

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION E-4294
July 8, 2010**

REDACTED

R E S O L U T I O N

Resolution E-4294. Southern California Edison Company requests approval of two renewable energy power purchase agreements with CA Solar 10, LLC and Ridgecrest Solar I, LLC, each a wholly owned subsidiary of Solar Trust of America, LLC, which is a joint venture between Solar Millennium AG and MAN Ferrostaal AG.

PROPOSED OUTCOME: This Resolution approves cost recovery for a long-term renewable energy power purchase agreement between Southern California Edison Company and CA Solar 10, LLC. This power purchase agreement is approved without modification. The Commission defers judgment on the Ridgecrest Solar I, LLC power purchase agreement.

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

By Advice Letter 2374-E filed on August 21, 2009.

SUMMARY

Southern California Edison’s renewable energy power purchase agreement with CA Solar 10, LLC complies with the Renewables Portfolio Standard (RPS) procurement guidelines and is approved without modification

Southern California Edison Company (SCE) filed Advice Letter (AL) 2374-E on August 21, 2009, requesting Commission approval of two long-term power purchase agreements (PPAs), one with CA Solar 10, LLC (CA Solar 10), and the other with Ridgecrest Solar I, LLC (Ridgecrest Solar I). CA Solar 10 and Ridgecrest Solar I are subsidiaries of Solar Trust of America, LLC, which is a joint venture between Solar Millennium AG (Solar Millennium) and MAN Ferrostaal AG.

This resolution approves the CA Solar 10 PPA. Without prejudice, the Commission defers judgment on the Ridgecrest Solar I PPA, which will be addressed in a subsequent resolution.

The following table summarizes the CA Solar 10 PPA:

Generating Facility	Technology Type	Term (Years)	Capacity (MW)¹	Energy (GWh/yr)²	Contract Delivery Start Date	Location
CA Solar 10	Solar Thermal (Parabolic Trough)	20	484	1,102	June 30, 2014	Blythe, CA ³

The CA Solar 10 project is actively seeking American Recovery and Reinvestment Act of 2009 (ARRA) funding, and the California Energy Commission and Bureau of Land Management released a Staff Analysis and Draft Environmental Impact Statement in March, 2010. Depending on particular terms of the PPA, the CA Solar 10 PPA price may be above or below the applicable 2008 Market Price Referent (see Confidential Appendix A for additional details). Deliveries from the CA Solar 10 PPA are consistent with SCE's 2008 RPS Procurement Plan, which the Commission conditionally approved in Decision (D.) 08-02-008. RPS-eligible deliveries under the CA Solar 10 PPA are reasonably priced and fully recoverable in rates over the life of the contract, subject to Commission review of SCE's administration of the PPA.

The CA Solar 10 PPA is approved without modification.

NOTICE

Notice of AL 2374-E was made by publication in the Commission's Daily Calendar. SCE states that copies of the Advice Letter were mailed and distributed in accordance with Section 4 of General Order 96-B.

¹ MW = megawatts.

² GWh/yr = gigawatt hours per year.

³ Location is within the California Independent System Operator control area.

PROTESTS

AL 2374-E was not protested.

DISCUSSION

Overview of the Renewables Portfolio Standard (RPS) Program

The RPS Program administered by the Commission requires each utility to increase its total procurement of eligible renewable energy resources by at least one percent of retail sales per year so that twenty percent of the utility's retail sales are procured from eligible renewable energy resources no later than December 31, 2010.⁴

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>.

SCE requests approval of two renewable energy contracts.

On August 21, 2009, Southern California Edison Company (SCE) filed Advice Letter (AL) 2374-E requesting Commission approval of two 20-year power purchase agreements (PPAs) with CA Solar 10, LLC (CA Solar 10) and Ridgecrest Solar I, LLC (Ridgecrest Solar I), each a wholly owned subsidiary of Solar Millennium, AG. This resolution approves the CA Solar 10 PPA. Without prejudice the Commission defers judgment on the Ridgecrest Solar I PPA, which will be addressed in a subsequent resolution.

