

From: [Redacted]
Sent: 3/2/2011 9:32:12 AM
To: 'Simon, Sean A.' (sean.simon@cpuc.ca.gov)
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAE); [Redacted]
[Redacted]
Bcc:
Subject: RE: pending Shell PPAs

Sean,

The valuation in AL 3583-E and 3609-E did not include any RA. This was a conservative assumption. PG&E received RA value from these transactions in 2010, and expects to get some RA value this summer. However, given capacity surpluses for 2010 and 2011, RA value for these years is relatively low. If PG&E had included RA value, it would have improved the valuation by approximately \$2/MWh.

[Redacted] worked on these transactions. Please send any additional questions to [Redacted] and Meredith.

[Redacted]

From: Simon, Sean A. [mailto:sean.simon@cpuc.ca.gov]
Sent: Monday, February 28, 2011 12:40 PM
To: [Redacted]
Subject: pending Shell PPAs

[Redacted]

Can you explain to me why PG&E is not receiving any RA value from the seven pending Shell PPAs (AL 3583-E & 3609-E)?

Regards,

Sean

Sean A. Simon | Energy Division - Analyst | CA Public Utilities Commission | Tel (415)

703-3791

<http://www.cpuc.ca.gov/renewables>

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