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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

ID #10917
RESOLUTION E-4459
January 12, 2012

REDACTED

R E S O L U T I O N

Resolution E-4459. Pacific Gas and Electric Company

PROPOSED OUTCOME: This Resolution approves cost recovery for the long-term renewable power purchase agreement between Pacific Gas and Electric Company and Montezuma Winds II, LLC and approval of an amendment to a Qualified Facility power purchase agreement between Pacific Gas and Electric Company and power produced by a wind project owned by enXco Windfarm V, Inc.

ESTIMATED COST: Costs of the power purchase agreement are confidential at this time.

By Advice Letter 3847-E filed on May 27, 2011.

SUMMARY

Pacific Gas and Electric Company's renewable energy power purchase agreement with Montezuma Winds II, LLC complies with the Renewables Portfolio Standard procurement guidelines and is approved without modification.

Pacific Gas and Electric Company (PG&E) filed Advice Letter 3847-E on May 27, 2011, requesting the California Public Utilities Commission (Commission) review and approve a 25-year renewable energy power purchase agreement (PPA) between PG&E and Montezuma Winds II, LLC. PG&E is also requesting the Commission approve an amendment to an existing Qualifying Facility Standard Offer #4 PPA covering power produced by a wind project owned by enXco Windfarm V, Inc. (enXco PPA). enXco Windfarm V is operated by Green Ridge Power, LLC an

affiliate of Montezuma II. The amendment reflects the decommissioning of facilities under the enXco PPA in order to develop the Montezuma Winds II facility under the Montezuma Winds II PPA.

The Montezuma Winds II PPA is for deliveries of up to 201 gigawatt-hours (GWh) of RPS eligible energy from the Montezuma Winds II facility. The Montezuma Winds II facility will be located in Solano County, California and has a contract capacity of up to 78.2 megawatts (MW).

This resolution approves the Montezuma Winds II, LLC PPA without modification and approves the contract amendment between PG&E and enXco Windfarm V, Inc. PG&E's execution of this power purchase agreement is consistent with PG&E's 2009 RPS Procurement Plan, including its resource need, which the Commission approved in Decision 09-06-018. Deliveries under the Montezuma Winds II, LLC power purchase agreement are reasonably priced and fully recoverable in rates over the life of the contract, subject to Commission review of PG&E's administration of the power purchase agreement.

The following table provides a summary of the Montezuma Winds II, LLC power purchase agreement:

Generating facility	Type	Term Years	MW Capacity	Annual Deliveries	Online Date	Location
Montezuma Winds II	Wind	25	78.2	201 GWh	11/1/2012	Solano County, CA

BACKGROUND

Overview of the Renewables Portfolio Standard (RPS) Program

The California RPS Program was established by Senate Bill (SB) 1078, and has been subsequently modified by SB 107, SB 1036 and SB 2 (1X).[1] The RPS program

[1] SB 1078 (Sher, Chapter 516, Statutes of 2002); SB 107 (Simitian, Chapter 464, Statutes of 2006); SB 1036 (Perata, Chapter 685, Statutes of 2007); SB 2 (1X) (Simitian, Chapter 1, Statutes of 2011, First Extraordinary Session).

is codified in Public Utilities Code Sections 399.11-399.20.[2] Under SB 2 (1X), the RPS program administered by the Commission requires each retail seller to increase its total procurement of eligible renewable energy resources so that the amount of electricity generated per year from eligible renewable resources be increased to an amount that equals an average of 20% of the total electricity sold to retail customers in California for the period 2011-2013; 25% of retail sales by December 31, 2016; and 33% of retail sales by December 31, 2020. [3]

Additional background information about the Commission's RPS Program, including links to relevant laws and Commission decisions, is available at http://www.cpuc.ca.gov/PUC/energy/Renewables/overview.htm and http://www.cpuc.ca.gov/PUC/energy/Renewables/decisions.htm.

NOTICE

Notice of AL 3847-E was made by publication in the Commission's Daily Calendar. PG&E states that a copy of the Advice Letter was mailed and distributed in accordance with Section 3.14 of General Order 96-B.

PROTESTS

Advice Letter 3847-E was not protested.

