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April 30, 2014

Advice 4409-E  
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject : Procurement Transaction Quarterly Compliance Filing (Q1, 2014)

Pacific Gas and Electric Company ("PG&E") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") its compliance filing for the first quarter of 2014 in conformance with PG&E's Bundled Procurement Plan ("BPP") approved by the Commission in Decision ("D.") 12-01-033 and D.12-04-046. PG&E's submittal of this Procurement Transaction Quarterly Compliance Report ("QCR") for record period January 1, 2014, through March 31, 2014, (Q1-2014) is in accordance with D.03-12-062, Ordering Paragraph 19, which requires that the Quarterly Procurement Plan Compliance Reports be submitted within 30 days of the end of the quarter.

### Background

In D.07-12-052, the Commission directed Energy Division and the Investor-Owned Utilities ("IOUs") to continue the collaborative effort to develop a reformatted QCR. The Commission authorized Energy Division to implement a reformatted QCR and to make ministerial changes to the content and format of the report as needs arise. Energy Division and the IOUs finalized the QCR format in December 2008. This QCR is consistent with the final format authorized by Energy Division on December 15, 2008.

### Compliance Items

Attachment 1 to this QCR includes a narrative with supporting Confidential Attachments that conforms to the reformatted QCR. The public version of Attachment 1 only includes the Narrative, which is not confidential. The confidential version of this QCR includes the following supporting Confidential Attachments:

- Attachment A – First Quarter 2014 Electric and Natural Gas Transactions
- Attachment B – First Quarter 2014 Counter-Party Information
- Attachment C – First Quarter 2014 Electric Transactions Summary
- Attachment D – First Quarter 2014 Natural Gas Transactions Summary
- Attachment E – First Quarter 2014 Other Transactions

- Attachment F – First Quarter 2014 Key Briefing Packages
- Attachment G – First Quarter 2014 Independent Evaluator Reports
- Attachment H – First Quarter 2014 New Contracts Executed/Contracts Amended
- Attachment I – Summary of Retained Generation Investments Completed During First Quarter 2014
- Attachment J – System Load Requirements/Conditions
- Attachment K – Risk Management Strategy Communication and Management Disclosure
- Attachment L – Reasonable Number of Analyses Models, Description of Models, and How Models Operate
- Attachment M – Transactions Subject to Strong Showing

Attachment 2 to this QCR includes a confidentiality declaration and matrix.

The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

### Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile E-mail, no later than May 20, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Brian K. Cherry  
Vice President, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Rule 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Rule 3.11).

### Effective Date

In accordance with D.02-10-062, the requested effective date of this Tier 2 advice letter is May 30, 2014, which is 30 days after the date of filing.

### Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter excluding the confidential appendices is being sent electronically and via U.S. mail to parties shown on the attached list and the service lists for Rulemaking ("R.") R.12-03-014, R.01-10-024, and R.11-10-023. Address changes to the General Order 96-B service list and all electronic approvals should be sent to e-mail 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. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

*Brian Cherry /IG*

Vice President – Regulatory Relations

cc: Service List R.12-03-014, R.01-10-024, R.11-10-023.  
PG&E's Procurement Review Group

Public Attachments: Attachment 1 – Narrative  
Attachment 2 – Confidentiality Declaration and Matrix

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPU Utility: Northern Pacific Gas and Electric Company (ID: U39E)

Utility type:

Contact Person: Igor Grinberg

ELC  ffi GAS

Phone#: (415) 973-8580

ffi PLC  ffi HEAT  ffi WATER

E-mail: ixg8@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC= Electric  
PLC= Pipeline

GAS= Gas  
HEAT= Heat

WATER= Water

Advice Letter (AL) ~~4409-E~~

Tier: 2

Subject of Procurement Transaction Quarterly Compliance Filing (Q1, 2014)

Keywords (choose from CPU listing): Compliance, Procurement

AL filing type:  Monthly  ffi Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision D.03-01-063 and D.03-12-062

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarized 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: attached Declaration and Matrix

Confidential information will be made available to those who have executed a nondisclosure agreement: Yes

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: Sharon Tatai, (415) 973-2788 / Pete Koszalka (415) 973-3818 / Marianne Aikawa (415) 973-0375

Resolution Required?  Yes  No

Requested effective date: July 30, 2014

No. of tariff sheets: N/A

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, commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission

Pacific Gas and Electric Company

Energy Division

Attn: Brian Cherry

ED Tariff Unit

Vice President, Regulatory Relations

505 Van Ness Ave., 4th Fl.

77 Beale Street, Mail Code B10C

San Francisco, CA 94102

P.O. Box 770000

E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

San Francisco, CA 94177

E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Attachment 1

Quarterly Compliance Report Narrative

**PACIFIC GAS AND ELECTRIC COMPANY**  
**PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT**  
**FOR THE FIRST QUARTER OF 2014**

