

From: [Redacted]  
Sent: 3/14/2012 10:00:11 AM  
To: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe)  
Cc:  
Bcc:  
Subject: RE: RALF

Hey,

Thanks for this information. It would still be good to confirm the second question. I believe Cem spoke to Karen K and she indicated that the deliveries provided from the effective date of the proposed amendments do factor into the annual performance framework (i.e. those deliveries are counted in the assessment of whether a facility provided at least x% of its contracted for deliveries, which in turn determines what price they get for all deliveries) in those instances where a true up is requested, but it wouldn't hurt to double check.

Thanks again,

[Redacted]

**From:** Allen, Meredith [mailto:MEAe@pge.com]  
**Sent:** Tuesday, March 13, 2012 11:18 PM  
**To:** [Redacted]  
**Subject:** RALF

H [Redacted]

I confirmed with our attorney that the RALF process is optional. The information is below. This issue was also raised in the context of the EnXco Shiloh IV PPA that was approved on 3/8. The related QF amendments were processed by AL. Did you still need information on whether the true up takes into account the performance incentive?

Please let me know if you have questions or would like to discuss.

Thanks,

Meredith

The RALF process was approved in D. 98-12-066 (83 CPUC2d 506) for proposed modifications to QF contracts. In that decision, the Commission stated that the utility “at its discretion” may use the RALF process. *See* 83 CPUC2d at p. 508. D.04-12-048 stipulated that contracts with greater than a five-year term require an application and D.06-12-009 clarifies that modifications and amendments of QF contracts with terms less than five years may be addressed through the filing of an advice letter. (See D.06-12-009 at p.7.)