Pacific Gas and Electric Company®

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April 17, 2026

Advice 7895-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: **Amendment to Mid-Term Reliability Agreement Approved in Advice Letter 7356-E**

Purpose

Pacific Gas and Electric Company (PG&E or the Utility) requests approval of amendments to power purchase agreements (referred to as Agreements or PPAs) with Atlas Solar XII, LLC and Atlas Solar XIII, LLC (collectively referred to as Atlas, Developer, or Seller) resulting from PG&E's Mid-Term Reliability Request for Offers – Phase 3 (MTR RFO – Phase 3) that was presented in Advice Letter 7356-E and approved by the California Public Utilities Commission (Commission or CPUC) in Resolution E-5370 on February 20, 2025.

The amendments included in this advice letter are necessary for PG&E to continue to make progress to meeting the incremental September Net Qualifying Capacity (NQC) procurement requirements mandated in applicable CPUC mid-term reliability decisions, as well as its Renewables Portfolio Standard (RPS), greenhouse gas (GHG) free energy and greenhouse gas emissions reductions clean energy goals.[1] For the reasons described herein, the amendments presented in this advice letter are reasonable and in the interest of customers and thus, should be approved.

PG&E requests that the Commission issue a final resolution approving this Tier 3 advice letter by no later than July 16, 2026, which is 90 days from the date of submittal of this

[1] RPS program requirements were established in 2002 as part of Senate Bill (SB) 1078 and modified through subsequent bills including SB350 and SB100 to today's 60% RPS target by 2030. SB100 and SB1020 also established GHG-free energy requirements as stepping stones for Load Serving Entities (LSEs) to reach their 2045 carbon-free targets. GHG-emissions reductions goals are set as part of the IRP proceeding (R.20-05-003). Future requirements and compliance rules may change as the Commission works through the Reliable and Clean Power Procurement Program (RCPPP) updates within the IRP proceeding.

advice letter. This timeline will provide certainty to PG&E and Seller to enable the projects to meet their expected online dates.

Background

On June 30, 2021, the Commission issued D.21-06-035, addressed the mid-term reliability needs of the electricity system within the California Independent System Operator Corporation's (CAISO) operating system beginning in 2023. D.21-06-035 requires load-serving entities to procure 11,500 MWs of additional NQC resources, with PG&E responsible for 2,302 MWs of that total. Of the 11,500 total, at least 2,000 MW must be delivered by August 1, 2023, an additional 6,000 MW by June 1, 2024, an additional 1,500 MW by June 1, 2025, and an additional 2,000 MW by June 1, 2026. The Commission also ordered in D.21-06-035 that at least 2,500 MW of the resources procured by the load serving entities (LSEs) between 2023 and 2025 be from zero-emission resources that generate electricity, or generation resources paired with storage, or demand response, to replace the current supply of energy from DCPP and ensure there is no increase in GHG emissions upon that facility's (then-expected) retirement.

On February 7, 2023, PG&E issued its MTR RFO – Phase 3, to continue making progress toward its mid-term reliability procurement requirements. From this RFO, PG&E sought approval for the Atlas Solar XII, LLC and Atlas Solar XIII, LLC projects (Projects) along with two other agreements in Advice Letter 7356-E, which the Commission issued an approving resolution on February 20, 2025.

The Commission issued D.23-02-040 on February 28, 2023, to take supplemental measures to address MTR needs within the CAISO operating system for 2026 and 2027. D.23-02-040 requires supplemental MTR procurement of a total of 4,000 MW of NQC, of which PG&E is responsible for 388 MW in 2026 and 388 MW in 2027, in addition to the 11,500 MW (2,302 for PG&E) ordered in D.21-06-035. Additionally, D.23-02-040 postponed the requirements from D.21-06-035 for procurement of Long Lead-Time (LLT) resources to 2028.

On February 20, 2024, the Commission issued D.24-02-047, which approved PG&E's 2022 Integrated Resource Plan (IRP) (filed November 1, 2022, and supplemented or revised in 2023), authorizing PG&E to begin procurement towards meeting its IRP requirements, including IRP GHG emissions reductions targets as well as SB1020 GHG-free energy requirements.

On September 18, 2025, the Commission approved D.25-09-007, which granted, with modifications, Southern California Edison Company's Petition for Modification of D.23-02-040 and D.24-02-047 filed on March 21, 2025. D.25-09-007 eliminated the option for LSEs to use bridge contracts as an alternative compliance mechanism, given the high cost and lack of short term reliability benefits such bridge contracts provide, and established that LSEs will be deemed compliant with their D.21-06-035 and D.23-02-040 obligations (as modified by D.24-02-047) if they can show that: (1) they have sufficient executed long term (ten years or more) contracts (for capacity and/or energy, as applicable) to meet the applicable procurement obligation; and (2) they have met their month ahead system resource adequacy obligations for all months in which their procurement is delayed, by the final deadline for curing any resource adequacy deficiency. D.25-09-007 also provided an alternative compliance pathway for LLT resources, which allows LSEs to delay procurement of LLT resources to June 1, 2031 if LSEs procure long-term contracts that otherwise meet the standards for procurement under D.21-06-035, by June 1, 2028.

On March 5, 2026, the Commission issued D.26-02-057 requiring LSEs to procure 6,000 MWs of additional NQC resources, with PG&E responsible for 1,077 MWs of that total. Of the 6,000 MW total, at least 2,000 MW must be delivered by June 1, 2030, an additional 2,000 MW by June 1, 2031, and an additional 2,000 MW by June 1, 2032. Any procurement towards meeting the requirements of D.21-06-035 and D.23-02-040 obligations (as modified by D.24-02-047) which exceeds those requirements is eligible to count towards the obligations set in D.26-02-057. Additionally, the alternative compliance pathways allowed by D.25-09-007 are still applicable.

Negotiation Background

Since the PPAs were executed, Atlas notified PG&E that it would be unable to deliver product under the Agreements as originally expected.

Appendix B1 describes the amendment negotiation process and Appendices B2 and B3 describe the terms of the amendments. The terms and conditions of the amendments are nearly identical.

SUMMARY OF AMENDED AGREEMENT

Table 1: Amended Agreement Summary

Counterparty (Project Name)	Technology	Expected Initial Delivery Date	Term (Years)	RPS Size (MW)	Storage Size (MW)
Atlas Solar XII, LLC (Atlas North 1 Project)	Solar photovoltaic (PV) & Lithium-ion battery storage	~~12/1/2027~~ 9/1/2028	15	375	225
Atlas Solar XIII, LLC (Atlas North 2 Project)	Solar PV & Lithium-ion battery storage	~~12/1/2027~~ 9/1/2028	15	375	225

RPS Aspects of the Atlas North 1 Project PPA and Atlas North 2 Project PPA

As described above, the Atlas North 1 Project PPA and Atlas North 2 Project PPA are eligible to meet PG&E's RPS and IRP compliance obligations. Below are sections applicable to the Commission's assessment of RPS procurement contracts.

I. General Deal Structure

Describe general characteristics of contracts:

1. **Developer / Seller**
   Atlas Solar XII, LLC and Atlas Solar XIII, LLC

2. **Technology type(s)**
   Solar PV & Lithium-Ion Batteries

3. **Technology maturity (e.g., in-development, online, etc.)**
   Solar PV and Lithium-Ion technology is mature and commercially proven with projects online.

4. **Expected Delivery Period**
   15 years

5. **Contracted and Nameplate Capacity**
   See Table 2 (General Project Description) below.

6. **Total Annual Generation (MWh)**
   See Table 2 (General Project Description) below.

7. **Source of agreement, i.e., RPS solicitation year or bilateral negotiation**
   PG&E's MTR RFO – Phase 3.

8. **If an amendment, describe contract terms being amended and reason for amendment**
   Appendix B1 describes the amendment negotiation process and Appendices B2 and B3 describe the terms of the amendments.

9. **The RPS/IRP requirements that the contract is expected to count towards**
   The amendments included in this advice letter are necessary for PG&E to continue to make progress to meet the incremental September NQC procurement requirements mandated in applicable CPUC Mid-Term Reliability decisions and D.26-02-057, as well as RPS, GHG free energy and GHG emissions reductions goals.

