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May 5, 2010

### Advice 3620-E-A

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject:Supplemental Filing for the Contracts for Procurement of Renewable<br/>Energy Resulting from Power Purchase Agreements between Halkirk I<br/>Wind Project LP, Blackspring Ridge IA Wind Project LP, and<br/>Blackspring Ridge IB Wind Project LP (all affiliates of Greengate<br/>Power Corporation) and Pacific Gas and Electric Company

Pacific Gas and Electric Company ("PG&E") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") a supplemental filing for Advice 3620-E ("Advice Letter"), dated February 22, 2010.<sup>1</sup> The Advice Letter submitted three power purchase agreements ("PPAs") between PG&E and Halkirk I Wind Project LP ("Halkirk I"), Blackspring Ridge IA Wind Project LP ("Blackspring Ridge IA"), and Blackspring Ridge IB Wind Project LP ("Blackspring Ridge IB") (collectively, the "Projects"), all affiliates of Greengate Power Corporation ("Greengate") for CPUC review and approval. The PPAs provide for PG&E's purchase of a total of 450 megawatts ("MW"), or an average of approximately 1,400 gigawatt hours ("GWh") per year, for 20 years, of energy eligible for the California Renewables Portfolio Standard ("RPS"). The Advice Letter is currently pending approval by the Commission.

The purpose of this supplement is to obtain CPUC approval of the amendments to the PPAs between PG&E and each of the affiliates of Greengate (the "Amendments") and to provide the supplemental information required by Decision ("D.") 10-03-021. The Amendments comprise only changes necessary to incorporate the Commission's new standard terms and conditions set forth in Ordering Paragraphs 35 and 36 of D.10-03-021. These Amendments are included in Appendices A1, A2, and A3. The utility must

<sup>&</sup>lt;sup>1</sup> Supplements to Advice Letters are authorized by General Order 96-B, section 7.5.1. Due to the limited scope of PG&E's supplemental information, this filing should not reopen the protest period or delay the effective date of the advice letter.

also provide supplemental information, as set forth in Ordering Paragraph 32 of the Decision. This information is included in Confidential Appendix B.

PG&E is aware that a proposed decision staying D.10-03-021 is currently before the Commission. PG&E makes this supplemental filing in compliance with D.10-03-021 at this time nonetheless to avoid delaying the effective date of the Advice Letter and risking potentially losing the benefits of these transactions. PG&E originally requested an approval date of June 3, 2010, as justified in Confidential Appendix D to the Advice Letter. The status of D.10-03-021 should not delay the effective date of the Advice Letter and this Supplement. These Amendments and the supplemental information are provided in order to comply with D.10-03-021, but they do not affect the beneficial nature of the original transactions, which are authorized whether or not D.10-03-021 is in effect.

### Compliance with Ordering Paragraphs 35 and 36 of D.10-03-021

On March 16, 2010, the Commission issued D.10-03-021, which authorized the use of Renewable Energy Credits ("RECs") to comply with California's RPS policies. D.10-03-021 set forth new standard terms and conditions to be incorporated into agreements that involve the purchase of RPS-eligible energy and that involve REC-only transactions. D.10-03-021 defines bundled transactions as any transactions where the RPS-eligible generator's first point of interconnection with the Western Electricity Coordinating Council (WECC) interconnected transmission system is with a California balancing authority; or the RPS-eligible energy from the transactions are considered REC-only transferred to a California balancing authority.<sup>2</sup> All other transactions are considered REC-only transactions.

Pursuant to the PPAs, PG&E will procure energy from RPS-eligible facilities that are located in Alberta, Canada. Therefore, the Projects' first point of interconnection with WECC is not with a California balancing authority. In addition, the energy from the transaction will not be dynamically transferred to a California balancing authority. Thus, as defined by D.10-03-021, the PPAs are REC-only transactions for purposes of RPS compliance and must comply with the additional filing requirements of D.10-03-021.

