

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

PG&E Data Request No.:	DRA_271-14		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_271-Q14		
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Date Sent:	June 17, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Truman Burns

EXHIBIT REFERENCE: PG&E-18, VOLUME 5

SUBJECT: ENERGY SUPPLY

QUESTION 14

Referring to Rebuttal Testimony Volume 5-B, Table 50-7-C on page 50A-1, please provide workpapers supporting the levelized cost and net market value calculations.

ANSWER 14

The workpapers supporting the levelized cost of the hydro projects have been provided in response to DRA 271 Question #2. PG&E assumed a baseload generation profile for each hydro project.

The data in Table 50-7-C is the output of a complex model which requires an abundance of information to produce results. The levelized costs are an input to the net valuation model. Workpapers supporting the net value calculations are being provided in the form of the valuation model used to calculate the net market values, and the forward curves from April, 2010 that were used for the valuation. Given the size of the data set, confidential workpapers are being provided in the form of a zip file on CD.

Please note that the files on this CD are confidential and being provided pursuant to PU Code Section 583. This model requires formulae linked to a complete set of forward curves with pricing for all hours over a multi year time horizon that correspond to the specific date on which the valuation for each contract was conducted and are adjusted for the different commercial operation dates of each contract. In addition, the forward price curves are matched to the generation profiles for each of the listed contracts. The generation profile is based on a forecast of output over 8760 hours per year, for each year of delivery.