TABLE 2: GENERAL PROJECT DESCRIPTIONS

Project Name	Atlas North 1 Project	Atlas North 2 Project
Developer/Seller	Atlas Solar XII, LLC	Atlas Solar XIII, LLC
Technology Type	Solar PV & Lithium Ion Battery	Solar PV & Lithium Ion Battery
RPS Capacity (MW)	375 MW	375 MW
Storage Capacity (MW)	225 MW	225 MW
Capacity Factor	Solar: 35%	Solar: 35%
Total Expected Generation (GWh/Year)	1,165 GWh (Year 1)	1,165 GWh (Year 1)
Projected Commercial Operational Date	6/15/2028	6/15/2028
Date contract Delivery Term begins	~~12/1/2027~~ 9/1/2028 (amended)	~~12/1/2027~~ 9/1/2028 (amended)
Delivery Term (Years)	15	15
Vintage (New/Existing/Repower)	New	New
Location (city and state)	La Paz, Arizona	La Paz, Arizona
Disadvantaged Status of Project Location (DAC/ Non-DAC)	DAC per CEJST	DAC per CEJST
Control Area (e.g., CAISO, BPA)	CAISO	CAISO
Type of cooling, if applicable	N/A	N/A
Interconnection Point	500 kV Cielo Azul switching station	500 kV Cielo Azul switching station
Type of Interconnection Study/Agreement	CAISO LGIA	CAISO LGIA

II. Background

A. Discuss the Decisions that compelled the utility to procure the resources sought for approval

Relevant decisions include D.21-06-035, D.23-02-040, D.24-02-047, D.25-12-025, and D.26-02-057.

B. Briefly describe the solicitation and/or bilateral negotiation undertaken

i. Describe the various phases and structure of the solicitation, including, but not limited to:

These amendments are based on transactions from the solicitation described in Advice Letter 7356-E (MTR RFO – Phase 3). As these are amendments, subsection items specific to solicitation procedures are not relevant and have been deleted.

a. The contract negotiation process

Please refer to Appendix B1 for a detailed description of the negotiation process for these amendments.

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

i. Briefly describe IOU's LCBF Methodology and how the Project compared relative to other offers available to the IOU at the time of evaluation. Relevant details include, but are not limited to:

a. **The quantitative and qualitative benefits considered**

b. **The qualitative factors and assessment of such**

PG&E's LCBF analysis includes qualitative and quantitative assessments of a proposed transaction to assess its value to customers. For these amendments, PG&E considered market data from its ongoing solicitations, including data from its 2025 GHG-Free RFO.

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

Not applicable since these are amendments based on transactions from the solicitation described in AL 7356-E (MTR RFO – Phase 3).

D. Consultation with the Participant Review Group (PRG)

i. List PRG participants (by organization/company).

PRG participants are:

- Coalition of California Utility Employees
- Coast Economic Consulting
- EarthJustice
- The Utility Reform Network (TURN)
- Union of Concerned Scientists
- Public Advocates Office
- Energy Division

ii. **Describe the utility's consultation with the PRG regarding the respective contract, 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. Be specific about the dates of communication and the methods of communication used.**

PG&E sent the PRG an email on March 9, 2026, notifying the PRG of its intent to execute the amendments. In response, Public Advocates Office sent a Data Request to PG&E on March 11, 2026 which PG&E responded to on March 27, 2026.

E. The Role of the Independent Evaluator (IE) (pursuant to D.04-12-048, D.06-05-039, 07-12-052, and D.09-06-050.)

PG&E engaged an independent evaluator (IE) from the Commission's approved list of IEs for the negotiation of these amendments. The IE for these amendments was Merrimack Energy, represented by Wayne Oliver and Keith Oliver. Merrimack Energy reviewed negotiations, communications between the parties, participated in contract negotiations, and reviewed valuations of the original PPAs and the amended PPAs.

F. Discuss the development status of the project and provide insight on the Developer/Seller

i. **If hybrid technology will be deployed or a co-located project, describe the configuration and potential issues and/or benefits created by the hybrid technology or co-location.**

The Atlas North 1 and Atlas North 2 Projects are co-located solar photovoltaic and 4-hour duration lithium-ion projects with two separate CAISO resource IDs behind a single point of interconnection.

Co-location of storage with solar generation supports reliability by shifting the delivery of solar energy to critical net-peak periods in the

CAISO system and can reduce congestion by absorbing energy that may otherwise be caught behind a constraint.

ii. **Explain whether the developer has secured the necessary rights for water, fuel(s), and any other required inputs to operate and maintain the Project.**
Not applicable to the Projects.

iii. **Describe the Project development team and/or company principals and describe how many years of experience they have had on the development side of the electric industry.**
Each entity (Atlas Solar XII and Atlas Solar XIII) that is party to a PPA is a single-purpose vehicle that owns all of the assets associated with the corresponding Project. Each of those entities is an indirect wholly-owned subsidiary of Lydian Energy LLC (the main operating company/parent at Lydian). Lydian Energy has over 50 employees all with deep industry knowledge and decades of energy development experience in total.

G. Transmission (move applicable components of section to Part 2 if they must be kept confidential)

i. **Discuss the status of the Project's interconnection application, whether the Project is in the CAISO or any other interconnection queue, and which transmission studies are complete and/or in progress.**
Both Projects are under queue position Q1402 in CAISO Cluster 10. Queue Cluster 10 Phase I and Phase II studies are completed.

ii. **Discuss the status of the Interconnection Agreement with the interconnecting utility (e.g., draft issued, executed and at FERC, fully approved).**
The Interconnection Agreement for Q1402 is fully executed with CAISO and the Interconnecting Participating Transmission Operator (PTO), DCRT (DCR Transmission, L.L.C.). As mentioned above, Q1402 includes both Atlas Projects.

iii. **Describe the required network and gen-tie upgrades and the capacity to be available to the Project upon completion, including any proposed curtailment schemes.**
Please see Appendix A1 for more information.

iv. **Describe any required substation upgrades or construction.**
Please see Appendix A1 for more information.

v. **Discuss the timing and process for all transmission-related upgrades. Identify critical path items and potential contingencies in the event of delays.**
Please see Appendix A1 for more information.

vi. **Explain any issues relating to other generating facility projects in the transmission queue as they may affect the Project.**
None identified.

vii. **If the Project is dependent on transmission that is likely to be congested at times, leading to a product that is less than 100% deliverable for at least several years, explain how the utility factored the congestion into the LCBF bid analysis.**
PG&E analyzed the amendments using its LCBF methodology which factors congestion and losses into each resource's energy and capacity value.

viii. **Describe any alternative transmission arrangements available and/or considered to facilitate delivery of the Project's output.**
Please see Appendix B1 for more information.

B. Discuss the procurement's consistency with statutory goals and requirements

i. **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.
The Projects are new facilities located in the WECC that will generate clean energy, provide resource adequacy, and are projected to reduce GHG emissions directly associated with energy production.

ii. **Describe how procurement pursuant to the contract will meet IOU's specific RPS compliance period needs. Include Renewable Net Short calculation as part of confidential response.**
In Appendix E1, PG&E provides its Conforming Renewable Net Short (RNS) Table from its Final 2025 RPS Plan. PG&E also provides its Alternative RNS Table calculation from its Final 2025 RPS Plan in Appendix E2. Deliveries from the Atlas North 1 Project and Atlas North 2 Project will commence on September 1, 2028 with expected deliveries for 15 years.

The Projects will therefore begin contributing towards PG&E's RPS procurement requirements during the sixth RPS compliance period until the end of their PPA terms.

iii. **If applicable, discuss how the procurement will meet the requirements of IRP Decisions. If the resource is expected to contribute to a specific component of an IRP Decision requirement, state the specific requirement and by how many MWs or MWhs it is expected to contribute to.**
Both Atlas Projects are expected to count toward PG&E's MTR requirements, and to the extent that PG&E's procurement exceeds its MTR requirements, both Atlas Projects are eligible to count toward D.26-02-057. Each project can count 225 MW of deliverable storage and 150 MW of deliverable solar.

