

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

PG&E Data Request No.:	DRA_271-15		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_271-Q15		
Request Date:	June 10, 2010	Requester DR No.:	DRA-271-TXB
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 15

Referring to Rebuttal Testimony Volume 5-B, Table 50-9-C on page 50A-4, please provide workpapers supporting the levelized cost and net market value calculations.

ANSWER 15

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 cost of each offer was based on the contract price offered by each bidder in the RFO. This cost was an input to the market valuation model. As described above, 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 unique generation profiles for each of the listed contracts. The net value model used for shortlisting includes the unique project data for each shortlisted project, and the data for all the other projects that were not shortlisted.

PG&E has provided a net valuation model in response to Q14 which provides a working copy, with formulae intact. Given the volume of the data, PG&E is not providing a second copy linked to the much larger data set with all RFO offers for Q15. Attached are the forward price curves used for the valuation.

Please note that the files on this CD are confidential and being provided pursuant to PU Code Section 583.