With the Amendments, the PPAs contain provisions that conform exactly to the "non-modifiable" terms set forth in D.10-03-021 and in previous decisions (although not

<sup>&</sup>lt;sup>2</sup> D.10-03-021, Ordering Paragraph 7.

required by D.10-03-021), including D.07-11-025, D.08-04-009, and D.08-08-028. <sup>3</sup>
These terms may be found on the following pages of the PPAs and Amendments.

Halkirk I Non-Modifiable Term	Section No.	Page No.
From PPA		
STC 2: RECs and Green Attributes		
Definition of Green Attributes	1.81	8-9
Conveyance of Green Attributes	3.2	23
STC 6: Eligibility	10.2(b)	41
STC 17: Applicable Law	10.12	48
STC REC-1: Transfer of renewable energy	10.2 (c)	42
credits		
From Amendment		
STC REC-2: Tracking of RECs in WREGIS	Amendment	1
	Item A	
STC REC-3: CPUC Approval	Amendment	1-2
	Item B	

Blackspring Ridge IA Non-Modifiable Term	Section No.	Page No.
From PPA		
STC 2: RECs and Green Attributes		
• Definition of Green Attributes	1.81	8-9
Conveyance of Green Attributes	3.2	24
STC 6: Eligibility	10.2(b)	41-42
STC 17: Applicable Law	10.12	49
STC REC-1: Transfer of renewable energy	10.2(c)	42
credits		
From Amendment		
STC REC-2: Tracking of RECs in WREGIS	Amendment	1
-	Item A	
STC REC-3: CPUC Approval	Amendment	1-2
	Item B	
Blackspring Ridge IB Non-Modifiable Term	Section No.	Page No.

<sup>&</sup>lt;sup>3</sup> *Compare* D.10-03-021 at C1 to C2 (App. C) *with* Appendix A. Although not included in Appendix C to the RECs Decision as a "new or revised" standard term and condition, the RECs Decision requires RECs-only PPAs to include the existing STC 17 regarding governing law. *See* D.10-03-021 at 78. The non-modifiable STC 17 was included in the original PPA.

From PPA		
STC 2: RECs and Green Attributes		
Definition of Green Attributes	1.81	8-9
Conveyance of Green Attributes	3.2	24
STC 6: Eligibility	10.2(b)	42
STC 17: Applicable Law	10.12	49
STC REC-1: Transfer of renewable energy	10.2(c)	43
credits		
From Amendment		
STC REC-2: Tracking of RECs in WREGIS	Amendment	1
	Item A	
STC REC-3: CPUC Approval	Amendment	1-2
	Item B	

### Compliance with Ordering Paragraph 32 of D.10-03-021

D.10-03-021 established a temporary price cap of \$50/tradable REC ("TREC").<sup>4</sup> For REC-only contracts that provide a combined price for both RECs and energy, a REC price must be calculated to compare to the TREC price cap to determine if the REC may be used for RPS compliance. As set forth in Advice 3620-E, under the PPAs, PG&E will purchase energy and Green Attributes at the Projects' busbars and then immediately and continuously resell the energy and capacity back to Greengate at each of the Projects' busbars while retaining Green Attributes for its own use. Therefore, under the PPAs, the prices of the Green Attributes constitute the REC prices. Though the actual price information for the PPAs is confidential, market sensitive information, as shown in Confidential Appendix A to the Advice Letter, the REC prices for the Projects are below the temporary price cap.

D.10-03-021 also established a temporary cap on the amount of TRECs that load serving entities may use towards RPS compliance.<sup>5</sup> Specifically, a utility may meet no more than 25% of its annual procurement target ("APT") with TRECs. D.10-03-021 does not, however, prohibit a utility from procuring TRECs in a quantity above 25% of its annual RPS procurement obligations. To the contrary, D.10-03-021 explicitly allows a utility to procure TRECs in excess of the 25% limit: If an IOU exceeds the 25% limit in any given year, the IOU may carry forward the deliveries to a year in which the limit is not

<sup>&</sup>lt;sup>4</sup> The TREC price cap will sunset December 31, 2011, unless the Commission acts to extend it. See D.10-03-021, Ordering Paragraph 21.

