

PG&E PV Program Termination and RAM Modification Advice Letter Filings

PG&E plans to file two advice letters to terminate PG&E's PV Program and modify the RAM Program to accommodate the PV Program volumes.

1) PV Program Termination Advice Letter:

- The PV UOG Program Years 4 and 5 and the PV PPA Program years 3, 4, and 5 should be terminated, and RAM should be modified to accommodate the remaining authorized volumes. PG&E has legal authority to terminate the program via Advice Letter per D.10-04-052, p. 54.

"While there may be factors that could justify termination of the PV Program, PG&E will be required to file an advice letter demonstrating the need to do so."

- Need for terminating PV Program:
 - Market transformation has been achieved - PG&E's PV Program has been successful and has contributed to transforming the market by providing more certain deliveries in the face of project failure rates.
 - Changes in PG&E's RPS need – The RAM program currently has a 24 month online date versus the PV Program's 18-month online date, thus modifying RAM to accommodate the PV volumes in annual auctions from 2014-2016 better align with PG&E's need.
 - Cost savings to customers by terminating UOG portion of program early and acquiring equivalent volumes from less expensive PPAs.
- PG&E will concurrently seeking modification of the RAM program through a separate Advice letter summarized below.

2) RAM Program Modification Advice Letter:

- The RAM Program should be modified to accommodate the authorized volumes from PG&E's terminated PV Program. The RAM Decision permits modifications to RAM via Advice Letter linked to an annual RAM forum per RAM D.10-12-048 p. 95; OP 5:

"The IOUs may use the stakeholder feedback from each forum to develop and submit an advice letter seeking modifications to the RAM program. Similarly, Energy Division may issue a resolution on its own motion to propose program modifications based on information from these program forums or the annual reports developed pursuant to Ordering Paragraph 3."

- PG&E will not be able to link this Advice Letter to its last annual forum. PG&E's last forum was May 16 and did not involve discussion of modifying RAM for PV Program volumes. The PV Program forum was held October 12 and discussed changes to the PV PPA to make it more consistent with RAM.

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- Modifications to the RAM Program to accommodate the PV Program volumes:
 - Schedule: RAM solicitations held on an annual basis at the end of 2014, 2015 and 2016 totaling 252 MW.
 - Product Buckets: One as-available peaking product bucket versus three product buckets
- Modifying the RAM program to accommodate the PV Program volumes provides administrative efficiency.