The CA Solar 10 project will consist of two 242 megawatt (MW) generating facilities (a total of 484 MW) and will utilize existing solar thermal trough technology. The project was originally planned to be 242 MW, but the contract gave the developer an option to increase the project size to 484 MW. On May 19, 2010, SCE informed Commission staff that the developer would increase the project to 484 MW. Pursuant to the CA Solar 10 PPA, the generating facilities

⁴ See Public Utilities (Pub. Utils.) Code § 399.15(b)(1).

will annually provide approximately 1,102 gigawatt hours (GWh) towards SCE's annual procurement target (APT).

The primary site originally chosen for the CA Solar 10 project was land leased from the Bureau of Land Management (BLM) approximately 10 miles east of Desert Center, CA. However, the developer also leased land from the BLM near Blythe, CA, approximately 35 miles east of the Desert Center site. The PPA gives the developer the option to move the project from the Desert Center site to the Blythe site. On May 19, 2010, SCE informed Commission staff that the developer has decided to execute this option and will develop the CA Solar 10 project at the Blythe location. The point of interconnection for the project will be SCE's Colorado River Substation.

SCE requests that the Commission issue a resolution containing the following findings:

1. Approval of the Solar Contracts in their entirety;
2. A finding that any electric energy sold or dedicated to SCE pursuant to the Solar Contracts constitutes procurement by SCE from an ERR for the purpose of determining SCE's compliance with the RPS Legislation⁵ or other applicable law concerning the procurement of electric energy from renewable energy resources;
3. A finding that all procurement under the Solar Contracts counts, in full and without condition, toward any annual procurement target established by the RPS Legislation or the Commission which is applicable to SCE;
4. A finding that all procurement under the Solar Contracts counts, in full and without condition, toward any incremental procurement target established by the RPS Legislation or the Commission which is applicable to SCE;
5. A finding that all procurement under the Solar Contracts counts, in full and without condition, toward the requirement in the RPS Legislation that SCE procure 20 percent (or such other percentage as may be established by

⁵ As defined by SCE, "'RPS Legislation' refers to the State of California Renewable Portfolio Standard Program, as codified at California Pub. Utils. Code Section 399.11 *et seq.*"

law) of its retail sales from ERRs by 2010 (or such other date as may be established by law);

6. A finding that the Solar Contracts, and SCE's entry into the Solar Contracts, is reasonable and prudent for all purposes, including, but not limited to, recovery in rates of payments made pursuant to the Solar Contracts, subject only to further review with respect to the reasonableness of SCE's administration of the Solar Contracts; and
7. Any other and further relief as the Commission finds just and reasonable.

Energy Division Review of the Proposed PPA

Energy Division evaluated the CA Solar 10 PPA for the following criteria:

- Consistency with SCE's 2008 RPS Procurement Plan (Plan)
- Consistency with the resource needs identified in SCE's Plan
- Comparison to the results of SCE's 2008 RPS solicitation
- Cost reasonableness
- Eligibility for Above-MPR Funds
- Project viability
- Consistency with RPS standard terms and conditions
- Contribution to RPS minimum quantity requirements for short-term contracts with existing facilities
- Compliance with the Interim Emissions Performance Standard
- Procurement Review Group participation
- Independent Evaluator oversight of SCE's RPS procurement process

Consistency with SCE's 2008 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.⁶ The Commission reviews the results to verify that the utility conducted its solicitation

⁶ Pub. Utils. Code, Section §399.14.

according to its Commission-approved procurement plan. In D.08-02-008, the Commission conditionally approved SCE's Plan and bid solicitation materials for SCE's 2008 RPS solicitation. SCE subsequently amended its Plan and bid solicitation materials consistent with the requirements in the authorizing decision. Pursuant to statute, SCE'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.⁷

SCE asserts that the CA Solar 10 bid conformed to SCE's approved solicitation protocol by offering energy from an eligible renewable energy resource, submitting the standard forms, agreeing to be bound by the protocol, and signing a nondisclosure agreement. Additionally, the CA Solar 10 bid was scored pursuant to SCE's bid evaluation protocol, and the bid score justified its inclusion on SCE's shortlist.