<sup>&</sup>lt;sup>5</sup> The TREC usage limit cap will sunset December 31, 2011, unless the Commission acts to extend it.

exceeded. In addition, there is no limitation on the number of years for which excess TRECs may be carried forward. Therefore, even if the TRECs procured through the PPAs exceed the 25% limit for any single year, PG&E may count the generation from the Projects towards its RPS compliance in any year PG&E has not already met or exceeded its TREC usage limit.

In addition, in order to allow the Commission to develop a report on the TREC market and place of TRECs in RPS compliance, D.10-03-021 requires utilities to include specific information in advice letters seeking approval of REC-only transactions.<sup>6</sup> In compliance with D.10-03-021, PG&E submits Confidential Appendix B, which presents the information required in REC-only advice letter filings set forth in Ordering Paragraph 32 of D.10-03-021.

### Effective Date

PG&E requests that this supplemental filing become effective concurrent with Advice Letter 3620-E.

### **Request for Confidential Treatment**

In support of this supplemental filing, PG&E has provided the following confidential information. This information is being submitted in the manner directed by D.08-04-023 and the August 22, 2006 Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066 to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under either the terms of the IOU Matrix, Appendix 1 of D.06-06-066 and Appendix C of D.08-04-023, or General Order 66-C. A separate Declaration Seeking Confidential Treatment is being filed concurrently with this supplemental filing.

### **Confidential Attachment:**

Appendix B – Supplemental TREC Information

**Public Attachments:** 

Appendix A1 – Amendment of Halkirk I Power Purchase Agreement

<sup>&</sup>lt;sup>6</sup> D.10-03-021, at 75, Ordering Paragraph 32.

Deleted: ¶

### Appendix A2 – Amendment of Blackspring Ridge IA Power Purchase Agreement

### Appendix A3 – Amendment of Blackspring Ridge IB Power Purchase Agreement

### **Request for Commission Approval**

PG&E requests that any resolution that approves Advice Letter 3620-E also approves the Amendment.

### **Protests**

The protest and comment period for the three PPAs should not be reopened. As permitted by General Order 96-B, Rule 7.5.1, this supplement only (1) updates the PPAs' terms and conditions to comply with recent Commission decisions; and (2) provides the supplemental information required by D.10.03-021.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter, excluding the confidential appendix, is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for R.08-08-009, R.06-02-012, and R.08-02-007. Non-market participants who are members of PG&E's Procurement Review Group and have signed appropriate Non-Disclosure Certificates will also receive the advice letter and accompanying confidential attachments by overnight mail. Address changes should be directed to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.

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Vice President – Regulation and Rates

cc: Service List for R.08-08-009 Service List for R.06-02-012 Service List for R.08-02-007 Paul Douglas - Energy Division Sean Simon – Energy Division

# Attachments\_\_\_\_\_\_ Formatted: Normal

### **Limited Access to Confidential Material:**

The portions of this supplemental filing marked Confidential Protected Material are submitted under the confidentiality protections of Sections 583 and 454.5(g) of the Public Utilities Code and General Order 66-C. This material is protected from public disclosure because it consists of, among other items, the contracts, price information, and analysis of the proposed RPS contracts, which are protected pursuant to D.06-06-066 and D.08-04-023. A separate Declaration Seeking Confidential Treatment regarding the confidential information is filed concurrently herewith.