Additionally, both Atlas Projects are expected to count toward PG&E's GHG-free energy and GHG emissions reductions targets as outlined in PG&E's latest 2022 IRP filing. In that IRP filing, PG&E anticipated a potential need for ~5.6 GW of incremental resource additions to meet the emissions requirements by 2035.[2] PG&E has engaged in procurement activities since that IRP filing, including procurement for MTR and other mandated programs, but PG&E still has not reached its anticipated clean energy targets. The Atlas Projects are expected to collectively contribute approximately 2,200 GWh on average annually toward PG&E's GHG-free energy goals and provide GHG emissions reductions of approximately 0.6 MMt of CO2[3], with equal contribution from each project.

C. Discuss the procurement's consistency with the most recent RPS Procurement Plan

i. Identify the Commission decision that approved the utility's RPS Procurement Plan.

PG&E's Final 2025 RPS Procurement Plan (RPS Plan) was filed on January 26, 2026 and is now effective.[4] Per D.25-12-025, PG&E was granted authority to procure RPS resources needed to meet its RPS portfolio needs and CPUC procurement-related orders issued in the IRP proceeding.[5]

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

As stated in Section II of its RPS Plan, PG&E has a future RPS procurement need based on its RNS analysis. At the time this RNS analysis was completed, the original agreements were already executed.[6] Therefore, the Projects were included as part of PG&E's baseline portfolio and modeled as contributing clean energy, resource adequacy, reducing GHG emissions directly associated with energy production energy, and renewable energy credits.

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[2] PG&E's 2022 IRP Filing, Section III.a.iii, Study Results—Resource Additions, Table 8 (pp. 34, 35). https://www.pge.com/assets/pge/docs/about/doing-business-with-pge/2022-PGE-Integrated-Resource-Plan.pdf

[3] PG&E used the 2022 IRP cycle CSP tool to calculate these approximate emission values.

[4] D.25-12-025, OP 139.

[5] D.25-12-025, OP 4 and OP 5.

[6] PG&E 2025 Final RPS Plan, Section IV.A Portfolio Supply and Demand—Supply—*Existing Supply Portfolio*, pp 22-26.

iii. Sales- if applicable

Not a sale. Subsections have been deleted.

D. Portfolio Optimization Strategy

i. Describe how the proposed procurement (or sale) optimizes IOU's RPS portfolio (or entire energy portfolio). Specifically, a response should include:

a. Identification of IOU's portfolio optimization strategy objectives that the proposed procurement (or sale) are consistent with.

Section IV.C of PG&E's RPS Plan lays out PG&E's overall procurement strategy, including the incremental procurement needed to meet future RPS compliance obligations beyond the baseline in its Renewable Net Short (RNS) analysis. Since these agreements were already executed at the time that time this filing and associated analysis were complete, they are included as part of the baseline portfolio. These amendments keep PG&E on track to meet its RPS requirements per the strategy included in its RPS Plan.

i. 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.

Please see Appendix B1 for a description of affected metrics.

ii. 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).

There is no change in risk around the impact to PG&E's RPS compliance position. As noted in

Section II of PG&E's RPS Plan, PG&E has sufficient bank and RPS volumes generated from existing resources to meet its near-term compliance needs. The Atlas Projects were included as part of PG&E's baseline portfolio in its RPS Plan.

Other risks that PG&E considers when analyzing its RPS compliance position can be found in Section VII 'Risk Assessment' in its Final 2025 RPS plan.

E. Compliance with Standard Terms and Conditions (STCs)

i. **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 and D.13-11-024?**
   Yes

ii. **Using the tabular format, provide the specific page and section number where the RPS non-modifiable STCs are located in the contract**.
   No modifications have been made to STCs in these amendments. STCs in the original agreement are described in AL 7356-E (MTR RFO – Phase 3).

   a. **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.**
      Not applicable since these are amendments.

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

i. **Describe each contract's claimed portfolio content category.**
   PG&E expects that RPS eligible generation from both Atlas Projects will be Portfolio Content Category (PCC) 1 because energy and Renewable Energy Credits (RECs) will come directly from the Projects and the Projects are connected into CAISO and the WECC.

ii. **Explain how the procurement pursuant to the contract is consistent with the criteria of the claimed portfolio content category as adopted in D.11-12-052.**
The contract is consistent with the PCC 1 criteria adopted in D.11-12-052 because it provides bundled delivery of renewable energy and associated RECs generated solely by the Project and has its first point of interconnection to the Western Electricity Coordinating Council transmission grid within the metered boundaries of a California balancing authority area.

iii. **Describe the risks that the procurement will not be classified in the claimed portfolio content category.**
There is little risk the amendments will not be classified in the claimed portfolio content category, as the projects are defined as having a point of interconnection within the CAISO and the Agreements are for purchase of all energy and RECs from the Atlas Projects' RPS resources.

iv. **Describe the value of the contract to ratepayers if:**

a. **Contract is classified as claimed**
Classification as claimed allows ratepayers to realize the full RPS compliance of the contract.

b. **Contract is not classified as claimed**
The contracts are structured to protect ratepayers from this outcome by imposing restrictions on unbundling product and modifying the Projects without PG&E's consent. If in the event the agreements are not classified as claimed, ratepayers would still receive energy and capacity value and REC value of a lower category than expected, while PG&E could pursue contractual remedies.

G. Long-Term Contract Procurement Percentage Requirement (D.12-06-038, as modified by D.17-06-026)

i. **Explain whether the proposed contract is intended to count towards the long-term contracting requirement adopted in D.17-06-026.**

The Agreements are intended to count toward the long-term contracting requirement.

ii. **If the proposed procurement is for an amendment that extends the delivery period, explain whether the delivery periods of the original contract plus its amendment will add up to ten continuous years or more.**
The original term of the Agreements is 15 years and is unchanged by the amendments.

H. Interim Emissions Performance Standard (D.07-01-039)

i. **Explain whether the contract is subject to the EPS.**
Neither the Atlas Projects nor the Atlas Projects' PPAs are a form of covered procurement subject to the emissions performance standard (EPS), because the generating facilities have an expected capacity factor of less than 60 percent and, therefore, are not baseload generation under paragraph 1(a)(ii) and 3(2)(a) of the adopted Interim EPS Rules. Subsections related to contracts subject to the EPS and firmed and shaped contracts have been deleted.

I. Project location

i. **Describe the location of the project (e.g., County name, State, land use type, and whether the project is located in or near a disadvantaged community.**
The Projects are located in La Paz County, Arizona and are located on Arizona state land.

ii. **Describe the method and/or data source used to determine whether the project location(s) has a disadvantaged status.**
PG&E used CalEnviroScreen and the Climate and Economic Justice Screening Tool (CEJST) to determine disadvantaged status.

a. **If the project location is determinably disadvantaged, describe any characteristics (e.g., pollution burden, population characteristics, history of environmental burdens, etc.) that contribute towards the location's disadvantaged status.**
While the Projects are located outside California and therefore are not a Disadvantaged Community under California

standards, the Climate and Economic Justice Screening Tool (CEJST) lists the area as a disadvantaged community. However, per the CEJST map, the disadvantaged status is not driven by pollution or environmental burdens.

iii. **Discuss how the proposed procurement from this project would support the nearby community's economy, infrastructure, environment, etc.**
Atlas Solar XII, LLC and Atlas Solar XIII, LLC have indicated the Atlas Projects will provide the region with renewable energy, are compatible with La Paz County land use regulations and will provide revenue to the County. The Projects are located in a remote undeveloped area and are compatible with neighboring land uses which include the Ten West Link transmission line, the approved Cielo Azul Switchyard, the Central Arizona Project and Interstate 10.