DISCUSSION

Pacific Gas and Electric Company requests approval of a renewable energy power purchase agreement with Montezuma Winds II, LLC and contract amendment between Pacific Gas and Electric Company and enXco Windfarm V, Inc.

On May 27, 2011, Pacific Gas and Electric Company (PG&E) filed Advice Letter (AL) 3847-E requesting the California Public Utilities Commission (Commission) approve of a 25-year renewable energy power purchase agreement (PPA) with

[2] All further references to sections refer to Public Utilities Code unless otherwise specified.

[3] *See* SB 2 (1X) § 399.15(b)(2)(B).

Montezuma Winds II, LLC (Montezuma II). The wind project being developed by Montezuma II is for a minimum of 78.2 MW of renewable energy. PG&E will purchase approximately 201 GWh of renewable energy per year pursuant to the PPA. Energy delivery from the facility is to begin on November 1, 2012.

PG&E is also requesting approval of an amendment to an existing Qualifying Facility (QF) Standard Offer #4 Power Purchase Agreement covering power produced by a wind project owned by enXco Windfarm V, Inc. and operated by Green Ridge Power, LLC, and affiliate of Montezuma II (enXco PPA). Montezuma II will be located on the same site as the wind project supplying power under the enXco PPA. Green Ridge Power and enXco Windfarm intend to remove 178 older 100 kV wind turbines from the site in order to facilitate development of Montezuma II; these turbines will be effectively replaced by newer, advanced technology 2.3 MW turbines in the Montezuma II site. Accordingly, Green ridge Power, enXco Windfarm, and PG&E have agreed to amend the enXco PPA to reduce the existing contract capacity by 17.8 MW (enXco Amendment), or approximately 23 GWh/year.

PG&E requests that the Commission issue a resolution that:

1. Approves the PPA and the First Amendment in their entirety, including payments to be made by PG&E pursuant to the PPA, subject to the Commission's review of PG&E's administration of the PPA.
2. Approves the enXco Amendment in its entirety.
3. Finds that any procurement pursuant to the PPA is procurement from an eligible renewable energy resource for purposes of determining PG&E's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.) ("RPS") Decision ("D.") 03-06-071 and D.06-10-050, or other applicable law.
4. Finds that all procurement and administrative costs, as provided by Public Utilities Code Section 399.14(g), associated with the PPA shall be recovered in rates.
5. Adopts the following finding of fact and conclusion of law in support of CPUC Approval:
    a. The PPA is consistent with PG&E's 2009 RPS procurement plan.

b. The terms of the PPA, including the price of delivered energy, are reasonable.

6. Adopts the following finding of fact and conclusion of law in support of cost recovery for the PPA:

   a. The utility's costs under the PPA shall be recovered through PG&E's Energy Resource Recovery Account.

   b. Any stranded costs that may arise from the PPA are subject to the provisions of D.04-12-048 that authorize recovery of stranded renewables procurement costs over the life of the contract. The implementation of the D.04-12-048 stranded cost recovery mechanism is addressed in D.08-09-012.

7. Adopts the following findings with respect to resource compliance with the Emissions Performance Standard ("EPS") adopted in R.06-04-009:

   a. The PPA is not covered procurement subject to the EPS because the generating facility has a forecast capacity factor of less than 60 percent and, therefore, is not baseload generation under paragraphs 1(a)(ii) and 3(2)(a) of the Adopted Interim EPS Rules.

Energy Division evaluated the Montezuma Winds II, LLC PPA on the following criteria:

- Consistency with bilateral contracting rules
- Consistency with PG&E's 2009 RPS Procurement Plan
- Consistency with PG&E's Least-Cost, Best-Fit requirements
- Consistency with RPS standard terms and conditions
- Independent Evaluator review
- Cost reasonableness
- Cost containment
- Assessment of PG&E's need for the Montezuma Winds II, LLC Project
- Project viability assessment and development status
- Compliance with the Interim Greenhouse Gas Emissions Performance Standard

- Procurement Review Group participation
- Compliance with the minimum quantity condition

Consistency with Bilateral Contracting Rules

PG&E negotiated the Montezuma Winds II, LLC PPA on a bilateral basis because the offer was at a favorable price with acceptable terms and conditions, and because there was a high probability that, if the offer had been deferred to PG&E's 2011 RPS solicitation, the Project's online date could have been significantly delayed. By negotiating this transaction on a bilateral basis, rather than under the 2011 RPS solicitation, PG&E will be able to secure deliveries of RPS-eligible power from the PPA in 2012 to enhance its 20% RPS compliance through 2013.

