

From: [Redacted]
Sent: 7/13/2012 9:48:26 AM
To: Blackney, Robert (robert.blackney@cpuc.ca.gov)
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAE); Mathai-jackson, Grady (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=MGML)
Bcc:
Subject: RE: New Draft - [Redacted]

Robert

PG&E scanned the draft [Redacted] report you provided and noted that the list of projects included in the “nonUOG_RPS cost combined” tab and the “Contract Information” tab is consistent with what PG&E provided in the updated [Redacted] data request response at end of February, which included all contracts for bundled energy. Given the timeframe for review, PG&E did not go through each cell of data to vet the information in detail, however, based on a general review of what contracts were listed, noted the following items:

- Final Presentation Tab: Break out of wind contracts (0-3MW) show average cost as high as \$2.67 and \$1.06/kWh. It looks like the data is getting skewed as the firming and shaping contracts are getting picked up in the 0-3MW line item, even though they are associated with larger sized projects (50-200MW range).
- nonUOG_RPS cost combined Tab: REC/Bundled energy column is being determined based on the old TREC decision which was superseded by the 33% proceeding, so does not reflect the bucket structure of the current 33% regime. Additionally, some of the contract classifications are not consistent with the superseded TREC decision. The following is the list of contracts that would have been classified as a TREC under the superseded decision:

Arlington Wind Power Project LLC
Blackspring Ridge IA Wind Project LP
Blackspring Ridge IB Wind Project LP
Halkirk I Wind Project LP
Klondike III Wind Power, LLC
Klondike Wind Power IIIA, LLC and Bonneville
Power Administration
PacifiCorp
Puget Sound Energy, Inc.
Shell Energy North America (US), L.P./White
Creek
Shell Energy North America (US), L.P./Big
Horn

Vantage Wind Energy LLC

Please note that El Dorado is interconnected via pseudo-tie and the two BrightSource deals are directly interconnected to the CAISO so would not be classified as TREC's under the superseded TREC decision.

Thank you,

Redacted

From: Blackney, Robert [mailto:robert.blackney@cpuc.ca.gov]

Sent: Monday, July 09, 2012 6:26 PM

To: Allen, Meredith; Redacted

Cc: Redacted

Subject: New Draft - Redacted

Hello Meredith, Redacted and Redacted

Energy Division is planning on releasing an updated version of the Redacted Report (without "REC only" pricing information) within the Q2 Report to the Legislature (originally in Q4 2011 report). Before we issue the amended copy of the report, we would like to have PGE vet the data used.

Attached please find an Excel spreadsheet with PGE's information. I started by using the latest version of information provided by PGE (information was updated in March, and vetted via a conference call with PGE), and removed all information pertaining to REC only contracts. I then reprocessed the numbers, using a weighted average (total cost/total production) for each year and technology type.

Please inspect the information within the "nonUOG_RPS cost combined" and "Contract Information" tabs of the Excel workbook, to make sure that any/all projects with bundled energy product are accounted for. The information within the "FINAL PRESENTATION" tab is the final product that will be used in the Q2 Report to the Legislature, and all sensitive

information redacted. Please note that all redacted information in this version of the report is represented as black text on a black field, and has not been deleted (this information will be deleted in the actual public report).

Energy Division is going to close out the Q2 Report to the Legislature this week, so please return this to me by close of business on Wednesday July 11, or before noon on Thursday July 12. If you have any questions, please feel free to contact me directly at 415.703.3072.

Thanks,

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