**April 30, 2014**

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## Summary of Attachments

- Confidential Attachment A: *Transactions*, provides a summary of all transactions executed during the Quarter, which are less than five years in length and that have not been filed through a separate advice filing or application.
- Confidential Attachment B: *Counterparty Information*, provides a summary of (1) all non-investment grade counterparties with whom PG&E transacted; and (2) the top 10 counterparties by volume during the Quarter.
- Confidential Attachment C: *Electric Transactions Summary*, provides a summary of the electric transactions executed during the Quarter.
- Confidential Attachment D: *Natural Gas Transactions Summary*, provides a summary of the gas transactions executed during the Quarter.
- Confidential Attachment E: *Other Transactions*, provides the executed transactions resulting from non-energy-related products during the Quarter.
- Confidential Attachment F: *Key Briefing Packages*, provides a summary of all relevant Procurement Review Group (PRG) agendas and presentations presented.
- Confidential Attachment G: *Independent Evaluator Reports*, provides any relevant Independent Evaluator (IE) report(s) completed during the Quarter.
- Confidential Attachment H: *New Contracts Executed/Contracts Amended*, provides a summary of all agreements executed and/or amended during the Quarter.
- Confidential Attachment I: *Summary of Retained Generation Investments Completed*, provides a summary of any investments related to retained generation facilities and multiple contracts for the same supplier, resource or facility, consistent with the requirements of D.07-01-039.
- Confidential Attachment J: *System Load Requirements/Conditions*, provides a summary of all information related to addressing PG&E's residual net open position.
- Confidential Attachment K: *Risk Management Strategy Communication and Management Disclosure*, provides a summary of all procurement-related risk strategies and issues communicated to PG&E's senior management.



**Summary of Attachments**  
**(Continued)**

- Confidential Attachment L: *Reasonable Number of Analyses Models, Description of Models, and How Models Operate*, provides a summary of any models related to the relevant transactions identified in this filing.
- Confidential Attachment M: *Transactions Subject to Strong Showing*, provides a summary and supporting documentation of strong showing transactions.

## **A. Introduction**

As required by Ordering Paragraph (OP) 8 of Decision (D.) 02-10-062, and clarified in D.03-06-076, D.03-12-062, D.04-07-028, D.04-12-048 and D.07-12-052, Pacific Gas and Electric Company (PG&E) hereby provides its report demonstrating that its procurement-related transactions during the period January 1, 2014 through March 31, 2014 (Quarter) were in compliance with PG&E's Bundled Procurement Plan (BPP or Plan) approved by the California Public Utilities Commission (CPUC or Commission) in D.12-01-033 and D.12-04-046.

## **B. Summary**

During the Quarter, PG&E engaged in the following procurement activities in accordance with its BPP-approved procurement methods and practices:

1. **Completed Competitive Solicitations** – PG&E is seeking approval of a contract executed from one competitive solicitation, through this Procurement Transaction Quarterly Compliance Report (QCR):
  - a. Second Combined Heat and Power (CHP) Request for Offer (RFO) (issued February 20, 2013).
2. **Ongoing Competitive Solicitations** – PG&E issued the following competitive solicitations:
  - a. Third CHP RFO (issued January 23, 2014)
  - b. 2014 Greenhouse Gas (GHG) Offset Credit RFO (issued March 19, 2014)
3. **Other Procurement Activities, Approval Through This QCR** – PG&E is also seeking approval of the following transactions executed from procurement activities, other than competitive solicitations, through this QCR:
  - a. Electric Transactions:
    - i. California Independent System Operator (CAISO) Monthly Congestion Revenue Rights (CRR) Allocation and Auction Processes
    - ii. Convergence Bidding
    - iii. Bilaterally Negotiated Contracts

- b. Gas Transactions:
  - i. Transparent Exchanges
  - ii. Direct Bilateral Contracting for Short-Term Products
  - iii. Voice Brokers
  - iv. Electronic Solicitations

These procurement activities are described in greater detail in Section C.3, below.

- 4. **Other Procurement Activities, Approval Through Separate Advice Filing or Regulatory Process** – During the Quarter, approval of contracts resulting from the following procurement activities was requested through separate regulatory processes, and are referenced here for informational purposes only:
  - a. Second CHP RFO (issued on February 20, 2013) – PG&E executed contracts as a result of this RFO, which was issued in accordance with the Qualifying Facility/Combined Heat and Power (QF/CHP) Settlement.<sup>1</sup> This RFO closed on December 5, 2013. Additional details can be found in Section C.3.b below.
  - b. 2013 Renewable Portfolio Standard RFO (issued on December 16, 2013) – Projects were evaluated during the first Quarter 2014. Notification of shortlisting occurred on March 13, 2014.

### C. **Master Data Request Documentation**

D.02-10-062, Appendix B, as clarified by D.03-06-076, sets forth specific elements to be addressed in this report. Each element is discussed below.

#### 1. **Identification of the ultimate decision maker(s) up to the Board level, approving the transactions.**

All procurement-related activity during the Quarter was approved and executed either by, or under the direction of, Fong Wan, Senior Vice President, Energy Procurement; Roy Kuga, Vice President, Energy Supply Management; Gary Jeung, Senior Director, Renewable Energy; Don Howerton, Director, Renewable Transactions;

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<sup>1</sup> The QF/CHP Settlement Agreement indicates that each investor-owned utility shall conduct three RFOs during the “Initial Program Period” (or 48 months following the Settlement Effective Date) exclusively for CHP resources as a means of achieving its megawatt (MW) and GHG emissions reduction targets (*see* Term Sheet, Sections 4.2 and 5.1). This Settlement Agreement became effective on November 23, 2011.

Marino Monardi, Director, Portfolio Management; and/or Pete Koszalka, Director, Electric Gas Supply, consistent with the delegation of authority effective for the period.