In Decision (D.) 06-10-019, the Commission established rules pursuant to which the Investor Owned Utilities (IOU) could enter into bilateral RPS contracts. PG&E adhered to these bilateral contracting rules because the PPA is longer than one month in duration, the PPA was filed by advice letter, the above market costs will not be applied to PG&E's RPS cost limitation and the contracts are reasonably priced, as discussed in more detail below.

In D.09-06-050, the Commission determined that bilateral agreements should be reviewed according to the same processes and standards as projects that come through a solicitation. Accordingly, as described below, the Montezuma II PPA was compared to other RPS offers received in PG&E's 2009 RPS solicitation, bilateral negotiations, and recently executed agreements; the proposed agreement was reviewed by PG&E's Procurement Review Group; and an independent evaluator oversaw the project evaluation and PPA negotiation.

<u>The Montezuma II PPA is consistent with the bilateral contracting guidelines established in D.06-10-019 and D.09-06-050.</u>

Consistency with PG&E's 2009 RPS Procurement Plan

California's RPS statute requires that the Commission review the results of a renewable energy resource solicitation submitted for approval by a utility.[4]

[4] Pub. Util. Code, § 399.14

PG&E's 2009 RPS Procurement Plan (Plan) was conditionally approved by D.09-06-018. Pursuant to statute, PG&E's Plan includes an assessment of supply and demand to determine the optimal mix of renewable generation resources, consideration of flexible compliance mechanisms established by the Commission, and a bid solicitation protocol setting forth the need for renewable generation of various operational characteristics.[5]

PG&E states that the generation procured under the PPA will meet the resource needs identified in its Plan. In its Plan, PG&E's goal was to procure approximately one to two percent of its retail sales volume, or between 800 to 1,600 GWh per year. The Project is expected to deliver approximately 201 GWh per year for a term of 25 years. Deliveries from the Project meet the criteria for renewables procurement contained in PG&E's 2009 Plan and will contribute to PG&E's 20% RPS goal under the current flexible compliance rules.

<u>The Montezuma II PPA is consistent with PG&E's 2009 RPS Procurement Plan approved by D.09-06-018.</u>

Consistency with PG&E's least-cost best-fit (LCBF) requirements

In D.04-07-029, the Commission directs the utilities to use certain criteria in their LCBF selection of renewable resources.[6] The decision offers guidance regarding the process by which the utility ranks bids in order to select or "shortlist" the bids with which it will commence negotiations. As described in its 2009 RPS Procurement Plan, PG&E's approved process for identifying LCBF renewable resources focuses on four primary areas:

1. Determination of market value of bid,
2. Calculation of transmission adders and integration costs,
3. Evaluation of portfolio fit, and
4. Consideration of non-price factors.

PG&E negotiated the Montezuma II PPA bilaterally and therefore it did not compete directly with other RPS projects. In AL 3847-E, PG&E explains that it

[5] Pub. Util. Code, §399.14(a)(3)

[6] *See* §399.14(a)(2)(B)

examined the reasonableness of the PPA using the same LCBF methodology used to evaluate the 2009 RPS Solicitation and with other bilateral contracts offered to PG&E during the same time period that the Montezuma II PPA was executed. Additionally, as part of a project viability assessment, PG&E examined such factors as ownership experience, operations & maintenance experience, and technological feasibility.

The Montezuma II PPA was evaluated consistent with the LCBF methodology identified in PG&E's 2009 RPS Procurement Plan.

Consistency with RPS Standard Terms and Conditions

The Commission adopted a set of standard terms and conditions (STCs) required in RPS contracts, four of which are considered "non-modifiable." The STCs were compiled in D.08-04-009 and subsequently amended in D.08-08-028. More recently in D.10-03-021, as modified by D.11-01-025, the Commission further refined these STCs.

The Montezuma II PPA includes the Commission-adopted RPS "non-modifiable" standard terms and conditions, as set forth in D.08-04-009, D.08-08-028, and D.10-03-021, as modified by D.11-01-025.

