

Pacific Gas and Electric Company

**2017 AS-DELIVERED CAPACITY PRICES FOR QUALIFYING FACILITIES**

Effective January 1, 2017 <sup>1</sup>

|  | Capacity <sup>2</sup><br>Value<br>\$/kw-year<br>(a) | Capacity<br>Allocation<br>Factor <sup>3</sup><br>year/hr<br>(b) | Capacity Loss<br>Adjustment Factor <sup>4</sup> |   | As-Delivered<br>Capacity Price <sup>5</sup> |   |
|--|---|---|---|---|---|---|
|  |   |   | Transmission<br>(c)                             | Primary &<br>Secondary<br>Distribution<br>(d) | Transmission<br>\$/kwh<br>(e) = a * b * c   | Primary &<br>Secondary<br>Distribution<br>\$/kwh<br>(f) = a * b * d |
|  |   |   |   |   |   |   |
| <b>With Time-of-Delivery Metering</b>                                      |   |   |   |   |   |   |
| <b>Period A - Summer</b><br>(May through October)                          |   |   |   |   |   |   |
| Peak   | 53.160  | 0.0009844   | 0.989   | 0.991   | <b>0.051755</b>                             | <b>0.051860</b>   |
| Partial-Peak   | 53.160  | 0.0000264   | 0.989   | 0.991   | <b>0.001388</b>                             | <b>0.001391</b>   |
| Off-Peak   | 53.160  | 0.0000001   | 0.989   | 0.991   | <b>0.000005</b>                             | <b>0.000005</b>   |
| Super Off-Peak   | 53.160  | 0.0000000   | 0.989   | 0.991   | <b>0.000000</b>                             | <b>0.000000</b>   |
| <b>Period B - Winter</b><br>(January through April, November and December) |   |   |   |   |   |   |
| Partial-Peak   | 53.160  | 0.0001318   | 0.989   | 0.991   | <b>0.006929</b>                             | <b>0.006943</b>   |
| Off-Peak   | 53.160  | 0.0000007   | 0.989   | 0.991   | <b>0.000037</b>                             | <b>0.000037</b>   |
| Super Off-Peak   | 53.160  | 0.0000000   | 0.989   | 0.991   | <b>0.000000</b>                             | <b>0.000000</b>   |
| <b>Without Time-of-Delivery Metering</b>                                   |   |   |   |   |   |   |
| <b>Period A</b>  | 26.580  | 0.0001780   | 0.989   | 0.991   | <b>0.004679</b>                             | <b>0.004689</b>   |
| <b>Period B</b>  | 26.580  | 0.0000493   | 0.989   | 0.991   | <b>0.001296</b>                             | <b>0.001299</b>   |

- Interested parties are hereby notified that PG&E reserves all its available rights and remedies to obtain a revision to this posting effective as of January 1, 2017.
- The as-delivered capacity value is derived in accordance with CPUC Decision No. 07-09-040 COL 36, adopting a Combustion Turbine (CT) cost proposed by TURN in its Exhibit 149, less adjustments for ancillary services and energy benefits. The 2017 CT cost is \$84.76/kW-year and is adjusted annually, as detailed in TURN's Exhibit 149, Appendix B. A weighted average of the capacity value is used for meters without time-of-delivery metering.
- Capacity allocation factors (CAF) allocate the capacity value for seasons and time-of-delivery periods. These factors are derived by dividing the allocation percentages effective January 1, 2017, and approved in D. 97-03-017 by the number of hours in each time-of-delivery period. These percentages and hours are summarized, as follows:

|                | CAFs (%)      |               | 2017 Delivery Hours |              |
|----------------|---------------|---------------|---------------------|--------------|
|                | Period A      | Period B      | Period A            | Period B     |
| Peak           | 76.19%        | N/A           | 774                 | 0            |
| Partial-Peak   | 2.38%         | 21.25%        | 903                 | 1,612        |
| Off-Peak       | 0.02%         | 0.15%         | 2,003               | 2,008        |
| Super-Off-Peak | N/A           | N/A           | 736                 | 724          |
| Season total   | <u>78.59%</u> | <u>21.41%</u> | <u>4,416</u>        | <u>4,344</u> |

Example of year/hr CAF for "Period A - Peak:"  
76.19% divided by 768 hours = 0.0009921

- Capacity prices are adjusted for the effect of deliveries on PG&E's transmission and distribution losses based upon the seller's interconnection voltage level. The loss adjustment factors for non-remote facilities (as defined by the CPUC) are shown here.
- The as-delivered capacity price is the product of three factors: capacity value, allocation factor, and capacity loss adjustment factor.