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Sent: 11/10/2011 3:25:48 PM

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Subject: CPUC Approves Solar Project For PG&E to Help Meet State's Renewable Power

Goals: CPUC Press Release

## FOR IMMEDIATE RELEASE RELEASE

**PRESS** 

Docket

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#: Res E-4433

## CPUC APPROVES SOLAR PROJECT FOR PG&E TO HELP MEET STATE'S RENEWABLE POWER GOALS

SAN FRANCISCO, November 10, 2011 - The California Public Utilities Commission (CPUC) today approved a Pacific Gas and Electric Company (PG&E) renewable energy power purchase agreement with Mojave Solar, LLC.

The following table provides a summary of the project:

Generating Facility	Mojave Solar
Technology	Solar thermal (wet cooled, trough, no storage)
Contract Length	25 years
Facility Capacity	250 megawatts
Annual Deliveries	617 gigawatt-hours
Online Date	July 2014
Project Location	San Bernardino County, Calif.

Mojave Solar, LLC, an affiliate of Abengoa Solar, Inc., is developing a 250 megawatt concentrating solar power parabolic trough renewable energy generation facility in San Bernardino County. The Mojave Solar project was selected through PG&E's 2007 Renewables Portfolio Standard (RPS) solicitation. PG&E initially submitted a power purchase agreement with Mojave Solar on October 27, 2009.

While the power purchase agreement was pending CPUC approval, Mojave Solar, LLC, learned that the transmission network upgrades necessary for the project to provide resource adequacy to PG&E would not be completed until several years after the project was scheduled to achieve commercial operation. Because the power purchase agreement required that the facility provide resource adequacy, PG&E and Mojave Solar renegotiated the power purchase agreement in order to meet the requirements for a Department of Energy Federal Loan Guarantee and to maintain the value of the original power purchase agreement. The contract is more costly than other procurement opportunities available to PG&E, but the CPUC determined that the value of adding the Mojave Solar project to California's fleet of renewable energy generation capacity warranted approving the project.

"Mojave Solar is the furthest developed new utility-scale solar thermal project that the CPUC has encountered in our capacity of reviewing the utilities' RPS power purchase agreements," said CPUC President Michael R. Peevey. "The Mojave Solar project is highly viable and the solar thermal facility will enhance the resource diversity of PG&E's energy portfolio."

Said Commissioner Timothy Alan Simon, "I commend Abengoa Solar for its voluntary commitment to diversity in its hiring and procurement objectives for construction and professional services in building this solar thermal facility. Abengoa's outreach to minority, women, and disabled veteran subcontractors is consistent with Assembly Bill 2758 and CPUC General Order 156 rules and will benefit local economic development and job creation."

Added Commissioner Mark J. Ferron, "With this project we have very high viability. The technology is tried and true, the financing is all wrapped up with the U.S. Department of Energy Loan Guarantee, and we're told that the hard hats are on and the bulldozers are ready to roll. Therefore, we can have high confidence that this project will get built."

The proposal voted on today is available at http://docs.cpuc.ca.gov/WORD PDF/AGENDA RESOLUTION/149349.pdf.

For more information on the CPUC, please visit <a href="www.cpuc.ca.gov">www.cpuc.ca.gov</a>.

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California Public Utilities Commission
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