### **Confidential Attachment:**

Appendix B – Supplemental TREC Information

### **Public Attachments:**

Appendix A1 – Amendment of Halkirk I Power Purchase Agreement

Appendix A2 – Amendment of Blackspring Ridge IA Power Purchase Agreement

Appendix A3 – Amendment of Blackspring Ridge IB Power Purchase Agreement

### DECLARATION OF GARRETT P. JEUNG SEEKING CONFIDENTIAL TREATMENT FOR CERTAIN DATA AND INFORMATION CONTAINED IN SUPPLEMENTAL FILING 3620-E-A (PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)

I, Garrett P. Jeung, declare:

1. I am presently employed by Pacific Gas and Electric Company ("PG&E"), and have been an employee at PG&E since 2003. My current title is Senior Director within PG&E's Energy Procurement organization. In this position, my responsibilities include managing a department that negotiates power purchase agreements and manages electric portfolio risk. In carrying out these responsibilities, I have acquired knowledge of PG&E's contracts with numerous counterparties and have also gained knowledge of the operations of electricity sellers in general. Through this experience, I have become familiar with the type of information that would affect the negotiating positions of electricity sellers with respect to price and other terms, as well as with the type of information that such sellers consider confidential and proprietary.

Based on my knowledge and experience, and in accordance with Decision ("D.")
08-04-023 and the August 22, 2006 "Administrative law Judge's Ruling Clarifying Interim
Procedures for Complying with Decision 06-06-066," I make this declaration seeking
confidential treatment of Appendix B to Supplemental Filing 3620-E-A, submitted on May 5,
2010. Through the Supplemental Filing, PG&E updates information contained in Advice Letter
3620-E, which seeks the Commission's approval of three power purchase agreements ("PPA")
that PG&E has executed with Halkirk I Wind Project LP ("Halkirk I"), Blackspring Ridge IA
Wind Project LP ("Blackspring Ridge IA"), and Blackspring Ridge IB Wind Project LP
("Blackspring Ridge IB") (collectively, the "Projects"), all affiliates of Greengate Power

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Corporation ("Greengate"). Confidential Appendix B contains the supplemental information required by Decision ("D.")10-03-021.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix 1 of D.06-06-066 and Appendix C of D.08-04-023 (the "IOU Matrix"), or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, if applicable, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information, if applicable; (2) the information is not already public; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that to the best of my knowledge, the foregoing is true and correct. Executed on May 5, 2010 at San Francisco, California.

					F	ACIFIC GAS AND ELEC Advice Letter 3 May 5, 201	520-E-A	
	IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 08-06-066 AND DECISION 08-04-023							
		1	****		· · · · · · · · · · · · · · · · · · ·			
	<b>Redaction</b> Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06- 06-066 and Appendix C to D.08- 04-023 (Y/N)		3) That It is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the Information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
1	Document: A	dvice Letter 3620-E-A						
2	Appendix B	Y	Item VII G) Renewable Resource Contracts under RPS program - Contracts without SEPs. Item VII (un-numbered category following VII G) Score sheets, analyses, evaluations of proposed RPS projects.	Y	Y	Ŷ	This Appendix describes, analyzes, and evaluates quantity, price, and other information regarding PG&E's RPS REC-only transactions. Disclosure of this information would provide valuable market sensitive information to competitors. Since negotiations are still in progress with bidders from the 2005, 2006, 2007, 2008, and 2009 solicitations and with other counterparties, this information should remain confidential. Release of this information would be damaging to negotiations. Furthermore, the counterparties to the PPAs have an expectation that the terms of the PPAs will remain confidential pursuant to confidentiality provisions in the PPAs.	For information covered under Item VII G) and Item VII (un-numbered category following VII G) remain confidential for three years after the commercial operation date.

# Appendix A1 (Public)

# Amendment of Halkirk I Power Purchase Agreement

#### AMENDMENT OF POWER PURCHASE AGREEMENT

This AMENDMENT OF POWER PURCHASE AGREEMENT (this "Amendment") is made as of the Effective Date (defined below), by and between Pacific Gas and Electric Company ("Buyer") and Halkirk I Wind Project LP ("Seller" and collectively with Buyer, the "Parties"). Buyer and Seller are Parties to that certain Power Purchase Agreement between the Parties dated February 19, 2010 ("Agreement").