**2. The briefing package provided to the ultimate decision maker.**

The “decision-maker” for a particular contemplated transaction depends on many factors, such as term, volume, and notional value. For many of the transactions during the Quarter, the “decision-maker” was a gas or power trading employee executing transactions (e.g., day-ahead or hour-ahead power purchases and sales) per an established plan or to achieve a particular objective (such as balancing the portfolio supply and demand). For such transactions, briefing packages are not prepared. Briefing packages prepared during the Quarter for transactions or procurement activities that required senior management approval are included in Confidential Attachment K. In addition, copies of presentations made by PG&E to its PRG during the Quarter are included in Confidential Attachment F.

**3. Description of and justification for the procurement processes used to select the transactions.**

**a) Electric Procurement – Description**

BPP-approved electricity procurement processes used during the Quarter include:

- Competitive Solicitations
- CAISO’s CRR allocations and auctions
- Convergence bidding
- Bilaterally negotiated contracts
- QF/CHP legacy contracts

**b) Electric Procurement – Justification**

- i. For competitive solicitations, describe the process used to rank offers and select winning bid(s).
  - Second CHP RFO – PG&E issued the Second CHP RFO on February 20, 2013, to solicit offers to satisfy PG&E’s compliance obligations under the QF/CHP Settlement Agreement adopted by the CPUC. The RFO

concluded in December 2013. PG&E evaluated and selected offers based on market value, credit/collateral, project viability and technical reliability, contract modifications, and supplier diversity. The IE monitored all evaluations and communications with Participants during the RFO. As part of this RFO, PG&E executed a new contract with Ripon Cogeneration and is seeking approval of this contract through this QCR. The Ripon Cogeneration contract, which is under five years in length, replaces the legacy QF must-take agreement with a fully dispatchable tolling arrangement. The benefits of the transaction include: (1) GHG savings toward PG&E's QF/CHP Settlement GHG target; (2) a decrease in the cost of capacity; and (3) improved operational flexibility as the facility will be economically dispatched into the CAISO markets. Throughout negotiations with Ripon Cogeneration, the IE was updated on all negotiated terms and included on all emails and phone calls during negotiation sessions. Relevant information is included in Confidential Attachments E, F, G, H and L.

- ii. For other transactional methods, provide the documentation supporting the selection of the chosen products.

The approved procurement processes used during the Quarter and supporting documentation include the following:

- CAISO Monthly CRR Allocation and Auction Process – During the Quarter, PG&E procured CRRs to fulfill the following objectives: (1) narrow the distribution of PG&E's energy procurement costs due to electric transmission congestion as measured by the electric To-expiration-Value-at-Risk; and (2) reduce the expected congestion costs that PG&E would incur in its operations. PG&E acquires CRRs for any path (represented by a source-sink pair) connecting existing generation sources to existing loads (e.g., retail loads, Helms pumping load and wholesale load obligations) or for any path that PG&E reasonably anticipates that it might need to flow energy in the future due to the addition of new contracts, resources or load obligations. Additionally, there may be CRRs which are positively correlated in value with CRRs for paths that have limited availability. PG&E is authorized to acquire CRRs for such positively correlated paths as well. Therefore, PG&E obtains CRRs that are determined to be valuable as hedges against congestion costs at the time they are offered, subject to risk assessment regarding the specific source/sink combinations as approved in its BPP.

PG&E estimated that a portion of its generation, imports and load in the months of February 2014, March 2014, and April 2014, remained exposed to congestion risk, and therefore participated in the CAISO's Monthly CRR allocation and auction process to obtain CRRs to mitigate this risk. In January 2014, February 2014, and March 2014, PG&E

participated in Tier 1, Tier 2, and Auction of the CAISO monthly CRR process to procure CRRs for February 2014, March 2014, and April 2014, respectively.

PG&E provided information regarding its CRR strategy to the PRG. Relevant information is included in Confidential Attachments F, J, K and L.

- Convergence Bidding – Based on factors including anticipated loads, resource availabilities and intermittent resource generation forecasts, PG&E participates in the CAISO’s convergence bidding market. Relevant information is included in Confidential Attachments E and F.
- Bilaterally Negotiated Contracts – During the Quarter, PG&E bought Resource Adequacy (RA) products from one counterparty. Relevant information is included in Confidential Attachments A, B, C, E, H and M.
- QF/CHP Legacy Contracts (*For informational purposes only*) – Under the QF/CHP Program described above, some QF generators holding a legacy contract may convert to new Power Purchase Agreements (PPA) (i.e., Under 20 MW PURPA PPA, Transition PPA, and As-Available PPA) during the Quarter. In addition, many of the remaining legacy QF contracts are still active and may require amendments or letter agreements to help the generator meet the requirements of the Commission’s CHP Program (e.g., GHG administration and metering issues) that were not required under the former program. Relevant information is included in Confidential Attachment H.

**c) Natural Gas Procurement – Description**

PG&E procured natural gas during the Quarter using various methods, including:

- Transparent Exchanges
- Direct Bilateral Contracting for Short-Term Products
- Voice Brokering for the Purchase and Sale of Natural Gas Futures or Options
- Electronic Solicitations

**d) Natural Gas Procurement – Justification**

- i. For competitive solicitations (RFOs), describe the process used to rank offers and select winning bid(s).
  - There were no competitive solicitations (RFOs) for natural gas procurement during this Quarter.
- ii. For other transactional methods, provide the documentation supporting the selection of the chosen products.

