

From: Allen, Meredith
Sent: 8/9/2010 12:17:54 PM
To: 'Simon, Sean A.' (sean.simon@cpuc.ca.gov)
Cc: Douglas, Paul (paul.douglas@cpuc.ca.gov); Miram, Richard (/O=PG&E/OU=Corporate/cn=Recipients/cn=RAMk)
Bcc:
Subject: Re: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Sean,

Below is the explanation.

Thanks,
Meredith

Wet cooled and dry cooled facilities have different generation profiles and therefore, have different average TOD factors. If you compare the same sized wet and dry cooled plants, the dry cooled plant will have a lower average TOD factor. Dry cooling is least efficient in the hottest months during the hottest time of the day. This leads to reduced generation during the highest compensated TOD periods (summer super-peak). Therefore, the dry cooled plant has less generation in the higher multiplier periods which is reflected with a lower overall average TOD number.

The average TOD multipliers were calculated as follows:

wet cooling - $\$199.50(\text{post-TOD wet cooled price})/\$162.50(\text{pre-TOD wet cooled price}) = 1.228$

dry cooling - $\$217.83(\text{post-TOD dry cooled price})/\$182.50(\text{pre-TOD dry cooled price}) = 1.194$

This pricing information is consistent with the advice filing.

From: Simon, Sean A. [mailto:sean.simon@cpuc.ca.gov]
Sent: Friday, August 06, 2010 5:16 PM
To: Allen, Meredith
Cc: Miram, Richard; Douglas, Paul
Subject: RE: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Meredith,

This explanation is helpful, thanks.

It is not clear to me why the average TOD-factor would be different under a wet vs. dry cooled scenario, so please explain why that is and provide work papers supporting this claim. Feel free to prepare your own spreadsheet or work off the attached excel file which includes the Genesis generation profiles from the AMF worksheets filed with the advice letter.

Regards,
Sean

Sean A. Simon | Energy Division - Analyst | CA Public Utilities Commission | Tel (415) 703-3791

<http://www.cpuc.ca.gov/renewables>

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From: Allen, Meredith [mailto:MEAe@pge.com]
Sent: Friday, August 06, 2010 3:55 PM
To: Simon, Sean A.
Cc: Miram, Richard; Douglas, Paul
Subject: RE: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Sean,

Attached is the revised "Response to CUE Final" from NextEra. It clarifies that each tab of the spreadsheet is corrected to include TOD multipliers. Each tab is therefore referred to as Corrected Tab 1, Corrected Tab 2 or Corrected Tab 3. It was confusing having references to both tabs and corrected tabs in the write up when it only should have been corrected tabs. Sorry about that.

On the spreadsheet, the yellow was included in the original that we received from CUE. Kerry don't know what the blue cells referred to. I think the coloring should be ignored.

The key change is the addition of TOD multipliers in cells D34 and D35, which leads to the pricing in E34 and E35. This new pricing then changes the values in the cells throughout the spreadsheet. The addition of the TOD multipliers is included in each tab. If the TOD multipliers are set to 1 than all the numbers revert back to the values in the original CUE spreadsheet.

Please let me know if you would like to discuss or have questions. I hope this helps.

Thanks,
Meredith

From: Simon, Sean A. [mailto:sean.simon@cpuc.ca.gov]
Sent: Friday, August 06, 2010 2:37 PM
To: Allen, Meredith
Cc: Miram, Richard; Douglas, Paul
Subject: RE: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Meredith,

You're right about CUE vs. CURE.

Regards,
Sean

Sean A. Simon | Energy Division - Analyst | CA Public Utilities Commission | Tel (415) 703-3791

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From: Allen, Meredith [mailto:MEAe@pge.com]
Sent: Friday, August 06, 2010 1:25 PM
To: Simon, Sean A.
Cc: Miram, Richard; Douglas, Paul
Subject: RE: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Sean,

We will work with NextEra on making the changes to the spreadsheet.

My understanding is that CUE submitted the comments with TURN on the draft resolution, while CURE had submitted testimony in the CEC proceeding on the Genesis project. That is the reason that we reference CUE in our data response.

Thanks,
Meredith

From: Simon, Sean A. [mailto:sean.simon@cpuc.ca.gov]
Sent: Friday, August 06, 2010 1:15 PM
To: Allen, Meredith
Cc: Miram, Richard; Douglas, Paul
Subject: RE: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

Meredith,

I will look at PG&E's response and supporting data today and on Monday. In the meantime, I would like PG&E to reformat the spreadsheet, or include a legend, so that PG&E's analysis is more clearly identified within CURE's spreadsheet. For example, it is not entirely clear what changes PG&E made to CURE's spreadsheet, is it data that is highlighted green and/or yellow? Also, the document "Response to CUE final" confusingly references data in the spreadsheet by Tabs that don't exist, e.g., "corrected Tab 1." I would also note that "CUE" should be "CURE" in all cases throughout PG&E's data response.

Regards,
Sean

Sean A. Simon | Energy Division - Analyst | CA Public Utilities Commission | Tel (415) 703-3791

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From: Allen, Meredith [mailto:MEAe@pge.com]
Sent: Friday, August 06, 2010 12:13 PM
To: Simon, Sean A.
Cc: Miram, Richard
Subject: CONFIDENTIAL: RESPONSE TO DATA REQUEST RE GENESIS PPA

CONFIDENTIAL

Sean,

Attached is the confidential response to the data request. We are available to discuss, as is the IE.

Thanks,
Meredith