



January 17, 2025

Advice 7485-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: 2023 PCIA RFI; Termination of Power Purchase Agreements between Solar Partners II, LLC and Pacific Gas and Electric Company and between Solar Partners VIII, LLC and Pacific Gas and Electric Company

I. Introduction

A. Purpose of the advice letter

Pacific Gas and Electric Company ("PG&E") submits this Tier 3 advice letter ("Advice Letter") pursuant to California Public Utilities Commission ("CPUC" or "Commission") Decision (D.) 22-12-030, Finding of Fact 25, and Conclusion of Law 12, and PG&E's 2022 Renewables Portfolio Standard Plan ("2022 RPS Plan") request to hold a Power Charge Indifference Adjustment ("PCIA") Request for Information ("RFI") and submit a Tier 3 advice letter of any resulting transactions¹. PG&E respectfully requests the Commission approve the termination of two power purchase and sale agreements, as amended, ("PPAs²") with Solar Partners II, LLC and Solar Partners VIII, LLC (collectively, "Termination Agreements") resulting from PG&E's 2023 PCIA RFI. The two Termination Agreements pertain to Ivanpah Unit # 1 and Ivanpah Unit # 3 (the "Projects").

The Termination Agreements arose from the RFI process that PG&E was ordered by the Commission to hold pursuant to D. 21-05-030³, as implemented through the Renewables

¹ See also D. 22-12-030, Ordering Paragraph 1 (approving aspects of PG&E's Draft 2022 RPS Plan without modification). PG&E's Final 2022 RPS Plan at pp. 22-23 explains that, consistent with D. 21-05-030 and its 2022 RFI process, PG&E would file a Tier 3 Advice Letter for any viable contract termination, assignment, or modification, and would request that the buyout payment be recoverable through the applicable cost recovery mechanism.

² PG&E and Solar Partners II, LLC are parties to a Power Purchase and Sale Agreement, dated April 28, 2009, as amended. PG&E and Solar Partners VIII, LLC are parties to a Power Purchase and Sale Agreement, dated April 28, 2009, as amended.

³ The RFI is intended to seek interest in contract assignments, terminations, and modifications to reduce excess and/or uneconomic resources in PG&E's RPS portfolios.

Portfolio Standard (“RPS”) proceeding, including through PG&E’s 2022 RPS Plan⁴. Under that RFI, issued on September 11, 2023, PG&E sought interest in contract assignments, terminations, and modifications to reduce excess and/or uneconomic resources in PG&E’s RPS portfolios recovered under the PCIA. The Termination Agreements submitted for approval in this Advice Letter support this effort.

PG&E requests that the Commission approve a resolution for the Termination Agreements in their entirety and the findings as set forth in Section VI below no later than October 9, 2025.

B. Identify the subject of the advice letter, including:

The Termination Agreements concern the Projects, described in further detail below. The PPAs governing the Projects were previously approved by Commission Resolution E-4266, including contract amendments approved by the Commission through Resolutions E-4369 and E-4841. PG&E recovers the costs of the PPAs through the 2009 vintage of the Portfolio Allocation Balancing Account.

1. Project name

The name of the Projects are Ivanpah Unit # 1 and Ivanpah Unit # 3. The Projects are located in San Bernardino County, CA.

2. Technology (including level of maturity)

The Projects use solar thermal technology. Solar thermal technology has been in use in California since the early 1980s.

3. General Location and Interconnection Point

The Projects are located within California and are interconnected with the California Independent System Operator (“CAISO”).

4. Owner(s) / Developer(s)

a. Name(s)

The “Owners” of the Projects are Solar Partners II, LLC (for Ivanpah Unit # 1) and Solar Partners VIII, LLC (for Ivanpah Unit # 3).

b. Type of entity(ies) (e.g. LLC, partnership)

The Owners of the Projects are limited liability companies.

⁴ The PCIA RFI requirement was established in D. 21-05-030, and subsequently implemented through the RPS proceeding. See D. 21-05-030, Conclusion of Law 14 (establishing that the Commission will review RPS RFI activities through the RPS proceeding and compliance processes); Id, Conclusion of Law 15 and Ordering Paragraph 6 (clarifying, among other things, that each IOU should propose RFIs in the RPS proceeding). D.22-12-030 approved PG&E’s 2022 RPS Plan, which included a PCIA RFI proposal, based on the preceding PCIA RFI implemented through the 2021 RPS Plan, as a component.

c. Business Relationship (if applicable, between seller/owner/developer)

Solar Partners II, LLC and Solar Partners VIII, LLC are both the Seller and Owner of each Project.

5. Project background, e.g., expiring QF contract, phased project, previous power purchase agreement, contract amendment

The Projects are existing facilities originally sized at 110 MW for Unit 1 and 200 MW for Unit 3. PPAs for the Projects were approved by the Commission in Resolution 4266-E. The Commission subsequently approved an increase in contract capacity from 110 MW to 118 for Unit 1 and a reduction in capacity from 200 MW to 130 MW for Unit 3 by Resolution 4369-E. As provided for under the PPAs, the owners of the Projects made a one-time adjustment to reduce the contract capacity by 3%. The Projects' current contract capacities are 114.46 MW for Unit 1 and 126.1 MW for Unit 3.

6. Source of agreement, i.e., RPS solicitation year or bilateral negotiation

The Projects originated as part of PG&E's 2008 RPS Procurement Plan. The Termination Agreements originated under PG&E's 2023 PCIA RFI that PG&E was obligated to hold pursuant to D. 21-05-030, as implemented through PG&E's 2022 RPS Procurement Plan.

7. If an amendment, describe contract terms being amended and reason for amendment

Not applicable.

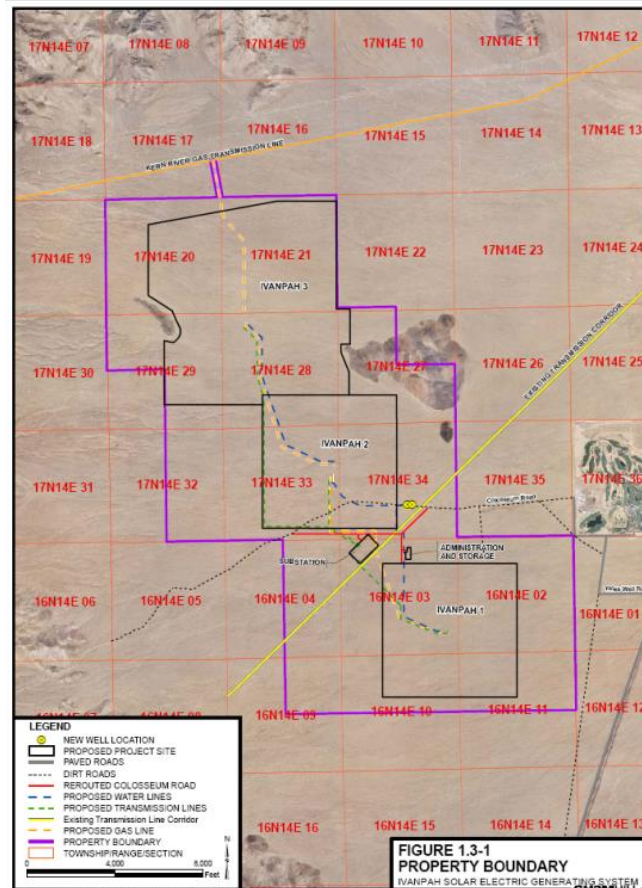
C. General Project(s) Description

The Projects are described in Section B. above. The table below identifies contract terms.

Project Names	Ivanpah Unit #1	Ivanpah Unit #3
Contract Capacity	114.46 MW	126.1 MW
Delivery Term Start Date (actual)	January 21, 2014	January 27, 2014
Original Delivery Term	25 years	25 years
Original Delivery Term End Dates	January 20, 2039	January 26, 2039
Remaining Delivery Term	14 years	14 years

D. Project location

1. Provide a general map of the generation facility's location.



2. For new projects describe facility's current land use type (private, agricultural, county, state lands (agency), federal lands (agency), etc.).

Not applicable. The proposed Termination Agreements are for existing facilities.

E. General Deal Structure

The PPAs were proposed for termination as part of PG&E's 2023 PCIA RFI to reduce excess and/or uneconomic resources in PG&E's RPS portfolio.

Under the proposed Termination Agreements, the Projects would cease delivery to PG&E beginning in 2026. In exchange, PG&E would issue termination payments to Solar Partners II, LLC and Solar Partners VIII, LLC for the early termination of the Agreements. The termination payments will be governed by a promissory note ("Promissory Note") for each Termination Agreement. The proposed Termination Agreements also stipulate that any delay in final and non-appealable CPUC Approval of the Termination Agreements beyond November 2025 shall result in a continuation of the PPAs for the length of time of such delay and a commensurate adjustment to the Termination Payment to Solar Partners II, LLC and Solar Partners VIII, LLC.

Describe general characteristics of contract, for example:**1. Required or expected Portfolio Content Category of the proposed contract**

Under the proposed Termination Agreements, PG&E would no longer procure from the Projects, which are currently categorized as Portfolio Content Category 0.

2. Partial/full generation output of facility

Under the proposed Termination Agreements, output from the Projects would cease.

3. Any additional products, e.g. capacity

Under the proposed Termination Agreements, delivery of products from the Projects would cease.

4. Generation delivery point (e.g. busbar, hub, etc.)

Under the proposed Termination Agreements, no further generation from the Projects would be delivered to PG&E.

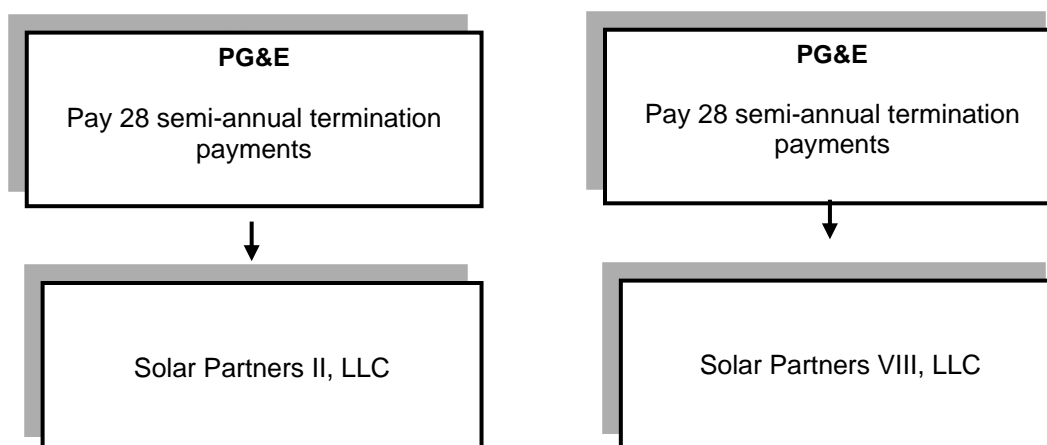
5. Energy management (e.g. firm/shape, scheduling, selling, etc.)

Under the proposed Termination Agreements, there is no energy management.

6. Diagram and explanation of delivery structure

Under the proposed Termination Agreements, there is no delivery structure. There will, however, be termination payments made by PG&E to Solar Partners II, LLC and Solar Partners, VIII, LLC paid on a semi-annual basis which will be governed by a Promissory Note for each Termination Agreement.

Figure 1: Structure of Termination Payments



F. RPS Statutory Goals & Requirements

- 1. Briefly describe the Project's consistency with and contribution towards the RPS program's statutory goals set forth in Public Utilities Code §399.11. These goals include displacing fossil fuel consumption within the state; adding new electrical generating facilities within WECC; reducing air pollution in the state; meeting the state's climate change goals by reducing emissions of greenhouse gases associated with electrical generation; promoting stable retail rates for electric service; a diversified and balanced energy generation portfolio; meeting the state's resource adequacy requirements; safe and reliable operation of the electrical grid; and implementing the state's transmission and land use planning activities.**

While the Commission Orders to hold the RFI did not require PG&E to consider achievement of consistency with Public Utilities Code Section ("PUC") 399.11, in PG&E's assessment, the Termination Agreements contribute to the optimization of PG&E's portfolio of RPS-eligible resources, without jeopardizing PG&E's ability to comply with requirements set as part of PUC §399.11, or any other clean energy requirements such as Integrated Resource Plan ("IRP") emissions requirements or any Greenhouse Gas ("GHG") free energy goals required under Senate Bill ("SB")100⁵. PUC §399.11 was updated in 2018 following the signing of SB100 into law. SB100 increased RPS program requirements originally established in SB1078 and modified in SB350 to be increased to 60% for 2030 and beyond. This bill also established interim GHG-free energy requirements on the way to the state's goal of zero-carbon resources supplying 100 percent of electric retail sales by 2045.

Although this Advice Letter requests contract terminations, which will remove RPS-eligible resources from PG&E's RPS portfolio, PG&E is well-positioned to meet its near-term RPS requirements given that it has sufficient volume of pre-2023 RPS procurement that was above PG&E's bundled service customer annual compliance targets ("Bank")⁶. PG&E will factor the reduction of RPS-eligible generation into its long-term planning and procurement in order to comply with the long-term RPS requirements. In addition, terminating the PPAs and energy production from the Projects will stop the current GHG emissions from the natural gas firing required for the Projects to operate.

Furthermore, these contract terminations are being carried out via the RFI process required under D.21-05-030. The purpose of this process is to optimize IOU RPS portfolios to reduce excess and/or uneconomic resources in their RPS portfolios. To that point, these terminations contribute to PG&E's opportunity to leverage its Bank, ensuring it can maintain compliance while realizing value for customers by using banked Renewable Energy Credits that have already been paid for by customers. This is aligned

⁵ D. 24-12-035, pp. 75-76 clarifies that any IOU procurement needs to meet SB 1020 goals is considered in the IRP proceeding.

⁶ See Appendix F1 and F2 or PG&E Draft 2024 RPS Plan, Section II.A.

with the portfolio optimization and affordability objectives described in PG&E's Draft 2024 RPS Plan⁷.

2. Describe how procurement pursuant to the contract will meet IOU's specific RPS compliance period needs. Include Renewable Net Short calculation as part of response.

While the Commission Orders to hold the RFI did not require PG&E to consider PG&E's specific RPS compliance period needs, in PG&E's assessment, the Termination Agreements will modestly accelerate PG&E's RPS Bank usage to fill short positions due to the reduction in RPS generation.

As illustrated in PG&E's Renewable Net Short ("RNS") provided in Appendices F1 and F2, implementation of the Voluntary Allocation Market Offer ("VAMO") program results in PG&E being physically short RPS beginning in 2023. However, PG&E's remaining RPS portfolio after VAMO, as well as its Bank, provide sufficient RPS compliance volumes to meet its near-term compliance obligations. For additional detail on the impact to RPS compliance needs, please refer to Confidential Appendix A.

G. Impact of Termination Agreements on PG&E's Long-Term Debt

The Promissory Notes, which are attached to each Termination Agreement, establish a long-term scheduled repayment obligation for PG&E. Following final and non-appealable CPUC Approval of the Termination Agreements and execution of each Promissory Note, this obligation will be recognized as long-term debt on PG&E's balance sheet under Generally Accepted Accounting Principles ("GAAP") and the Federal Energy Regulatory Commission ("FERC") Uniform System of Accounts (e.g., FERC Account 224 Other long-term debt). This long-term debt will solely fund Termination Payments associated with the termination of the Projects, as shown in Figure 1, and will not finance assets in PG&E's rate base.