- Transparent Exchanges: Electronic trading exchanges for transparent prices:

Commodity Purchases/Sales – PG&E bought and sold physical natural gas on the Intercontinental Exchange (ICE) and the ICE Natural Gas Exchange (ICE/NGX) physical clearing service. ICE is an electronic system that matches buyers and sellers of natural gas products. Once buyer and seller are matched, ICE trades become bilateral trades. ICE/NGX trades are cleared by NGX rather than bilaterally. Transactions include forward transactions with deliveries starting within the next quarter and up to one month in duration, and one day transactions. Relevant information is included in Confidential Attachment A.

Gas Hedges (In Compliance with D.12-01-033) – During the Quarter, PG&E conducted hedging activities that were in compliance with its approved Hedging Plan. PG&E executed hedges (futures and options) directly on the ICE; these hedge transactions cleared through exchanges (ICE or the New York Mercantile Exchange [NYMEX]). ICE and NYMEX provide access to anonymous bids and offers establishing both a liquid and robust market for financial products, and a benchmark for bilateral products. These products include Henry Hub futures and options, and basis futures against the industry benchmark indices, including Canadian Gas Price Reporter (CGPR), Gas Daily, Natural Gas Intelligence (NGI) and Inside Federal Energy Regulatory Commission (IFERC) Gas Market Report. Worksheets demonstrating PG&E's compliance with D.12-01-033 are in Confidential Attachment L.

- Direct Bilateral Contracting for Short-Term Products:

Commodity Purchases/Sales – PG&E bought and sold physical gas directly with counterparties in the bilateral market. Spot gas (deliveries less than one month) is traded at fixed prices and Gas Daily or CGPR index. Prompt month supply (deliveries each day of the following month) and term gas (greater than one month forward or one month in duration) is traded at fixed price, daily index (Gas Daily or CGPR), or monthly or bidweek index (CGPR, NGI, or IFERC) prices. For any bilateral physical supply trades with a term of one month or more, PG&E concluded these transactions bilaterally, but also used electronic solicitation methods, such as instant messaging, e-mail, voice solicitation (telephone), real time market prices, and/or broker quotes, to inform and conduct these transactions. Relevant information is included in Confidential Attachments A and M.

Gas Transportation – PG&E purchased firm gas transportation on the Southern California Gas Pipeline system to deliver gas to the SoCal Citygate using off-system transportation from PG&E's California Gas

Transmission pipeline under the existing firm transportation contract. Relevant information is included in Confidential Attachment A.

Gas Parking and Lending – PG&E purchased gas parking and/or lending services to balance its daily supplies with demand. The term of the parking and lending transactions was through the following (prompt) month or shorter. Relevant information is included in Confidential Attachment A.

- Voice Brokers: PG&E executed natural gas hedges (futures) through voice brokers that resulted in exchange-cleared trades. Brokers provide access to anonymous bids and offers from both bilateral parties and cleared counterparties. After a broker matches a buyer and a seller in a trade, the parties will determine whether the trade will be settled bilaterally or cleared through NYMEX or ICE. The broker market trades the same financial products as the bilateral market. Relevant information is included in Confidential Attachment A.
- Electronic Solicitations:

Conducted via Instant Messaging – PG&E conducted auctions for the purchase of natural gas futures and options using instant messaging with financial counterparties. In this way, PG&E is able to obtain robust price quotes from the marketplace, in real time, and may then execute with the counterparty with the best offer(s). These transactions were then cleared on an exchange, such as NYMEX or ICE. Relevant information is included in Confidential Attachment A.

**e) Other Commodities**

- i. For competitive solicitations, describe the process used to rank offers and select winning bid(s).
  - There were no competitive solicitations for procurement of other commodities during this Quarter.
- ii. For other transactional methods, provide the documentation supporting the selection of the chosen products.
  - CARB Allowance Allocation and Auction Processes – PG&E received its annual allocation of Vintage 2014 allowances from California Air Resources Board (CARB) in November 2013. All of these allowances in turn will be consigned into the 2014 quarterly CARB Auctions as required by the regulations and consistent with PG&E’s BPP. As PG&E cannot use any of its allocated allowances to satisfy its GHG compliance obligations, allowances must separately be procured.

CARB held its sixth allowance auction on February 19, 2014 for vintage 2014 and 2017 allowances. PG&E is authorized to procure GHG products through CARB Auctions, approved exchanges, and utilizing a



competitive RFO process. PG&E provided information regarding its allowance procurement strategy to the PRG. Relevant information is included in Confidential Attachments E, F, K and L.

**4. Explanation/justification for the timing of the transactions.**

**a) Electric Transactions**

When selecting electric transactions, the best-priced bids/offers are selected first (merit-order selection) among those available for the required products at the time of the transaction, subject to credit and other limitations and operational constraints. Operational constraints include the local area reliability requirements of the CAISO, as set forth in D.04-07-028. Detailed explanation/justification for the timing of the transactions is included in Confidential Attachment J.

**b) Natural Gas Transactions**

For daily physical gas transactions, timing of execution is primarily driven by the requirement to match fuel usage by utility-owned and contracted electric generating units and supply delivered on a daily and monthly basis, and by the availability of information impacting expectations for daily dispatch of these units. For transactions one month or longer, PG&E typically fills its forecast short gas positions in month-ahead, seasonal, or annual blocks, depending on the liquidity and prices available in each of these markets. Execution of term transactions is based on the PG&E Electric Portfolio 2013-2014 (April 1, 2013 – March 31, 2014) Physical Gas Procurement Plan and documentation supporting the timing of transactions is included in Confidential Attachment J.

