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Fax: 415-973-7226

October 26, 2012

#### Advice 4114-E-A

**Purpose** 

(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject:** Supplemental Filing for the Advice Letter Filing of PG&E's Second Renewable Auction Mechanism Power Purchase Agreements

Pacific Gas and Electric Company ("PG&E") submits to the California Public Utilities Commission ("Commission" or "CPUC") a supplemental filing for Advice 4114-E ("Advice Letter"), dated September 28, 2012. In the Advice Letter, PG&E submitted the power purchase agreements ("PPAs") PG&E executed as a result of its second Renewable Auction Mechanism ("RAM") Program auction ("Second RAM Solicitation"). Subsequent to PG&E filing the Advice Letter, PG&E and BE California One LLC ("BE California") terminated the BE California PPA executed as part of the Second RAM Solicitation. The BE California PPA was for deliveries from a 20 megawatt ("MW") solar photovoltaic ("PV") plant located in Lancaster, California.

The purpose of this supplement is to update the Advice Letter to reflect the termination of the BE California PPA and the reduction in the amount of renewable energy purchased by PG&E under the Second RAM Solicitation.

#### **Background**

On September 28, 2012, PG&E submitted the Advice Letter seeking Commission approval of the eight PPAs that PG&E entered into as a result of the Second RAM Solicitation that closed on May 31, 2012. PG&E agreed to terminate the BE California PPA as of October 16, 2012. PG&E expects to procure an additional 20 MW in the third RAM solicitation to replace the renewable energy that would have been purchased under the BE California PPA. Thus, PG&E's updated procurement target for the third RAM auction is increased from 112 MW to 132 MW, with the as-available peaking product category target for the third RAM auction increased from 85 MW to 105 MW.

<sup>&</sup>lt;sup>1</sup> Supplements to Advice Letters are authorized by General Order ("GO") 96-B, General Rules Section 7.5.1.

### **Request for Commission Approval**

PG&E requests that the Commission approve the Advice Letter and this supplemental filing. PG&E's requested findings of fact and conclusions of law provided in its Advice Letter should be modified as shown below to reflect the terminated PPA:

- 5. Adopts the following findings with respect to resource compliance with the EPS adopted in R.06-04-009:
  - a. The Second RAM Solicitation baseload PPA is pre-approved as meeting the EPS because it is for a geothermal facility covered by Conclusion of Law 35 (c) of D.07-01-039;
  - b. The Second RAM Solicitation as-available non-peaking PPA is pre-approved as meeting the EPS because it is for a wind facility covered by Conclusion of Law 35 (b) of D.07-01-039;
  - c. The six five as-available peaking PPAs executed as part of the Second RAM Solicitation are not subject to the EPS because each of the respective generating facilities has a forecast capacity factor of less than 60 percent and, therefore, is not baseload generation under Paragraphs 1(a)(ii) and 3(2)(a) of the Adopted Interim EPS Rules; and
  - d. A finding that PG&E has provided the notice of procurement required by D.06-01-038 in this Advice Letter filing.

#### **Effective Date:**

PG&E requests that this Tier 2 Supplemental Advice Letter become effective by October 28, 2012, concurrent with Advice Letter 4114-E.

#### **Notice:**

In accordance with General Order 96-B, Section IV, a copy of this Advice Letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for R.11-05-005. Address changes to the General Order 96-B service list should be directed to PG&E at E-mail address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approval to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <a href="http://www.pge.com/tariffs">http://www.pge.com/tariffs</a>.