H. Confidentiality

Explain if confidential treatment of specific material is requested. Describe the information and reason(s) for confidential treatment consistent with the showing required by D.06-06-066, as modified by D.08-04-023.

In support of this Advice Letter, PG&E has provided the confidential information listed below. This information includes the Termination Agreements and other information that more specifically describes the rights and obligations of the parties. This information is being submitted 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-

⁷ PG&E Draft 2024 RPS Plan, Section IV.A.1.D. 24-12-035 does not modify PG&E's Draft 2024 RPS Plan proposal to optimize PG&E's portfolio through the use of Bank. See D. 24-12-035, Conclusion of Law 13 (concluding that use of banked resources will allow PG&E to meet RPS procurement requirements while rebuilding its portfolio).

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, D. 21-11-029 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.

Appendices:

A	Consistency with Commission Decisions and Rules (Redacted)	Public
B	2023 PCIA RFI Overview and Results	Confidential
C	Summary of Termination Agreements	Confidential
D1	Independent Evaluator Report	Confidential
D2	Independent Evaluator Report (Redacted)	Public
E1	Termination Agreement (Solar Partners II, LLC)	Confidential
E2	Termination Agreement (Solar Partners VIII)	Confidential
F1	PG&E's Draft Alternative Renewable Net Short Template	Confidential
F2	PG&E's Draft Alternative Renewable Net Short Template (Redacted)	Public
G	Proposed Protective Order and Nondisclosure Certificate	Public

II. Consistency with Commission Decisions

A. RPS Procurement Plan

1. Identify the Commission decision that approved the utility's RPS Procurement Plan. Did the utility adhere to Commission guidelines for filing and revisions?

On December 19, 2022, the CPUC issued D.22-12-030, which conditionally approved PG&E's 2022 Renewable Procurement Plan, including PG&E's plan to implement the PCIA RFI required by D. 21-05-030. Consistent with D.22-12-030, PG&E submitted a final version of its 2022 RPS Plan on January 18, 2023 and a revised 2022 RPS Plan on June 28, 2023. In the 2022 RPS Plan, PG&E stated that it would issue an RFI in 2023.

On December 21, 2023, the CPUC issued D.23-12-008, which conditionally approved PG&E's 2023 Renewable Procurement Plan ("2023 RPS Plan") which stated that this RFI was still active. Consistent with the D.23-12-008, PG&E submitted a final version of its 2023 RPS Plan on January 22, 2024, and a revised 2023 RPS Plan on March 22, 2024.

On December 24, 2024, the CPUC issued D.24-12-035, which conditionally approved PG&E's 2024 Renewable Procurement Plan ("2024 RPS Plan"), which stated that PG&E received offers for contract termination and was actively engaged with a counterparty. Consistent with Ordering Paragraph 2 of D. 24-12-035, PG&E will submit a final version of its 2024 RPS Plan within 30 days of issuance.

2. Describe the Procurement Plan's assessment of portfolio needs.

The 2022 RPS Plan obligated PG&E to hold the RFI. The primary goal of PG&E's 2022 RPS Plan was to achieve compliance with PG&E's RPS obligations while accounting for the uncertainty of future RPS sales through the VAMO process that was adopted in D.21-05-030. PG&E's 2022 RPS Plan showed that PG&E would meet its RPS compliance requirements through approximately 2027 with the usage of its Bank⁸. Such strategy is consistent with D.22-12-030, which permitted PG&E to use RPS Bank to achieve compliance with its RPS obligations through 2028.

PG&E's Draft 2024 RPS Plan reflected updated regulatory conditions concerning PG&E's Bank volume, including the Commission's approval of AL 7105-E, which does not require IOUs to hold additional VAMO cycles. Under these conditions, PG&E does not face a risk of non-compliance due to the projected use of Bank volumes.

3. Discuss how the Project is consistent with the utility's Procurement Plan and meets utility procurement and portfolio needs (e.g. capacity, electrical energy, resource adequacy, or any other product resulting from the project).

The proposed Termination Agreements are consistent with PG&E's 2022 RPS Plan, which obligated PG&E to hold the RFI to reduce excess or uneconomic resources from its portfolio. Consistent with the 2022 RPS Procurement Plan, PG&E evaluated proposals based on Net Market Value ("Net Market Value" or "NMV") to determine the net benefit to customers⁹. As further presented in Confidential Appendix A and Confidential Appendix B, the termination of the PPAs will provide savings to customers by eliminating two above-market resources from PG&E's portfolio.

4. Describe the preferred project characteristics set forth in the solicitation, including the required deliverability characteristics, online dates, locational preferences, etc. and how the Project meets those requirements.

PG&E launched the 2023 PCIA RFI on September 11, 2023 with a market notice to all its counterparties of PCIA-eligible RPS contracts. PG&E sought market interest for contract terminations, contract assignments and other contract modifications that could provide

⁸ See PG&E Final 2022 RPS Plan, p. 25, Section IV.A.2 (stating PG&E anticipates a physically short RPS position starting in 2023 but does not expect to have an RPS compliance-specific procurement need until 2028 after PG&E has depleted its RPS Bank). Subsequent to PG&E's Final 2022 RPS Plan, PG&E has updated its need year.

⁹ See PG&E 2022 RPS Plan, pp. 23-24 (describing RFI process) D. 22-12-030, p. 21 (clarifying PG&E's use of NMV to evaluate PCIA RFI transactions).

savings and benefits to customers. The proposed terminations will provide savings for customers.

5. Sales

- a) For Sales contracts, provide a quantitative analysis that evaluates selling the proposed contracted amount vs. banking the RECs towards future RPS compliance requirements (or any reasonable other options).**
- b) Explain the process used to determine price reasonableness, with maximum benefit to ratepayers.**

This section is not applicable because the proposed Termination Agreements are not Sales contracts.

6. Portfolio Optimization Strategy

- a) Describe how the proposed procurement (or sale) optimizes IOU's RPS portfolio (or entire energy portfolio). Specifically, a response should include:**
 - i. Identification of IOU's portfolio optimization strategy objectives that the proposed procurement (or sale) are consistent with.**
 - ii. Identification of metrics within portfolio optimization methodology or model (e.g. PPA costs, energy value, capacity value, interest costs, carrying costs, transaction costs, etc.) that are increased/decreased as a result of the proposed transaction.**
 - iii. Identification of risks (e.g. non-compliance with RPS requirements, regulatory risk, over-procurement of non-bankable RPS-eligible products, safety, etc.) and constraints included in optimization strategy that may be decreased or increased due to proposed procurement (or sale).**

The proposed Termination Agreements contribute to PG&E's optimization of the portfolio, consistent with the strategy described in Decision 21-05-030, as implemented by the 2022 RPS Plan, by removing uneconomic contracts from PG&E's portfolio and reducing the costs of procurement borne by all customers with cost responsibility.

Although the proposed Termination Agreements would remove RPS-eligible resources from PG&E's RPS portfolio, PG&E anticipates having sufficient Bank volume to meet its bundled service customer compliance requirements and reiterates that these transactions will not create any material risk of near-term RPS noncompliance for PG&E.

To determine the financial benefit of the termination for customers, PG&E used NMV to evaluate the termination payment cost for customers relative to the outstanding forecasted NMV of the two Ivanpah PPAs. Consistent with PG&E's 2022 RPS Plan, and

as further described in Confidential Appendix A and Confidential Appendix B, the NMV analysis of the proposed terminations will reduce costs to customers. The Termination Agreements are anticipated to reduce PCIA portfolio costs beginning in 2026, the proposed timeframe for termination, relative to retaining the resources until their expiration in January 2039.

b) Description of how proposed procurement (or sale) is consistent with IOUs overall planned activities and range of transactions planned to optimize portfolio.

This section is not applicable because the proposed Termination Agreements are not purchase or sales contracts.

B. Bilateral contracting – if applicable

- 1. Discuss compliance with D.06-10-019 and D.09-06-050.**
- 2. Specify the procurement and/or portfolio needs necessitating the utility to procure bilaterally as opposed to a solicitation.**
- 3. Describe why the Project did not participate in the solicitation and why the benefits of the Project cannot be procured through a subsequent solicitation.**

This section is not applicable because the Termination Agreements arose from an RFI that PG&E was ordered to hold pursuant to D. 21-05-030 and D. 22-12-020.

C. Least-Cost, Best-Fit (LCBF) Methodology and Evaluation

- 1. Briefly describe IOU's LCBF Methodology and how the Project compared relative to other offers available to the IOU at the time of evaluation.**

The LCBF Methodology and evaluation is not applicable because the proposed Termination Agreement will remove the Projects from PG&E's portfolio.

a. Market Valuation

As described earlier, to determine the financial impact of the termination for customers, the NMV was calculated by comparing the termination payment cost to the outstanding forecasted net market value of the two Ivanpah PPAs. Consistent with the 2022 RPS Plan, the proposed terminations will reduce contract costs to customers by reducing overall PCIA portfolio costs beginning in 2026, the proposed timeframe for termination, relative to retaining the resources until their expiration in January 2039.

b. Portfolio Fit

This section is not applicable because the proposed Termination Agreement will remove the Projects from PG&E's portfolio.

c. Project Viability

This section is not applicable because the proposed Termination Agreements will remove the Projects from PG&E's portfolio.

d. Clean Energy Goals

This section is not applicable because the proposed Termination Agreements will remove the Projects from PG&E's portfolio.

Information for how the proposed termination of these contracts impacts PG&E's ability to meet its RPS statutory goals and requirements can be found in Section I.F.

1. Indicate when the IOU's Shortlist Report was approved by Energy Division.

The Termination Agreement resulted from an RFI resulting from D. 21-05-030 and implemented through the RPS proceeding as part of PG&E's 2022 RPS Plan, as approved by D. 22-12-030. D. 22-12-030 does not require PG&E to submit a Shortlist Report.

D. Compliance with Standard Terms and Conditions (STCs)**1. Does the proposed contract comply with D.08-04-009, D.08-08-028, and D.10-03-021, as modified by D.11-01-025?**

The Termination Agreements do not need to include Commission-adopted non-modifiable standard terms and conditions because the terminations will end PG&E's obligations under the PPAs.

2. Using the tabular format, provide the specific page and section number where the RPS non-modifiable STCs are located in the contract.

The Termination Agreements do not need to include Commission-adopted non-modifiable standard terms and conditions because the terminations will end PG&E's obligations under the PPAs.

3. Provide a redline of the contract against the utility's Commission-approved pro forma RPS contract as Confidential Appendix E to the filed advice letter. Highlight modifiable terms in one color and non-modifiable terms in another.

The Termination Agreements cannot be redlined against the pro-forma RPS contract. Under the Termination Agreements, the parties' obligations under the RPS contracts will end.

E. Portfolio Content Category Claim and Upfront Showing (D.11-12-052, Ordering Paragraph 9)

The PCIA RFI, approved in D. 21-05-030 and D. 22-12-030 did not require PG&E to consider the claimed portfolio content category of the terminated contract. As a result, this section is not applicable¹⁰.

¹⁰ For brevity, PG&E omitted the sub-sections of Section E as this section is not applicable to the termination of the projects.

F. Long-Term Contracting Requirement

D.12-06-038 established a long-term contracting requirement that must be met in order for an IOU to count RPS procurement from contracts less than 10 years in length (“short-term contracts”) toward RPS compliance.

- 1. Explain whether or not the proposed contract triggers the long-term contracting requirement.**
- 2. If the long-term contracting requirement applies, provide a detailed calculation that shows the extent to which the utility has satisfied the long-term contracting requirement. If the requirement has not yet been satisfied for the current compliance period, explain how the utility expects to satisfy the quantity by the end of the compliance period to count the proposed contract for compliance.**

In D.12-06-038, the Commission adopted a threshold standard pursuant to SB 2 (1X) that requires load serving entities to sign long-term contracts in each compliance period equal to at least 0.25 percent of their expected retail sales over that same compliance period. Based on PG&E’s portfolio size and number of long-term contracts, terminating the Projects does not materially affect PG&E’s ability to comply with the long-term contracting requirement.¹¹

G. Tier 2 Short-term Contract “Fast Track” Process – if applicable

- 1. Is the facility in commercial operation? If not in commercial operation, explain the IOU’s basis for its determination that commercial operation will be achieved within the required six months.**
- 2. Describe and explain any contract modifications to the Commission-approved short-term pro forma contract.**

This section is not applicable because under the proposed Termination Agreements output from the Projects would cease.

H. Interim Emissions Performance Standard

In D.07-01-039, the Commission adopted a greenhouse gas Emissions Performance Standard (EPS) which is applicable to electricity contract for baseload generation, as defined, having a delivery term of five years or more.

- 1. Explain whether or not the contract is subject to the EPS.**

Pursuant to Resolution E-4266 Finding of Fact 9 the PPAs were not covered by the EPS because they concern in-state RPS-eligible facilities with an expected capacity factor

¹¹ See Table 4-4 of PG&E’s Draft 2024 RPS Plan, p. 61 (showing a minimal amount of short term procurement in PG&E’s RPS portfolio during the forecast horizon).

under 60%. Under the Termination Agreements, deliveries of the Projects will cease, and PG&E will no longer procure from the Projects. Thus, the EPS should not apply.

- 2. If the contract is subject to the EPS, discuss how the contract is in compliance with D.07-01-039.**

This section is not applicable. See Section H.1 above.

- 3. If the contract is not subject to EPS, but delivery will be firmed/shaped with specified baseload generation for a term of five or more years, explain how the energy used to firm/shape meets EPS requirements.**

This section is not applicable. See Section H.1 above.

- 4. If the contract term is five or more years and will be firmed/shaped with unspecified power, provide a showing that the utility will ensure that the amount of substitute energy purchases from unspecified resources is limited such that total purchases under the contract (renewable and non-renewable) will not exceed the total expected output from the renewable energy source over the term of the contract.**

This section is not applicable.

- 5. If substitute system energy from unspecified sources will be used, provide a showing that:**
 - a. the unspecified energy is only to be used on a short-term basis; and**
 - b. the unspecified energy is only used for operational or efficiency reasons; and**
 - c. the unspecified energy is only used when the renewable energy source is unavailable due to a forced outage, scheduled maintenance, or other temporary unavailability for operational or efficiency reasons; or**
 - d. the unspecified energy is only used to meet operating conditions required under the contract, such as provisions for number of start-ups, ramp rates, minimum number of operating hours.**

This section is not applicable.

I. Procurement Review Group (PRG) Participation

- 1. List PRG participants (by organization/company).**

The Procurement Review Group ("PRG") for PG&E includes the Commission's Energy Division and Public Advocates Office, Earth Justice, The Utility Reform Network, Coalition of California Utility Employees, Union of Concerned Scientists, and Coast Economic Consulting, as a PG&E ratepayer.

2. **Describe the utility's consultation with the PRG, including when information about the contract was provided to the PRG, whether the information was provided in meetings or other correspondence, and the steps of the procurement process where the PRG was consulted.**

The Termination Agreements were presented to the PRG as potential contracts for termination on January 10, 2025. Additional information is provided in Confidential Appendix A.

3. **For short-term contracts, if the PRG was not able to be informed prior to filing, explain why the PRG could not be informed.**

Not applicable.

J. Independent Evaluator (IE)

Consistent with PG&E's 2022 RPS Plan, PG&E worked with the IE, Arroyo Seco Consulting ("Arroyo"), throughout the RFI process. The IE conducted a range of activities to review and check PG&E's process as PG&E conducted outreach for the RFI and negotiations on the Termination Agreements. The attached IE report finds that the Termination Agreements merit CPUC approval. The detailed findings of the IE regarding the Amendment are contained in Confidential Appendix D1. Please see Appendix D2 for the public version of the IE report.

