August 20, 2014

Energy Division Tariff Unit Energy Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

## Re: Correction of Inaccurate Statements in PG&E's Comments on Draft Resolution E-4662

Dear Energy Division Tariff Unit:

Badger Creek Limited ("Badger Creek") provides this notice to correct inaccurate statements in the August 18, 2014 comments of Pacific Gas and Electric Company ("PG&E") on Draft Resolution E-4662. Draft Resolution E-4662 approves PG&E's power purchase agreements with Badger Creek and four other combined heat and power facilities.

In its comments PG&E wrongly states that the Badger Creek facility "no longer complies" with the operational and efficiency standards applicable to qualifying cogeneration facilities ("QFs") under Federal Energy Regulatory Commission ("FERC") regulations. PG&E refers to a July 30, 2014 FERC order denying Badger Creek's requested waiver of FERC's QF operating and efficiency standards with respect to calendar years 2014 and 2015. Notwithstanding FERC's denial of the requested waiver, Badger Creek will meet the QF operating and efficiency standards for 2014 and 2015. In fact, Badger Creek is currently delivering steam to a thermal host under a new arrangement and will satisfy the QF operating and efficiency standards to maintain QF status. PG&E's statements to the contrary are not correct.

It is disappointing that PG&E included these statements in its comments without first inquiring as to the status of Badger Creek's efforts to meet the QF operating and efficiency standards following FERC's denial of the waiver request. In an email message on August 15, 2014, Badger Creek notified PG&E that it is delivering steam to a thermal host and that it will meet the QF operating and efficiency standards. Unfortunately PG&E's comments do not reflect that message, which therefore necessitates this correction.

Very truly yours,

Badger Creek Limited

By:

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cc:

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Service Lists: R.12-03-014, R.13-12-010