS Plan Document and Page Reference</u>	<u>General Description of Change</u>	<u>Category of Change Pursuant to D.14-11-042, OP 11</u>
2014 Plan, Section 2.10; 2014 Protocol, Attachment H3	Added modifiable form agreement for short-term sales of RPS products	Authorized by D.14-11-042 at 76-77.
2014 Plan, Section 15.2.2	Added description of Renewable Auction Mechanism (“RAM”) 6	Compliance with OP 31 of D.14-11-042
2014 Plan at Sections 2.9, 15.2.1	Added description of termination of Photovoltaic (“PV”) Program and transfer of volumes to RAM	Compliance with OP 32 of D.14-11-042
2014 Protocol, Attachment K	Clarified description of curtailment adjustment; updated congestion and loss multipliers.	Compliance with D.14-11-042, p. 44; clarify requirements
2014 Protocol, Attachment J3	Clarified bidding requirements to ensure PG&E can comply with new GIS data adequacy requirement	Compliance with D.14-11-042, pp. 81-82.
2014 Plan, Appendix C (Renewable Net Short tables)	Added new Appendices C.3 and C.4 to show PG&E’s most recent internal forecast of retail sales; Updated Appendices C.1 and C.2 to account for contract terminations, updated methodology to categorize “online” projects, and updated project viability assessments	Clarify requirements
2014 Plan, Sections 1, 3.6.1, 2.7, 9.1.1; 2014 Protocol, Sections 1.A., VIII.B.	Clarified that 2014 RPS Solicitation procurement target is between zero and 1,600 GWh per year of incremental deliveries	Clarify requirements
2014 Plan at Sections 1, 2.1, 14.1, 17; added identical footnotes in many sections of the 2014 Plan referencing new Section 17; 2014 Protocol, Section 1.A.	Added description of how PG&E’s most recent internal retail sales forecast impacts PG&E’s portfolio optimization strategy and incremental procurement targets	Clarify requirements

<u>Final 2014 RPS Plan Document and Page Reference</u>	<u>General Description of Change</u>	<u>Category of Change Pursuant to D.14-11-042, OP 11</u>
2014 Plan, Sections 2.12.4, 9.2; 2014 Protocol, Sections 1.A, VII.A., VII.D., and Attachment D1	Deleted language allowing bids to include storage that is capable of charging directly from the grid Requested more detailed information regarding storage bids in Attachment D1	Clarify requirements
2014 Protocol, Section IV.D	Added language clarifying what interconnection study requirements apply to integrated storage components	Clarify requirements
2014 Protocol, Section IV.D and Attachment D1	Clarified that PG&E will accept offers for resources with Partial Capacity Deliverability Status and what requirements apply to such bids	Clarify requirements
2014 Protocol, Section IV.D.	Clarified that bids must be for resources that will obtain a wholesale interconnection agreement	Clarify requirements
2014 Protocol, Section VIII.A.4.	Clarified that transmission adders reflect the refundable portion of network and reliability upgrades	Clarify requirement
2014 Plan, Sections 1, 3.6.1, 5.5.1, 5.5.4, 9.1.1, 9.2; 2014 Protocol, Sections 1.A., and VIII.B.	Updated bid eligibility requirements to require, rather than prefer, online date in 2020 or later; clarify that later online dates are preferred in light of most recent internal retail sales forecast	Clarify requirements
2014 Protocol, Section XII.	Clarified that PG&E may ask shortlisted participants for additional information	Clarify requirements

<u>Final 2014 RPS Plan Document and Page Reference</u>	<u>General Description of Change</u>	<u>Category of Change Pursuant to D.14-11-042, OP 11</u>
2014 Form RPS PPA, Attachment H1 to 2014 Protocol (“Form PPA”) - Section 1.22 - “Buyer Bid Curtailment” definition	Clarified definition that if an as-available resource is dispatched below forecast as a result of an economic bid for the resource, this constitutes Buyer Bid Curtailment. Also clarified that any derate on the project is subtracted from availability before the Buyer Bid Curtailment value is determined.	Clarify Requirements
Form PPA - 1.51 - “Contract Quantity” definition	Clarified that Appendix V specifies the value(s) of Contract Quantity for each contract year	Clarify Requirements
Form PPA 1.59 - “Curtailment Order” definition	Clarified that California Independent System Operator (“CAISO”) advance over-generation warning constitutes a Curtailment Order; and any instruction to decrease output <i>after</i> an energy schedule clears represents a Curtailment Order.	Clarify Requirements
Form PPA 1.73 - “Delivered Energy” definition	Clarified definition that Delivered Energy must be based on CAISO Tariff-required power factor	Clarify Requirements
Form PPA 1.155 - “Interconnection Point” definition	Updated that Interconnection Point is also identified in Appendix IV	Clarify Requirements
Form PPA 1.172 - “Minimum Down Time” definition	Definition added to allow Seller to specify this operational limitation, if applicable	Clarify Requirements
Form PPA 1.206 - “PMax” definition	Definition added to allow Seller to specify this operational limit, if applicable	Clarify Requirements
Form PPA 1.215 - “Project Specifications” definition	Definition added. Term described in Section 3.1(g)	Authorized by OP 15 of D.14-11-042
Form PPA 3.1(f) - Seller’s and Buyer’s Obligations, Contract Capacity	Clarified that Contract Capacity must be calculated using the methodology in Appendix IV	Clarify Requirements

