

February 21, 2012

Honesto Gatchalian
Maria Salinas
Energy Division, California Public Utilities Commission
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, CA 94102

Re: Silverado Power LLC's Response to Pacific Gas & Electric Company's Advice Letter 4000-E Requesting Modification of Its Renewable Auction Mechanism Program

Dear Mr. Gatchalian and Ms. Salinas:

As Pacific Gas & Electric Company (PG&E) states in Advice Letter (AL) 4000-E, the Commission adopted the Renewable Auction Mechanism (RAM) program on December 17, 2010, in Decision (D.) 10-12-048, and on August 18, 2011, the Commission provided implementation details for the RAM program in Resolution E-4414. In both D.10-12-048 and Resolution E-4414, the Commission specified an 18-month commercial operation date (COD) with the potential for one six-month extension due to regulatory processes outside of a developer's control, such as permitting or interconnection delays not caused by the developer.¹ In AL 4000-E, PG&E proposes two modifications to its RAM program: (1) modifications to the product allocations based on results from the first RAM program solicitation and (2) an extension to the regulatory delay period for the COD from six months to 12 months.² As PG&E notes, Ordering Paragraph 5 in D.10-12-048 indicates that the investor-owned utilities may seek modifications to the RAM program via advice letter.³ Under the same Ordering Paragraph, the Energy Division may also issue a resolution on its own motion to propose program modifications.⁴

¹ D.10-12-048 at 52, 84; Resolution E-4414 at 25-27, 42, 46.
² AL 4000-E at 1-2.
³ D.10-12-048 at 96-97.
⁴ *Id.* at 97.

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Respectfully submitted,

/s/ Kevin T. Fox

Kevin T. Fox
KEYES & FOX, LLP
436 14th Street, Suite 1305
Oakland, CA 94612
Phone: 510-314-8201
E-mail: kfox@keyesandfox.com

Attorneys for SILVERADO POWER LLC

cc: Brian Cherry, Vice President, Regulation & Rates, PG&E
Edward Randolph, Director, CPUC Energy Division
Service list for R.11-05-005