From: Bawa, Niki

Sent: 11/15/2010 5:25:06 PM

To: Redacted

Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Simon, Sean

A. (sean.simon@cpuc.ca.gov)

Bcc:

Subject: BottleRock PPA

Hi Redac

I had a few more questions regarding the BottleRock PPA (AL 3668-E) I wanted to run by you.

1) When discussing

the various provisions in the amended contract relating to price, staff would like to use the MWh energy delivery numbers in the confidential section of the contract rather than the capacity. For example, when discussing the threshold level when the contract price changes from the original PPA to the amended PPA we would like to state in the body of the resolution that this change occurs when energy deliveries reach 133 MWh/yr rather than a capacity of 16 MW as this would be much more clear to the Commission. However, energy delivery amounts are in the confidential section and are not in the public advice letter.

2) Also, could

you explain the reason why the Project Viability analysis in Confidential Appendix A does not encompass the facility's expansion. The score for the project is 100 because the original PPA is already connected to the CAISO grid. However, there are still permitting issues, technical feasibility concerns, resource quality, project financing and COD reasonableness factors that seem to require a new PV analysis.

3) Why are

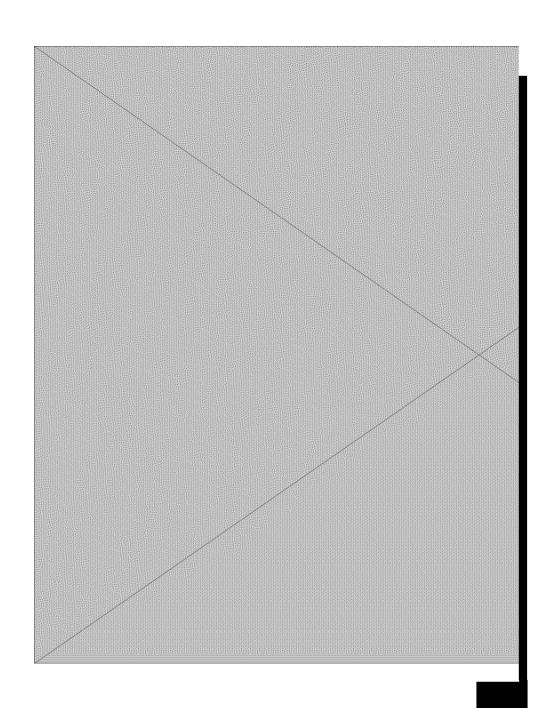
there 2 different MPRs for 27 MW and 50.5 MW in the workpapers (see sample graph below and the attached workpapers) and in Confidential Appendix D (p. 18, also attached). Furthermore, why was there a 50.5 MW assumption with a 2011 COD and a 27 MW assumption with a 2013 COD. It would seem that

a 2011 COD would be more likely for the lower 27 MW of capacity for the facility.

Please ring if you have any questions and would like to discuss further. Thanks.

Niki

RPS Solicitation Bid Supply Curve: 2009 All Bids vs. 2009 Short List





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