<u>Final 2014 RPS Plan Document and Page Reference</u>	<u>General Description of Change</u>	<u>Category of Change Pursuant to D.14-11-042, OP 11</u>
2014 Plan, Section 9.2; Form PPA 3.1(g) - Seller's and Buyer's Obligations, Project	Added definition for "Project Specifications" to clarify that the integral components of the Project must be identified in Appendix IV. Included language that PG&E's consent required for changes to Project Specifications that may result in a change to Contract Capacity.	Authorized by OP 15 of D.14-11-042
Form PPA 3.1(o) - Seller's and Buyer's Obligations, Curtailment Requirements	Clarified that Buyer Bid Curtailment intervals may not necessarily occur consecutively Clarified that uncapped Buyer Bid Curtailment is the primary offer variation	Clarify Requirements; Compliance with requirement in OP 20 of D.14-11-042 that PG&E offer at least two curtailment bid variants.
Form PPA 4.1(b) - Price, Deemed Delivered Energy Price	Clarified that Deemed Delivered Energy Price is equal to Contract Price. (per R.11-05-005 expired PTC not to be factored into Deemed Delivered Energy Price)	Clarify Requirements
Form PPA, Appendix IV - Project Specifications and Contract Capacity Calculation	Added more detailed Project Description to facilitate Buyer and Seller when Buyer reviews Seller's proposed Project changes	Authorized by OP 15 of D.14-11-042
Form PPA, Appendix XV - Buyer Bid Curtailment and Buyer Curtailment Orders	Reiterated that unlimited Buyer Bid Curtailment is the standard. For clarification, added Minimum Down Time as an operational characteristic	Clarify Requirements
Form PPA, Appendix XVII - Supplier Diversity Program; 2014 Protocol, Section VIII.F.	Added Lesbian, Gay, Bisexual and/or Transgender ("LGBT") as eligible for the Supplier Diversity Program, consistent with CPUC General Order 156.	Clarify Requirements

IV. Request for Commission Approval

PG&E requests the Commission approve the modifications to PG&E's Final 2014 RPS Procurement Plan through issuance of an Energy Division disposition letter approving this Advice Letter. PG&E requests that the Energy Division issue its disposition letter prior to the issuance of the 2014 RPS Solicitation on December 18, 2014.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than December 29, 2014, which is 21 days^{3/} after the date of this filing. Protests must be submitted to:

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

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Meredith Allen
Senior Director, 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

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

^{3/} The 20-day protest period concludes on a weekend, therefore, PG&E is moving this date to the following business day.

IV. Tier Designation

PG&E is designating this as a Tier 1 Advice Letter, in accordance with D.14-11-042.

V. Effective Date

Pursuant to General Order 96-B, this advice letter will be effective pending disposition.

VI. 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 the service list for R.11-05-005. Address changes to the General Order 96-B list and electronic approvals should be directed to 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. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

/S/

Meredith Allen
Senior Director – Regulatory Relations

cc: Paul Douglas – Energy Division
Cheryl Lee – Energy Division
Service List for R.11-05-005

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 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Jennifer Wirowek

Phone #: (415) 973-1419

E-mail: j6ws@pge.com and PGETariffs@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) #: **4546-E**

Tier: 1

Subject of AL: **Modifications to PG&E's 2014 Renewables Portfolio Standard Procurement Plan**

Keywords (choose from CPUC listing): Contracts, Portfolio

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.14-11-042

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: N/A

Confidential information will be made available to those who have executed a nondisclosure agreement: Yes No
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: **December 8, 2014**

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 days¹ after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Meredith Allen
Senior Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

¹ The 20-day protest period concludes on a weekend, therefore, PG&E is moving this date to the following business day.

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

AT&T	Division of Ratepayer Advocates	Occidental Energy Marketing, Inc.
Albion Power Company	Douglass & Liddell	OnGrid Solar
Alcantar & Kahl LLP	Downey & Brand	Pacific Gas and Electric Company
Anderson & Poole	Ellison Schneider & Harris LLP	Praxair
BART	G. A. Krause & Assoc.	Regulatory & Cogeneration Service, Inc.
Barkovich & Yap, Inc.	GenOn Energy Inc.	SCD Energy Solutions
Bartle Wells Associates	GenOn Energy, Inc.	SCE
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
CENERGY POWER	Green Power Institute	SPURR
California Cotton Ginners & Growers Assn	Hanna & Morton	Seattle City Light
California Energy Commission	In House Energy	Sempra Utilities
California Public Utilities Commission	International Power Technology	SoCalGas
California State Association of Counties	Intestate Gas Services, Inc.	Southern California Edison Company
Calpine	K&L Gates LLP	Spark Energy
Casner, Steve	Kelly Group	Sun Light & Power
Center for Biological Diversity	Linde	Sunshine Design
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	Tecogen, Inc.
City of San Jose	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Clean Power	MRW & Associates	TransCanada
Coast Economic Consulting	Manatt Phelps Phillips	Utility Cost Management
Commercial Energy	Marin Energy Authority	Utility Power Solutions
Cool Earth Solar, Inc.	McKenna Long & Aldridge LLP	Utility Specialists
County of Tehama - Department of Public Works	McKenzie & Associates	Verizon
Crossborder Energy	Modesto Irrigation District	Water and Energy Consulting
Davis Wright Tremaine LLP	Morgan Stanley	Wellhead Electric Company
Day Carter Murphy	NLine Energy, Inc.	Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	NRG Solar	YEP Energy
Dept of General Services	Nexant, Inc.	