The use of an IE is required for PG&E's RFI for termination based on PG&E's conforming 2022 RPS Plan.

1. **Provide name of IE.**

The Independent Evaluator is Lewis Hashimoto from Arroyo Seco Consulting.

2. **Describe the oversight provided by the IE.**

The IE reviewed and assessed PG&E's evaluation and selection process and observed the negotiations of the PPA to ensure that they were conducted fairly.

3. **List when the IE made any findings to the Procurement Review Group regarding the applicable solicitation, the project/bid, and/or contract negotiations.**

The IE provided insights and findings to the PRG during the PRG meeting on January 10, 2025.

4. **Insert the public version of the project-specific IE Report.**

The public version of the IE report is attached to this Advice Letter as Appendix D2.

III. Project Development Status

The entirety of this Section III is not applicable because under the proposed Termination Agreements output from the Projects would cease¹².

IV. Contingencies and/or Milestones

Describe major performance criteria and guaranteed milestones, including those outside the control of the parties, including transmission upgrades, financing, and permitting issues.

This section is not applicable because the proposed transaction will result in the termination of the PPAs.

V. Safety Considerations

- 1. What terms in the PPA address the safe operation, construction and maintenance of the Project? Are there any other conditions, including but not limited to conditions of any permits or potential permits, that the IOU is aware of that ensure such safe operation, construction and decommissioning?**

Local, state and federal agencies that have review and approval authority over the Project are charged with enforcing safety, environmental and other regulations for the Project, including decommissioning. Section 3.9(a) of the PPAs requires Seller to “acquire all permits and other approvals necessary for the construction, operation and maintenance of the Project.” Moreover, PG&E requires that the Project abide by contractual obligations in the PPA that require certain Standards of Care (Section 3.5) and Covenants (Section 10.2) to not violate applicable laws, rules and regulations. These provisions serve to: (1) clarify that the burden of safe operations resides with the seller, the entity with control over on-site decisions, and (2) protect PG&E customers against bearing the cost of imprudent or unsafe operations. They do not provide PG&E with rights to enforce or dictate safe operations of the Project as those rights reside with the governmental authorities with safety and permitting oversight over the Project.

- 2. What has the IOU done to ensure that the PPA and the Project’s operation are: consistent with Public Utilities Code Section 451; do not interfere with the IOU’s safe operation of its utility operations and facilities; and will not adversely affect the public health and safety?**

The Projects are owned and operated by a third party. As explained in Section V.1, the Sellers are obligated to own and operate the Projects in accordance with the laws, rules, and regulations that apply to it, a number of which are referenced in the PPAs to clarify that the burden of safe operations, including operations that impact public safety, lies with the Seller. Under the proposed Termination Agreements, the parties’ obligations will cease and delivery of product to PG&E will end following termination.

¹² For brevity, PG&E omitted the sub-headers of Section III as this section is not applicable to the termination of the projects.

3. **If PPA or amendment is with an existing facility, please provide a matrix that identifies all safety violations found by any entity, whether government, industry-based or internal with an indication of the issue and if the resolution of that alleged violation is pending or resolved and what the progress or resolution was/is.**

This section is not applicable because the proposed transaction will result in the termination of the PPAs.

4. **If PPA or amendment is with an existing facility, will the PPA or amendment lead to any changes in the structure or operations of the facility? Any change in the safety practices at the facility? If so, with what federal, state and local agencies did the developer confer or seek permits or permit amendments for these changes?**

This section is not applicable because the proposed transaction will result in the termination of the PPAs.

VI. Request for Commission Approval

PG&E requests that the Commission approve a resolution no later than October 9, 2025, that:

1. Approves the Termination Agreements in their entirety, including payments to be made by PG&E pursuant to the Termination Agreements.
2. Finds that all Termination Payments associated with the underlying Termination Agreements shall be recovered in rates through PG&E's 2009 vintage of the Portfolio Allocation Balancing Account.
3. Finds that the Termination Payments associated with the underlying Termination Agreements do not finance assets in rate base.
4. Adopts the following finding of fact and conclusion of law in support of CPUC Approval:
 - a. The Termination Agreements are consistent with PG&E's 2022 RPS Plan.
 - b. The terms of the Termination Agreement, including the Termination Payments, are reasonable.
5. Adopts the following finding of fact and conclusion of law in support of cost recovery for the Termination Payments:
 - a. The utility's costs under the Termination Agreements shall be recovered through PG&E's 2009 vintage of PG&E's Portfolio Allocation Balancing Account.

Protests:

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than February 6, 2025, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II
Director, Regulatory Relations
c/o Megan Lawson
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 and 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).

Effective Date:

PG&E requests that the Commission approve a resolution for this Tier 3 advice letter by October 9, 2025.

Notice:

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list and the parties on the service list for R.17-06-026 (closed), R.18-07-003 (closed), and R.24-01-017 (active). Address changes to the General Order 96-B service list should be directed to PG&E at email address 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

_____/S/

Sidney Bob Dietz II
Director, Regulatory Relations
CPUC Communications

cc: Service List R.17-06-026; R.18-07-003, and R.24-01-017

Limited Access to Confidential Material:

The portions of this Advice Letter marked Confidential Protected Material are submitted under the confidentiality protection of Sections 583 and 454.5(g) of the Public Utilities Code and General Order 66-D. This material is protected from public disclosure because it consists of, among other items, the RPS Contract Termination Agreements and Promissory Notes, price information, and analysis of the proposed transaction, which are protected pursuant to D.06-06-066, D.08-04-023, and D. 21-11-029. A separate Declaration Seeking Confidential Treatment regarding the confidential information is filed concurrently herewith.

In accordance with GO 96-B, a copy of PG&E's Proposed Protective Order is attached as Appendix G. The confidential version of this Advice Letter will be made available to appropriate parties (in accordance with PG&E's Proposed Protective Order) upon execution of a standard non-disclosure agreement, or, to the extent the Commission adopts the Proposed Protective Order, the execution of the non-disclosure certificate attached to the Proposed Protective Order. Parties wishing to obtain access to the confidential version of this Advice Letter may contact PGETariffs@pge.com to obtain the relevant agreement.



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.: Pacific Gas and Electric Company (U 39 E)

Utility type:

☒ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Baylee Larson

Phone #: (279) 789-6486

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: baylee.larson@pge.com

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 7485-E

Tier Designation: 3

Subject of AL: 2023 PCIA RFI; Termination of Power Purchase Agreements between Solar Partners II, LLC and Pacific Gas and Electric Company and between Solar Partners VIII, LLC and Pacific Gas and Electric Company

Keywords (choose from CPUC listing): Compliance

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.22-12-030

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

Confidential treatment requested? ☒ Yes ☐ No

If yes, specification of confidential information: See Confidentiality Declaration and Matrix
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: PG&E Tariffs, PGETariffs@pge.com

Resolution required? ☒ Yes ☐ No

Requested effective date:

No. of tariff sheets: 0

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 proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson
Title: Director, Regulatory Relations
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: PGETariffs@pge.com

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

PACIFIC GAS AND ELECTRIC COMPANY

**DECLARATION OF DON HOWERTON
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION CONTAINED IN
ADVICE LETTER 7485-E**

I, Don Howerton, declare:

1. I am a Senior Director in the Commercial Procurement Department at Pacific Gas and Electric Company (PG&E). In this position, I am responsible for procurement of various electric resources and products including energy storage and renewable energy. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information.

2. Based on my knowledge and experience, and in accordance with Decisions 06-06- 066, 08-04-023, 21-11-029, and relevant Commission rules, I make this declaration seeking confidential treatment for certain data and information contained in the attachments to Advice Letter 7485-E.

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 confidential market sensitive data and information covered by Public Utilities Code section 454.5(g), D.06-06-066, D.08-04-023, D.21-11-029, and/or relevant Commission rules. The matrix also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) 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 the explanatory text that is pertinent to my testimony in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on January 17, 2025 at Oakland, California.

/s/ Don Howerton

Don Howerton

Senior Director, Commercial Procurement

Pacific Gas & Electric Company

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix A, Consistency with Commission Decisions and Rules – grey shaded sections	<p>Item VII(B): Contracts</p> <p>California Public Utilities Code [hereinafter Public Utilities Code]§454.5 (g)</p> <p>Item VII(G) (including unnumbered item following Item VII(G)): Score sheets, analyses, evaluations of proposed RPS projects</p>	<p>This Appendix contains information regarding the confidential terms and conditions of the Termination Agreements, including payment terms for the Power Purchase Agreement (“PPA”) buy-out without any procurement of products. Because no energy-related products are procured by PG&E under the contracts, details concerning the proposed contracts are addressed in Item VII(B) generally addressing “Contracts” and, analogously to those protections beginning with the date contract delivery begins, the confidentiality period associated with PG&E’s description of the Termination Agreement should begin from the date of the first Termination Payment. Disclosure of this information would provide valuable market sensitive information to market participants regarding the terminations and could be damaging to PG&E’s potential future negotiations with other counterparties for similar buy-out transactions. Therefore, this information should remain confidential for three years.</p>	<p>For Item VII(B): Three years from date Termination Payments begin</p> <p>For Public Utilities Code 454.5 (g): Three years from date Termination Agreements begin</p> <p>For Item VII (G) (and un-numbered category following VII(G)): Three years</p>
	<p>Item VIII(B): Quantitative analysis for scoring and evaluating bids</p> <p>Item VIII(C): RPS Bid information (Shortlisted bids and bids that do not reach shortlisting stage)</p>	<p>In addition to inclusion under Item VII(B) as a “Contract,” Public Utilities Code §454.5(g) authorizes PG&E to seek confidential treatment for information and data that is considered market-sensitive.” PG&E asserts that revealing the terms of the Termination Agreements and Promissory Notes, including PG&E’s discussion with its Procurement Review Group (“PRG”) concerning both the proposed transaction, its valuation, and negotiation process would comprise of market sensitive procurement information because the publication of PG&E’s terms and conditions (including payments to be made thereunder) and related PRG member inquiries may put PG&E at a competitive and unfair business disadvantage in negotiations with counterparties for similar contractual arrangements, potentially harming PG&E’s customers.</p>	<p>For Item VIII(B)): Three years after winning bids selected and Item VIII(C): (based on composition of bidders in resource categories): Three years after winning bids selected</p>

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
	<p>VI(B): Utility Bundled Net Open (Long or Short) Position for Energy (MWh)</p> <p>May 21, 2014 <i>Administrative Law Judge's Ruling on Renewable Net Short</i> issued in Rulemaking 11-05-005 ("May 21, 2014 ALJ Ruling")</p>	<p>This appendix contains confidential proposal information and specific proposal evaluations from PG&E's request for information, including discussion of PG&E's confidential Net Market Value methodology. This appendix also discusses, analyzes and/or evaluates the terms of the proposals and confidential negotiations between PG&E and counterparties, and PRG inquiries concerning the negotiation process. If released publicly, this information would provide valuable market sensitive information to market participants; therefore, this information should remain confidential.</p> <p>This appendix also contains details regarding PG&E's confidential Alternative Renewable Net Short ("RNS") calculation, and the impact of the termination under the PPAs on PG&E's RPS compliance position. This information is expressly deemed confidential by the May 21, 2014 ALJ Ruling. Additionally, this information could be used to determine PG&E's net open position for RPS-eligible products and its internal and proprietary forecast of its bundled customer total energy requirements, and also constitutes analysis and evaluation of proposed RPS projects, including the proposed transactions impacts on PG&E's management of its compliance bank. In addition, if other market participants learned of market sensitive information concerning PG&E's sales strategy, they could change their bidding behavior and affect market pricing. This could detrimentally impact PG&E's customers.</p>	<p>For VI(B): Front two years of forecast data</p> <p>May 21, 2014 ALJ Ruling: Indefinite</p>

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix B, 2023 PCIA RFI Overview and Results	<p>Item VII(G) (including unnumbered item following Item VII(G): Score sheets, analyses, evaluations of proposed RPS projects</p> <p>Item VIII(B): Quantitative analysis for scoring and evaluating bids</p> <p>Item VIII(C): RPS Bid information (Shortlisted bids and bids that do not reach shortlisting stage)</p>	This appendix contains confidential proposal information and specific proposal evaluations from PG&E's request for information. This appendix also discusses, analyzes and/or evaluates the terms of the proposals, PG&E's valuation of those proposals using its Net Market Value methodology, and confidential negotiations between PG&E and counterparties. If released publicly, this information would provide valuable market sensitive information to market participants, could be damaging to future PG&E contract negotiations and ultimately detrimental to PG&E's customers, and could create a disincentive to do business with PG&E and other regulated utilities. Therefore, this information should remain confidential.	<p>For Item VII(G) (and un-numbered category following VII(G)): Three years</p> <p>For Item VIII(B): Three years after winning bids selected and for Item VIII(C) (based on composition of bidders in resource categories): Three years after bids selected</p>

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix C, Termination Agreements Summary	Item VII(B): Contracts	This appendix contains information regarding the confidential terms and conditions of the Termination Agreements and Promissory Notes, including payment terms a contract buy-out without any procurement of products. Because no energy-related products are procured by PG&E under the Termination Agreements and Promissory Notes, these proposed contracts are addressed in Item VII(B) of Appendix 1 of D. 21-11-029 concerning “Contracts,” and, analogously to those protections beginning with the date contract delivery begins, the confidentiality period associated with the Agreements should begin from the date of the first Termination Payment. Disclosure of this information would provide valuable market sensitive information to market participants regarding the terminations and could be damaging to PG&E’s potential future negotiations with other counterparties for similar buy-out transactions. Therefore, this information should remain confidential for three years following the date in which Termination Payments begin.	For Item VII(B): Three years from date of first Termination Payment
	Public Utilities Code § 454.5 (g)	In addition to inclusion under Item VII(B) as a “Contract,” Public Utilities Code § 454.5(g) authorizes PG&E to seek confidential treatment for information and data that is considered market-sensitive. In addition to falling under the category of “Contracts” PG&E asserts that revealing the terms of the Termination Agreements and Promissory Notes would comprise of market sensitive procurement information because the publication of PG&E’s terms and conditions (including payments to be made thereunder) may put PG&E at a competitive and unfair business disadvantage in negotiations with counterparties for similar contractual arrangements, potentially harming PG&E’s customers. Therefore, this information should remain confidential for three years following the date in which Termination Payments begin.	For Public Utilities Code § 454.5 (g): Three years from date of first Termination Payment

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix C, Termination Agreements Summary	<p>Item VII(G) (and un-numbered category following VII(G)): Score sheets, analyses, evaluations of proposed RPS projects</p> <p>Item VIII(B): Quantitative analysis for scoring and evaluating bids</p> <p>Item VIII(C): RPS Bid information (Shortlisted bids and bids that do not reach shortlisting stage)</p> <p>Item II(B)4: Generation Cost Forecast (Non-QF Bilaterals)</p>	<p>This appendix contains confidential proposal information and specific proposal evaluations from PG&E's request for information. This appendix also discusses, analyzes and/or evaluates the terms of the proposals and confidential negotiations between PG&E and counterparties. If released publicly, this information would provide valuable market sensitive information to market participants; therefore, this information should remain confidential.</p> <p>This appendix contains confidential generation cost forecast information used to support PG&E's rate analysis of the Termination Agreements. If released publicly, this information would provide valuable market sensitive information to market participants; therefore, this information should remain confidential.</p>	<p>For Item VII(G) (including un-numbered category following VII(G)): Three years</p> <p>For Item VIII(B): Three years after winning bids selected and for Item VIII(C) (based on composition of bidders in resource categories): Three years after bids selected</p> <p>For Item II(B)4: Three years</p>