J. Development Milestones

i. **Site Control - Explain the status of Project site control, including:**

a. **Site control type (e.g. ownership, lease, BLM Right-of-Way grant, etc.)**

i. **If lease, describe duration of site control and any exercisable extension options**
Please see Appendix A1.

ii. **Level or percent of site control attained – if less than 100%, discuss seller's plan for obtaining full site control**
Seller has attained 100% site control for the Projects.

ii. **Equipment Procurement - Explain the status of equipment procurement for the Project, including:**

a. **The status of the procurement of major equipment (e.g. equipment in-hand, contracts executed and equipment in delivery, negotiating contracts with supplier(s), etc.). For equipment not yet procured, explain any contingencies and overall timing.**
Major equipment with long lead times have been procured including the main power transformers and high voltage breakers. The remaining equipment will be secured by Q3 of 2026 through

existing Master Service Agreements (MSA) with major suppliers. The EPC contract is estimated to be executed Q2 of 2026.

b. **The developer's history of ability to procure equipment.** Developer has existing Master Service Agreements with major equipment suppliers for solar modules and battery storage systems. The major long lead items have been procured and remaining balance of system equipment will be procured by the EPC.

c. **Any identified equipment procurement issues, such as lead time, and their effect on the Project's date of operability.** There are no current issues with equipment procurement as it relates to achieving commercial operation.

d. **Permitting / Certifications Status**
    a. **Describe the status of the Project's RPS-eligibility certification from the CEC. Explain if there is any uncertainty regarding the Project's eligibility.** There is no expected uncertainty regarding the Project's eligibility. Per the PPAs, CEC certification is required for the Projects to reach their Initial Delivery Dates.

    b. **Use the following table to describe the status of all major permits or authorizations necessary for development and operation of the Project, including, without limitation, CEC authorizations, air permits, certificates of public convenience and necessity (CPCN) or permits to construct (PTC) for transmission, distribution, or substation construction/ expansion, land use permits, building permits, water use or discharge authorizations, Federal Aviation Administration authorizations, military authorizations, and Federal Communication Commission authorizations. If necessary, table may be split between public and confidential sections – although permits requests with public agencies should be included in the public portion.**

A list of permits and their status is provided by the Atlas Projects. Confidential permitting information can be found in Appendix A1.

Name of Permit or Lease required	Grantor	Description of Permit or Lease	Current Status (to be filed, pending approval, approved)	Projected timeframe for approval
Minor Comprehensive Plan Amendment	La Paz County	Amends La Paz County Land Use to Align with Project's Use	Approved 5/6/24	N/A
Conditional Use Permit	La Paz County	Provided Zoning Approval allowing Power Generation	Approved 3/3/25	N/A
Approved Jurisdictional Determination	USACE	Determination confirms that no CWA Section 404 Permit is needed	Approved 11/26/24	N/A
Determination of No Hazard	FAA	Confirms Project Design does not impact Commercial Air Travel	Approved 6/10/25	N/A
Mission Compatibility Evaluation	DOD	Confirms Project Design does not impact National Security	Approved 4/4/24	N/A
State Historic Preservation Office (SHPO) Cultural Clearance	Arizona SHPO	Confirms the Project does not disturb any cultural or historical sites	Approved 6/12/24	N/A
Certificate of Environmental Compatibility	ACC	Confirms the Project's Gen-Tie is located in a state approved area based on environmental factors	Approved 12/17/24	N/A
Central Arizona Project Land Use and Construction Period License	CAWCD	Provides approval to construct and operate the Gen Tie over the CAP irrigation canal	Approved 12/12/25	N/A

K. Cost Considerations and Rate Impact

i. **Explain any contract terms that permit modifications to the contract price.**

Please see Confidential Appendix B1 describing amendment negotiations. Appendices B2 and B3 describe the terms of the amendments.

ii. **Describe any price adjustments/modifications that occurred during the negotiation period. Include the reason(s) for the price adjustment(s). How does the initial bid price compare to the final contract price?**

Please see Confidential Appendix B1 describing amendment negotiations. Appendices B2 and B3 describe the terms of the amendments.

iii. **If there are any Project costs or characteristics (e.g. network upgrade costs, equipment costs, changes in capacity factor, etc.) that could change the contract price, describe them and their effect on the levelized contract price.**

None.

iv. **For biomass projects:**

These are not biomass projects. Subsections related to biomass projects have been deleted.

v. **For out-of-state contracts in which the energy will be firmed and shaped, identify all firming and shaping costs associated with the Project and whether they are included in the contract price. If there are multiple potential delivery options, identify the firming and shaping costs associated with each option, and explain which option the utility expects is the most and least likely.**

Not applicable. Not firmed and shaped.

vi. **Provide the rate impact of the proposed contract (cents per kilowatt-hour).**

a. **Base the rate impact of the proposed contract on the retail sales for the year which the project is expected to come online.**

Not applicable to these amendments.

vii. **Production Tax Credit (PTC) / Investment Tax Credit (ITC) / Other government funding– if applicable**

a. **Explain the Project's potential eligibility for tax credits or other government funding based on the technology of the Project and contract operation date.**
The Projects are eligible for 30% Investment Tax Credits as well as 10% Domestic Content Adder and 10% Energy Community Adder.

b. **If the developer is pursuing PTCs/ITCs/Other, explain the criteria that must be met and the developer's plans for obtaining the PTCs/ITCs/Other.**
The Projects must meet the conditions under Section 48 of the Internal Revenue Code for the beginning of construction and placed in service criteria, as well as the Domestic Content Adder percentage threshold for the equipment and the metropolitan statistical area threshold as defined by the IRS for the Energy Community Adder. The Projects will also need to meet the Prevailing Wage and Apprenticeship requirements.

c. **Explain whether the utility or the seller bears the risk if the anticipated tax credits/funding are not obtained.**
Seller bears the risk if the anticipated tax credits/funding are not obtained.

III. Cost Recovery

Explain how the utility proposes to allocate the costs associated with the contracts to applicable consumers, and what generally is included in the costs.

There is no proposed change to cost recovery for these amendments. As stated in AL 7356-E, net costs will be recovered through PG&E's Portfolio Allocation Balancing Account, and any above-market cost that may arise from each Agreement is subject to the provisions of D.23-02-040 as a 2023 PCIA-eligible contract and recorded to the Portfolio Allocation Balancing Account.

IV. Safety Considerations

1. **What terms in the PPA address the safe operation, construction and maintenance of the Project (provide name and section number(s))? 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?**
   Through PPA Article 5.8 “Standards of Care” and Article 11 “Safety”, the Seller of each Project is required to prepare a Project safety plan and to construct, operate and maintain the Project in accordance with Prudent Electrical Practices, CPUC General Order No. 167, and all applicable requirements of Law. The Seller is further required to comply with applicable requirements of PG&E, the Utility Distribution Company, the Transmission Provider, and all relevant governmental and regulatory authorities, including the CAISO, CPUC, CARB, FERC, NERC, and WECC, and to obtain and maintain all governmental approvals necessary to ensure the safe construction, operation and maintenance of 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?**
   PPA Article 5.8 “Standards of Care” requires Seller to comply with all applicable requirements of Law, the Transmission Provider, Utility Distribution Company, Governmental Approvals, the CAISO, CPUC, CARB, FERC, NERC and WECC.

3. **If the 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.**
   Not applicable given the amendments are not with existing facilities.

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?**
   Not applicable given the amendments are not with existing facilities.

V. Request for Commission Approval

PG&E requests that the Commission issue a Resolution by no later than 90 days from the date of submittal of this Advice Letter that contains the following findings, conclusions, and orders:

1. Approves the amendments to the PPAs with Atlas Solar XII, LLC (Atlas North 1 Project) and Atlas Solar XIII, LLC (Atlas North 2 Project).

2. Adopts the following findings of fact and conclusions of law in support of Commission approval of the amendments to the Agreements for the Atlas North 1 Project and Atlas North 2 Project:
   a. The amended Agreements identified and executed by PG&E, as submitted in this Advice Letter, are eligible to count toward PG&E's NQC procurement requirements ordered by D.23-02-040 (as modified by D.25-09-007), PG&E's IRP procurement authorized by D.24-02-047, and are further eligible to contribute toward PG&E's incremental NQC procurement requirements established in D.26-02-057, provided that PG&E comply with applicable ordering paragraphs and Commission requirements.
   b. The amended Agreements are consistent with PG&E's Commission-approved RPS procurement plan.
   c. Any procurement pursuant to the amended Agreements is procurement from eligible renewable energy resources for purposes of determining PG&E's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California RPS (California Public Utilities Code Section 399.11 et seq.), D.03-06-071, D.06-10-050, D.11-12-020, D.11-12-052, D.19-06-023, D.25-12-025 or other applicable law.