**5. Discussion of the system load requirements/conditions underlying the need for the Quarter's transactions.**

**a) PG&E Participation in the CAISO Markets**

PG&E participates in the CAISO Day Ahead electricity markets. PG&E's day-ahead planning and procurement incorporates weather-adjusted load forecasts, resource availability, price forecasts, dispatch costs and current bilateral electric

market and forecasts of the CAISO's Integrated Forward Market (IFM) prices. The results of this process allow PG&E to determine the incremental costs of dispatchable resources that are bid into the IFM and the Hour-Ahead Scheduling Process/real-time market (RTM). It also determines the price upon which PG&E is willing to pay the CAISO for meeting its hourly load. The CAISO then assures least cost dispatch by considering all resources simultaneously with all transmission constraints.

In the RTM, similar to the day-ahead market, PG&E submits resource bids and schedules into CAISO markets and those resources that clear the market will be obligated to operate in real time.

**b) PG&E-Owned Generation Conditions During First Quarter 2014**

PG&E received 85 percent of normal rainfall during the Quarter.

Helms Pumped Storage Facility (Helms) was used throughout the Quarter as unit availability, system conditions, and economics allowed. There were two planned outages during the Quarter. Unit 3 began its rotor replacement outage on February 9 with its expected return on May 30 while Unit 2 began its outage on March 21 returning on April 4. There were no forced outages at Helms during the Quarter.

Planned outages lasting longer than 72 hours on conventional hydro facilities greater than 30 MW during the quarter included work at: Balch 1 Unit 1 (34 MW), Balch 2 Units 2 and 3 (52.5 MW each), Belden (125 MW), Caribou 1 Units 1, 2 and 3 (25 MW each), Caribou 2 Units 4 and 5 (60 MW each), Drum 1 Units 3 and 4 (13.1 MW and 14.5 MW), Drum 2 Unit 5 (49.5 MW), Electra Unit 1, (31 MW), Kings River (52 MW), Pit 3 Units 1, 2 and 3 (23.3 MW, each) and Pit 4 Unit 2 (47.5 MW).

Forced outages lasting longer than 24 hours at conventional hydro facilities greater than 30 MW were incurred at: Kings River (52 MW); Pit 5 Unit 1, 2, 3

and 4 (40 MW each); Pit 6 Unit 2 (40 MW); Rock Creak Unit 1 (56 MW) and Rock Creak Unit 2 (63 MW).

For fossil combined cycle generation there were two planned outages during the Quarter, one at Colusa Generating Station (Colusa) from March 15 to March 25 and one at Gateway Generating Station (Gateway) beginning March 29 with its expected return on May 11. There was one forced outage at Colusa during the Quarter. At Humboldt Bay Generating Station there were two planned outages, the Unit 1 18,000-hour engine inspection which began in 2013 and ended January 18 and the Unit 9 12,000-hour engine inspection from March 17 to March 29. There was one forced outage on Unit 8 during the Quarter.

Diablo Canyon Nuclear Plant experienced two forced outages during the Quarter; Unit 1 (1,122 MW) reactor coolant pump seal leak from March 16 to March 27, and Unit 2 (1,118 MW) external arc around the insulation of the lightning arrestor from February 2 to 8. There was one planned refueling outage at Diablo Canyon on Unit 1 from February 9 to March 13.

A discussion of the monthly system conditions is included in Confidential Attachment J.

**c) Continued Colder Temperatures and High Natural Gas Needs During First Quarter 2014**

In early February, North America and Canada experienced significant cold weather across the region, leading to high demand for electric generation, atypical gas pricing relationships, and unusual gas price levels, market dynamics and gas flows. For example, on February 5, 2014, the day-ahead Gas Daily index price at the PG&E Citygate spiked to \$35.00/million British thermal units (MMBtu) and settled the day at \$23.155/MMBtu. Although prices, volumes and the notional value of trades during this period were correspondingly high, all of PG&E's transactions were fully compliant with Commission guidance.

**6. Discussion of how the Quarter's transactions meet the goals of the risk management strategy reflected in the Plan.**

As described in Section 3.d. above, during the Quarter, PG&E executed transactions in accordance with its Hedging Plan. A list of information regarding Consumer Risk Tolerance notifications and management disclosures is included in Confidential Attachment K.

**7. Copy of each contract.**

A list of transactional contracts executed and/or modified by PG&E during the Quarter is included in Confidential Attachment H. Copies of the contracts that were not separately filed are also included in this attachment.

**8. The valuation results for the contract(s) (for contracts of three months or greater duration).**

PG&E provides the valuation method and results for the contracts filed via this QCR in Confidential Attachment H.

**9. An electronic copy of any data or forecasts used to analyze the transactions.**

Because transaction personnel are continuously monitoring a wide range of market information on a 24-hour-per-day, 7-day-per-week basis, it is not feasible to provide all the data and forecasts used to analyze all potential and executed transactions. However, key analysis data utilized during the Quarter is in Confidential Attachment J.

**10. Provide a reasonable number of analyses requested by the Commission or the PRG and provide the resulting outputs.**

To the extent any analyses requested by the Commission or PRG during the Quarter were not already included as a part of PG&E's response to Items 1 through 9 above, such additional analyses would be contained in Confidential Attachment F.

