

PACIFIC GAS AND ELECTRIC COMPANY

DECLARATION OF GEORGE CLAVIER
SEEKING CONFIDENTIAL TREATMENT OF CERTAIN DATA AND INFORMATION
CONTAINED IN PG&E'S RESPONSES TO ENERGY DIVISION'S DATA REQUEST
RELATING TO THE 2010 LONG TERM PROCUREMENT PLAN (R.10-05-006)

I, Redacted declare:

1. I am currently employed by Pacific Gas & Electric Company ("PG&E") as a Principal Analyst within PG&E's Energy Procurement organization. I have been employed by PG&E for 20 years, and during that time I have acquired knowledge of PG&E's contracts with numerous counterparties and have also gained knowledge of the operations of electric sellers in general. Through this experience, I have become familiar with the type of information that would affect the negotiating positions of electric sellers with respect to price and other terms, as well as with the type of information that such sellers consider confidential and proprietary.

2. Based on my knowledge and experience, and in accordance with the *Decision Adopting Model Protective Order and Non-Disclosure Agreement, Resolving Petition For Modification and Ratifying Administrative Law Judge Ruling*, D. 08-04-023 (April 18, 2008), I make this declaration seeking confidential treatment for certain data and information contained in PG&E's responses to the Energy Division's February 20, 2011 data request in the 2010 Long Term Procurement Plan Proceeding (R.10-05-006) for utility electric procurement information relating to qualifying facilities (QFs) supplying energy and capacity under long term contracts with PG&E.

3. Generation from QFs comprises a significant portion of PG&E's electric resource. Consistent with the applicable laws and rules governing the confidentiality of utility power procurement information, PG&E seeks to maintain the confidentiality of the RPS-eligible energy procurement costs of its QF portfolio. Unauthorized release of this information could result in market manipulation to the detriment of electricity customers.

4. D.06-06-066 Appendix I, the matrix of IOU confidentiality rules, Section II.B.3 (Electric Cost Forecast Data – Generation – QF Contracts) provides that PG&E’s forecast of the cost of procuring electricity pursuant to QF contracts is confidential. The forecast remains confidential for three years.

5. PG&E seeks to protect the confidentiality of its forecast of payments to QFs, both on an individual and on an aggregate basis, as it is authorized to do by Section II.B.3 of the IOU Matrix adopted by D.06-06-066.

7. Attached to this declaration is a matrix that identifies the data and information contained in PG&E’s response 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 the “IOU Matrix” attached as Appendix 1 of Decision 06-06-066. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, 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; (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 the foregoing is true and correct, and if called to testify on these matters, could and would competently do so. Executed on March 14, 2011 in San Francisco, California.

Redacted 3-14-11

PACIFIC GAS AND ELECTRIC COMPANY								
PG&E Data Response to Energy Division Regarding Annual Projected RPS-Eligible Energy Costs								
March 15, 2011								
IDENTIFICATION OF CONFIDENTIAL INFORMATION PER DECISION 06-06-066 AND DECISION 08-04-023								
Redaction 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)	2) Which category or categories in the Matrix the data correspond to:	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	
Document: RPS - ED Data Request 2011-2020 Contract Costs.xls, Contract Costs Tab								
1	All Gray-Shaded Cells in Contract Costs Tab	Y	Item VII (F) or (G) Renewable Resource Contracts under RPS program - Contracts with and without SEPs. Item VII (E) New non-utility affiliated bilateral contracts (except RPS)	Y	Y	Y	All the gray-shaded cells in these tabs contain, for each listed PPA, the product of multiplying the contract quantity by the contract price. Because expected deliveries of the contracts are information that have been publicly disclosed in the past, a simple calculation would reveal the contract price, which is confidential per D.06-06-066 until the earlier of one year following contract expiration or three years following the COD date in the PPA. 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. Pricing has been negotiated with the counterparty under an expectation of confidentiality. It is in the public interest to treat such information as confidential because if such information were made public, it would put the counterparty at a business disadvantage, could create a disincentive to do business with PG&E and other regulated utilities, and could have a damaging effect on current and future negotiations with other counterparties	For information covered under Items VII (E), (F), and (G), remain confidential for three years from energy deliveries or amendment execution, as applicable, or one year following contract expiration, whichever is first.
2	All Gray-Shaded Cells in Contract Costs Tab	Y	Item II (B) (3) QF contract generation cost forecasts	Y	Y	Y	The gray-shaded cells contain future payments to individual QF generators forecasted by PG&E. The annual payments per QF are all confidential, regardless of when the PPA was signed, pursuant to Matrix Item II, Cost Forecast Data; B. Generation Cost Forecasts; 3. QF Contracts. PG&E's 2011 forecast of generation expected during the forecast horizon is based on PG&E's analysis of forward energy prices, analysis of business trends, and generator-specific information. It is therefore protected market sensitive energy procurement information. The Confidentiality Matrix states that the cost of generation under QF Contracts is "public by resource category (e.g. fossil, wind, solar, hydro electric, etc.) after three years. However, PG&E has not been requested to provide its forecasts from 2008, 2009, or 2010 so no public disclosure of aggregated data is involved.	PG&E's 2011 forecast of QF generation shall remain confidential for three years. Information may be provided publicly aggregated by resource type after that time.
Document: RPS - ED Data Request 2011-2020 Contract Costs.xls, Summary Tab								
3	All Gray-Shaded Cells in Summary Tab	Y	Item II (B) (4) Non-QF bilateral contract generation cost forecasts Item II (B) (3) QF contract generation cost forecasts	Y	Y	Y (Note: Forecasts for 2011-2020 have been aggregated and provided non-confidentiality in the spreadsheet)	All gray-shaded cells in the Summary tab contain either annual aggregated forecasted RPS contract costs or the sum of the RPS contracts and integration costs. The annual aggregated forecasted RPS contract costs fall within the categories of non-QF bilateral contract generation cost forecasts and QF contract generation forecasts in the Confidentiality Matrix. The sum of the RPS contract costs and the integration costs must also be made confidential to avoid disclosing the forecasted annual aggregated RPS contract costs through a simple calculation.	For information covered under Items II(B)(3) and (4), remain confidential for three years. Information may be provided publicly aggregated by resource type after that time.