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix D1, Independent Evaluator Report – grey shaded sections	<p>Item VII(B): Contracts -</p> <p>Item VII(G) (including un-numbered category following VII(G)): Score sheets, analyses, evaluations of proposed RPS projects</p> <p>Item VIII(B): Quantitative analysis for scoring and evaluating bids</p> <p>Item VIII(C): RPS Bid information (Shortlisted bids and bids that do not reach shortlisting stage)</p>	<p>This appendix contains the IE report, which includes confidential proposal information and proposal evaluations from PG&E’s request for information, including detail of PG&E’s valuation methodology. The confidential IE report also discusses, analyzes and/or evaluates the terms of the Termination Agreements, and confidential negotiations between PG&E and counterparties, which are analogous to analogous to Item VII (B). If released publicly, this information would provide valuable market sensitive information to market participants, could be damaging to future PG&E contract negotiations and ultimately detrimental to PG&E’s customers, and could create a disincentive to do business with PG&E and other regulated utilities. Public release of PG&E’s Termination Agreement terms and conditions (including payments to be made thereunder) may put PG&E at a competitive and unfair business disadvantage in potential negotiations with its counterparties, potentially harming PG&E’s customers. Therefore, consistent with recommendations set forth concerning Appendix C, this contract-related information should remain confidential for a three-year period following the date of the first Termination Payment.</p>	<p>For Item VII(B): Three years from date of first Termination Payment</p> <p>For Item VII(G) (including un-numbered category following VII(G)): Three years</p> <p>For Items VIII(B) and VIII(C): Three years after winning proposals selected</p>

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendices E1 and E2, Termination Agreement and Promissory Notes	Item VII(B): Contracts -	This appendix contains the Termination Agreements and Promissory Notes, including payment terms for Power Purchase Agreement (“PPA”) buy-out without any procurement of products. Because no energy-related products are procured by PG&E under the Termination Agreements and Promissory Notes, these proposed contracts are addressed in Item VII(B) of Appendix 1 of D. 21-11-029 concerning “Contracts,” and, analogously to protections beginning with the date contract delivery begins, the confidentiality period associated with the Agreements should begin from the date of the first Termination Payment. Disclosure of this information would provide valuable market sensitive information to market participants regarding the terminations and could be damaging to PG&E’s potential future negotiations with other counterparties for similar buy-out transactions. Therefore, this information should remain confidential for three years following the date in which Termination Payments begin.	For Item VII(B): Three Years from date of first Termination Payment
Appendices E1 and E2, Termination Agreement and Promissory Notes	Public Utilities Code § 454.5(g)	In addition to inclusion under Item VII(B) as a “Contract,” Public Utilities Code § 454.5(g) authorizes PG&E to seek confidential treatment for information and data that is considered market-sensitive. In addition to falling under the category of “Contracts” PG&E asserts that revealing the terms conditions of the Termination Agreements and Promissory Notes would comprise of market sensitive procurement information because the publication of PG&E’s terms and conditions (including payments to be made thereunder) may put PG&E at a competitive and unfair business disadvantage in negotiations with counterparties for similar contractual arrangements, potentially harming PG&E’s customers. Therefore, this information should remain confidential for three years following the date in which Termination Payments begin.	Public Utilities Code § 454.5(g): Three years from date of first Termination Payment

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
Advice Letter 7485-E
January 17, 2025

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, as modified by D. 21-11-029, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time
Appendix F1, PG&E's Draft Alternative Renewable Net Short Template – grey shaded sections	May 21, 2014 ALJ Ruling	Information relates to PG&E's optimized Renewable Net Short (RNS), submitted as part of its 2024 Draft Renewables Portfolio Standard Plan including: PG&E's assumptions for its overall portfolio optimization strategy; any plans to sell forecast Renewable Energy Credits (RECs) above the Procurement Quantity Requirements (PQR); application of forecast RECs above the PQR towards a future RPS compliance requirement; and any plan to procure of RECs above the PQR in future years, including volumes identified as Voluntary Margin of Procurement (VMOP) that addresses additional potential compliance requirement position uncertainty. This information is expressly deemed confidential by the May 21, 2014 ALJ Ruling. Additionally, this information could be used to determine PG&E's net open position for RPS-eligible products as well as PG&E's overall potential RPS-eligible procurement need, as well as any changes to that need resulting from the proposed transactions, which could materially impact the market and pricing for RPS-eligible generation and apply upward pressure on customer rates. This information also constitutes analysis and evaluation of proposed RPS projects, including sales or transactions intended to create a compliance bank.	Indefinite
	V.C. and V.C 1 – Bundled Customer Total Energy Forecast (MWh)	<p>Confidential forecast of bundled customer load forecast, RPS compliance load forecast and RPS net short position. PG&E applies further redactions to its Compliance Period 4 columns that, when combined with otherwise public information, would reveal its confidential RPS net short position.</p> <p>Consistent with D. 24-12-035 Conclusion of Law 59 and Ordering Paragraph 50, PG&E's redactions seek to preserve the confidentiality of data for the current year and the first and second forecast years of the Draft 2024 RPS Plan's RNS Table that is reproduced by this advice letter.</p>	<p>For bundled load forecast, front three years of data</p> <p>For RPS Compliance load forecast and RPS net short position, front two years of forecast data.</p>

Appendix A

Consistency with Commission Decisions
and Rules

(Redacted)

I. Consistency with Commission Decisions and Rules

A. RPS Procurement Plan

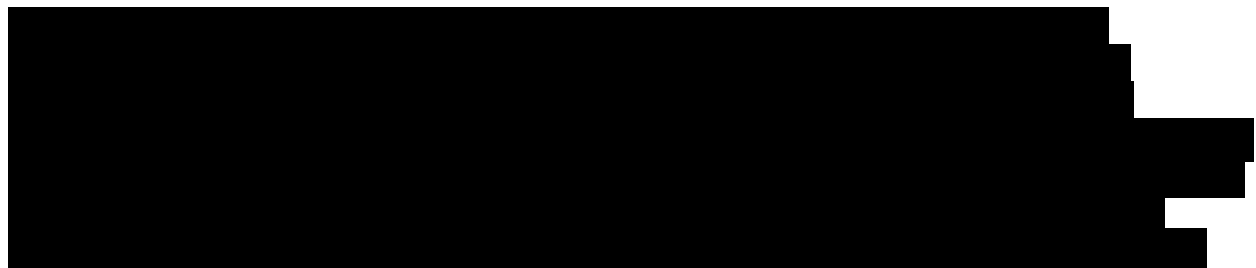
In Section II. A of the Advice Letter to which this Appendix is attached, Pacific Gas and Electric Company (PG&E) has addressed the consistency of the Power Charge Indifference Adjustment Request for Information (PCIA RFI or RFI) and resulting Termination Agreements (attached to Confidential Appendix E1 and Confidential Appendix E2) with PG&E's approved 2022 Renewables Portfolio Standard (RPS) Procurement Plan (2022 RPS Plan). The purpose of this Appendix is to provide additional confidential and/or market-sensitive details regarding consistency with the 2022 RPS Plan, which required PG&E to hold the RFI that governed the proposed transactions, and includes updated details concerning PG&E's RPS need presented in PG&E's subsequent RPS Plans. In this Confidential Appendix, PG&E does not re-articulate public information provided in the Advice Letter narrative.

Due to the length of time required for PG&E to conduct the RFI, evaluate offers, and negotiate potential transactions, as of the date of this Advice Letter, PG&E's 2023 RPS Plan is in effect and PG&E's 2024 RPS Plan conforming to Decision (D.) 24-12-035 will be filed on or before January 23, 2025.

PG&E's narrative below focuses on adherence to the 2022 RPS Plan under which the RFI was governed. PG&E did not propose to hold further RFIs in its 2023 or 2024 RPS Plan cycles, and no further RFIs were ordered by the California Public Utilities Commission (CPUC or Commission).

Negotiation Process and Details

As required by D.21-05-030, PG&E issued an RFI as part of its 2021 RPS Plan, and that RFI did not result in any transactions. In PG&E's 2022 RPS Plan, PG&E stated its intention to run another RFI in 2023 to solicit interest in contract termination, assignments (re-contracting), and modifications from eligible parties as required by D.21-05-030. On September 11, 2023, PG&E launched its 2023 PCIA RFI. PG&E sent a market notice to all counterparties of PCIA-eligible RPS contracts seeking market interest for contract terminations, contract assignments and other contract modifications to reduce excess and/or uneconomic resources in PG&E's RPS portfolio.



[REDACTED] ¹

In accordance with the 2022 RPS Plan and as described in Section II.C.a. of the Advice Letter, PG&E evaluated proposals based on the net market value (Net Market Value or NMV) of the proposed transactions. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] ²

[REDACTED] ³

[REDACTED]

¹ D.21-05-030 provided criteria upon which the Commission reviewed PCIA portfolio optimization proposals to be adopted by the Commission, including that solutions should “reduce excess and/or uneconomic resources in IOUs’ PCIA portfolios.” See D.21-05-030, Conclusion of Law 2 (a).

² [REDACTED]

³ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

-
- (a) [REDACTED]
 - (b) [REDACTED]
 - (c) [REDACTED]
 - (d) [REDACTED]
 - (e) [REDACTED]
 - (f) [REDACTED]
 - (g) [REDACTED]
 - (h) [REDACTED]
 - (i) [REDACTED]



Impacts/Results of Transactions

Doesn't materially impact PG&E's ability to comply with RPS requirements

As described in Section I.F of the Advice Letter, although the termination of the PPAs will remove RPS-eligible resources from PG&E's portfolio, PG&E is well-positioned to meet its near-term RPS requirements given that it has sufficient volume of pre-2023 RPS procurement that was above PG&E's bundled service customer annual compliance targets (Bank).⁴ PG&E provides an alternative Renewable Net Short calculation (Alternate RNS) in confidential Appendix F2. The Alternate RNS calculates the volumes that PG&E projects it will need for RPS compliance based on direction provided in the August 2, 2012 Administrative Law Judge Ruling using an "expected case" scenario.



5



⁴ See, e.g., D.22 12 030, Finding of Fact (FOF) 11 (finding that PG&E's bank can meet RPS shortfalls through 2029); D.24 12 035, FOF 5 (finding that PG&E has sufficient long-term RPS contracts and banked RECs to meet its 2030 compliance target).

⁵ Portions of Ivanpah Unit 1 and Ivanpah 3 are allocated and/or sold to third parties under the Voluntary Allocation and Market Offer program adopted by D.21-05-030, and implemented through Rulemaking 18-07-003.

[REDACTED]

B. Bilaterals

Not applicable given this transaction was done through an RFI.

C. Least-Cost Best-Fit⁶

1. **Indicate in a matrix format the Project's Net Market Value (NMV) scores under the utility's approved Least Cost Best-Fit evaluation criteria.**

See Table 1 above.

2. **Describe how the NMV value provided above compares with the following cohorts:**

- a. **Other bids in the solicitation,**

[REDACTED]

- b. **Other bids in the relevant solicitation using the same technology,**

[REDACTED]

- c. **Recently (past 12 months) executed contracts,**

PG&E has had no recent contract terminations to compare value against.

- d. **Other procurement options (e.g., bilaterals, utility-specific programs, etc.)**

Apart from the PCIA RFI, there are no other general PG&E programs for termination options to compare against.

⁶ For brevity, PG&E omitted certain sub-sections and sections of this Confidential Appendix A that do not apply to the transaction and/or are already contained in the public advice letter.

D. PRG Participation and Feedback

If received, what comments/critiques/questions did the utility receive from the PRG?

[REDACTED]

- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

- [REDACTED]
 - [REDACTED]
 - [REDACTED]

- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

The Independent Evaluator (IE) also responded to questions. No PRG member opposed the proposed Termination Agreements during the meeting.

E. Independent Evaluator

Please see Section II.H of the Advice Letter and Appendices D1 and D2 for the confidential and public versions of the IE Report.

III. Conclusion

Terminating the PPAs complies with the PCIA RFI requirements provided in D.21-05-030 and implemented through PG&E's 2022 RPS Plan. [REDACTED]

[REDACTED]

Appendix B

2023 PCIA RFI Overview and Results

(Confidential)

Appendix C

Summary of Termination Agreements

(Confidential)

Appendix D1

Independent Evaluator Report

(Confidential)

Appendix D2

Independent Evaluator Report

(Redacted)

ARROYO SECO CONSULTING

PACIFIC GAS AND
ELECTRIC COMPANY
2023 POWER CHARGE
INDIFFERENCE
ADJUSTMENT REQUEST
FOR INFORMATION

REPORT OF THE INDEPENDENT
EVALUATOR ON TWO CONTRACT
TERMINATIONS RESULTING FROM PG&E'S
SOLICITATION

JANUARY 15, 2025

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	3
1. ROLE OF THE INDEPENDENT EVALUATOR	5
2. ADEQUACY OF OUTREACH.....	7
3. FAIRNESS OF PROPOSAL EVALUATION AND SELECTION METHODOLOGY	9
4. FAIRNESS OF ADMINISTERING THE PROPOSAL EVALUATION AND SELECTION PROCESS	13
5. FAIRNESS OF CONTRACT-SPECIFIC NEGOTIATIONS.....	19
6. MERIT FOR CPUC APPROVAL.....	32

EXECUTIVE SUMMARY

This report provides an independent review of a Request for Information (“RFI”) that Pacific Gas and Electric Company (“PG&E”) held in the fall of 2023 to seek interest in contract termination or contract assignment from its existing counterparties for power purchase agreements (“PPAs”) with resources eligible for the Renewable Portfolio Standards (“RPS”) program that are also resources whose cost recovery is part of the Portfolio Charge Indifference Adjustment (“PCIA”) mechanism.

The RFI resulted in execution of termination agreements for two facilities, Ivanpah Solar Electric Generating Station Unit 1 (“Ivanpah 1”) and Ivanpah Solar Electric Generating Station Unit 3 (“Ivanpah 3”), sited in the Mojave Desert about six miles southwest of Primm, Nevada. The two projects are owned by Solar Partners II, LLC and Solar Partners VIII, LLC, and were largely financed using loan guarantees from the U.S. Department of Energy (“DOE”). Their original PPAs were executed in 2009 and approved by the California Public Utilities Commission (“CPUC”) the same year.

An Independent Evaluator (“IE”), Arroyo Seco Consulting (“Arroyo”), conducted a range of activities to review, test, and check PG&E’s processes as the utility conducted outreach to its counterparties with renewable energy PPAs, solicited information, and evaluated the submitted indications of interest. IE activities included reviewing PG&E’s solicitation materials, its evaluation and selection of proposals, and its conduct of negotiations.