**11. Any other information sought by the Commission under the Public Utilities Code.**

To the extent that the Office of Ratepayer Advocates (ORA) has requested information for the Quarter as identified in its Master Data Request, this information

will be included in PG&E's Master Data Request response, and submitted to the ORA 14 days after the filing of the QCR. In addition, the Commission's Energy Division has requested that PG&E provide transparent exchange traded prices. PG&E has included this information in Confidential Attachments A and E.

**D. Additional Reporting Requirement Pursuant to Decision 07-01-039**

As required by OP 12 of D.07-01-039, PG&E has included in Confidential Attachment I, investments in retained generation that were completed during the Quarter, as well as any multiple contracts of less than five years with the "same supplier, resource or facility" as required in D.07-01-039 on page 154. There were no transactions or investments to report during the Quarter.

**E. Cost Allocation Mechanism (CAM)**

For the Quarter, PG&E executed contracts that qualify as CAM resources through the Second CHP RFO noted in Section B.4 above. These contracts are described in Confidential Attachment H.

Attachment 2

Confidentiality Declaration and Matrix

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**DECLARATION OF MARIANNE AIKAWA  
SEEKING CONFIDENTIAL TREATMENT OF CERTAIN DATA AND  
INFORMATION CONTAINED IN PG&E'S ADVICE LETTER 4409-E REGARDING  
CONFIDENTIAL ATTACHMENTS A, B, C, E, H, J, L, AND M**

I, Marianne Aikawa, declare:

1. I am presently employed by Pacific Gas and Electric Company ("PG&E"), and have been an employee at PG&E since 1989. My current title is Senior Manager within PG&E's Energy Procurement organization. In this position my responsibilities include reviewing regulatory reports. In carrying out these responsibilities, I have acquired knowledge of PG&E's regulatory reporting and have also gained knowledge of electric energy procurement data, processes, and practices. Through this experience, I have become familiar with the type of information that would affect the regulatory filing, as well as with the type of information that would be considered confidential and proprietary.
2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of PG&E's April 30, 2014 Advice Letter 4409-E, Confidential Attachments A, B, C, E, H, J, L, and M. By this Application, PG&E is seeking the Commission's approval of Quarter One, 2014 Procurement Transaction Quarterly Compliance Report, submitted by PG&E.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix I of D.06-06-

066 and Appendix D.08-04-023 (the "IOU Matrix"), and/or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public and/or cannot be reasonably redacted; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on April 30, 2014, at San Francisco, California.

\_\_\_\_\_/s/\_\_\_\_\_  
Marianne Aikawa  
Senior Manager  
Energy Compliance and Reporting  
Energy Procurement  
PACIFIC GAS AND ELECTRIC COMPANY



**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E  
 PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER ONE 2014  
 April 30, 2014**

**IDENTIFICATION OF CONFIDENTIAL INFORMATION**

Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category or categories in the Matrix the data corresponds to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
<b>Document:</b>							
Attachment A – Physical and Financial Electric Deals	Y	Item VI) E) and F) Utility Planning Area Matrix Net Open (Electric)  Item XIII) Energy Division Monthly Data Request (AB 57)  XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)	Y	N	Y	Disclosure of monthly and daily data provides an understanding of PG&E's strategy for closing out its net open position.  This information reveals procurement cost categorized by transaction type, which is provided to Energy Division and is confidential for three years.	3 Years
Attachment B – Counterparty Information, including non-investment grade counterparties table: "List of Non-	N	CPUC General Order ("G.O.") 66-C	N/A	N	Y	Counterparty sales information constitutes confidential non-utility business information protected under G.O. 66-C.	Indefinite

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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Investment Grade Counterparties							
Attachment C - Electric Transactions, tables by transaction, volume, and dollar value: "Electric Physical," "Electric Financial," "Electric-Physical-HA Only," "List of Top Ten Counterparties"	Y	Item VI) E) and F) Utility Planning Area Matrix Net Open (Electric)  Item XIII) Energy Division Monthly Data Request (AB 57)  XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)	Y	N	Y	These analyses are the basis of the monthly variable cost of energy and utility operation, which must be protected to preserve the confidentiality of ERRA documentation.  This information is provided to Energy Division on a confidential basis per AB 57 and must be protected here to preserve confidentiality of the AB 57 report.	3 Years
Attachment E - Other Transactions		VII) B) Bilateral Contract Terms and Conditions - contracts and power purchase				This information includes: (1) confidential contract information for contracts between PG&E and non-affiliated third parties, (2) participating bids in PG&E's Combined Heat	Contract information - 3 Years; Bid

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	Y	agreements between utilities and non-affiliated third parties  VIII ) A) Bid information and B) Specific quantitative analysis involved in scoring and evaluation of participating bids  G.O. 66-C	Y	N	Y	and Power (CHP) Request for Offers, and (3) GHG information.	information - remain confidential until after final contracts submitted to CPUC for approval; GHG information - indefinite
Attachment H - Executed Contracts	Y	VII) B) Bilateral Contract Terms and Conditions – contracts and power purchase agreements between utilities and non-affiliated third parties;  VIII ) A) Bid information and B) Specific quantitative analysis involved in	Y	N	Y	Disclosure of information would provide counterparty name, volume, and price and would provide market sensitive information regarding bid strategy and selection.	3 Years;  Bid information - remain confidential until after final contracts submitted to CPUC