Independent Evaluator Review

PG&E retained independent evaluator (IE) Lewis Hashimoto, from Arroyo Seco Consulting, to oversee PG&E's bilateral negotiations with Montezuma II and to evaluate the overall merits for CPUC approval of the PPA. AL 3847-E included a public and confidential independent evaluator's report[7].

The IE states in its report that the negotiations between PG&E and Montezuma II were fair and that Montezuma II was not given preferential treatment over sellers participating in the 2009 RPS solicitation. The IE states the PPA has "high valuation, low contract price, high viability, and moderate portfolio fit".

[7] AL 3847-E Appendix Confidential C and Public Appendix H

Consistent with D.06-05-039 and D.09-06-050, an independent evaluator oversaw PG&E's negotiations with Montezuma II and recommends the contract be approved.

Cost Reasonableness

PG&E asserts that the Montezuma II PPA is reasonable when considered against the pricing and other standards used for evaluating contracts resulting from PG&E's 2009 RPS Solicitation. The PPA was also found to be reasonable when compared against other bilaterals being offered to PG&E during the time when the contract was executed and the advice letter was filed with the Commission.

The Commission's reasonableness review for RPS PPA prices includes a comparison of the proposed contract price(s) to market data. Specifically, contracts are compared to shortlisted projects from the applicable solicitation, bilateral offers at the time the contracts were executed, contracts recently approved, contracts pending Commission approval, recently executed contracts, recent bilateral offers and recent solicitation data.

Using this analysis and the confidential analysis provided by PG&E in AL 3847-E, the Commission determines that the cost of the Montezuma II PPA is reasonable.

The Montezuma II PPA compares favorably to the results of PG&E's 2009 RPS solicitation and other comparable contracts.

Payments made by PG&E under the Montezuma II PPA are fully recoverable in rates over the life of the PPA, subject to Commission review of PG&E's administration of the PPA.

Cost Containment

At the time PG&E executed the Montezuma II contract and submitted AL 3847-E, RPS cost containment was set out in section 399.15(c) (SB 107) and based on a market price referent (MPR) to assess whether a proposed RPS contract has

above-market costs. Energy Division staff evaluated the Montezuma II contract consistent with the Commission's rules in effect when AL 3847-E was submitted.[8]

Based on the Montezuma II project's commercial operation date, PG&E estimates that the price of the PPA is below the applicable 2009 MPR,[9] and therefore no AMFs are required.

Assessment of PG&E's need for the Montezuma II project

Future RPS compliance obligations are generally defined in SB 2 (1X) as follows: PG&E must procure RPS-eligible resources equivalent to an average of 20 percent of retail sales for 2011-2013; 25 percent of retail sales by the end of 2016; and 33 percent of retail sales by 2020 and for each year thereafter.
The information provided in PG&E's August 2011 Compliance Report demonstrates that, when applying a reasonably conservative forecast of the future (i.e. applying a success rate of projects not yet under construction), PG&E has a need for renewable generation in the first compliance period (2011 -2013) and third compliance period (2017 -2020). The Montezuma II online date of November 1, 2012 contributes to PG&E's first compliance period need, and the Montezuma II PPA will contribute to PG&E's third compliance need.

PG&E has demonstrated that it has an incremental need for RPS-eligible generation in the first compliance period, 2011-2013, and third compliance period, 2017 – 2020, to which the Montezuma II PPA will contribute.

Project Viability Assessment and Development Status

Project Development Experience

Montezuma Winds II, LLC is a wholly-owned subsidiary of NextEra Energy Resources, which itself is a subsidiary of the FPL Group, Inc. NextEra is the largest generator of wind and solar power in North America with approximately

[8] SB 2 (1X) became effective on December 10, 2011. The Commission is implementing a new cost containment framework in Rulemaking 11-05-005.

[9] *See* Resolution E-4298.

115 facilities in operation in 26 states and Canada. It has more than 18,850 MW of generating capacity in operation.

Resource Quality

The Collinsville-Montezuma Hills wind resource area of Solano County is a well-documented resource area with a number of existing wind generation facilities that have been in operation for several years.

Site Control

The Site is on private land. NextEra has secured lease options for the 2,400 acres that comprise the Project area.