The high-level findings of this independent review are that:

- PG&E conducted adequate outreach to counterparties to PCIA-eligible RPS energy contracts, solicitation materials were clear and concise, and the resulting response from counterparties was not particularly robust but was stronger than that to PG&E’s prior 2022 PCIA RFI.
- PG&E’s methodology was designed in a way to evaluate proposals fairly; PG&E’s CPUC-approved least-cost, best fit (“LCBF”) methodology was not strictly employed but Arroyo believes that the Net Market Value (“NMV”) approach used was appropriate for the situation.
- PG&E administered its methodology fairly when evaluating proposals, selecting some for negotiations, and deciding to execute negotiated termination agreements.
- In Arroyo’s opinion, PG&E’s conduct of contract-specific negotiations of the terms and conditions of the two Ivanpah termination agreements was fair to ratepayers and competitors.
- The Ivanpah projects rank qualitatively as low in fit with PG&E’s supply portfolio, so their termination will improve the utility’s overall portfolio balance in terms of hourly supply vs. demand. As existing, operating facilities they rank high in project

viability and at some future point their product will likely need to be replaced with PPAs with prospective new facilities with initially lower project viability scores. They rank high in PG&E's prior evaluation criterion of support for RPS goals; one might expect some loss of employment in southern Nevada depending [REDACTED]

- In Arroyo's opinion, the two Ivanpah termination contracts merit approval by the CPUC. PG&E's analysis suggests that terminating the PPAs at the agreed-upon terms will provide significant cost savings to ratepayers compared to continuing deliveries. PG&E's estimate is that ratepayer savings [REDACTED]

Whether this degree of benefit to ratepayers is sufficiently attractive to justify approval of the agreements is a value judgment best made by regulatory policymakers. Note that the estimate of ratepayer savings is dependent on PG&E's assumptions for input parameters, about which reasonable people can disagree.

The report details the basis for these findings and opinions, following the 2024 RPS Shortlist Report Template provided by the Energy Division (ED) of the CPUC. The public version of this report has had confidential information redacted.

1. ROLE OF THE INDEPENDENT EVALUATOR

Pacific Gas and Electric Company issued a Request for Information on September 11, 2023: a solicitation for expressions of interest in termination, assignment, or other modifications of existing agreements on the part of counterparties to PCIA-eligible RPS energy contracts.

CPUC Decision 21-05-030 ordered the Investor-Owned Utilities (“IOUs”) to propose PCIA RFIs for contract modifications and assignments in their RPS proceedings. PG&E proposed such an RFI in its 2021 RPS procurement plan, which was approved by the CPUC. It issued its first PCIA RFI in the spring of 2022. No contract modifications or assignments resulted from that process.

In the decision, the CPUC ordered PCIA RFIs to be conducted for two years and did not require them for additional years. PG&E’s approved 2023 RPS procurement plan reported on the issuance of this 2023 PCIA RFI; it noted the minimal interest in the two RFIs and did not propose a 2024 RFI.

This chapter describes key roles of the IE and details activities undertaken by Arroyo in the solicitation to fulfill those roles.

A. KEY INDEPENDENT EVALUATOR ROLES AND RESPONSIBILITIES

To comply with CPUC requirements, PG&E retained Arroyo Seco Consulting to serve as IE for the 2023 PCIA RFI to provide an independent review of the utility’s proposal evaluation and selection process and the fairness of negotiations of any resulting contract modifications.

The CPUC has stated its intent for IEs to “separately evaluate and report on the IOU’s entire solicitation, evaluation and selection process”, in order to “serve as an independent check on the process and final selections.”¹ The Energy Division of the CPUC has provided a template to guide how IEs should report on the RPS competitive procurement process, outlining five specific issues about which IEs should report:

- Did the IOU do adequate outreach to participants, and was the solicitation robust?
- Was the IOU’s methodology designed such that proposals were fairly evaluated?
- Was the proposal evaluation process fairly administered?
- Were project-specific negotiations fair?

¹ California Public Utilities Commission Decision 06-05-039, May 25, 2006, Opinion Conditionally Approving Procurement Plans for 2006 RPS Solicitations, Addressing TOD Benchmarking Methodology, page 46.

- Do the contracts merit CPUC approval?

The structure of this report, setting out findings for each of these issues, is organized around the guidance of the template.

B. IE ACTIVITIES

To fulfill the role of evaluating PG&E's evaluation and selection of proposals, several activities were undertaken, both prior to the deadline and subsequently. Arroyo performed various tasks, including:

- Reviewing the market notice for the RFI;
- Comparing the RFI respondents to the resource list of PCIA-eligible resources in PG&E's supply portfolio;
- Monitoring the PG&E's team's correspondence with participants as it sought to gather enough information to make judgments on the merit of their proposals for entering negotiations;
- Employing an independent valuation model to value proposals. The IE model used independent inputs and a different methodology than PG&E's. It was simpler and lacked the granularity used in the PG&E model. An independent valuation has in the past been helpful for testing the robustness of PG&E team's value ranking of proposals using alternate assumptions and different value metrics; it is less helpful for producing absolute valuations as opposed to relative rankings of proposals;
- Observing contract-specific negotiations to ascertain how fairly they treated counterparties, competitors, and ratepayers; and
- Attending a meeting of PG&E's Procurement Review Group (PRG), presenting independent commentary and observations about the solicitation.

2. ADEQUACY OF OUTREACH

PG&E did not set a numerical target for contract modifications to be achieved from this RFI. This chapter reports on its outreach efforts and the response elicited.

A. ADEQUATE DISTRIBUTION OF SOLICITATION ANNOUNCEMENTS

On September 11, 2023, PG&E e-mailed a market notice to the contacts on its list of PCIA-eligible RPS resources, as its major vehicle for publicizing the RFI. The list included 189 resources, which had 101 individual unique contacts. This was a comprehensive list of projects that could be considered for a contract modification arising from the RFI, totaling about 6 GW of capacity.

Arroyo's opinion is that notifications about PG&E's PCIA RFI were adequately distributed.

B. CLARITY AND CONCISION OF SOLICITATION MATERIALS

The market notice was, at two pages in length, quite succinct. It announced that PG&E was seeking counterparties' interest in contract terminations, assignments, or other modifications. It requested that an RFI participant submit:

- The RPS resource's contract log number,
- A detailed description of the proposed commercial arrangement,
- Analysis of the advantages to PG&E and its ratepayers, and
- Acceptance of general terms and conditions.

The market notice included a link to these terms and conditions posted on PG&E's public website. They included confidentiality requirements, characterization of disclosures to PG&E's PRG and assigned IE, PG&E's right to reject proposals and terminate the RFI, and the participant's waiver of claims to damages or remedies associated with the RFI.

This PCIA RFI did not involve public distribution of a solicitation protocol. So, PG&E did not provide any specific guidance to participants on targets or objectives for the RFI or on quantitative and qualitative evaluation criteria and how they would be used to select or reject proposals. The market notice did state that "PG&E will consider Proposals that provide a clear benefit to its customers in reducing costs." This lack of specificity rendered the evaluation of proposals somewhat less than fully transparent.

Arroyo's opinion is that the solicitation materials provided clear direction on how to prepare and submit complete proposals that could be accepted and evaluated. Overall, Arroyo believes that PG&E's solicitation materials were clear and concise.

C. ROBUSTNESS OF THE SOLICITATION

The response to the 2023 PCIA RFI was not particularly robust. PG&E received submittals proposing contract terminations, for total capacity [REDACTED]. This response was stronger than that of PG&E's 2022 PCIA RFI solicitation, which elicited [REDACTED].

No bidders' conference or other forum was held to provide additional information to RFI participants. The only questions received prior to the deadline for submittals were inquiries from [REDACTED] about the eligibility of its projects for the RFI, which were promptly answered by PG&E. PG&E did not conduct a post-RFI survey for feedback.

3. FAIRNESS OF PROPOSAL EVALUATION AND SELECTION METHODOLOGY

Arroyo believes that PG&E's evaluation and selection methodology for assessing the ratepayer value of proposals for contract termination in its PCIA RFI was designed fairly. The following discussion identifies principles for evaluating PG&E's methodology and discusses its strengths and weaknesses.

A. PRINCIPLES FOR EVALUATING THE METHODOLOGY

The Energy Division of the CPUC has usefully suggested a set of principles for evaluating the process used by IOUs for selecting proposals in competitive renewable solicitations, within the template intended for use by IEs in reporting. These include:

- There should be no consideration of any information that might indicate whether the participant is an affiliate.
- Procurement targets and objectives were clearly defined in the IOU's solicitation materials.
- The IOU's methodology should identify quantitative and qualitative criteria and describe how they will be used to rank offers. These criteria should be applied consistently to all offers.
- The methodology should evaluate offers in a technology-neutral manner.
- The methodology should allow for consistent evaluation and comparison of offers of different sizes, in-service dates, and contract length.

Some additional considerations appear relevant. Unlike some utilities, PG&E does not rely on weighted-average numerical calculations of scores for evaluation criteria to arrive at a total aggregate score. Instead, the methodology focused on quantitative evaluation. This suggests a few other principles for assessing fairness:

- The methodology should identify how non-valuation measures, if any, will be considered; all non-valuation criteria used in selecting proposals should be transparent to participants.
- The logic of how non-valuation criteria or preferences are used to reject higher-value proposals and select lower-value proposals should be applied consistently and without bias.
- The valuation methodology should be reasonably consistent with industry practices.

B. STRENGTHS AND WEAKNESSES OF PG&E'S METHODOLOGY

For evaluation of the contract termination proposals, PG&E did not specifically employ its Portfolio-Adjusted Valuation ("PAV") metric, which has been approved by the CPUC as the utility's least-cost, best-fit methodology. Arroyo believes that the Net Market Valuation approach that it used instead aligns closely with the LCBF methodology, and is appropriate for the purposes of evaluating proposed contract terminations, as opposed to ranking proposals for new resources, for which PAV is more appropriate. This chapter discusses the methodology and addresses a set of specific issues identified in the Energy Division's template for IE reports.

Note that because PG&E did not include a solicitation protocol with the issuance of the RFI, it did not identify for participants what quantitative and qualitative evaluation criteria would be applied in selecting or rejecting proposals. Arroyo does not believe that this slight lack of transparency detracted from participants' willingness to submit proposals. The market notice did make it clear that PG&E was interested in reducing costs to ratepayers through contract terminations, assignments, or modifications.

1. CONSISTENCY WITH PROCUREMENT PLAN, PORTFOLIO FIT, PRODUCTS

PG&E's evaluation and selection methodology was consistent with its CPUC-approved 2023 RPS procurement plan. In Arroyo's opinion, PG&E adequately incorporated the needs and preferences stated in its RPS procurement plan as approved by the CPUC into its approach. For example:

- The 2023 RPS procurement plan stated that the utility will minimize the overall cost of renewables over time by, among other things, promoting competitive processes that can encourage price discipline. Soliciting proposals for contract termination or assignment through an open Request for Information promotes optimization of PG&E's RPS supply portfolio.
- The quantitative evaluation of proposals focused on assessing how they would reduce net costs to ratepayers.
- PG&E summarized the CPUC directive for holding the PCIA RFI in its 2023 RPS procurement plan, and in that plan reported on the RFI in progress.

The contract modifications or assignments requested in PG&E's RFI were consistent with those specified in Decision 21-05-030, that was cited in the 2023 RPS procurement plan.

Portfolio Fit. PG&E does not currently use a stand-alone metric for portfolio fit. Its current LCBF methodology accounts for its preferences for attributes of portfolio fit through adjustments applied when calculating PAV. In Arroyo's opinion, PG&E's approved least-cost, best-fit methodology adequately takes into account characteristics related to PG&E's portfolio fit preferences. PG&E did not use these adjustments for portfolio fit in evaluating the proposals submitted to the RFI. While such adjustments are

on point for evaluating the fit of proposed new resources to PG&E's supply portfolio, Arroyo does not believe that they are particularly relevant for calculating a threshold for acceptable pricing of a contract termination, because they do not represent cash value to ratepayers that derives from the benefit of terminating an existing contract. PG&E did not, for example, take into account any detriment to its portfolio of terminating resources that fit better with the hourly profile of its existing supply, which is a consideration in calculating PAV and is a legitimate factor in ranking new resources, but is not directly a cash cost or revenue element borne by ratepayers.

The evaluation of proposals did not take into account portfolio fit preferences.

Preferences and Other Criteria. PG&E named no preferences to be applied to proposals, either in the general terms and conditions for the RFI or in the market notice.

2. MARKET VALUATION

PG&E's market valuation approach has a number of general strengths including its consistency with industry practice, its rapid turnaround time, its reliance on market price data rather than dispatch model outputs, its neutrality with respect to technologies (as opposed to project characteristics), and its relation to real option pricing (not employed in this solicitation). Its weaknesses are the same as other methods that rely on extrapolating market prices beyond a time horizon when liquid market price signals for energy, capacity, or green attributes can be observed. The Net Market Value approach that PG&E used differs from its Portfolio-Adjusted Value approach but not in these strengths and weaknesses.

Note that, in contrast to its approach to valuing and ranking proposals to competitive solicitations for new resources, the methodology employed for this RFI required PG&E to extrapolate

[REDACTED]

As a consequence, Arroyo has less confidence in the use of the NMV methodology for estimating the value of an RPS PPA's termination than in the use of the PAV methodology for ranking competing proposals for new generation. The calculation of estimates for ratepayer savings are dependent on how accurate PG&E's extrapolation [REDACTED], which is not the case for ranking offers for new generation in Requests for Offers. That being said, there is no reason to expect that PG&E's judgment in constructing such inputs is worse than any other expert's, and it has long maintained and updated [REDACTED]

Transmission costs. Unlike PG&E's solicitations for new resources, the RFI's methodology did not involve consideration of transmission costs, because such costs are sunk for existing, operating resources and do not enter into the economic analysis of the benefit of terminating a PPA.

3. EVALUATION OF PROPOSALS' PROJECT VIABILITY

As existing, operating resources, all facilities evaluated for the RFI are already fully viable.

4. OTHER EVALUATION CRITERIA

PG&E's primary metric for evaluating proposals was Net Market Value. No non-valuation criteria were cited in the market notice or general terms and conditions.

4. FAIRNESS OF ADMINISTERING THE PROPOSAL EVALUATION AND SELECTION PROCESS

This section describes the extent to which PG&E's administration of its methodology for proposal evaluation and selection in the Request for Information was conducted fairly. Arroyo's opinion is that the process was conducted in a fair and consistent manner.

██████ proposals for contract termination were submitted timely by the October 9, 2023 deadline stated in the market notice:

- Solar Partners II, LLC² proposed termination for its Ivanpah Solar Electric Generating Station Unit 1, [REDACTED] Ivanpah 1 has a contract capacity of 114.46 MW.
- Solar Partners VIII, LLC proposed termination for its Ivanpah Solar Electric Generation Station Unit 3, [REDACTED] Ivanpah 3 has a contract capacity of 126.1 MW.

PG&E judged all of the submittals to conform to the requirements of the solicitation.

² The equity participants in the two Solar Partners counterparties include subsidiaries of NRG Energy Inc., BrightSource Energy Inc., and Alphabet Inc. (formerly Google Inc.).

██████████ Note that NRG has divested nearly all of the renewable energy generation it had previously owned and operated.

A. PRINCIPLES USED TO DETERMINE FAIRNESS OF PROCESS

The Energy Division has suggested a set of principles proposed to guide IEs in determining if an IOU's administration of its evaluation and selection process was fair:

- Were all proposals treated the same regardless of the identity of the bidder?
- Were participants' questions answered fairly and consistently and the answers made available to all participants?
- Did the utility ask for "clarifications" that provided one participant an advantage over others?
- Was the economic evaluation of the proposals fair and consistent?
- Was there a reasonable justification for any fixed parameters that were a part of the IOU's evaluation methodology (e.g., RMR values; debt equivalence parameters)?
- Were the qualitative and quantitative factors used to evaluate offers fair to all offers?