3. Adopts the following findings of fact and conclusions of law in support of cost recovery for each amended Agreement:
   a. The amended Agreements and PG&E's entry into each amended Agreement are reasonable and prudent for all purposes, and that payments to be made by PG&E pursuant to each amended Agreement are recoverable in full by PG&E.
   b. Finds that all procurement and administrative costs associated with amended Agreements shall be recovered in rates, as provided by Public Utilities Code Section 399.13(g).
   c. The utility's net costs under each amended Agreement shall be recovered through PG&E's Portfolio Allocation Balancing Account.

d. Any above-market cost that may arise from each amended Agreement remains subject to the provisions of D.23-02-040 as a 2023 PCIA-eligible contract and shall be recorded to the Portfolio Allocation Balancing Account.

VI. Confidentiality Treatment

In support of this advice letter, PG&E has provided the confidential information listed below. This information is being submitted in the manner directed by D.08-04-023 establishing procedures for complying with D.06-06-066 and D.21-11-029 to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under Public Utilities Code section 454.5(g) or the IOU Matrix, Appendix 1 of D.06-06-066, Appendix C of D.08-04-023 and Attachment 2 of D.21-11-029. The Declaration of Mark Muranishi seeking confidential treatment of confidential materials provided herein is being submitted concurrently with this advice letter.

In accordance with GO 96-B, a copy of PG&E’s Proposed Protective Order is attached as Appendix F.

Confidential Appendices

Appendix A1:	Confidential Project and Contract Information (Confidential)
Appendix A2:	Net Market Valuation Comparison (Confidential)
Appendix B1:	Detailed Summary of Negotiation Process (Confidential)
Appendix B2:	Detailed Summary of Amendment Terms and Conditions – Atlas XII (Confidential)
Appendix B3:	Detailed Summary of Amendment Terms and Conditions – Atlas XIII (Confidential)
Appendix C1:	Independent Evaluator Report (Confidential)
Appendix D1:	Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XII, LLC (Confidential)
Appendix D2:	Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XIII, LLC (Confidential)
Appendix E1:	2025 Conforming Renewable Net Short Calculation (Confidential)
Appendix E2:	2025 Alternative Renewable Net Short Calculation (Confidential)

Public Appendices

Appendix C2:	Independent Evaluator Report (Public)
Appendix F:	Proposed Protective Order
Appendix G1:	GIS File – Project Boundaries and Gen-Ties
Appendix G2:	Image of Project Boundaries and Gen-Ties from GIS File

VII. Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than May 7, 2026 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 (GO) 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 (GO 96-B, Section 3.11).

VIII. Effective Date

Pursuant to GO 96-B, Rule 5.3, this advice letter is submitted with a Tier 3 designation. PG&E requests that this advice letter become effective upon Commission approval.

IX. Notice

In accordance with GO 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.20-05-003, R. 24-01-017, and R.25-06-019. Address changes to the GO 96-B service list should be directed to PG&E at the 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 Lists: R.20-05-003, R.25-06-019, R.24-01-017

California Public Utilities Commission

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
PLC = Pipeline HEAT = Heat
WATER = Water

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 7895-E

Tier Designation: 3

Subject of AL: Amendment to Mid-Term Reliability Agreement Approved in Advice Letter 7356-E

Keywords (choose from CPUC listing): Compliance, Reliability, Procurement

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

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.21-06-035, D.23-02-040, D.24-02-047, D.25-09-007 and D.26-02-057

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: Mark Muranishi, Mark.Muranishi@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 proposed[1]: N/A

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

[1]Discuss in AL if more space is needed.

Clear Form

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: Sidney 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 MARK MURANISHI
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7356-E

I, Mark Muranishi, declare:

1. I am a Director in the Structured Energy Transactions Department within the Energy, Policy, and Procurement organization at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include 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 procurement information.

2. Based on my knowledge and experience, and in accordance with the Decisions 06-06-066, 08-04-023, 21-11-029 and relevant Commission rules, I make this declaration seeking confidential treatment for certain procurement data and information contained in Amendment to Mid-Term Reliability Agreement Approved in Advice Letter 7356-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 procurement data and information covered by D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, and Public Utilities Code §454.5(g). 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 of 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 April 17, 2026 at Oakland, California.

/s/ *Mark Muranishi*

Mark Muranishi

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)

April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
Confidential Appendices			
Appendix A1: Confidential Project and Contract Information	Item VIII.B (Specific quantitative analysis involved in scoring and evaluation of participating bids)	Information concerns bid scoring and evaluation, as well as discussion of offers received.	Information under Item VIII.B is confidential for three years from the date the winning contracts are submitted for CPUC approval.
	Public Utilities Code Section 454.5(g) (Contract Administration)	Information concerns confidential contract-related information exchanged between PG&E and the counterparty. Release of this market sensitive information could put PG&E at a competitive disadvantage with regard to other market participants and could detrimentally impact PG&E customers and/or may disclose confidential information provided in confidence by a third party to PG&E.	Indefinite
Appendix A2: Net Market Valuation Comparison	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The table includes pricing specific to the terms of this PPA amendment which are confidential.	Terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.
	Item VIII.B (Specific quantitative analysis involved in scoring and evaluation of participating bids)	Information concerns bid pricing, bid scoring and evaluation, as well as discussion of offers received.	Information under Item VIII.B is confidential for three years from the date the winning contracts are submitted for CPUC approval.

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)
April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
Appendix B1: Detailed Summary of Negotiation Process	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The terms of the PPA discussed are confidential.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.
	Item VIII.B (Specific quantitative analysis involved in scoring and evaluation of participating bids)	Information concerns bid scoring and evaluation, as well as discussion of offers received.	Information under Item VIII.B is confidential for three years from the date the winning contracts are submitted for CPUC approval.
	Public Utilities Code Section 454.5(g) (Contract Administration)	Information concerns confidential contract-related information exchanged between PG&E and the counterparty. Release of this market sensitive information could put PG&E at a competitive disadvantage with regard to other market participants and could detrimentally impact PG&E customers and/or may disclose confidential information provided in confidence by a third party to PG&E.	Indefinite
Appendix B2: Detailed Summary of Amendment Terms and Conditions – Atlas XII	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The terms of the PPA discussed are confidential.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.
	V.C. and V.C.1 – Bundled Customer Total Energy Forecast (MWh)	Confidential disclosure of the the Project's contribution to the utility's RPS procurement targets, which combined with the Project's annual expected generation, could be used to	Front three years of forecast is confidential.

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)
April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
	VI.B Utility Bundled Net Open (Long or Short) Position for Energy (MWh)	determine PG&E's net open position for RPS-eligible products, bundled customer load forecast, RPS compliance load forecast, as well as PG&E's overall potential RPS-eligible procurement need, which could materially impact the market and pricing for RPS-eligible generation and apply upward pressure on customer rates.	
Appendix B3: Detailed Summary of Amendment Terms and Conditions – Atlas XIII	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS)) V.C. and V.C.1 – Bundled Customer Total Energy Forecast (MWh) VI.B Utility Bundled Net Open (Long or Short) Position for Energy (MWh)	The terms of the PPA discussed are confidential. Confidential disclosure of the the Project's contribution to the utility's RPS procurement targets, which combined with the Project's annual expected generation, could be used to determine PG&E's net open position for RPS-eligible products, bundled customer load forecast, RPS compliance load forecast, as well as PG&E's overall potential RPS-eligible procurement need, which could materially impact the market and pricing for RPS-eligible generation and apply upward pressure on customer rates.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first. Front three years of forecast is confidential.