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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 April 30, 2014**

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		scoring and evaluation of participating bids					for approval
Attachment J – System Conditions	Y	Item VI) E) and F) Utility Planning Area Matrix Net Open (Electric)  Item VI) Utility Bundled Net Open Position (Electric)	Y	N	Y	Residual net short/long is key input to PG&E's confidential forecast of net open position.  The residual net short/long is information is provided to Energy Division on a confidential basis per AB 57 and must be protected here to preserve confidentiality of the AB 57 report.	3 Years
Attachment L - Reasonable Number of Analyses	Y	Item VI) E) and F) Utility Planning Area Matrix Net Open (Electric)  Item XIII) Energy Division Monthly Data Request (AB 57)  XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)	Y	N	Y	These analyses are the basis of the monthly variable cost of energy and utility operation, which must be protected to preserve details which would reveal PG&E's position in the market place.	3 Years  Bid information - remain confidential until after final contracts submitted to CPUC

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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		VIII ) A) Bid information and B) Specific quantitative analysis involved in scoring and evaluation of participating bids  G.O. 66-C					for approval  GHG information - indefinite
Attachment M – Transactions Subject to Strong Showing	Y	Item VI) E) and F) Utility Planning Area Matrix Net Open (Electric)  VII) B) Bilateral Contract Terms and Conditions – contracts and power purchase agreements between utilities and non-affiliated third parties	Y	N	Y	Disclosure of information would provide counterparty name, volume, and price and would provide market sensitive information regarding bid strategy and selection.	3 Years

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**DECLARATION OF PETE KOSZALKA  
SEEKING CONFIDENTIAL TREATMENT OF FOR CERTAIN DATA AND  
INFORMATION CONTAINED IN PG&E'S ADVICE LETTER 4409-E REGARDING  
CONFIDENTIAL ATTACHMENTS A, B, D, J, L, and M**

I, Pete Koszalka, declare:

1. I am presently employed by Pacific Gas and Electric Company (PG&E) and have been an employee since 2003. My current title is Director, Electric Gas Supply in the Energy Supply Management Department, which is part of the Energy Procurement Department. I am responsible for physical and financial trading of gas in support of PG&E's allocated Department of Water Resources contracts, PG&E's Utility Retained Generation plants, and PG&E's tolling agreements. In carrying out these responsibilities, I have acquired knowledge of gas supply and gas hedging for electric generation, the markets for physical and financial products for gas supply and hedging, and the various types of transactions involved.
2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of PG&E's April 30, 2014 Advice Letter 4409-E, Confidential Attachments A, B, D, J, L, and M. By this Application, PG&E is seeking the Commission's approval of Quarter One, 2014 Procurement Transaction Quarterly Compliance Report, submitted by PG&E.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix I of D.06-06-

066 and Appendix D.08-04-023 (the "IOU Matrix"), and/or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public and/or cannot be reasonably redacted; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on April 30, 2014, at San Francisco, California.

\_\_\_\_\_/s/  
Pete Koszalka  
Director, Electric Gas Supply  
Energy Supply Management  
PACIFIC GAS AND ELECTRIC COMPANY

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E  
 PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER ONE 2014  
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<b>Document:</b>							
Attachment A – Physical Natural Gas Spot Transactions	Y	Item I) B) 2) Utility recorded gas procurement and cost information  XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)	Y	N	Y	Actual quantity and cost of procured physical spot gas are protected.	Utility recorded physical gas procurement and cost information is confidential for one year.  Monthly procurement costs (ERRA Filings) are confidential for 3 years.
Attachment A – Physical Natural Gas Term Transactions and/or Financial Natural Gas	Y	Item I) B) 2) Utility recorded gas procurement and cost information  Item I) A) 4) Long-term fuel (gas) buying and hedging plans	Y	N	Y	Actual quantity and cost of procured physical term gas are protected.  Each financial transaction is a factor in PG&E's long term buying and hedging strategies. With the entire set of transactions PG&E's	Utility recorded physical gas procurement and cost information is confidential for one year.  Financial transactions are



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Transactions		XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)				<p>counterparties could reconstruct PG&amp;E's gas buying and hedging plans.</p> <p>This information reveals procurement cost categorized by transaction type, which is provided to Energy Division per Assembly Bill 57</p>	<p>confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019.</p> <p>Monthly procurement costs (ERRA Filings) are confidential for 3 years.</p>
Attachment B – Counterparty Information, including	N	CPUC General Order (“G.O.”) 66-C	N/A	N	Y	Counterparty sales information constitutes confidential non-utility business information protected under G.O. 66-C.	Indefinite

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counterparty concentration – Table “List of Top Ten Counterparties” by transaction, volume, and dollar value							
Attachment D – Natural Gas Transactions	Y	Item I) B) 2) Utility recorded gas procurement and cost information  Item I) A) 4) Long-term fuel (gas) buying and hedging plans;	Y	N	Y	Actual quantity and cost of procured physical term gas are protected.  PG&E's hedging strategies may be deduced through an analysis of PG&E's summarized transactions.	Utility recorded physical gas procurement and cost information is confidential for one year.  Financial transactions are confidential for three years past expiration of the last trade

