

Subject: Energy Division data request for additional information for Advice Letter (AL) 3613-E, which concerns PG&E's request for approval of five power purchase agreements (PPA) with Solar Power Solutions, LLC (SPS).

Please provide a detailed response no later than COB on **Thursday, October 7, 2010**. If you have any questions related to this data request, please contact Cheryl Lee at 415-703-2167; cnl@cpuc.ca.gov.

Contract Price

1. AL 3613-E did provide a complete answer regarding costs of the four 20 MW SPS projects (Appendix D, page D-26). Describe and quantify all direct costs of the four 20 MW SPS projects.

Project Development

2. Provide project development timelines and/or key milestones for project development (e.g. obtaining financing, equipment purchases, permit approvals, construction start dates, transmission upgrades, etc.) for all five SPS projects that explain the expected online dates of the projects.
3. Provide updated Permitting Status tables for the five SPS projects.

Project Transmission

4. Explain the following conflicting statements made by PG&E regarding network upgrade costs for the four 20 MW SPS projects.

Advice Letter 3613-E, page 3:

Network upgrade costs for the four bilateral PPAs will be determined by the results of the projects' pending applications in the Small Generator Interconnection Process ("SGIP"). (Emphasis added)

Response to Protest Received from Division of Ratepayer Advocates Regarding Advice Letter 3613-E, PG&E's Purchase Agreements with Solar Project Solutions, LLC., page 2:

The network upgrade costs for the four smaller 20 MW projects were known at the time of execution of the PPAs so no cost cap was needed nor was any negotiated. (Emphasis added)

5. In addition, if not answered in question 4:
 - a. Describe (with completion and/or expected completion dates) the status of the projects in the SGIP.
 - b. Describe and quantify the network upgrade costs that were included (or not included) in the executed contract price?
 - c. Describe and quantify the network upgrade costs that will be determined by the results of the SGIP applications?

6. Identify and explain any contract terms that describe what Buyer and Seller rights or requirements if the “total Network Upgrade costs” exceed \$28,000,000.
7. Does PG&E expect the four 20 MW SPS projects to go through the process(es), if they exist in the future, that will assign resource adequacy to the projects (e.g. a reformed SGIP process)?
8. Describe, if any, contract terms that require the four 20 MW SPS projects to participate in a reformed SGIP (or other process) such that the projects will be assigned resource adequacy. Provide section number and page number of the described term(s).
9. If PG&E expects and/or requires the four 20 MW SPS projects to participate in a reformed SGIP (or other process) such that they are assigned resource adequacy, who will be responsible for any related costs? Would those costs count against the compliance cap?

IE Report

10. The IE conveys reservations regarding the contract price of the four 20 MW SPS PPAs.¹ Describe any benefits (quantitative and/or qualitative) of the four 20 MW SPS projects that are not included in Appendix D of AL 3613-E that would assuage his reservations.

¹ IE report for the five SPS project states, “Arroyo also regards it as unfortunate that PG&E agreed to provide the Alpaugh price schedule to the four 20-MW projects.” (page C-14) Additionally, it states, “The prospect of paying the same contract price to these facilities as would be paid to the Alpaugh 50-MW facility is troublesome...” (page C-23)