Some other considerations appear relevant to reviewing PG&E's administration of its methodology.

- Were any decisions to reject higher-valued proposals because of low scores in criteria or preferences other than market valuation applied consistently across all offers? Were any selections of lower-valued proposals in preference to higher-valued ones based on their superior attributes in non-valuation criteria made consistently, or were high-valued offers skipped over unfairly?
- If PG&E did not select the proposals that provide the best overall value, what factors prevented those from being selected? Was their rejection based on considerations that were communicated transparently to participants?
- Were the judgments used to create the selection based on evaluation criteria and preferences that were publicly disseminated to participants prior to offer submittal?

B. REVIEWING PG&E'S ADMINISTRATION OF ITS EVALUATION AND SELECTION PROCESS

PG&E provided Arroyo Seco Consulting with its selection and rejection decisions from the evaluation process. Arroyo had access to the proposal packages, to PG&E's correspondence with participants, and to summaries of the valuation analyses that were used to make selection/rejection decisions, and was able to arrive at independent opinions about the strengths and weaknesses of proposals against the evaluation criteria.

Elements of Arroyo's approach for evaluating the fairness of the evaluation and selection process include:

- Observing communications between PG&E and participants;

- Reviewing whether the logic for selection vs. rejection was consistently applied to all proposals;
- Inspecting PG&E’s input parameters, and
- Performing an independent valuation of contract termination proposals.

C. REASONABLENESS AND FAIRNESS OF PARAMETERS AND INPUTS

PG&E performed a detailed valuation analysis of the proposals submitted using its Net Market Value methodology. Arroyo conducted a simplified independent valuation.

Parameters and inputs that PG&E used in its evaluation of proposals were reasonably and fairly chosen, in Arroyo’s opinion. This includes assumptions for market pricing of energy, Resource Adequacy (“RA”) capacity, green attributes, and for numerous other inputs such as generation output and shape, Net Qualifying Capacity, termination date, and discount rate. PG&E used [REDACTED] as the basis for its initial valuation performed in October 2023 used to screen proposals for selection or rejection. It later refreshed its input assumptions in April 2024 using [REDACTED] and again using September 2024 [REDACTED]

[REDACTED]

PG&E has a variety of internal controls in place to ensure that its selection of inputs and parameters are reasonable and fair. The Energy Policy and Procurement organization relies on a separate and independent risk management function for oversight of power market assumptions used in valuation, and on a corporate financial function for oversight on financial assumptions.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] It observed that removing the Ivanpah units from its supply portfolio would free up opportunities in future to contract with more efficient and less expensive RPS-eligible generation.

H. ANALYSIS OF PG&E'S SELECTION RESULTS

This section discusses the proposal selection process.

1. SELECTED PROPOSALS

PG&E selected two proposals for contract termination, for the Ivanpah 1 and 3 projects. PG&E notified the project owners of its interest in entering negotiations on November 3.

[REDACTED]

[REDACTED]

[REDACTED]

2. DISAGREEMENTS IN EVALUATION PROCESS

Arroyo had no disagreements with how PG&E administered its methodology for evaluating and selecting proposals.

3. INDEPENDENT ANALYSES

For the purpose of checking PG&E's selection/rejection decisions, Arroyo conducted an independent valuation analysis, using a simpler methodology than PG&E's PAV metric and employing independently derived inputs. The results of Arroyo's analyses were consistent with PG&E's conclusion that the [REDACTED] proposals should be rejected.

4. OVERALL FAIRNESS OF ADMINISTRATION

Arroyo's opinion is that PG&E's administration of its valuation methodology for the PCIA RFI was fair to participants and their competitors. PG&E acted in a manner generally consistent with its CPUC-approved RPS procurement plan in evaluating proposals and making its initial selection and rejection decisions. PG&E did not use its approved Portfolio-Adjusted Valuation methodology but employed a similar but different Net Market Valuation approach that Arroyo considers entirely acceptable in the context of this solicitation, in which PG&E was not evaluating new resources based on their fit with its portfolio. Arroyo believes that the rejected proposals would have provided negative value to ratepayers.

In Arroyo's opinion, the proposals to the RFI were treated the same regardless of the identity of the participant. Input parameters to the NMV methodology were reasonably justified. PG&E's selection conforms to the needs of the utility's portfolio and RPS requirement given its statutory and regulatory obligations. In Arroyo's opinion, PG&E's evaluation of proposals was fairly administered.

5. FAIRNESS OF CONTRACT-SPECIFIC NEGOTIATIONS

This chapter provides an independent review of the extent to which PG&E's negotiations with Solar Partners II, LLC, Solar Partners VIII, LLC, and the U.S. Department of Energy (acting as loan guarantor but not a party to the PPAs) were conducted fairly with respect to competitors. (The last chapter describes fairness to ratepayers.) PG&E notified the Ivanpah counterparties on November 3, 2023 that it was interested in commencing discussions about their proposals, about 4 weeks after the proposal submittal deadline. The negotiations extended over several months, resulting in execution of agreements with Solar Partners II and Solar Partners VIII on January 15, 2025. Arroyo monitored e-mail communications and web-conferencing discussions between PG&E and the Ivanpah owners and DOE as they negotiated terms and conditions.

PG&E separately notified [REDACTED] on May 30, 2024 that it had not selected its proposals for negotiations.

Arroyo's opinion is that PG&E's negotiations were conducted in a manner that was fair to counterparties and to their competitors. The last chapter of this report provides a review of whether the agreements merit CPUC approval based on their fairness to ratepayers.

A. PRINCIPLES FOR EVALUATING THE FAIRNESS OF NEGOTIATIONS

Arroyo employed specific principles to evaluate the degree of fairness with which PG&E conducted negotiations with the Ivanpah owners.

- Were counterparties treated fairly and consistently by PG&E during negotiations? Were all counterparties given equitable opportunities to advance proposals towards final agreements? Were individual counterparties given unique opportunities to move their proposals forward or concessions to improve their contracts' commercial value, opportunities not provided to others?
- Was the distribution of risk between utility and counterparties in the agreements distributed equitably across contracts? Did PG&E's ratepayers take on a materially disproportionate share of risks in some contracts and not others? Were individual counterparties given opportunities to shift their commercial risks towards ratepayers, opportunities that were not provided to others?
- Was non-public information provided by PG&E shared fairly with all counterparties? Were individual participants uniquely given information that advantaged them in securing contracts or realizing commercial value from those contracts?

Beginning in November 2023, the parties held discussions aimed at arriving at agreement on termination payments, termination contract terms and conditions, and the structure of payments.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

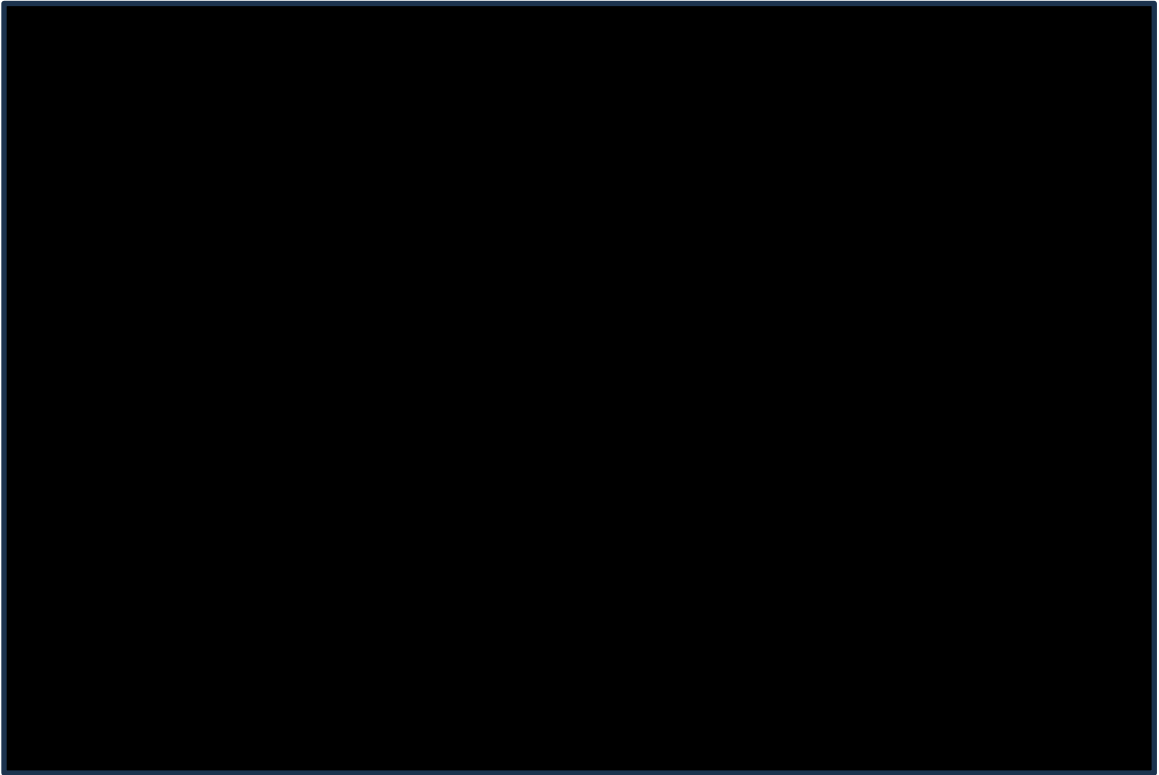
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Figure 1



[REDACTED]

[REDACTED]

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

[REDACTED]

6. MERIT FOR CPUC APPROVAL

This chapter provides an independent review of the merits of the termination contracts for the two Ivanpah units, based on criteria specified in the Energy Division's 2024 RPS IE template.

A. CONTRACT SUMMARIES

PG&E executed contracts on January 15, 2025 with Solar Partners II LLC and Solar Partners VIII LLC to terminate the existing PPAs for the output of the two Ivanpah units. Contract deliveries will end on January 20, 2026 for Ivanpah 1 and January 26 for Ivanpah 3, assuming that the CPUC approves the contracts by November 30, 2025. PG&E will also execute buyer's notes with the owners specifying its obligation to make semi-annual payments to buy out the PPAs.

B. NARRATIVE OF EVALUATION CRITERIA AND RANKING

The 2024 RPS template for IEs provided by the Energy Division calls for a narrative of the merits of the proposed project on the criteria of contract price, net market value, portfolio fit, and project viability.

1. CONTRACT PRICE AND MARKET VALUATION

Contract Prices. The prices of the two Ivanpah PPAs were deemed to be reasonable by the CPUC when it approved PG&E's Advice E-3458 in its Resolution E-4266 in 2009.

Market Valuation. PG&E performed a detailed market valuation of the termination contracts for the two units at the negotiated terms, and concluded that the transactions would yield significant cost savings to ratepayers amounting to [REDACTED]

Arroyo performed a simpler but independent analysis of the value of the contract terminations, using independently derived input parameters, and came to a conclusion that the termination contracts would provide ratepayer savings.

2. CONSISTENCY WITH RPS GOALS AND PROCUREMENT PLAN

Procurement plan. PG&E's most recently approved 2024 RPS procurement plan stated that PG&E was net short RPS resources in 2024 and expects to be net short again in 2026 and beyond. PG&E intends to comply with its RPS obligations during years that it is net short by using banked renewable energy credits, but expects a procurement need at a (confidential) date in the future. On that basis, removing the Ivanpah units from PG&E's

supply portfolio will not cause non-compliance, but would advance the timing of the procurement need.

PG&E's 2023 procurement plan, which was applicable to the PCIA RFI, stated that the utility uses its Portfolio-Adjusted Value (PAV) methodology to evaluate which products provide the best fit at least cost. In the case of the Ivanpah units, which are already within the supply portfolio, Arroyo does not believe that the adjustments involved in PAV calculations are relevant to determining whether terminating contracts provides a least-cost, best-fit outcome, so PG&E's use of Net Market Value calculations to evaluate the contract buyouts seems entirely appropriate.

RPS Goals. PG&E's 2014 RPS solicitation protocol included an evaluation criterion for a contract's contribution to RPS goals. One of the subcriteria was whether a project would provide economic benefits to "communities afflicted with high poverty or unemployment" or high emission levels, which were legislative goals for enacting the state's RPS program.

The Ivanpah facilities are sited on federal land in the Mojave Desert; the nearest population center is the unincorporated community of Primm, Nevada, while the nearest census-designated place is Goodsprings, Nevada. Goodsprings' median household income was reported by the Census Bureau to be \$19 thousand per year in 2023, far lower than that of the state of California (\$96 thousand per year). As a solar thermal facility using dry cooling, the Ivanpah projects have lower water use compared to other designs such as wet-cooled gas turbines, though the make-up water and heliostat wash water rely on groundwater from the local desert aquifer. California Energy Commission staff concluded that groundwater pumping by the Ivanpah projects should not contribute to significant impacts to the aquifer. The solar facilities do not contribute to the state's biomass goal.

Based on these observations, Arroyo would expect that the Ivanpah units would have ranked high for the RPS Goals evaluation criterion, so that removing them from the supply portfolio will decrease overall contributions to the criterion. One would expect loss of employment in southern Nevada when the units are shut down, but the degree of such job losses depends on [REDACTED]

3. PORTFOLIO FIT

Arroyo's opinion is that, qualitatively, the fit of the termination contracts with PG&E's portfolio ranks high because the existing PPAs rank low in fit. In 2022, PG&E altered its CPUC-approved least-cost, best-fit methodology used to evaluate proposals so that the assessment of portfolio fit now focuses on "how well they fit within the hourly profile of PG&E's bundled portfolio" rather than contribution to RPS compliance. As solar thermal projects, the Ivanpah units' production peaks in midday and in late spring and early summer, which is when periods of overgeneration and negative market prices have been likeliest to occur, and when, on average, PG&E least requires generation because of the oversupply from other contracted solar resources during those hours. Removing these ill-fitting units from the supply portfolio may at the margin reduce ratepayers' exposure to negative market pricing.

4. PROJECT VIABILITY

As operational projects, the Ivanpah units are fully viable. If, as expected, removing them from the supply portfolio results in accelerating PG&E's resource need for new RPS-eligible generation, that future new build will initially be scored as lower in project viability than the operating Ivanpah facilities.

C. DISCUSSION OF MERIT FOR APPROVAL

In Arroyo's opinion, the two termination contracts with Solar Partners II, LLC and Solar Partners VIII, LLC merit CPUC approval.

- PG&E's analysis of the economics of the termination of these contracts suggests that significant ratepayer savings will be realized because the cost of making termination payments and paying market prices to replace the units' generation is likely to be less than the cost of continuing to pay for their output. Arroyo's simplified but independent analysis supports PG&E's conclusion that the termination agreements will provide ratepayer savings.

[REDACTED]

Whether the estimated ratepayer savings are sufficient to justify CPUC approval is a value judgment that is most appropriately made by regulatory policymakers.

- Note that PG&E's valuation of the termination contracts is dependent on choices that it has made for input parameters. Some of these rely on extrapolation into future years for which it is infeasible to obtain market price observations.

[REDACTED]

. If other observers were to choose different future trajectories for

[REDACTED], and

they would arrive at markedly different estimates of ratepayer savings. Arroyo claims no particular insight into what the future holds for this parameter.

- Terminating the Ivanpah contracts has a high fit with PG&E's portfolio needs because the units' deliveries are highest during seasons and hours when the utility tends to be oversupplied with generation and its net energy supply needs are lowest. Removing the units will contribute to ameliorating this issue.

