

Monthly Report on Renewable Project Development

Provided by Pacific Gas and Electric Company to the CPUC on 10/19/2010

Confidential Commercially Sensitive Information

Confidential Commercially Sensitive Information

Executive Summary

[Note: Changes since last time are shown in blue.]

A. Project Additions or Removals:

Additions:

- None

Removals:

- None

B. Recent Events:

Commercial Operation:

- 5/31/10 – **Copper Mountain Solar 1** began delivering energy from the first 8 MW of installed capacity. At the end of October, the project capacity is expected to reach 38 MW. Guaranteed commercial operation date for the full 48 MW of the project is 7/20/2011.
- 10/1/10 – **Barclays Hay Canyon Wind** is an operational wind facility that began deliveries of brown power to PG&E on October 1. PG&E will pay for and receive the related Green Attributes upon CPUC approval.
- 10/4/10 – **Vantage Wind Energy** achieved full COD and began deliveries on October 4. Powerex as PG&E's scheduling coordinator will redeliver on a three week delay. Vantage will be removed from this report next month.

Construction Start (Official Notice Received):

- None

Recent Executions (add last PRG meeting an item was presented):

-

Missed Milestones:

- None

Recent CPUC Approvals:

- None

Recent Major Amendments:

- 9/17/210 - PG&E executed a letter agreement to the **Avenal Park**, LLC PPA of the Eurus Energy America Corporation to exercise a provision in their contract to reduce contract capacity from 9MW to 6MW, which is allowed by their contract.
- 9/22/10 – Five letter agreements were executed for the **SPS projects (Alpaugh 50, Alpaugh North, White River, Atwell Island and Corcoran)**, that provide for an extension of the CPUC approval deadline from 240 days (10/8/10) to 325 days (1/1/2011).
- 9/29/10 – PG&E executed an amended and restated confirm for **Barclays Hay Canyon**, extending the final and non-appealable CPUC Approval date and early termination rights; and allowing for deliveries of brown power starting on 10/01/2010 and payment of Green Attributes after receipt of CPUC Approval.

Confidential Commercially Sensitive Information

- 9/30/10 – PG&E and **TransAlta** executed an agreement extending the time by which the conditions precedent must be satisfied from September 30, 2010 to June 30, 2011.
- 10/8/10 – PG&E and **Shell Energy North America** executed letter agreements extending the time by which the conditions precedent must be satisfied to December 31, 2010 for the 6 remaining confirms (**Combine Hills II, Big Horn 2, White Creek 3, Harvest Wind 1, Harvest Wind 2, Wheat Field**).
- 10/11/10 – PG&E and **Genesis Solar** executed an agreement conforming the pricing under the PPA to the pricing in Resolution E-4343.

Termination:

- None

C. Upcoming Events:

Commercial Operation:

- 11/1/10 – **Barclays Nine Canyon Wind** is an operational wind facility, expected to begin deliveries of brown power to PG&E on November 1. PG&E will pay for and receive the related Green Attributes upon CPUC approval.
- 11/2010 – **Montezuma Wind Energy** is expected to begin delivering test energy on approximately November 4, 2010, with the full COD expected around mid-November.
- 12/31/10 – **Hatchet Ridge Wind** began delivering test energy in July, with the full COD expected by the end of October.

Expected Construction Start:

- 10/1/10 – **Kiara Solar** started site preparation and other pre-construction related work. They will not have met cannot meet contractual CSD until the EPC agreement is executed and expect to accomplish that by 11/1/10.
- 10/8/10 – **Ivanpah Solar Electric Generating Station #1 and #3** began working on tortoise relocation and tortoise fences on October 8, and are expected to achieve contractual construction start following financial close, expected 1/1/2011.
- 10/31/10 – **Mt. Poso's** expected construction start date should occur by the end of October (was 9/30/10). Their Guaranteed CSD was moved to 11/21/10 due to permitting delays of 82 days allowed by the PPA.
- 11/1/10 – **Agua Caliente** is expected to start construction prior to its guaranteed construction start date of 6/1/11. Agua Caliente has completed nearly all site preparation and is now working to execute the EPC agreement. They will not have met contractual CSD until the EPC agreement is executed.
- 11/1/10 – **AV Solar Ranch 1** is expected to start construction prior to its guaranteed construction start date of 8/31/11. AV Solar Ranch will start site preparation about 11/1/10. They are targeting execution of the EPC contract for approximately 1/1/2011. They will not have met contractual CSD until the EPC agreement is executed.
- 11/30/10 – **Sand Drag and Sun City Solar Farms** are expected to start construction, pending CPUC approval.
- 12/30/10 – **Avenal Park Solar Farm** is expected to start construction, pending CPUC approval.

Advice Letter Filings:

- Barclays (Hay Canyon and Nine Canyon) amendments: late October

Confidential Commercially Sensitive Information

- Kiara Biomass: 11/1/2010 target filing
- North Star Solar: 11/8/2010 target filing
- Norman Ross Burgess (aka. Three Forks): late November

D. Operational Projects:

- **Microgy** – Received notice that Texas site is in receivership and all payments should be directed to the lender. In June 2010, Microgy filed Chapter 7 Bankruptcy. Law is reviewing the Bankruptcy proceeding and impacts it may have on the existing gas purchase agreement. In late September 2010, PG&E was notified that Enterprise pipeline was no longer allowing Microgy to flow due to, among other things, the facility failing to produce biogas and accumulating an imbalance. PG&E received confirmation from the Receiver for the Texas site that, that starting in late August 2010, Microgy began experiencing digester issues resulting in no biogas production, but they are working with Enterprise to correct this issue and recommence deliveries. Long term project viability remains in question.
- **BioEnergy** – The project is not currently delivering biogas. On 4/12/10, PG&E sent BioEnergy a letter reserving our right to declare early termination for failure to deliver sufficient biogas.
- **Global Ampersand** – Global Ampersand continues to have financial difficulties, and as a result, neither Chowchilla nor El Nido is currently generating. Global is attempting to sell the two plants. Global has reported that they are close to a deal with their senior lender, Akeida, who has the ability to move forward with foreclosure at any time. Global is working with Akeida on a term sheet with the hope that they could close the deal in 45-90 days. PG&E has been in negotiations with Global for some time on PPA amendments that would provide price increase.
- **Big Valley** - Big Valley stopped delivering energy on June 17, due to an inability to procure sufficient fuel for operations. Big Valley is seeking financing to open a sawmill on the site, to serve as a source for fuel.