Vice President – Regulatory Relations

cc: Service List for R.11-05-005
Paul Douglas – Energy Division
Sean Simon – Energy Division
Adam Schultz – Energy Division

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)		
Company name/CPUC Utility No. Pacific Gas and Electric Company (ID U39 E)		
Utility type:	Contact Person: Meredith Allen / Shirley Wong	
☑ ELC ☐ GAS	Phone #: (415) 973-2868 / (415) 972-5505	
□ PLC □ HEAT □ WATER	E-mail: MEAe@pge.com / slwb@pge.com	
EXPLANATION OF UTILITY TYPE		(Date Filed / Received Stamp by CPUC)
ELC = Electric GAS = Gas □ PLC = Pipeline HEAT = Heat WATER = Water		
Advice Letter (AL) #: 4114-E-A Subject of AL: Supplemental Filing for the Advice Letter Filing of PG&E's Second Renewable Auction  Mechanism Power Purchase Agreements		
Keywords (choose from CPUC listing): Agreements, Procurement		
AL filing type: □ Monthly □ Quarterly □ Annual ☑ One-Time □ Other If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No		
Summarize differences between the AL and the prior withdrawn or rejected AL:		
Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No		
Confidential information will be made available to those who have executed a nondisclosure agreement: N/A		
Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:		
Resolution Required? □ Yes ☑No		
Requested effective date: October 28, 2012, concurrent with No. of tariff sheets: No. of tariff sheets:		
Advice Letter 4114-E		
Estimated system annual revenue effect (%): N/A		
Estimated system average rate effect (%): N/A		
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).		
Tariff schedules affected:		
Service affected and changes proposed:		
Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:		
CPUC, Energy Division		ic Gas and Electric Company
ED Tariff Unit 505 Van Ness Ave., 4th Floor San Francisco, CA 94102 EDTariffUnit@cpuc.ca.gov	77 Be P.O. I San F	Brian K. Cherry, Vice President, Regulatory Relations eale Street, Mail Code B10C Box 770000 Francisco, CA 94177 il: PGETariffs@pge.com

#### PG&E Gas and Electric Advice Filing List General Order 96-B, Section IV

1st Light Energy

AT&T

Alcantar & Kahl LLP

Ameresco

Anderson & Poole

**BART** 

Barkovich & Yap, Inc. Bartle Wells Associates

Bloomberg

Bloomberg New Energy Finance

**Boston Properties** 

Braun Blaising McLaughlin, P.C. Brookfield Renewable Power CA Bldg Industry Association

CENERGY POWER
CLECA Law Office

California Cotton Ginners & Growers Assn

California Energy Commission

California League of Food Processors California Public Utilities Commission

Calpine

Cardinal Cogen Casner, Steve

Center for Biological Diversity

Chris, King City of Palo Alto

City of Palo Alto Utilities

City of San Jose City of Santa Rosa Clean Energy Fuels Clean Power

Coast Economic Consulting

Commercial Energy

Consumer Federation of California

Crossborder Energy

Davis Wright Tremaine LLP

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Defense Energy Support Center

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Dept of General Services Douglass & Liddell Downey & Brand Duke Energy

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Los Angeles County Office of Education
Los Angeles Dept of Water & Power
Luce, Forward, Hamilton & Scripps LLP

MAC Lighting Consulting MRW & Associates Manatt Phelps Phillips Marin Energy Authority McKenzie & Associates Merced Irrigation District Modesto Irrigation District

Morgan Stanley Morrison & Foerster Morrison & Foerster LLP NLine Energy, Inc.

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North America Power Partners North Coast SolarResources

Northern California Power Association Occidental Energy Marketing, Inc.

OnGrid Solar

PG&E Praxair

R. W. Beck & Associates

RCS, Inc.

SCD Energy Solutions

SCE SMUD SPURR

San Francisco Public Utilities Commission

Seattle City Light Sempra Utilities

Sierra Pacific Power Company

Silicon Valley Power Silo Energy LLC

Southern California Edison Company

Spark Energy, L.P.
Sun Light & Power
Sunrun Inc.
Sunshine Design

Sutherland, Asbill & Brennan

Tecogen, Inc.

Tiger Natural Gas, Inc.

TransCanada

Turlock Irrigation District

United Cogen

**Utility Cost Management** 

**Utility Specialists** 

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Wellhead Electric Company Western Manufactured Housing Communities Association (WMA)

eMeter Corporation