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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							executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019.
Attachment J - Gas Transaction, Natural Gas Documents	Y	Item I) A) 4) Long-term fuel (gas) buying and hedging plans	Y	N	Y	This information includes detailed information on PG&E's implementation of its fuel buying and hedging plans and must remain confidential to avoid disclosing PG&E's market strategy.	Physical gas information is confidential for 3 Years; Financial gas information is confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8)

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E  
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							This date is January 1, 2019.
Attachment L – Reasonable Number of Analyses	Y	Item I) A) 4) Long-term fuel (gas) buying and hedging plans	Y	N	Y	This information includes detailed information on PG&E's hedging plan, and must remain confidential to avoid disclosing PG&E's market strategy.	Financial gas information is confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019.
Attachment M – Transactions Subject to Strong Showing - Physical Natural Gas,	Y	Item I) B) 2) Utility recorded gas procurement and cost information  Item I) A) 4) Long-term fuel (gas) buying and	Y	N	Y	Actual quantity and cost of procured physical gas are protected.  Each transaction is a factor in PG&E's hedging strategy. With the entire set of transactions PG&E's counterparties could reconstruct	Utility recorded physical gas procurement and cost information is confidential for one year.

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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Term Transactions, and/or Financial Natural Gas Transactions		hedging plans				PG&E's hedging plan.	Financial gas information is confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019.

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**DECLARATION OF SHARON K. TATAI  
SEEKING CONFIDENTIAL TREATMENT OF CERTAIN DATA AND  
INFORMATION CONTAINED IN PG&E'S ADVICE LETTER 4409-E REGARDING  
CONFIDENTIAL ATTACHMENTS F, G, AND K**

I, Sharon K. Tatai, declare:

1. I am presently employed by Pacific Gas and Electric Company ("PG&E"), and have been an employee at PG&E since 1980. My current title is Manager within PG&E's Energy Procurement organization. In this position, my responsibilities include review of regulatory reports and managing PG&E's Procurement Review Group and Independent Evaluator program. In carrying out these responsibilities, I have acquired knowledge of PG&E's regulatory reporting and have also gained knowledge of electric energy procurement data, processes, and practices. Through this experience, I have become familiar with the type of information that would affect the regulatory filing, as well as with the type of information that would be considered confidential and proprietary.
2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of PG&E's April 30, 2014 Advice Letter 4409-E, Confidential Attachments F, G, and K. By this Application, PG&E is seeking the Commission's approval of Quarter One, 2014 Procurement Transaction Quarterly Compliance Report, submitted by PG&E.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking

to protect constitutes the particular type of data and information listed in Appendix I of D.06-06-066 and Appendix D.08-04-023 (the "IOU Matrix"), and/or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public and/or cannot be reasonably redacted; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on April 30, 2014, at San Francisco, California.

\_\_\_\_\_/s/\_\_\_\_\_  
Sharon K. Tatai  
Manager  
Energy Compliance and Reporting  
Energy Procurement  
PACIFIC GAS AND ELECTRIC COMPANY

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E  
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<b>Document:</b>							
Attachment F – PRG Material	Y	Item VII) E) New non-utility affiliated bilateral contracts – Electric  CPUC General Order (G.O.) 66-C	Y	N	Y	Presentations to the PRG provide confidential bilateral contract terms, including price and performance terms. Confidentiality protection depends on type of material presented, see, <i>infra</i> .  The information constitutes confidential business information protected under G.O. 66-C.	3 Years from initial delivery date specified in contract or 1 Year after termination of deliveries, whichever is less.  Confidential business information and GHG information is protected indefinitely in accordance with GO



**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
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Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category or categories in the Matrix the data correspond to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
							66-C.
Attachment G – Independent Evaluator Reports	Y	Items VIII) A) Bid Information and VIII) B) Specific quantitative analysis involved in scoring and evaluation of participating bids;  VII) B) Contracts and power purchase agreements between utilities and non-affiliated third parties (except RPS);  G.O. 66-C	Y	N	Y	The Independent Evaluator report is completed for the Ripon transaction. This transaction is resulting from PG&E's Second Combined Heat and Power (CHP) Request for Offer. The IE report includes reference to the counterparty, price, and volume, which is covered under Decision 06-06-066, Appendix 1, Section VIII, Item B. The remaining content (of the IE Report) contains information obtained by PG&E in confidence that is not regulated by the CPUC.  Disclosure of information would provide counterparty name, volume, and price and would provide market sensitive information regarding bid strategy and selection.  The information constitutes confidential business information protected under GO 66-C.	3 years from the commencement of deliveries under the Agreement  For information covered under GO 66-C, Indefinite

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E  
 PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER ONE 2014  
 April 30, 2014**

**IDENTIFICATION OF CONFIDENTIAL INFORMATION**

<b>Redaction Reference</b>	<b>1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)</b>	<b>2) Which category or categories in the Matrix the data correspond to:</b>	<b>3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)</b>	<b>4) That the information is not already public (Y/N)</b>	<b>5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)</b>	<b>PG&amp;E's Justification for Confidential Treatment</b>	<b>Length of Time</b>
Attachment K – Risk Management	N	G.O. 66-C	N/A	N	Y	TeVaR and supporting forecasts and analysis are confidential. In addition, the Risk Management Committee attachments address PG&E's energy procurement strategy, price, volumes, and counterparties.  The information constitutes confidential business information protected under GO 66-C.	Indefinite

PG&E Gas and Electric  
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