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)
April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
Appendix C1: Independent Evaluator Report	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The terms of the PPA discussed are confidential.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.
	Item VIII.B (Specific quantitative analysis involved in scoring and evaluation of participating bids)	Information concerns bid scoring and evaluation, as well as discussion of offers received.	Information under Item VIII.B is confidential for three years from the date the winning contracts are submitted for CPUC approval.
	Public Utilities Code Section 454.5(g) (Contract Administration)	Information concerns confidential contract-related and bid pricing information exchanged between PG&E and the counterparty. Release of this commercially market sensitive information could impact market prices because it would release financing terms to other market participants and impact future negotiations. Release of this market sensitive information could put PG&E at a competitive disadvantage with regard to other market participants and could detrimentally impact PG&E customers and/or may disclose confidential information provided in confidence by a third party to PG&E.	Indefinite
Appendix D1: Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XII, LLC	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The PPA is confidential.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)

April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
Appendix D2: Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XIII, LLC	Item VII.B (Contracts and Power Purchase Agreements between utilities and non-Affiliated Third Parties (except RPS))	The PPA is confidential.	Contract documents and terms of contracts are confidential for three years from the date the contract states that deliveries are to begin, or until one year following expiration, whichever comes first.
Appendix E1: 2025 Conforming Renewable Net Short Calculation			
Red shading in various sections	May 21, 2014 ALJ Ruling	Information relates to PG&E's optimized Renewable Net Short (RNS), 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 Administrative Law Judge's Ruling on Renewable Net Short issued in Rulemaking 11-05-005, pages 5 and 24 ("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, 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	Indefinite

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
		evaluation of proposed RPS projects, including sales or transactions intended to create a compliance bank.	
	V.C. and V.C.1 – Bundled Customer Total Energy Forecast (MWh)	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.	For bundled load forecast, front three years of data. For RPS Compliance load forecast and RPS net short position, front two years of forecast data
Appendix E2: 2025 Alternative Renewable Net Short Calculation			
Red shading in various sections	May 21, 2014 ALJ Ruling	Information relates to PG&E's optimized Renewable Net Short (RNS), 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 Administrative Law Judge's Ruling on Renewable Net Short issued in Rulemaking 11-05-005, pages 5 and 24 ("May 21, 2014 ALJ Ruling"). Additionally, this information could be used to determine PG&E's net open position	Indefinite

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

ADVICE LETTER FOR AMENDMENT TO MID-TERM RELIABILITY AGREEMENT APPROVED IN ADVICE LETTER 7653-E (ATLAS SOLAR XII, LLC AND ATLAS SOLAR XIII, LLC)

April 17, 2026

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, D.21-11-029, Attachment 2, or Separate Confidentiality Order That Data Corresponds To	PG&E's Justification for Confidential Treatment	Length of Time
		for RPS-eligible products as well as PG&E's overall potential RPS-eligible procurement need, 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.	
	V.C. and V.C.1 – Bundled Customer Total Energy Forecast (MWh)	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.	For bundled load forecast, front three years of data, For RPS Compliance load forecast and RPS net short position, front two years of forecast data

<u>Appendix A1</u>

Confidential Project and Contract Information

(Confidential)

<u>Appendix A2</u>

Net Market Valuation Comparison

(Confidential)

Appendix B1

Detailed Summary of Negotiation Process

(Confidential)

Appendix B2

Detailed Summary of Amendment Terms and Conditions – Atlas XII

(Confidential)

Appendix B3

Detailed Summary of Amendment Terms and Conditions – Atlas XIII

(Confidential)

Appendix C1

Independent Evaluator Report

(Confidential)

Appendix C2

Independent Evaluator Report

(Public)

Independent Evaluator Report

Contract Amendments for Atlas Solar XII, LLC and Atlas Solar XIII, LLC

April 14, 2026

MERRIMACK
ENERGY GROUP, INC.

TABLE OF CONTENTS

1 EXECUTIVE SUMMARY

This Independent Evaluator ("IE") Report provides an evaluation of the First Amendment to Power Purchase Agreements for Zero Emission Product from co-located RPS Resource plus Storage Resource Projects by and between Pacific Gas and Electric Company ("PG&E") or ("Buyer") and Atlas Solar XII, LLC and Atlas Solar XIII, LLC ("Seller").[1] Merrimack Energy Group, Inc ("Merrimack Energy") was retained to serve as IE for this evaluation. Merrimack Energy served as IE for PG&E's MTR-3 solicitation process which led to the original PPAs between PG&E and Atlas Solar XII, LLC and Atlas Solar XIII, LLC. Merrimack Energy prepared the IE contract report which was included in PG&E's Advice Letter filing seeking approval of the agreements.

The PPAs with Atlas Solar XII, LLC and Atlas Solar XIII, LLC are each for 375 MW of solar photovoltaic ("PV") and 225 MW of battery energy storage. The PPAs were originally executed on February 13, 2024. PG&E submitted its Advice Letter 7356-E on September 9, 2024, seeking approval. CPUC Resolution E-5370 issued on February 20, 2025, approved the Agreements.

[redacted] 74 Power Global and Lydian Energy[2] proposed certain [redacted] amendments to PG&E for the current PPAs, [redacted]

This report is designed to address the following considerations:

- High level summary of the existing projects
- Role and requirements of the IE in similar processes
- Fairness of contract amendment negotiations of the two separate agreements
- Merits of the contract amendment for CPUC approval

Merrimack Energy's opinion is that the negotiations between PG&E, 174 PG, and Lydian Energy, on behalf of Atlas Solar XII, LLC and Atlas Solar XIII, LLC were conducted fairly and reasonably. The Amended Contract [redacted]

[1] Since the First Amendment is the same for both Atlas Solar XII, LLC and Atlas Solar XIII, LLC Merrimack Energy is providing this assessment for both projects.

[2] When contracts were originally executed, Atlas Solar XII, LLC and Atlas Solar XIII, LLC were fully owned subsidiaries of Hanwha Energy USA Holdings Corporation d/b/a 174 Power Global ("174 PG"). [redacted]

[redacted] The projects are still reasonably mature projects and represent an important element of PG&E's portfolio.

2 INTRODUCTION

2.1 OVERVIEW

Pacific Gas & Electric Company ("PG&E" or "Company") is seeking approval of two contract amendments for the two Power Purchase Agreements ("PPA") for Zero Emissions Product from co-located Solar photovoltaic ("PV") plus Energy Storage Projects with Atlas Solar XII, LLC and Atlas Solar XIII, LLC ("Atlas North 1 and 2"). The PPAs were executed on February 13, 2024, as a result of the Mid-Term Reliability Request For Offers – Phase 3 ("Mid-Term Reliability RFO – Phase 3" or "MTR – 3 RFO"). The PPAs are each for 375 MW of solar PV generation and 225 MW of battery energy storage ("BESS") with a total interconnection of 750 MW. These projects are part of a complex of projects which has a total interconnection of 950 MW and includes Atlas Solar XI (Atlas South). The CPUC approved the original Agreements on February 20, 2025.

Between the time of PPA execution in February 2024 and [redacted], Atlas Solar XII, LLC and Atlas Solar XIII, LLC were fully owned subsidiaries of Hanwha Energy USA Holdings Corporation d/b/a 174 Power Global ("174 PG"). 174 Power Global is a US based solar/battery project developer. [redacted] Atlas Solar XII is referred to as Atlas North 1 and Atlas Solar XIII is referred to Atlas North 2, who, along with Atlas South are the three projects that are part of the Atlas Solar

[redacted]

development. PG&E had executed three contracts with Atlas Solar, one for each of the projects listed above.

Merrimack Energy was retained by PG&E in early February 2026 to serve as Independent Evaluator ("IE") for the contract amendment process. Merrimack Energy previously served as IE on PG&E's MTR solicitations and developed an IE report describing the original Atlas North 1 and 2 transactions.

2.2 REGULATORY REQUIREMENTS FOR THE IE

The requirements for participation by an IE in utility solicitations are outlined in Decisions ("D").04-12-048 (Findings of Fact 94-95, Ordering Paragraph 28), D.06-05-039 (Finding of Fact 20, Conclusion of Law 3, Ordering Paragraph 8) of the CPUC, D.09-06-050 and D.10-07-042.

