STATE OF CALIFORNIA Edmund G. Brown Jr., Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

ID # 10765

October 11, 2011

Alternate Draft Resolution E-4433 November 10 Commission Meeting

TO: PARTIES TO DRAFT RESOLUTION E-4433 Option A and Option B Service List: R.11-05-005 and R.10-05-006

Enclosed is Alternate Draft Resolution E-4433 of President Michael Peevey addressing Pacific Gas & Electric Company's (PG&E) advice letters (AL) 3876-E and 3876-E-A.

Alternate Draft Resolution E-4433 presents an alternative to Draft Resolution E-4433 Option A and Draft Resolution E-4433 Option B. Whereas Option A denies cost recovery for a long-term renewable power purchase agreement (PPA) between PG&E and Mojave Solar LLC, Alternate Draft Resolution E-4433 approves cost recovery for that PPA. The Alternate also differs from Option B in that, whereas Option B approves cost recovery for the PPA contract with modifications, the Alternate approves cost recovery for the PPA as submitted.

The Alternate Draft Resolution E-4433 of President Michael Peevey will be on the agenda at the November 10, 2011 Commission meeting. The Commission may then vote on this Alternate Draft Resolution or it may postpone a vote until later.

When the Commission votes on a Draft Resolution, it may adopt all or part of it as written, amend, modify or set it aside and prepare a different Resolution. Only when the Commission acts does the Resolution become binding on the parties.

Parties may submit comments on the Alternate Draft Resolution no later than Monday, October 31, 2011.

An original and two copies of the comments, with a certificate of service, should be submitted to:

Honesto Gatchalian and Maria Salinas Energy Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102 jnj@cpuc.ca.gov; mas@cpuc.ca.gov

A copy of the comments should be submitted to:

Damon Franz Advisor to Commissioner Michael Peevey Df1@cpuc.ca.gov

Sean Simon Energy Division svn@cpuc.ca.gov

Those submitting comments must serve a copy of their comments on 1) the entire service list attached to the Draft Resolution, 2) all Commissioners, and 3) the Director of the Energy Division, the Chief Administrative Law Judge and the General Counsel, on the same date that the comments are submitted to the Energy Division.

Comments may be submitted electronically.

Comments shall be limited to five pages in length plus a subject index listing the recommended changes to the Alternate Draft Resolution E-4433 of Michael Peevey and an appendix setting forth the proposed findings and ordering paragraphs.

Comments shall focus on factual, legal or technical errors in the proposed Alternate Draft Resolution E-4433 of Commissioner Michael Peevey. Comments that merely reargue positions taken in the advice letter or protests will be accorded no weight and are not to be submitted.

/s/ Paul Douglas
Paul Douglas
Project and Program Supervisor
Energy Division

Enclosure: Certificate of Service

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of Alternate Draft Resolution E-4433 of President Michael Peevey on all parties in these filings or their attorneys as shown on the attached list.

Dated October 11, 2011 at San Francisco, California.

/s/ Honesto Gatchalian Honesto Gatchalian

NOTICE

Parties should notify the Energy Division, Public Utilities Commission, 505 Van Ness Avenue, Room 4002 San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the Resolution number on the service list on which your name appears.