- The currently operational units are fully viable. At some future point PG&E will need to procure new resources to replace the RPS-eligible energy that the Ivanpah facilities would otherwise supply for the next several years. Such new facilities will likely score as less viable than these operating units when being initially evaluated.
- The Ivanpah units contribute to PG&E's prior definition of its RPS goals evaluation criterion, such as conferring economic benefits to nearby communities afflicted by poverty and high unemployment. Terminating the PPAs would lessen the overall score of the supply portfolio against that prior criterion.

In its previous IE report on the second amendments to the Ivanpah contracts that facilitated their continued operation, Arroyo stated an opinion that “the second amendments do not merit CPUC approval” and that “overall the benefits granted by the amendments to sellers outweigh the benefits for ratepayers”. Arroyo believes that its then-pessimistic view about the prospective operating performance of the units has since been realized with their subsequent underperformance. Part of PG&E's prior argument for continued operation of the units in Advice 5012-E was that they “ensure the continued operation of innovative solar thermal resources that provide Renewable Portfolio Standard (“RPS”)-eligible energy”. In Arroyo's opinion, any prior perception of that technology as “innovative” has ceased to be relevant as a justification for their continued operation.

Based on these observations, Arroyo's opinion is that the termination contracts merit CPUC approval.

Appendix E1

Termination Agreement
Solar Partners II, LLC

(Confidential)

Appendix E2

Termination Agreement
Solar Partners VIII, LLC

(Confidential)

Appendix F1

PG&E's Draft Alternative Renewable New
Short Template

(Confidential)

Appendix F2

PG&E's Draft Alternative Renewable New
Short Template

(Redacted)

CALIFORNIA'S RENEWABLES PORTFOLIO STANDARD PROGRAM

RPS Procurement Plan: Renewable Net Short Quantitative Response

Renewable Net Short calculations are to be submitted by all retail sellers each year with their RPS Procurement Plans, as required by the Public Utilities Code 399.13 and Commission decisions, notably, Decision (D.) 11-12-020, D.11-12-052, D.12-06-038, D.14-12-023, and D.16-12-040. **Any questions concerning the contents or formulas within this spreadsheet should be directed to the Energy Division RPS team at rpscompliance@cpuc.ca.gov.**



Procedural Guidelines

- 1) Public Utilities Code 399.13(a)(1) requires Investor-Owned Utilities (IOUs), Small and Multi-Jurisdictional Utilities (SMJUs), Electric Service Providers (ESPs), and Community Choice Aggregators (CCAs) to submit an RPS Procurement Plan each year to the CPUC to demonstrate that a sufficient amount of renewable energy has been procured to meet the obligations of the California RPS Program requirements.
- 2) Quantitative Responses must be submitted as part of a retail seller's RPS Procurement Plan to the Commission as specified in the Assigned Commissioner Ruling directing filing of RPS Procurement Plans, and the May 21, 2014 Ruling, Administrative Law Judge's Ruling on Renewable Net Short, issued in R.11-05-005, (<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M091/K331/91331194.PDF>)
 - a) **If a PDF version (vs. Excel file) is included in retail seller's RPS Plan, then all pages must be legible.** If a retail sellers seeks confidentiality of any portion of the data, the retail seller is responsible for maintaining
 - b) **Submit a confidential Excel version of this spreadsheet to the Energy Division via the CPUC Secure FTP site (<https://kwftp.cpuc.ca.gov>).** Please only submit this file in .xls or .xlsx format to the FTP site and contact rpscompliance@cpuc.ca.gov with any questions.

Renewable Net Short Calculations - 2020 RPS Procurement Plans

LSE Name:

Pacific Gas & Electric

Date Filed:

7/22/2024

Input required

No input required

Hard-coded

Variable	Calculation	Calculation	Item	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2017-2020	2021 Actual	2022 Actual	2023 Actuals	2024 Forecast	2021-2024	2025 Forecast	2026 Forecast	2027 Forecast	2025-2027	2028 Forecast	2029 Forecast	2030 Forecast	2028-2030	2031 Forecast	2032 Forecast	2033 Forecast	2034 Forecast
			Forecast Year					CP 3				1	CP 4	2	3	4	CP 5	5	6	7	CP 6	8	9	10	11
Annual RPS Requirement																									
A			Total Retail Sales (MWh)	61,397,214	48,832,111	35,956,100	35,956,100	182,141,524	33,149,379	30,307,095	26,015,045			26,156,095		26,365,929		26,050,353	25,680,106	26,030,299	77,760,758	26,822,789	27,792,540	29,049,546	30,295,745
B			RPS Procurement Quantity Requirement (%)	27.0%	29.0%	31.0%	33.0%	29.5%	35.8%	38.5%	41.3%	44.0%	39.7%	46.7%	49.3%	52.0%	49.3%	54.7%	57.3%	60.0%	57.3%	60.0%	60.0%	60.0%	60.0%
C	A*B		Gross RPS Procurement Quantity Requirement (MWh)	16,577,248	14,161,312	11,146,391	11,865,513	53,750,464	11,850,903	11,668,232	10,731,206	12,544,079	46,794,419	12,207,050	12,980,997	13,710,283	38,898,329	14,241,728	14,722,405	15,618,180	44,582,312	16,093,673	16,675,524	17,429,728	18,177,447
D			Voluntary Margin of Over-procurement (MWh)					-					-				-								
E	C+D		Net RPS Procurement Need (MWh)	16,577,248	14,161,312	11,146,391	11,865,513	53,750,464	11,850,903	11,668,232	10,731,206	12,544,079	46,794,419	12,207,050	12,980,997	13,710,283	38,898,329								
RPS-Eligible Procurement																									
Fa			Risk-Adjusted REC's from Online Generation (MWh)	22,335,589	20,385,398	20,299,675	20,075,213	83,095,875	19,879,885	17,022,668	15,992,797	16,188,311	69,083,662	17,074,398	16,504,634	16,185,955	49,764,988	16,147,489	15,576,433	15,493,520	47,217,442	15,259,812	14,759,118	13,428,408	11,776,831
Faa			Forecast Failure Rate for Online Generation (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fb			Risk-Adjusted REC's from RPS Facilities in Development (MWh)	-	-	-	-	-	-	-	-	72,871	72,871	764,753	1,575,117	1,994,183	4,334,053	4,202,670	4,172,530	4,152,243	12,527,443	4,132,166	4,121,592	4,092,449	4,072,028
Fbb			Forecast Failure Rate for RPS Facilities in Development (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fc			Pre-Approved Generic REC's (MWh)	-	-	-	-	-	-	-	-	-	-	-	6,307	47,933	54,240	185,528	304,260	362,203	851,990	1,446,260	2,228,384	2,270,013	2,311,503
Fd			Executed REC Sales (MWh)	2,069,230	1,451,000	9,744,419	7,566,135	20,830,784	2,111,552	2,753,627	5,454,377	8,556,362	18,875,918	4,810,624	4,776,093	4,752,526	14,339,243	4,746,381	4,716,218	4,699,031	14,161,630	4,681,746	4,674,568	4,429,852	3,967,820
F	Fa+Fb+Fc+Fd		Total RPS Eligible Procurement (MWh)	20,266,359	18,934,398	10,555,256	12,509,078	62,265,091	17,768,333	14,269,041	10,538,420	7,704,820	50,280,615	13,028,527	13,309,966	13,475,546	39,814,038	15,789,306	15,337,006	15,308,934	46,435,246	16,156,492	16,434,525	15,361,017	14,192,542
F0			Category 0 REC's	16,659,366	14,103,286	10,555,256	12,509,078	53,826,987	13,197,486	10,553,989	9,659,832	7,704,820	41,116,126	10,211,758	9,704,345	9,431,675	29,347,778	9,401,085	8,874,596	8,818,763	27,094,444	8,632,882	8,548,310	7,918,419	7,187,172
F1			Category 1 REC's	3,606,993	4,831,112	-	-	8,438,104	4,570,848	3,715,053	878,588	-	9,164,489	2,816,768	3,605,621	4,043,872	10,466,260	6,388,221	6,462,410	6,490,171	19,340,803	7,523,610	7,886,215	7,442,599	7,005,370
F2			Category 2 REC's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F3			Category 3 REC's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross RPS Position (Physical Net Short)																									
Ga	F-E		Annual Gross RPS Position (MWh)	3,689,111	4,773,086	(591,135)	643,565	8,514,627	5,917,430	2,600,810	(192,786)			821,477		(234,737)									
Gb	F/A		Annual Gross RPS Position (%)	33.0%	38.8%	29.4%	34.8%	34.2%	53.6%	47.1%	40.5%			49.8%		51.1%									

PG&E's RNS Stochastic Adjustment (2024-2034)

Variable	Calculation	Revised Calculation Correcting Apparent Errors in Energy Division Template	Item	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2017-2020	2021 Actual	2022 Forecast	2023 Forecast	2024 Forecast	2021-2024	2025 Forecast	2026 Forecast	2027 Forecast	2025-2027	2028 Forecast	2029 Forecast	2030 Forecast	2028-2030	2031 Forecast	2032 Forecast	2033 Forecast	2034 Forecast
Step 2 Result: Stochastically-Adjusted Net Short (Physical Net Short + Stochastic Risk-Adjustment)																									
Gc			Stochastically-Adjusted Annual Gross RPS Position (MWh)	3,665,686	4,730,505	(656,309)	574,374	8,314,256	5,457,105	2,170,286	(192,786)														
Gd		(Gc + C) / A	Stochastically-Adjusted Annual Gross RPS Position (%)	33.0%	38.7%	29.2%	34.6%	34.1%	52.2%	45.7%	40.5%														
Application of Bank																									
Ha	H-k (from previous CP)		Existing Banked REC's above the PQR	14,619,000	18,284,687	23,015,192	22,358,882	14,619,000	22,933,256	28,390,362	30,560,647														
Hb			REC's above the PQR added to Bank	3,665,686	4,730,505	(656,309)	574,374	8,314,256	5,457,105	2,170,286	(192,786)														
Hc			Non-bankable REC's above the PQR					-																	
H	Ha+Hb		Gross Balance of REC's above the PQR	18,284,686	23,015,192	22,358,882	22,933,257	22,933,256	28,390,362	30,560,647	30,367,861														
Ia			Planned Application of REC's above the PQR toward RPS Compliance	-	-	-	-	-	-	-	-														
Ib			Planned Sales of REC's above the PQR	-	-	-	-	-	-	-	-														
J	H+Ia-Ib		Net Balance of REC's above the PQR	18,284,686	23,015,192	22,358,882	22,933,257	22,933,256	28,390,362	30,560,647	30,367,861														
J0			Category 0 REC's	2,228,784	2,228,784	1,572,474	2,146,849	2,146,849	3,033,107	3,033,107	2,840,321														
J1			Category 1 REC's	16,055,903	20,786,407	20,786,407	20,786,407	20,786,407	25,357,255	27,527,541	27,527,541														
J2			Category 2 REC's					-																	
J3			Category 3 Bundled REC's (Non-CBA Utilities Only)*																						
Expiring Contracts (REC's)																									
K			REC's from Expiring RPS Contracts (MWh)	-	-	-	-	-	-	-	-														
Net RPS Position (Optimized Net Short)																									
La	Ga+Ia-Ib+Ic	Gc+Ic-F(Ib>0, Ib-Ia, I(Ib)<Ia, I(Ib, I(Ib-Ia)<0, 0, -Ha))	Annual Net RPS Position after Bank Optimization (MWh)	-	-	-	-	0	-	-	-														
Lb	(I+Ia-Ib-Ic)/A	(C + Ia)/A	Annual Net RPS Position after Bank Optimization (%)	27.0%	29.0%	31.0%	33.0%	29.5%	35.8%	38.5%	41.3%														

Note: All values are to be input in MWhs

*D.17-11-037 provides for utilities serving load in areas outside California Independent System Operator Balancing Authority (Non-CBA Utilities) to bank excess bundled PCC3 REC's



Appendix G

Proposed Protective Order and Nondisclosure Certificate

(Public)

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

2023 PCIA RFI; Termination of Power
Purchase Agreements between Solar
Partners II, LLC and Pacific Gas and Electric
Company and between Solar Partners VIII,
LLC and Pacific Gas and Electric Company

Advice 7485-E

PROTECTIVE ORDER

1. Scope. This Protective Order shall govern access to and the use in connection with the above-referenced Advice Letter (the "Advice Letter") of Protected Materials, produced by, or on behalf of, any Disclosing Party.

2. Modification. This Protective Order shall remain in effect until it is modified or terminated by the Commission or the Administrative Law Judge Division ("ALJ Division"). The parties acknowledge that the identity of the parties submitting Protected Materials may differ from time to time. In light of this situation, the parties agree that modifications to this Protective Order may become necessary, and they further agree to work cooperatively to devise and implement such modifications in as timely a manner as possible. Each party governed by this Protective Order has the right to seek changes in it as appropriate from the ALJ Division or the Commission.

3. Definitions

A. The term "Protected Material(s)" means (i) trade secret, market sensitive, or other confidential and/or proprietary information as determined by the Disclosing Party in accordance with the provisions of D.06-06-066 and subsequent decisions, General Order 66-Cand 454.5(g), or any other right of confidentiality provided by law, or (ii) any other materials that are made subject to this Protective Order by the ALJ Division, Law

and Motion Administrative Law Judge (“Law and Motion ALJ”), Assigned Commissioner, the Commission, or any court or other body having appropriate authority. Protected Materials also includes memoranda, handwritten notes, spreadsheets, computer files and reports, and any other form of information (including information in electronic form) that copies, discloses, or compiles other Protected Materials or from which such materials may be derived (except that any derivative materials must be separately shown to be confidential). Protected Materials do not include: (i) any information or document contained in the public files of the CPUC or any other state or federal agency, or in any state or federal court; or (ii) any information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Order or any other protective order.

B. The term “redacted” refers to situations in which Protected Materials in a document, whether the document is in paper or electronic form, have been covered, blocked out, or removed. The term “unredacted” refers to situations in which the Protected Materials in a document, whether in paper or electronic form, have not been covered, blocked out, or removed.

C. The term “Disclosing Party” means a party who initially discloses any specified Protected Materials in connection with the Advice Letter.

D. The term “Market Participant” (“MP”) refers to a party that is:

- 1) A person or entity, or an employee of an entity, that engages in the wholesale purchase, sale or marketing of energy or capacity, or the bidding on or purchasing of power plants, or bidding on utility procurement solicitations, or consulting on such matters, subject to the limitations in 3) below.
- 2) A trade association or similar organization, or an employee of such organization,
 - a) whose primary focus in proceedings at the Commission is to advocate for persons/entities that purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or

- b) a majority of whose members purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or
 - c) formed for the purpose of obtaining market sensitive information; or
 - d) controlled or primarily funded by a person or entity whose primary purpose is to purchase, sell or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations.
- 3) A person or entity that meets the criteria of 1) above is nonetheless not a market participant for purpose of access to market sensitive data unless the person/entity seeking access to market sensitive information has the potential to materially affect the price paid or received for electricity if in possession of such information. An entity will be considered not to have such potential if:
- a) the person or entity's participation in the California electricity market is *de minimis* in nature. In the resource adequacy proceeding (R.05-12-013) it was determined in D.06-06-064 § 3.3.2 that the resource adequacy requirement should be rounded to the nearest megawatt (MW), and load serving entities (LSEs) with local resource adequacy requirements less than 1 MW are not required to make a showing. Therefore, a *de minimis* amount of energy would be less than 1 MW of capacity per year, and/or an equivalent of energy; and/or
 - b) the person or entity has no ability to dictate the price of electricity it purchases or sells because such price is set by a process over which the person or entity has no control, *i.e.*, where the prices for power put to the grid are completely overseen by the Commission, such as subject to a standard offer contract or tariff price. A person or entity that currently has no ability to dictate the price of electricity it purchases or sells under this section, but that will have such ability within one year because its contract is expiring or other circumstances are changing, does not meet this exception; and/or
 - c) the person or entity is a cogenerator that consumes all the power it generates in its own industrial and commercial processes, if it can establish a legitimate need for market sensitive information.

