



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

FILED

12-10-09
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Application of Pacific Gas and Electric
Company for Approval of Agreements
Related to the Novation of the California
Department of Water Resources Agreement
with GWF Energy LLC, Power Purchase
Agreement with GWF Energy II LLC, and
Associated Cost Recovery

Application No. 09-10-022

(U 39 E)

EX PARTE NOTICE OF GWF ENERGY LLC

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GWF Energy LLC

December 10, 2009

Pursuant to Rule 8.3 and 8.2(c)(2) of the Rules of Practice and Procedure of the California Public Utilities Commission (the “Commission”), GWF Energy LLC submits this notice of ex parte communication. This notice is being sent after the meeting because when the meeting discussed herein was originally requested it was only for a meeting with the advisers to Commissioner Bohn (and therefore did not require advance ex parte notice). Late yesterday GWF learned that Commissioner Bohn would be attending the meeting as well. Accordingly, GWF was unable to provide notice of a grant of ex parte meeting prior to the meeting.

On December 10, 2009, at 11:15 AM, Duane Nelsen, President of GWF Energy LLC, William Kissinger, a partner with Bingham McCutchen LLP, and Robert B. Weisenmiller Ph.D., cofounder and principal of MRW Associates L.L.C., on behalf of GWF Energy LLC (“GWF”) met with Commissioner Bohn and Commissioner Bohn’s energy advisors Stephen St. Marie and Robert Kinosian at the Commission’s San Francisco offices, located at 505 Van Ness Ave., San Francisco California. GWF initiated the communication, which consisted only of oral communications.

GWF representatives provided background on GWF Energy LLC, its business goals, its generation facilities in California, the history of the negotiations between PG&E and GWF over the proposed repower of the Tracy power plant, and how GWF and PG&E ultimately entered into the various agreements that are the subject of the pending application. GWF representatives laid out the benefits that ratepayers would realize should the Commission approve the application, including improved energy products from the GWF Hanford and Henrietta facilities beginning in 2010, and development of an

upgraded Tracy facility that could be on line by 2012. The upgraded facility will generate energy at a markedly lower heat rate, and provide improved efficiency, reduced emissions, and superior dispatch capabilities that will better meet PG&E generation needs in light of PG&E's increasing reliance on intermittent renewable resources. GWF representatives noted that this project advances the State's greenhouse gas and brownfield development objectives while removing DWR from its power supply role. They also noted that the upgrade project is well along in the permitting process and that the Energy Commission staff had recently issued its Final Staff Assessment supporting the project, making the project highly viable. GWF representatives noted that the terms of the agreements comprising the novation application were very attractive on their commercial merits and also attractive given the Tracy upgrade project's viability in the increasingly challenging permitting environment in California and the related difficulty in bringing new generation on line. GWF also discussed whether the quantity of new capacity from the GWF and Calpine novations exceeds the need previously identified by the Commission. Finally, GWF discussed the need to maintain the schedule identified in PG&E's application for a decision on the application by April 22, 2009. They noted that the only way to keep the 2012 on-line date as an option was to maintain PG&E's

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proposed schedule in light of engineering and procurement activities that have or must imminently be commenced.

DATED: December 10, 2009

Respectfully Submitted,

GWF Energy LLC

By: _____ /s/

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of “EX PARTE NOTICE OF GWF ENERGY LLC” by using E-Mail Service, sending the entire document as an attachment to an e-mail message to all known parties of record to this proceeding who provided electronic mail addresses as set forth in the attached list.

Executed on December 21, 2009 at San Francisco, California.

/s/Todd O. Edmister

Todd O. Edmister

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