Permitting

Solano County certified the Final EIR and issued the Land Use Permit (CUP equivalent) on July 7, 2011.

NextEra obtained precertification in December 2010 from the California Energy Commission that the Montezuma II facility would qualify as an eligible renewable resource upon commencement of operations.

Interconnection and Transmission

The Montezuma Wind II project executed its interconnection agreement with the California ISO in December 2010. Major transmission upgrades are not required.

Based on the above, the project is highly viable.

PG&E asserts that the Montezuma II project is viable and will be developed according to the terms and conditions in the PPA.

Compliance with the Interim Greenhouse Gas Emissions Performance Standard

California Pub. Utils. Code §§ 8340 and 8341 require that the Commission consider emissions costs associated with new long-term (five years or greater) baseload power contracts procured on behalf of California ratepayers. [10]

D.07-01-039 adopted an interim Emissions Performance Standard (EPS) that establishes an emission rate for obligated facilities at levels no greater than the greenhouse gas (GHG) emissions of a combined-cycle gas turbine power plant. Generating facilities using certain renewable resources are deemed compliant with the EPS.[11]

The PPA is not covered procurement subject to the EPS because the generating facility has a forecast capacity factor of less than 60 percent and, therefore, is not baseload generation under paragraphs 1(a)(ii) and 3(2)(a) of the Adopted Interim EPS Rules.

Procurement Review Group Participation

The Procurement Review Group (PRG) was initially established in D.02-08-071 as an advisory group to review and assess the details of the IOUs' overall procurement strategy, solicitations, specific proposed procurement contracts and other procurement processes prior to submitting filings to the Commission.[12] PG&E asserts that the Montezuma II PPA was discussed at PRG meetings on December 10, 2010 and March 8, 2011.

Pursuant to D.02-08-071, PG&E's Procurement Review Group participated in the review of the Montezuma II PPA.

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[10] "Baseload generation" is electricity generation at a power plant "designed and intended to provide electricity at an annualized plant capacity factor of at least 60%." Pub. Utils. Code § 8340 (a).

[11] D.07-01-039, Attachment 7, p. 4

[12] PG&E's PRG includes representatives of the Union of Concerned Scientists, the Coalition of California Utility Employees, The Utility Reform Network, the California Public Utility Commission's Energy Division and Division of Ratepayer Advocates, and the California Department of Water Resources.

RPS Eligibility and CPUC Approval

Pursuant to Pub. Util. Code § 399.13, the CEC certifies eligible renewable energy resources. Generation from a resource that is not CEC-certified cannot be used to meet RPS requirements. To ensure that only CEC-certified energy is procured under a Commission-approved RPS contract, the Commission has required standard and non-modifiable "eligibility" language in all RPS contracts. That language requires a seller to warrant that the project qualifies and is certified by the CEC as an "Eligible Renewable Energy Resource," that the project's output delivered to the buyer qualifies under the requirements of the California RPS, and that the seller uses commercially reasonable efforts to maintain eligibility should there be a change in law affecting eligibility.[13]

The Commission requires a standard and non-modifiable clause in all RPS contracts that requires "CPUC Approval" of a PPA to include an explicit finding that "any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewable Portfolio Standard (*Public Utilities Code Section 399.11 et seq.*), Decision 03-06-071, or other applicable law."[14]

Notwithstanding this language, the Commission has no jurisdiction to determine whether a project is an eligible renewable energy resource, neither can the Commission determine prior to final CEC certification of a project that "any procurement" pursuant to a specific contract will be "procurement from an eligible renewable energy resource."

Therefore, while we include the required finding here, this finding has never been intended, and shall not be read now, to allow the generation from a non-RPS-eligible resource to count towards an RPS compliance obligation. Nor shall such finding absolve the seller of its obligation to obtain CEC certification, or the utility of its obligation to pursue remedies for breach of contract. Such contract

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[13] *See, e.g.* D. 08-04-009 at Appendix A, STC 6, Eligibility.

[14] *See, e.g.* D. 08-04-009 at Appendix A, STC 1, CPUC Approval.

enforcement activities shall be reviewed pursuant to the Commission's authority to review the utilities' administration of contracts.

