

From: Lee, Cheryl
Sent: 12/2/2010 12:35:39 PM
To: Redacted
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAc); Simon, Sean A. (sean.simon@cpuc.ca.gov)
Bcc:
Subject: RE: BottleRock PPA

David,

In AL 3668-E, PG&E assumed different online dates for the possible 27 MW and 50.5 MW project capacities when calculating AMFs and Project Viability scores. Specifically, it was assumed that the full 50.5 MW would come online in 2011, which I understand to be Bottle Rock's estimate. But, for 27 MW, the more likely project capacity, a 2013, the PPA deadline, was assumed. A single COD should be assumed. Thus, provide:

- 1) a new AMF Calculator for the 50.5 MW capacity assuming a 2013 COD
- 2) a new Project Viability Calculator for the 50.5 MW capacity assuming a 2013 COD

If you have any questions or need to discuss, please feel free to contact me (415) 703-2167 or via e-mail.

Thank you,
Cheryl

From: Redacted
Sent: Wednesday, December 01, 2010 2:01 PM
To: Lee, Cheryl
Cc: Simon, Sean A.
Subject: RE: BottleRock PPA

Cheryl:

Your assumption is correct. Thanks for checking in.

David

From: Lee, Cheryl [mailto:cheryl.lee@cpuc.ca.gov]
Sent: Tuesday, November 30, 2010 3:53 PM
To: Redacted
Cc: Simon, Sean A.
Subject: RE: BottleRock PPA

Hi David,

I have taken over review of the Bottle Rock PPA from Niki and have a clarifying question regarding the pricing formula in the PPA for deliveries over 133,152 MWh.

In the amended and restated PPA (Section 4.1(b)(ii), p. 28) it is described as:

I am assuming it means the price for deliveries greater than 133,152 MWh is equal to the following (any units are noted by being inside parenthesis and do not represent any variables or operations):

$0.000240327 (\$/MWh^2) \times \text{Annual Delivery Projection (MWh)} + 78.00 (\$/MWh)$

and the maximum price based on this formula would be 134 (\$/MWh)

Please verify or correct my assumption. If it is easier, a response via a phone call is fine.

Thank you,
Cheryl