In D.04-12-048 (December 16, 2004), the CPUC required the use of an IE by investor-owned utilities ("IOUs") in resource solicitations where there is an affiliated bidder or bidders, or where the utility proposed to build a project or where a bidder proposed to sell a project or build a project under a turnkey contract that would ultimately be owned by a utility. The CPUC generally endorsed the guidelines issued by the Federal Energy Regulatory Commission ("FERC") for independent evaluation where an affiliate of the purchaser is a bidder in a competitive solicitation, but stated that the role of the IE would not be to make binding decisions on behalf of the utilities or administer the entire process.[4] Instead, the IE would be consulted by the IOU, along with the Procurement Review Group ("PRG") on the design, administration, and evaluation aspects of the Request for Proposals ("RFP"). The Decision identifies the technical expertise and experience of the IE with regard to industry contracts, quantitative evaluation methodologies, power market derivatives, and other aspects of power project development. From a process standpoint, the IOU could contract directly with the IE, in consultation with its PRG, but the IE would coordinate with the Energy Division.

In D.06-05-039 (May 25, 2006), the CPUC required each IOU to employ an IE regarding all RFPs issued pursuant to the RPS, regardless of whether there are any utility-owned or affiliate-owned projects under consideration. In addition, the CPUC directed the IE for each RFP to provide separate reports (a preliminary report with the shortlist and final reports with IOU advice letters to approve contracts) on the entire bid, solicitation, evaluation and selection process, with the reports submitted to the utility, PRG, and CPUC and made available to the public (subject to confidential treatment of protected information). The IE would

[4] Decision 04-12-048 at 129-37. The FERC guidelines are set forth in Ameren Energy Generating Company, 108 FERC ¶ 61,081 (June 29, 2004).

also make periodic presentations regarding its findings to the utility and the utility's PRG consistent with preserving the independence of the IE by ensuring free and unfettered communication between the IE and the CPUC's Energy Division, and an open, fair, and transparent process that the PRG could confirm.

In D.09-06-050 issued on June 18, 2009, in Rulemaking 08-08-009, Order Instituting Rulemaking to Continue Implementation and Administration of California Renewable Portfolio Standard Program, the CPUC required that bilateral contracts should be reviewed according to the same processes and standards as contracts that come through a solicitation. This includes review by the utility's PRG and its IE, including a report filed by the IE.

In D.10-07-042 issued on July 29, 2010, the Commission reaffirmed the role of the IE and required the Energy Division to revise the IE Template to ensure that the IEs focus on their core responsibility of evaluating whether an IOU conducted a well-designed, fair, and transparent RFO for the purpose of obtaining the lowest market prices for ratepayers, taking into account many factors (e.g. project viability, transmission access, etc.).

This IE report is submitted in conformance with the above requirements and is generally consistent with the requirements outlined in the CPUC's Short Form IE Report Template.

2.3 ISSUES ADDRESSED IN THIS REPORT

This report addresses Merrimack Energy's assessment regarding the following issues associated with the evaluation and execution of the Atlas Solar XII, LLC and Atlas Solar XIII, LLC First Amendments to the PPAs.

1. Review the background associated with the negotiations of the Atlas Solar XII and XIII contract Amendments between PG&E and Atlas Solar XII and XIII, LLCs

2. Review and assessment of PG&E's basis for pursuing bilateral contract negotiations with Atlas Solar XII and XIII

3. Overview of the contract negotiation process

4. Summary and assessment of the contract amendments with Atlas Solar XII and XIII

5. IE assessment of the reasonableness of the process leading to final negotiation and execution of the First Amendment to the Agreement between PG&E and Atlas Solar XII, LLC and Atlas Solar XIII, LLC.

6. Recommendations

3 DESCRIPTION OF THE ROLE OF THE IE THROUGHOUT THE NEGOTIATION PROCESS

Merrimack Energy's role during the contract negotiation process included the following:

- Merrimack Energy reviewed emails and document exchanges between the parties during the discussion of the contract amendment process

- Participated in contract discussion and negotiation sessions with PG&E, 174 PG, and Lydian Energy

- Reviewed drafts of the First amendment agreement and email exchanges between the parties regarding proposed agreement changes

- Participated in several discussions with PG&E's contract negotiation team regarding the economic basis underlying PG&E's decision to negotiate the amended contract with 174 PG

- Prepared the final IE Report for filing with Tier 3 Advice Letter

4 BACKGROUND AND RESOURCE DECISION

Merrimack Energy Group, Inc. previously served as Independent Evaluator for PG&E's Agreements with Atlas Solar XII and XIII. Merrimack Energy filed IE reports on each of the Agreements on June 31, 2024. The two contracts are for Zero Emissions Product from Co-located RPS Resources and Storage Resources projects with Atlas Solar XII, LLC and Atlas Solar XIII, LLC. The PPAs were executed on February 13, 2024. The PPAs are each for 375 MW of solar photovoltaic ("PV") generation and 225 MW of Battery Energy Storage, with a total interconnection of 750 MW. The contracts were executed with an Expected Initial Delivery Date ("EIDD") of December 1, 2027, and a contract term of 15 years. Table 1 provides a summary of each of the Agreements, including the original pricing in each Agreement.

Table 1: Summary Key Contract Terms

Counterparty	Agreement Type	Contract Nameplate (MW)	Online Date	Term (years)	Solar Price ($/MWh)	Storage ($/kW-month)
Atlas Solar XII, LLC	PPA for Zero Emissions Product	375 MW Solar/225 MW BESS	12/1/2027	15	[redacted]	[redacted]
Atlas Solar XIII, LLC	PPA for Zero Emissions Product	375 MW Solar/225 MW BESS	12/1/2027	15	[redacted]	[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Merrimack Energy's contract report for the Atlas XII and XIII projects included a description of the project, including project viability factors associated with the project. As background, the project is located in La Paz County, Arizona and is transmission connected to the CAISO managed 500 kV Cielo Azul Switchyard (under construction at the time along with the 500 kV Delaney-Colorado River Transmission Line planned to be in service in April 2024). The project will access the SCE transmission system in SP-15. The Atlas projects have a fully executed LGIA dated January 2021. [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

- [redacted]
- [redacted]
  - [redacted]
  - [redacted]
- [redacted]

5 ECONOMIC ANALYSIS SUPPORTING AMENDMENT

Based on the proposed amended contract terms, PG&E conducted an economic analysis to determine the Net Market Value of the amended terms. [redacted]

[redacted]

Table 3: Comparison of Evaluation Results

Project	Original Agreement GHG-Free Methodology Adjusted NMV ($/kW-yr)[6]	Proposed Amended Agreement GHG-Free Methodology Adjusted NMV (Levelized $/kW-yr)
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]

Additionally, Merrimack sought to compare the pricing and net market value of the Atlas contracts to bids received in PG&E's GHG-Free RFO that received offers on July 18, 2025. Table 4 provides evaluation results of the shortlisted solar plus storage resources in the GHG-Free RFO.

Table 4: Evaluation Comparison of Atlas Contract Amendments to Shortlisted Solar plus Storage GHG-Free RFO Resources[7]

[redacted]

[redacted]

[redacted]

[7] PG&E's shortlist contained resources with several variants. In Table 4, Merrimack only included the highest-valued variant for each resource.

[redacted]

6 CONTRACT NEGOTIATION PROCESS

Merrimack was retained to serve as IE on the contract amendment process part-way through negotiations; however, PG&E met with Merrimack Energy several times to provide a full overview of the process and negotiation considerations. PG&E provided Merrimack with all contract amendment iterations and all prior communications with 174 PG and Lydian Energy. Additionally, Merrimack attended subsequent negotiation calls with PG&E, Lydian Energy and 174 PG to monitor the discussions.

The parties executed the First Amendments to the Power Purchase Agreements on [redacted] Merrimack Energy has attempted to provide a side-by-side comparison of the original agreement and revisions to the original which are included in the current First Amendment.

Table 5 contains a detailed contract summary of the key provisions of the original Power Purchase Agreement for Zero Emissions Product from co-located RPS Resource + Storage Resource Projects for Atlas Solar XII, LLC and Atlas Solar XIII, LLC. Column 3 includes the Contract Amendments made to the specific contract provisions.

