

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 17, 2011

File No.: A.08-11-001 et al.

Ms. Mary Gandesbery  
Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120

Ms. Georgetta Baker  
San Diego Gas & Electric Company  
101 Ash Street, HQ 13  
San Diego, CA 92101

RE: A.08-11-001 and R.04-04-003/R.04-04-025 Request for Additional  
Extension of Time to Comply with Decision 09-04-032.

Dear Ms. Gandesbery and Ms. Baker:

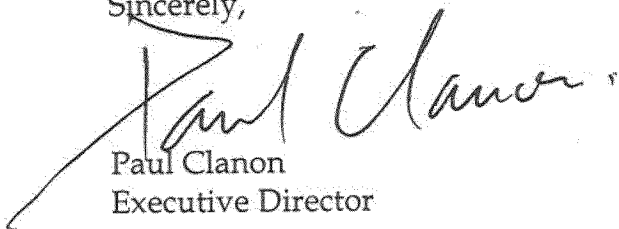
This is in response to your letter dated August 9, 2011. In that letter, you requested, on behalf of Pacific Gas and Electric Company (PG&E) and San Diego Gas & Electric Company (SDG&E), a further extension of time to comply with Ordering Paragraph No. 4 of Decision (D.) 09-04-032. Your request was made pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure.

In D.09-04-032, PG&E, SDG&E and Southern California Edison Company (SCE) were provided an opportunity to file an application to apply the Market Index Formula (MIF) from September 20, 2007 to the date the MIF is implemented. This application is to be filed "within 45 days after the date the decision resolving the implementation date of the MIF is issued." (D.09-04-032, Ordering Paragraph No. 4.) On April 17, 2009, the Commission issued D.09-04-034, which determined that the implementation date of the MIF would be the first day of the month following issuance of a resolution approving the Investor Owned Utilities' [IOU] Tier 3 MIF Implementation Advice Letters. Pursuant to D.09-04-032, the IOU's application for prior application of the MIF would be due on June 1, 2009. PG&E and SDG&E had previously requested and been granted extensions of the time to file the applications. The most recent extension, granted on May 5, 2011, extended the period to September 1, 2011.

On December 16, 2010, the Commission adopted Decision 10-12-035, which approved a proposed settlement between PG&E, SDG&E, Southern California Edison Company (SCE), the California Cogeneration Council, Independent Energy Producers Association, Cogeneration Association of California, Energy Users and Producers Coalition, The Utility Reform Network and the Division of Ratepayer Advocates (jointly, Settling Parties). The Settlement Agreement resolves issues regarding payments to qualifying facilities. Decision 10-12-035 was subsequently modified by Decision (D.) 11-07-010 to reflect an agreement reached between Settling Parties and the California Municipal Utilities Association. On July 28, 2011, the Settling Parties filed a joint petition to modify D.11-07-010. Your letter states that since the petition to modify D.11-07-010 is pending, the Settlement Agreement is not yet effective. Consequently, PG&E and SDG&E request that the time to comply with Ordering Paragraph No. 4 of D.09-04-032 be extended to December 1, 2011.

I am granting your request for an extension pursuant to my authority under Rule 16.6. The date to file an application seeking prior application of the MIF, as ordered in Ordering Paragraph No. 4 of D.09-04-032, is extended to December 1, 2011. PG&E and SDG&E shall promptly inform all parties in Application 08-11-001 and Rulemaking 04-04-003 and 04-04-025 of this extension.

Sincerely,



Paul Clanon  
Executive Director

AYK/gd2