

Subject: Energy Division data request for additional information for Advice Letter (AL) 3575-E, which concerns PG&E's request for approval of a power purchase agreement (PPA) with Big Creek Water Works.

Please provide a detailed response by COB on **Friday, February 5, 2010**. Once you have prepared a response, please contact Sean Simon; [svn@cpuc.ca.gov](mailto:svn@cpuc.ca.gov) to schedule a call to discuss your response. Also, any questions related to the data request should be directed to Sean Simon.

1. Describe how the price and market value of Big Creek compare to 2009 RPS Shortlist results.
2. Explain how the contract price was set at the MPR and why this price is reasonable for Big Creek.
3. Explain why PG&E used its Small Renewable Generator PPA instead of the 2009 RPS pro forma contract.
  - 3(a). What are advantages and disadvantages to PG&E, PG&E ratepayers and Big Creek?
4. If the CPUC does not approve the agreement, pursuant to Section 2.5.4 in the PPA, Big Creek keeps any funds PG&E has paid for delivered power.
  - 4 (a). How will PG&E recover those costs?
5. How does the PPA address compliance costs, e.g., WREGIS, and maintaining ERR status?
  - 5 (a). What is the total amount of penalties (imbalance energy charges, compliance cost cap, etc.) that PG&E is potentially liable for?
  - 5 (b) Is there a cap on compliance costs for the seller, and if so are the costs explicitly related to incremental costs pursuant to a change in law?
6. Explain the reason for the alternate approach for imbalance of energy charge and identify the anticipated monthly costs PG&E expects to incur under this provision?
7. Explain the \$10 above market cost shown in the AMF worksheet submitted in the advice letter.