#### RECITALS

WHEREAS, the Parties have heretofore entered into the Agreement;

WHEREAS, the Parties wish to amend the Agreement as set forth below; and

WHEREAS, capitalized terms defined in the Agreement are used in this Amendment as defined in the Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

#### **AGREEMENT**

The Agreement is hereby amended, and shall be effective on as of the last dated signature on the signature page hereto ("Effective Date") as follows:

A. <u>Amendment to Section 3.1(k)(viii)</u>: Section 3.1(k)(viii) shall be deleted and replaced in its entirety with the following:

Seller warrants that all necessary steps to allow the renewable energy credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract.

B. <u>Amendment of Defined Terms:</u>

1. The defined term of "CPUC Approval" in Section 1.32 shall be deleted and replaced in its entirety with the following:

"CPUC Approval" means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer's administration of the Agreement; and (b) finds that any procurement pursuant to this Agreement is procurement of renewable energy credits that conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation, for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

2. The following sentence shall be inserted as the last sentence of the defined term "Agreement" in Section 1.5:

For purposes of Section 3.1(k)(viii), the word "contract" shall have the meaning set forth in this definition.

D. Miscellaneous.

1. <u>Effect of Amendment</u>. The Agreement, as modified by this Amendment, remains in effect in accordance with its terms. If there is any conflict between the Agreement and this Amendment, this Amendment shall control.

2. <u>Entire Agreement</u>. This Amendment along with the Agreement constitutes the entire agreement between the Parties relating to the subject matter thereof and shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter thereof.

3. <u>Governing Law</u>. This Amendment shall be governed by Section 10.12 of the Agreement. The Parties agree to comply with Article Twelve of the Agreement with respect to any dispute relating to this Amendment.

4. <u>Captions; Construction</u>. The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. Any term and provision of this Amendment shall be construed simply according to its fair meaning and not strictly for or against any Party. The Parties collectively have prepared this Amendment, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Amendment or any part hereof.

5. <u>Counterparts</u>. This Amendment may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and

the same Amendment. Delivery of an executed counterpart of this Amendment by fax will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Amendment by facsimile will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Amendment.

Any Amendments or Modifications. This Amendment may only be 6. amended or modified in writing signed by each of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Amendment to the Agreement to be duly executed by its authorized representatives, as of the day and year written below. This Amendment shall not become effective as to either Party unless and until executed by both Parties.

### HALKIRK I WIND PROJECT LP, a

Limited Partnership created under the laws of the Province of Alberta by its General Portner, Halkirk I wind Project Utd.

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Name: Micab Libin Title: Vice President Date: April 5, 2010

### PACIFIC GAS AND ELECTRIC COMPANY a California corporation

Name: Gary P. Jeung Title: Senior Director, Structured Transactions Date: An -1 (2 2010

## Appendix A2 (Public)

## Amendment of Blackspring Ridge IA Power Purchase Agreement

#### AMENDMENT OF POWER PURCHASE AGREEMENT

This AMENDMENT OF POWER PURCHASE AGREEMENT (this "Amendment") is made as of the Effective Date (defined below), by and between Pacific Gas and Electric Company ("Buyer") and Blackspring Ridge IA Wind Project LP ("Seller" and collectively with Buyer, the "Parties"). Buyer and Seller are Parties to that certain Power Purchase Agreement between the Parties dated February 19, 2010 ("Agreement").

#### RECITALS

WHEREAS, the Parties have heretofore entered into the Agreement;

WHEREAS, the Parties wish to amend the Agreement as set forth below; and

WHEREAS, capitalized terms defined in the Agreement are used in this Amendment as defined in the Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

#### AGREEMENT

The Agreement is hereby amended, and shall be effective on as of the last dated signature on the signature page hereto ("Effective Date") as follows:

A. <u>Amendment to Section 3.1(k)(viii)</u>: Section 3.1(k)(viii) shall be deleted and replaced in its entirety with the following:

Seller warrants that all necessary steps to allow the renewable energy credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract.