Table 5: Comparison of Original to Amended PPA of Key Contract Terms

Contract Provisions	Existing Contract	Contract Amendment[8]
[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]	
[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]

[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]
[redacted]	[redacted]
[redacted]	[redacted]

[redacted]

7 SAFEGUARDS TO COMPARE AFFILIATE BIDS OR UTILITY-OWNED GENERATION

This section is not applicable since this is a third-party non-affiliate transaction.

8 RECOMMENDATION FOR CONTRACT APPROVAL

Merrimack Energy recommends approval of the First Amendment to the Power Purchase Agreements between PG&E and Atlas Solar XII, LLC and Atlas Solar XIII, LLC. The parties have worked cooperatively to reach agreement on an Amendment that benefits both parties. Merrimack has the following high-level observations and conclusions about the amendments to the Atlas Solar XII and XIII Agreements:

[redacted] Merrimack agrees with PG&E's [redacted]

[redacted]

- [redacted]

- [redacted]

- [redacted]

- [redacted]

Overall, Merrimack Energy believes that the First Amendment provides a reasonable balance of risk for the Buyer and Seller. PG&E's customers should benefit from the [redacted] As a result, we recommend approval of the First Amendment with the obligations of the Seller to provide regular updates to PG&E on the status of the projects.

Appendix D1

Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XII, LLC

(Confidential)

<u>Appendix D2</u>

Amendment to Co-Located RPS Resource + Storage Resource PPA with Atlas Solar XIII, LLC

(Confidential)

Appendix E1

2025 Conforming Renewable Net Short Calculation

(Confidential)

Appendix E2

2025 Alternative Renewable Net Short Calculation

(Confidential)

Appendix F

Proposed Protective Order

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Amendment to Mid-Term Reliability Agreement Approved in Advice Letter 7356-E	))))	**Advice 7895-E**

[PROPOSED] 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-C and 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.

<u>4. Designation of Materials</u>. 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.

<u>5. Redaction of Documents</u>. 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."

<u>13. Dispute Resolution</u>. 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.

<u>14 Other Objections to Use or Disclosure</u>. 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.

<u>15. Remedies</u>. 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.

<u>16. Withdrawal of Designation</u>. 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

Amendment to Mid-Term Reliability Agreement Approved in Advice Letter 7356-E	))))	**Advice 7895-E**

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: _____________________________

Appendix G1

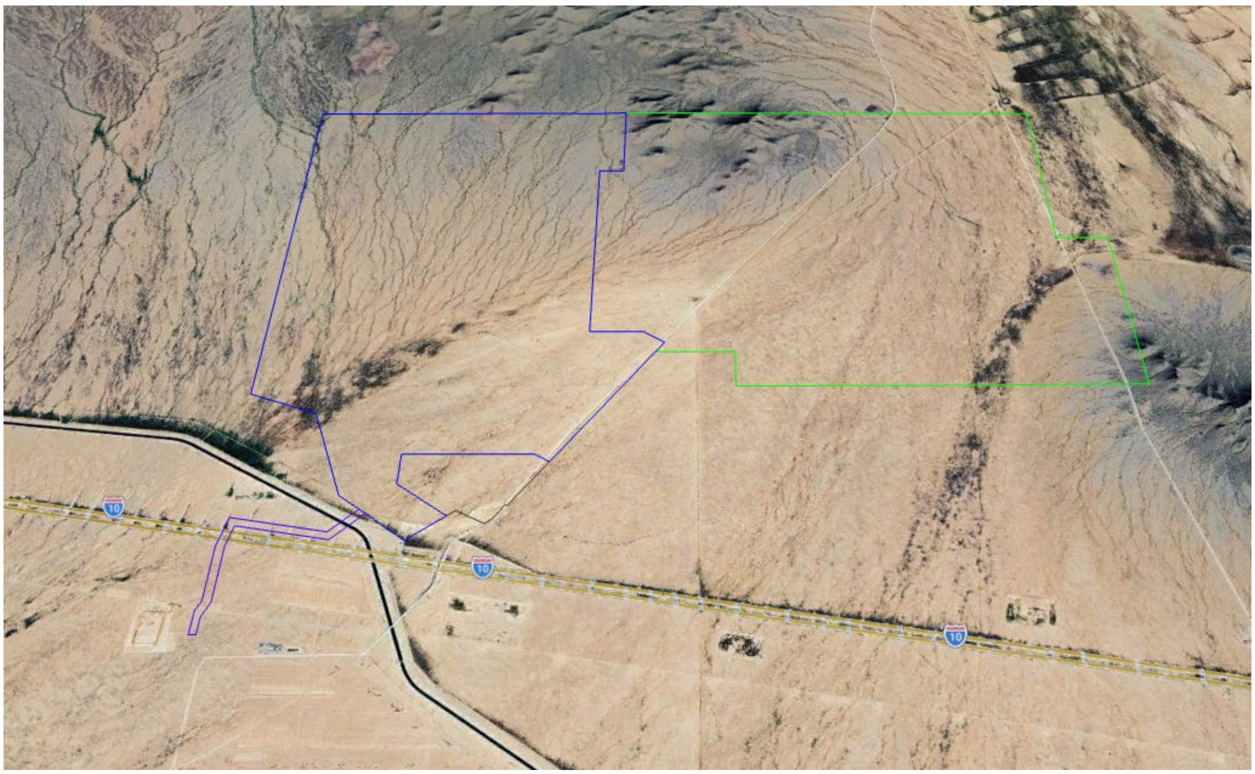
GIS File – Project Boundaries and Gen-Ties

Requests for a copy of the GIS file in (.kml) format may be sent to PGETariffs@pge.com

Appendix G2

Image of Project Boundaries and Gen-Ties from GIS File for Atlas North 1 (Atlas Solar XII, LLC) and Atlas North 2 (Atlas Solar XIII, LLC)

This Appendix G2 is an image of the Project Boundaries and Gen-Ties from the GIS File (Appendix G1).



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

AT&T

Albion Power Company
Alta Power Group, LLC

Anderson & Poole
BART

Ava Community Energy

BART
Buchalter
Barkovich & Yap, Inc.
Biering & Brown LLP
Braun Blaising Smith Wynne, P.C.

California Community Choice Association
California Cotton Ginners & Growers Association
California Energy Commission
California Hub for Energy Efficiency
California Alternative Energy and Advanced Transportation Financing Authority
California Public Utilities Commission
Calpine
Cameron-Daniel, P.C.
Casner, Steve
Center for Biological Diversity
Chevron Pipeline and Power

Clean Power Research
Coast Economic Consulting
Commercial Energy
Crossborder Energy
Crown Road Energy, LLC

Davis Wright Tremaine LLP
Day Carter Murphy
Dept of General Services
Diablo Canyon Independent Safety Committee
Douglass & Liddell
Downey Brand LLP

Ellison Schneider & Harris LLP

Electrical Power Systems, Inc. Fresno
Engie North America
Engineers and Scientists of California

GenOn Energy, Inc.
Green Power Institute

Hanna & Morton LLP

ICF consulting

iCommLaw

International Power Technology
Intertie

Intestate Gas Services, Inc.

Kaplan Kirsch LLP
Kelly Group
Ken Bohn Consulting
Keyes & Fox LLP

Leviton Manufacturing Co., Inc.
Los Angeles County Integrated Waste Management Task Force

MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McClintock IP
McKenzie & Associates
Modesto Irrigation District
NLine Energy Inc.
NOSSAMAN LLP
NRG Energy Inc.

Pacific Gas and Electric Company
Peninsula Clean Energy
Pioneer Community Energy

Public Advocates Office
Redwood Coast Energy Authority

Regulatory & Cogeneration Service, Inc.
Resource Innovations
Rockpoint Gas Storage

San Diego Gas & Electric Company
San Jose Clean Energy
SPURR

Sempra Utilities

Sierra Telephone Company, Inc.
Southern California Edison Company
Southern California Gas Company

Spark Energy

Sun Light & Power
Sunshine Design
Stoel Rives LLP

Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

Utility Cost Management

Water and Energy Consulting

Yep Energy