



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

FILED

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Application of Pacific Gas and Electric
Company for Approval of Agreements Red 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

William Kissinger
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Attorneys for
GWF Energy LLC

December 15, 2009

Pursuant to Rule 8.3 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.

On December 15, 2009 Duane Nelsen, President of GWF Energy LLC, Bob Weisenmiller, Principal of MRW, and Bill Kissinger, partner at Bingham McCutchen, met with Theresa Cho, Chief of Staff to Commissioner Grueneich, at 9:00 am for approximately 30 minutes regarding A. 09-10-022. These same individuals, together with Dan Richard of Dan Richard Advisors L.L.C., also on behalf of GWF, subsequently met with Karen Shea, Energy Adviser to Commissioner Simon, regarding this same proceeding. The meeting with Ms. Shea began at 10:00 am and lasted approximately one hour. Both meetings took place at the Commission’s San Francisco offices located at 505 Van Ness Ave., San Francisco California. GWF representatives initiated both communications.

The topics covered during both meetings were the same. The GWF representatives provided background on GWF Energy LLC, its generation facilities in California, the history of the negotiations between PG&E and GWF on the proposed repower of the Tracy power plant, and how GWF and PG&E ultimately entered into the various agreements that comprise the pending application PG&E has filed in CPUC Proceeding No. 09-10-022 for novation of the DWR/GWF contracts. 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. If the application is approved, this facility will generate energy at a markedly lower heat rate, provide improved efficiency, reduced emissions, and superior dispatch capabilities that will better meet the PG&E generation needs in light of its increasing reliance on intermittent renewable resources. GWF representatives noted that this project advanced the State's green house gas and brown field development objectives. They also noted 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 not only on their commercial merits but also given the Tracy upgrade project's viability given the increasingly challenging permitting environment in California and the difficulty in bringing new generation on line.

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 proposed

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schedule given engineering and procurement activities that have begun.

DATED: December 15, 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 15, 2009 at San Francisco, California.

/s/Todd O. Edmister

Todd O. Edmister

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