B. <u>Amendment of Defined Terms:</u>

1. The defined term of "CPUC Approval" in Section 1.32 shall be deleted and replaced in its entirety with the following:

"CPUC Approval" means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer's administration of the Agreement; and (b) finds that any procurement pursuant to this Agreement is procurement of renewable energy credits that conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation, for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

2. The following sentence shall be inserted as the last sentence of the defined term "Agreement" in Section 1.5:

For purposes of Section 3.1(k)(viii), the word "contract" shall have the meaning set forth in this definition.

D. Miscellaneous.

1. <u>Effect of Amendment</u>. The Agreement, as modified by this Amendment, remains in effect in accordance with its terms. If there is any conflict between the Agreement and this Amendment, this Amendment shall control.

2. <u>Entire Agreement</u>. This Amendment along with the Agreement constitutes the entire agreement between the Parties relating to the subject matter thereof and shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter thereof.

3. <u>Governing Law</u>. This Amendment shall be governed by Section 10.12 of the Agreement. The Parties agree to comply with Article Twelve of the Agreement with respect to any dispute relating to this Amendment.

4. <u>Captions: Construction</u>. The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. Any term and provision of this Amendment shall be construed simply according to its fair meaning and not strictly for or against any Party. The Parties collectively have prepared this Amendment, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Amendment or any part hereof.

5. <u>Counterparts</u>. This Amendment may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and

the same Amendment. Delivery of an executed counterpart of this Amendment by fax will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Amendment by facsimile will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Amendment.

Any Amendments or Modifications. This Amendment may only be 6. amended or modified in writing signed by each of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Amendment to the Agreement to be duly executed by its authorized representatives, as of the day and year written below. This Amendment shall not become effective as to either Party unless and until executed by both Parties.

### **BLACKSPRING RIDGE IA WIND**

**PROJECT LP**, a Limited Partnership created under the laws of the Province of Alberta by its General Portner. Blackspring Ridge IA Wind Poject (Itd.

Name: Micah Libi Title: Vice President

Date: APX 5,2010

### PACIFIC GAS AND ELECTRIC **COMPANY** a California corporation

Name: Gary P. Jeung Title: Senior Director, Structured Transactions Date: April 12, 2010

## Appendix A3 (Public)

## Amendment of Blackspring Ridge IB Power Purchase Agreement

### AMENDMENT OF POWER PURCHASE AGREEMENT

This AMENDMENT OF POWER PURCHASE AGREEMENT (this "Amendment") is made as of the Effective Date (defined below), by and between Pacific Gas and Electric Company ("Buyer") and Blackspring Ridge IB Wind Project LP ("Seller" and collectively with Buyer, the "Parties"). Buyer and Seller are Parties to that certain Power Purchase Agreement between the Parties dated February 19, 2010 ("Agreement").

### **RECITALS**

WHEREAS, the Parties have heretofore entered into the Agreement;

WHEREAS, the Parties wish to amend the Agreement as set forth below; and

WHEREAS, capitalized terms defined in the Agreement are used in this Amendment as defined in the Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### AGREEMENT

The Agreement is hereby amended, and shall be effective on as of the last dated signature on the signature page hereto ("Effective Date") as follows:

A. <u>Amendment to Section 3.1(k)(viii)</u>: Section 3.1(k)(viii) shall be deleted and replaced in its entirety with the following:

Seller warrants that all necessary steps to allow the renewable energy credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract.

B. <u>Amendment of Defined Terms:</u>

1. The defined term of "CPUC Approval" in Section 1.32 shall be deleted and replaced in its entirety with the following:

"CPUC Approval" means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer's administration of the Agreement; and (b) finds that any procurement pursuant to this Agreement is procurement of renewable energy credits that conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation, for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

2. The following sentence shall be inserted as the last sentence of the defined term "Agreement" in Section 1.5:

For purposes of Section 3.1(k)(viii), the word "contract" shall have the meaning set forth in this definition.