Contribution to Minimum Quantity Requirement for Long-Term/New Facility Contracts

D.07-05-028 established a "minimum quantity" condition on the ability of utilities to count an eligible contract of less than 10 years duration for compliance with the RPS program.[15] In the calendar year that a short-term contract with an existing facility is executed, the utility must also enter into long-term contracts or contracts with new facilities equivalent to at least 0.25 percent of the utility's previous year's retail sales.

As a new facility, delivering pursuant to long-term contracts, the Montezuma II PPA will contribute to PG&E's minimum quantity requirement established in D.07-05-028.

Confidential Information

The Commission, in implementing Pub. Util. Code § 454.5(g), has determined in D.06-06-066, as modified by D.07-05-032, that certain material submitted to the Commission as confidential should be kept confidential to ensure that market sensitive data does not influence the behavior of bidders in future RPS solicitations. D.06-06-066 adopted a time limit on the confidentiality of specific terms in RPS contracts. Such information, such as price, is confidential for three years from the date the contract states that energy deliveries begin, except contracts between IOUs and their affiliates, which are public.

The confidential appendices, marked "[REDACTED]" in the public copy of this resolution, as well as the confidential portions of the advice letter, should remain confidential at this time.

COMMENTS

[15] For purposes of D.07-05-028, contracts of less than 10 years duration are considered "short-term" contracts and facilities that commenced commercial operations prior to January 1, 2005 are considered "existing."

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

FINDINGS AND CONCLUSIONS

1. The Montezuma II PPA is consistent with the bilateral contracting guidelines established in D.06-10-019 and D.09-06-050.
2. The Montezuma II PPA is consistent with PG&E's 2009 RPS Procurement Plan, as approved by D.09-06-018.
3. The Montezuma II PPA was evaluated consistent with the LCBF methodology identified in PG&E's 2009 RPS Procurement Plan.
4. The Montezuma II PPA includes the Commission-adopted RPS "non-modifiable" standard terms and conditions, as set forth in D.08-04-009, D.08-08-028, and D.10-03-021, as modified by D.11-01-025.
5. Consistent with D.06-05-039 and D.09-06-050, an independent evaluator oversaw PG&E's negotiations with Montezuma II and recommends the contract be approved.
6. The Montezuma II PPA compares favorably to the results of PG&E's 2009 RPS solicitation and other comparable contracts.
7. Payments made by PG&E under the Montezuma II PPA are fully recoverable in rates over the life of the PPA, subject to Commission review of PG&E's administration of the PPA.
8. PG&E has demonstrated that it has an incremental need for RPS-eligible generation in the first compliance period, 2011-2013, and third compliance period, 2017 – 2020, to which the Montezuma II PPA will contribute.
9. Based on the Montezuma II project's commercial operation date, PG&E estimates that the price of the PPA is below the applicable 2009 Market Price Referent.

10. PG&E asserts that the Montezuma II project is viable and will be developed according to the terms and conditions in the PPA.
11. The PPA is not covered procurement subject to the Emissions Performance Standard because the generating facility has a forecast capacity factor of less than 60 percent.
12. Pursuant to D.02-08-071, PG&E's Procurement Review Group participated in the review of the Montezuma II PPA.
13. As a new facility, delivering pursuant to long-term contracts, the Montezuma II PPA will contribute to PG&E's minimum quantity requirement established in D.07-05-028.
14. The confidential appendices, marked "[REDACTED]" in the public copy of this resolution, as well as the confidential portions of the advice letter, should remain confidential at this time.
15. The enXco power purchase agreement amendment should be approved in its entirety.
16. AL 3847-E should be approved effective today without modification.

THEREFORE IT IS ORDERED THAT:

1. Pacific Gas and Electric Company's Advice Letter 3847-E, requesting Commission review and approval of a power purchase agreement with Montezuma Winds II, LLC, is approved without modifications.

2. Pacific Gas and Electric Company's Advice Letter 3847-E, requesting Commission review and approval of an amendment to the Qualifying Facility PPA between PG&E and enXco Windfarm V, Inc., is approved without modifications.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on January 12, 2011; the following Commissioners voting favorably thereon:

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PAUL CLANON
Executive Director

Confidential Appendix A

Contract Summary

[REDACTED]

Confidential Appendix B

Independent Evaluator Report

[REDACTED]