E. A Market Participant's Reviewing Representatives are limited to persons designated by the Market Participant who meet the following criteria:

1. Are outside experts, consultants or attorneys;
2. Are not currently engaged, directly or indirectly, in (a) the purchase, sale, or marketing of electrical energy or capacity or natural gas (or the direct supervision of any employee(s) whose duties include such activities), (b) the bidding on or purchasing of power plants (or the direct supervision of any employee(s) whose duties include such activities), or (c) consulting with or advising others in connection with any activity set forth in subdivisions (a) or (b) above (or the direct supervision of any employee(s) whose duties include such activities or consulting); and
3. Are not an employee of a market participant.

F. Persons or entities that do not meet the definition of market participant are non-market participants ("NMPs"), and may have access to market sensitive information through their designated Reviewing Representatives. An attorney or consultant that simultaneously represents market participant(s) and non-market participant(s) may not have access to market sensitive data. If, on the other hand, simultaneous representation is of market participant and non-market participant clients involved in completely different types of matters, there should be no bar (although there may be ethical implications of such representation that we do not address here). If, for example, an attorney represents a market participant in matters unrelated to procurement, resource adequacy, RPS, or the wholesale purchase, sale or marketing of energy or capacity, or the bidding on or purchasing of power plants, or bidding on utility procurement solicitations, in a forum other than this Commission, and simultaneously represents a non-market participant in cases related to these topics before the Commission, there should be no bar to the attorney's receipt of market sensitive data (pursuant to a non-disclosure agreement and protective order) in the latter matter. In close cases, the balance should militate to bar simultaneous representation because of the risks it poses.

H. All Reviewing Representatives are required to execute a non-disclosure agreement and are bound by the terms of this Protective Order.

4. Designation of Materials. When submitting materials in connection with the Advice Letter containing Protected Materials, a party shall physically mark such documents on each page (or in the case of non-documentary materials such as computer diskettes, on each item) as "PROTECTED MATERIALS SUBJECT TO PROTECTIVE ORDER," or with words of similar import as long as one or more of the terms, "Protected Materials," "Protective Order," or "General Order No. 66-C" is included in the designation to indicate that the materials in question are protected.

All materials so designated shall be treated as Protected Materials unless and until (a) the designation is withdrawn pursuant to Paragraph 17 hereof, or (b) an ALJ, Commissioner or other Commission representative makes a determination pursuant to Paragraph 4 hereof changing the designation.

All documents containing Protected Materials that are submitted to Commission Staff in connection with the Advice Letter, or filed with the Commission or served, shall be placed in sealed envelopes or otherwise appropriately protected and shall be endorsed to the effect that they are submitted, filed or served under seal pursuant to this Protective Order. Such documents shall be served upon Reviewing Representatives and persons employed by or working on behalf of the state governmental agencies referred to in Paragraph 12 hereof who are eligible and have requested to review such materials. Service upon the persons specified in the foregoing sentence may either be (a) by electronic mail in accordance with the procedures adopted in connection with advice letters, (b) by facsimile, or (c) by overnight mail or messenger service. Whenever service of a document containing Protected Materials is made by overnight mail or messenger service, Commission Staff and/or the ALJ Division, as may be appropriate for purposes of review and disposition of

the Advice Letter, shall be served with such document by hand on the date that service is due.

5. Redaction of Documents. Whenever a party submits to Commission Staff, or files, serves or provides in discovery, a document that includes Protected Materials (including but not limited to briefs, testimony, exhibits, and responses to data requests), such party shall also prepare a redacted version of such document. The redacted version shall enable persons familiar with the Advice Letter to determine with reasonable certainty the nature of the data that has been redacted and where the redactions occurred. The redacted version of a document to be submitted or filed shall be served on all persons on the utility's advice letter service list and on any third parties as specified by statute or other Commission order, and the redacted version of a discovery document shall be served on all persons entitled thereto.

6. Selection of Reviewing Representatives. Each MP and NMP selecting a Reviewing Representative shall first identify its proposed Reviewing Representative to the Disclosing Party. An attorney or consultant that simultaneously represents market participant(s) and non-market participant(s) may not have access to market sensitive data, subject to the exception in paragraph 3.F. Any designated Reviewing Representative has a duty to disclose to the Disclosing Party any potential conflict that puts him/her in violation of Decision 06-12-030. A resume or curriculum vitae is reasonable disclosure of such potential conflicts, and should be the default evidence provided in most cases.

7. Access to Protected Materials and Use of Protected Materials. Subject to the terms of this Protective Order, Reviewing Representatives shall be entitled to access to Protected Materials. All other parties in this proceeding shall not be granted access to Protected Materials, but shall instead be limited to reviewing redacted versions of documents. Reviewing Representatives may make copies of Protected Materials, but

such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials. Protected Materials obtained by a party in connection with the Advice Letter may also be requested by that party in a subsequent Commission proceeding, subject to the terms of any protective order governing that subsequent proceeding, without constituting a violation of this order.

8. Maintaining Confidentiality of Protected Materials. Each Reviewing Representative shall treat Protected Materials as confidential in accordance with this Protective Order and the Non-Disclosure Certificate executed pursuant to Paragraph 7 and 8 hereof. Protected Materials shall not be used except as necessary in connection with review and disposition of the Advice Letter, and shall not be disclosed in any manner to any person except (i) Reviewing Representatives who have executed Non-Disclosure Certificates; (ii) Reviewing Representatives' paralegal employees and administrative personnel, such as clerks, secretaries, and word processors, to the extent necessary to assist the Reviewing Representatives, provided that they shall first ensure that such personnel are familiar with the terms of this Protective Order, and have signed a Non-Disclosure Certificate, (iii) persons employed by or working on behalf of the CEC or other state governmental agencies covered by Paragraph 12. Reviewing Representatives shall adopt suitable measures to maintain the confidentiality of Protected Materials they have obtained pursuant to this Protective Order, and shall treat such Protected Materials in the same manner as they treat their own most highly confidential information. Reviewing Representatives shall be liable for any unauthorized disclosure or use by their paralegal employees or administrative staff. In the event any Reviewing Representative is requested or required by applicable laws or regulations, or in the course of administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any of Protected Materials, they shall

immediately inform the Disclosing Party of the request, and the Disclosing Party may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the Reviewing Representative shall cooperate in good faith with such party either to oppose the disclosure of the Protected Materials consistent with applicable law, or to obtain confidential treatment of them by the person or entity who wishes to receive them prior to any such disclosure. If there are multiple requests for substantially similar Protected Materials in the same case or proceeding where a Reviewing Representative has been ordered to produce certain specific Protected Materials, the Reviewing Representative may, upon request for substantially similar materials by another person or entity, respond in a manner consistent with that order to those substantially similar requests.

9. Exception for California Independent System Operator (ISO).

Notwithstanding any other provision of this Protective Order, with respect to an ISO Reviewing Representative only, participation in the ISO's operation of the ISO-controlled grid and in its administration of the ISO-administered markets, including, but not limited to, markets for ancillary services, supplemental energy, congestion management, and local area reliability services, shall not be deemed to be a violation of this Protective Order.

10. Non-Disclosure Certificates. A Reviewing Representative shall not inspect, participate in discussions regarding, or otherwise be granted access to, Protected Materials unless and until he or she has first completed and executed a Non-Disclosure Certificate, attached hereto as Appendix A, and delivered the original, signed Non-Disclosure Certificate to the Disclosing Party. The Disclosing Party shall retain the executed Non-Disclosure Certificates pertaining to the Protected Materials it has disclosed and shall promptly provide copies of the Non-Disclosure Certificates to Commission Staff upon request.

11. Return or Destruction of Protected Materials. Protected Materials shall remain available to Reviewing Representatives until the later of the date that disposition of the Advice Letter becomes no longer subject to review, or the date that any other Commission proceeding relating to the Protected Material is concluded and no longer subject to judicial review. If requested to do so in writing after that date, the Reviewing Representatives shall, within fifteen days of such request, return the Protected Materials (including Notes of Protected Materials) to the Participant that produced them, or shall destroy the materials, except that copies of materials submitted to the Commission in connection with the Advice Letter that contain Protected Materials, and Notes of Protected Material may be retained, if they are maintained in accordance with Paragraph 8. Within such time period each Reviewing Representative, if requested to do so, shall also submit to the Disclosing Party an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 8. To the extent Protected Materials are not returned or destroyed, they shall remain subject to the Protective Order and CPUC General Order No. 66-C. In the event that a Reviewing Representative to whom Protected Material are disclosed ceases to be engaged to provide services in connection with the Advice Letter, then access to such materials by that person shall be terminated. Even if no longer engaged in connection with the Advice Letter, every such person shall continue to be bound by the provisions of this Protective Order and the Non-Disclosure Certificate.

12. Access and Use by Governmental Entities.

(a) In the event the CPUC receives a request from the CEC for a copy of or access to any party's Protected Materials, the procedure for handling such requests shall be as follows. Not less than five (5) days after delivering written notice to the Disclosing Party of the request, the CPUC shall release such Protected Materials to the CEC upon receipt from the CEC of an Interagency Information Request and

Confidentiality Agreement (“Interagency Confidentiality Agreement”). Such Interagency Confidentiality Agreement shall (i) provide that the CEC will treat the requested Protected Materials as confidential in accordance with this Protective Order, (ii) include an explanation of the purpose for the CEC’s request, as well as an explanation of how the request relates to furtherance of the CEC’s functions, (iii) be signed by a person authorized to bind the CEC contractually, and (iv) expressly state that furnishing of the requested Protected Materials to employees or representatives of the CEC does not, by itself, make such Protected Materials public. In addition, the Interagency Confidentiality Agreement shall include an express acknowledgment of the CPUC’s sole authority (subject to judicial review) to make the determination whether the Protected Materials should remain confidential or be disclosed to the public, notwithstanding any provision to the contrary in the statutes or regulations applicable to the CEC.

(b) In the event the CPUC receives a request for a copy of or access to a party’s Protected Materials from a state governmental agency other than the CEC that is authorized to enter into a written agreement sufficient to satisfy the requirements for maintaining confidentiality set forth in Government Code Section 6254.5(e), the CPUC may, not less than five (5) days after giving written notice to the Disclosing Party of the request, release such protected material to the requesting governmental agency, upon receiving from the requesting agency an executed Interagency Confidentiality Agreement that contains the same provisions described in Paragraph 10(a) above.

(c) The CEC may use Protected Materials when needed to fulfill its statutory responsibilities or cooperative agreements with the CPUC. Commission confidentiality designations will be maintained by the CEC in making such assessments, and the CEC will not publish any assessment that directly reveals the data or allows the data submitted by an individual load serving entity (“LSE”) to be “reverse engineered.”

13. Dispute Resolution. All disputes that arise under this Protective Order, including but not limited to alleged violations of this Protective Order and disputes

concerning whether materials were properly designated as Protected Materials, shall first attempted to be resolved through meet and confer. If the meet and confer process is unsuccessful, the involved parties may present the dispute for resolution to the ALJ Division.

14. Other Objections to Use or Disclosure. Nothing in this Protective Order shall be construed as limiting the right of a party, the Commission Staff, or a state governmental agency covered by Paragraph 12 from objecting to the use or disclosure of Protected Material on any legal ground, such as relevance or privilege.

15. Remedies. Any violation of this Protective Order shall constitute a violation of an order of the CPUC. Notwithstanding the foregoing, the parties and Commission Staff reserve their rights to pursue any legal or equitable remedies that may be available in the event of an actual or anticipated disclosure of Protected Materials.

16. Withdrawal of Designation. A Disclosing Party may agree at any time to remove the "Protected Materials" designation from any materials of such party if, in its opinion, confidentiality protection is no longer required. In such a case, the Disclosing Party will notify all other parties that the Disclosing Party believes are in possession of such materials of the change of designation.

17. Interpretation. Titles are for convenience only and may not be used to restrict the scope of this Protective Order.

Entered: _____
Administrative Law Judge

Date: _____

APPENDIX A TO PROTECTIVE ORDER

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

2023 PCIA RFI; Termination of Power)
Purchase Agreements between Solar)
Partners II, LLC and Pacific Gas and Electric)
Company and between Solar Partners VIII,)
LLC and Pacific Gas and Electric Company

Advice _____

NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Order in connection with the above referenced Advice Letter, that I have been given a copy of and have read the Protective Order, and that I agree to be bound by it. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Order. I acknowledge that a violation of this certificate constitutes a violation of an order of California Public Utilities Commission.

By: _____
Title: _____
Representing: _____
Date: _____

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

AT&T	East Bay Community Energy	Pacific Gas and Electric Company
Albion Power Company	Ellison Schneider & Harris LLP	Peninsula Clean Energy
Alta Power Group, LLC	Electrical Power Systems, Inc.	Pioneer Community Energy
	Fresno	
Anderson & Poole	Engineers and Scientists of California	Public Advocates Office
Atlas ReFuel BART		Redwood Coast Energy Authority
	GenOn Energy, Inc.	Regulatory & Cogeneration Service, Inc.
BART	Green Power Institute	Resource Innovations
Buchalter	Hanna & Morton LLP	Rockpoint Gas Storage
Barkovich & Yap, Inc.		San Diego Gas & Electric Company
Braun Blaising Smith Wynne, P.C.	ICF consulting	SPURR
	iCommLaw	San Francisco Water Power and Sewer
California Community Choice Association	International Power Technology	Sempra Utilities
California Cotton Ginners & Growers Association		Sierra Telephone Company, Inc.
California Energy Commission	Intertie	Southern California Edison Company
California Hub for Energy Efficiency	Intestate Gas Services, Inc.	Southern California Gas Company
California Alternative Energy and Advanced Transportation Financing Authority		
California Public Utilities Commission	Kelly Group	Spark Energy
Calpine	Ken Bohn Consulting	Sun Light & Power
Cameron-Daniel, P.C.	Keyes & Fox LLP	Sunshine Design
Casner, Steve		Stoel Rives LLP
Center for Biological Diversity	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
Chevron Pipeline and Power	Los Angeles County Integrated	TerraVerde Renewable Partners
City of Palo Alto		Tiger Natural Gas, Inc.
City of San Jose	Waste Management Task Force	TransCanada
Clean Power Research		
Coast Economic Consulting	MRW & Associates	Utility Cost Management
Commercial Energy	Manatt Phelps Phillips	Utility Power Solutions
Crossborder Energy	Marin Energy Authority	
Crown Road Energy, LLC	McClintock IP	Water and Energy Consulting
Communities Association (WMA)	McKenzie & Associates	Wellhead Electric Company
	Modesto Irrigation District	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP		Yep Energy
	NOSSAMAN LLP	
Day Carter Murphy	NRG Solar	
Dept of General Services		
Douglass & Liddell	OnGrid Solar	
Downey Brand LLP		
Dish Wireless L.L.C.		