D. Miscellaneous.

1. <u>Effect of Amendment</u>. The Agreement, as modified by this Amendment, remains in effect in accordance with its terms. If there is any conflict between the Agreement and this Amendment, this Amendment shall control.

2. <u>Entire Agreement</u>. This Amendment along with the Agreement constitutes the entire agreement between the Parties relating to the subject matter thereof and shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter thereof.

3. <u>Governing Law</u>. This Amendment shall be governed by Section 10.12 of the Agreement. The Parties agree to comply with Article Twelve of the Agreement with respect to any dispute relating to this Amendment.

4. <u>Captions; Construction</u>. The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. Any term and provision of this Amendment shall be construed simply according to its fair meaning and not strictly for or against any Party. The Parties collectively have prepared this Amendment, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Amendment or any part hereof.

5. <u>Counterparts</u>. This Amendment may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and

the same Amendment. Delivery of an executed counterpart of this Amendment by fax will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Amendment by facsimile will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Amendment.

6. <u>Any Amendments or Modifications</u>. This Amendment may only be amended or modified in writing signed by each of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Amendment to the Agreement to be duly executed by its authorized representatives, as of the day and year written below. This Amendment shall not become effective as to either Party unless and until executed by both Parties.

### BLACKSPRING RIDGE IB WIND

PROJECT LP, a Limited Partnership created under the laws of the Province of Alberta by its freed Partner, Blackspring Ridge IB Wind Project Ltd.

Name: Mich Libin Title: Vice Provident Date: April 5,2010

### PACIFIC GAS AND ELECTRIC COMPANY

a California corporation

Name: Gary P. Geung UTitle: Senior Director, Structured Transactions Date:  $A_0\sigma$ , 12, 2910

## **Confidential Appendix B**

# **Supplemental TREC Analysis**

Confidentiality Protected Under D.06-0-06-066 App 1, Item VII "Renewable Resource Contracts Under RPS Program

## Confidential Appendix B

## Supplemental TREC Analysis

Confidentiality Protected Under D.06-0-06-066 App 1, Item VII "Renewable Resource Contracts Under RPS Program

### Project(s) Contribution to TREC Usage Cap<sup>1</sup>

Project Name/Facility Name	Greengate: Halkirk I Wind Project LP, Blackspring IA Wind Project LP, and Blackspring IB Wind Project LP
Project's facility status	Redacted

All facilities under contract with PG&E as REC only transactions	2010	2011
RPS Goal/APT (GWh)	Redacted	
TREC usage cap (GWh)		
TREC deliveries from Project (GWh)		
TREC deliveries from Project (as a percentage of TREC cap)		
TREC deliveries from other facilities under		
contract (GWh) <sup>2</sup>		
TREC deliveries from other facilities under contract (as a percentage of TREC cap) <sup>2</sup>		
Total TREC deliveries including Project (GWh) <sup>2</sup>		
Total TREC deliveries including Project (as a percentage of TREC cap) <sup>2</sup>		
TREC headroom (exceeds cap) (GWh) <sup>3</sup>	1	
		0011

TREC online facilities <sup>4</sup>	2010	2011
TREC deliveries from online facilities (GWh) <sup>2</sup>	Redacted	
Total TREC deliveries from online facilities (as a		
percentage of TREC cap) <sup>2</sup>		

TREC not online facilities <sup>5</sup>	2010 2011
TREC deliveries from not online facilities (GWh)	Redacted
Total TREC deliveries from not online facilities (as a percentage of TREC cap)	

1	Redacted		
2			
d			
b			
3			
4			
W			
5			
W			

### Project(s) Green Attribute Price Comparison

Project's facility status	Facility/facilities not in commercial operation at the time the contract was signed
Project Name/Facility Name	Greengate: Halkirk I Wind Project LP, Blackspring IA Wind Project LP, and Blackspring IB Wind Project LP

