



Confidential

July 7, 2010

Mr. Matt Handel
NextEra Energy Resources, LLC
700 Universe Blvd. - FED/JB
Juno Beach, FL 33408

Re: NextEra's Abandonment of Wet Cooling Technology for the Genesis Solar Project

Dear Mr. Handel:

PG&E acknowledges receipt of the draft notice dated June 28, 2010 regarding NextEra's decision to abandon wet cooling technology for the Genesis Solar Project, which is the subject of the Power Purchase Agreement between Genesis Solar, LLC and Pacific Gas and Electric Company (PPA). We are also in receipt of the two companion binders of information received with the draft notice on July 1, 2010.

We were frankly quite surprised at how quickly NextEra changed its position of being fully committed to developing Genesis Solar using wet cooling technology to informing PG&E that NextEra is abandoning wet cooling. As you recall, PG&E submitted the First Amendment to the California Public Utilities Commission on June 15, 2010, along with a letter agreement, dated June 9, 2010, executed by Genesis Solar, LLC in which Genesis represented that it was fully committed to proceeding with the wet cooling technology. Within a week of that filing, NextEra informed PG&E of its desire to announce at or before the July 12, 2010 California Energy Commission hearing that NextEra will be abandoning the wet cooling technology.

If NextEra provides a formal final notice, in accordance with the above-referenced letter agreement, it must provide PG&E true and accurate information to demonstrate that it has fulfilled its commercially reasonable efforts to secure governmental approvals and documentation regarding the rationale, such as additional costs and impacts associated with the use of wet cooling technology for the Genesis Solar Project.

PG&E will then assess all of the information provided and actions taken by NextEra to fulfill its commercially reasonable efforts, including the short period between the time of NextEra's senior executives' recent representations reaffirming its continued commercially reasonable efforts to obtain governmental approvals necessary to operate the project using wet cooling technology, and the time NextEra informed PG&E of its plan to abandon the wet cooling technology.

Best regards,

cc:

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Roy M. Kuga
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