From: Cherry, Brian K

Sent: 9/18/2012 5:25:29 PM

To: mfl@cpuc.ca.gov (mfl@cpuc.ca.gov)

Cc:

Bcc:

Subject: FW: Calpine's Sutter Power Plant for 2013

Mike – thought you might like to know about this.

From: Kuga, Roy M

Sent: Tuesday, September 18, 2012 4:19 PM

To: Bottorff, Thomas E; Conway, John; Wan, Fong; Cherry, Brian K; Horner, Trina; Jacobson, Erik B

(RegReI); Middlekauff, Charles (Law); Capelle, Anna (Law)

Subject: Calpine's Sutter Power Plant for 2013

CONFIDENTIAL—NON PUBLIC, COMMERCIALLY SENSITIVE INFORMATION

For your information

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We have selected about 200 MW of the Sutter plant for the summer of 2013 as part of our 2013 RA RFO. Calpine has agreed to sell us this amount. Calpine indicated they are selling us the amount they had available, so presumably, the balance is contracted for by someone else.

Sunrise (owned by Mission Energy), on the other hand, rejected our offer to purchase their RA for next summer. They conditioned their offer to sell RA on being a 5 month strip only, whereas we could only justify purchasing it for 2 months out of the 5 months they required. Not sure what their plan is going forward. They may be counting on the ISO's Risk of Retirement backstop proposal.

Roy