

**PACIFIC GAS AND ELECTRIC COMPANY
General Rate Case 2011 Phase I
Application 09-12-020
Data Response**

PG&E Data Request No.:	DRA_271-01		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_271-Q01		
Request Date:	June 10, 2010	Requester DR No.:	DRA-271-TXB
Date Sent:	June 17, 2010	Requesting Party:	DRA
PG&E Witness:	Stephanie Maggard	Requester:	Truman Burns

EXHIBIT REFERENCE: PG&E-18, VOLUME 5

SUBJECT: ENERGY SUPPLY

QUESTION 1

Referring to p. 47-33, footnote 12, please provide workpapers supporting the “REC of about 5 cents per kWh.” Is PG&E currently paying for RECs at this rate? Would PG&E be compensated for RECs for its own new small hydro projects?

ANSWER 1

PG&E is not currently purchasing unbundled RECs. PG&E purchases bundled renewable energy, which includes both the energy and the renewable attribute. Prices paid for bundled energy, and net value calculations were provided in Confidential Attachment A to Rebuttal Testimony Chapter 50.

PG&E is proposing cost-of-service ratemaking for the five new small hydro projects. There is no additional compensation for RECs.