



**Brian K. Cherry**  
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September 22, 2011

Mr. Honesto Gatchalian and Ms. Maria Salinas  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**Re: PG&E's Comments on Draft Resolution E-4423**

Dear Mr. Gatchalian and Ms. Salinas:

Pacific Gas and Electric Company ("PG&E") submits the following comments on Draft Resolution E-4423 ("Draft Resolution"), which was issued on September 2, 2011, with a September 22, 2011, comment deadline.

**Introduction**

The Draft Resolution approves, without modification, PG&E's Advice Letter 3822-E, which requests Commission approval of a 25-year renewable purchase power agreement ("PPA") between PG&E and Vasco Winds, LLC ("Vasco Winds") for generation from a 78.2 MW wind facility in Contra Costa County. The project is expected to achieve commercial operation on November 1, 2012, and is expected to deliver 211 GWh annually over the life of the PPA.

The Advice Letter also requests Commission approval of an amendment to a Qualifying Facility ("QF") PPA between PG&E and Green Ridge Power, LLC, which reflects the decommissioning of facilities under the Green Ridge PPA in order to develop the Vasco Winds facility under the Vasco Winds PPA.

**The Draft Resolution should be modified to include an Ordering Paragraph approving, without modification, the amendment to the Qualifying Facility PPA between PG&E and Green Ridge Power, LLC.**

Draft Resolution Ordering Paragraph 1 states that PG&E's Advice Letter 3822-E, requesting Commission review and approval of a PPA with Vasco Winds is approved without modifications. In the Advice Letter, however, PG&E also requested Commission approval of an amendment to a QF PPA between PG&E and Green Ridge Power, LLC, which reflects the decommissioning of facilities and a reduction in contract capacity under the Green Ridge PPA in order to develop the Vasco Winds facility under the Vasco Winds PPA. The reduction of 78.2

MW in contract capacity under the Green Ridge PPA matches the 78.2 MW of capacity under the Vasco Winds PPA. The Draft Resolution did not address this request. PG&E respectfully requests that the Draft Resolution be modified to include an Ordering Paragraph approving, without modification, the amendment to the QF PPA between PG&E and Green Ridge Power, LLC. The approval of the QF PPA amendment is a critical part of the overall transaction and thus Commission approval of both the Vasco Winds PPA and the amendment to the QF PPA are necessary in the Final Resolution. With this single modification, PG&E fully supports the Draft Resolution.

Sincerely,

Handwritten signature of Brian Cherry in cursive script.

Vice President - Regulation and Rates

cc: Commission President Michael R. Peevey  
Commissioner Timothy A. Simon  
Commissioner Mike Florio  
Commissioner Catherine J.K. Sandoval  
Commissioner Mark Ferron  
Karen Clopton – Chief Administrative Law Judge  
Frank Lindh – General Counsel  
Julie Fitch, Director – Energy Division  
Paul Douglas – Energy Division  
Cheryl Lee – Energy Division  
Sean Simon – Energy Division  
Junaid Rahman – Energy Division  
Service Lists for R.08-08-009, R.06-02-012 and R.08-02-007

Attachment

## CERTIFICATE OF SERVICE

I certify that I have by mail, e-mail, or hand delivery this day served a true copy of Pacific Gas and Electric Company's comments on Draft Resolution E-4423, regarding PG&E's Advice Letter 3822-E on:

- 1) Commissioners Michael Peevey, Mark Ferron, Mike Florio, Catherine Sandoval, and Timothy Simon
- 2) Karen Clopton – Chief Administrative Law Judge
- 3) Julie Fitch – Director, Energy Division
- 4) Frank Lindh – General Counsel
- 5) Junaid Rahman – Energy Division
- 6) Honesto Gatchalian – Energy Division
- 7) Maria Salinas – Energy Division
- 8) Paul Douglas – Energy Division
- 9) Sean Simon – Energy Division
- 10) Cheryl Lee – Energy Division
- 11) Service Lists for R.08-08-009, R.06-02-012, and R.08-02-007

/S/ LINDA TOM-MARTINEZ  
Linda Tom-Martinez  
PACIFIC GAS AND ELECTRIC COMPANY

Date: September 22, 2011