The CA Solar 10 PPA is consistent with SCE's 2008 RPS Procurement Plan, approved by D.08-02-008 and subsequently amended by SCE.

Consistency with the Resource Needs Identified in SCE's Plan

SCE's 2008 Plan states that SCE seeks to procure renewable resources to augment those under contract from prior solicitations and bilateral negotiations, and it has a near-term as well as long-term need for renewable energy. Specifically, SCE intends to secure resources from its 2008 solicitation, as necessary, to ensure that it meets the 20% RPS goal as soon as possible, and with a reasonable margin of safety. SCE requested proposals based upon standard term lengths of 10, 15 or 20 years or a non-standard delivery term of no less than 1 month. SCE also requested proposals with a minimum capacity of 1.5 MW.

SCE indicated a preference for projects:

- With near-term deliveries

⁷ Pub. Utils. Code, Section §399.14(a)(3).

- Located in California or outside of California if the seller complies with all requirements pertaining to “Out-of-State Facilities” as set forth in the California Energy Commission (CEC) Guidebook for RPS eligibility
- Delivered within the CAISO Control Area, but considered proposals for facilities interconnected to the Western Electricity Coordinating Council (WECC) transmission system

The proposed CA Solar 10 project will not contribute to SCE’s 2010 20% RPS target due to the project’s 2014 online date. However, the project is valuable for maintaining SCE’s RPS target in subsequent years, particularly given the projected increase in SCE’s load and expiration of shorter-term RPS contracts. Therefore, the CA Solar 10 project fits SCE’s identified renewable resource needs because it will contribute to SCE’s long-term RPS goal. In addition, the project meets SCE’s preferences of being located within California as well as having a capacity of at least 1.5 MW and a contract length of 20 years.

The CA Solar 10 PPA is consistent with the resource needs identified in SCE’s 2008 Procurement Plan.

Comparison to the Results of SCE’s 2008 RPS Solicitation

The Commission’s Least Cost Best Fit (LCBF) decisions direct the utilities to use certain criteria in their bid ranking and provide guidance regarding the process by which the utility ranks bids in order to “shortlist” the bids eligible for contract negotiations.⁸ The bid evaluation includes a quantitative and qualitative analysis. The quantitative analysis results in relative benefit-to-cost (B/C) ratios for each bid and the qualitative review assesses a project’s technical viability, its overall viability and its developer experience.

SCE’s analysis indicates that the final LCBF results for the CA Solar 10 project is favorable compared to the other 2008 RPS bids with respect to benefit/cost ratio, project viability, and other factors. The independent evaluator (IE) generally concurs with SCE’s findings. Confidential Appendix B to this resolution provides a more detailed comparison of the CA Solar 10 project to SCE’s other 2008 RPS solicitation shortlist bids.

⁸ D.04-07-029

The CA Solar 10 PPA compares reasonably to the results of SCE's 2008 solicitation.

Cost Reasonableness

The Commission's reasonableness review for RPS PPA prices includes a comparison of the proposed PPA to other proposed RPS projects from recent RPS solicitations and recent Commission approved projects.

The contract price may be above or below the applicable 2008 Market Price Referent (MPR), depending on particular terms of the contract. SCE filed confidential work papers with AL 2374-E comparing the CA Solar 10 PPA price to other offers received in SCE's 2008 RPS solicitation. Staff also compared the CA Solar 10 PPA price to other RPS PPAs recently approved by the Commission. The project provides a good value to ratepayers because it will provide new on-peak generation within California, SCE asserts that the project is viable, and the price is competitive relative to SCE's other offers. Based on this analysis, the Commission determines that the CA Solar 10 PPA price is reasonable. Confidential Appendix A to this resolution includes details about the contractual pricing terms.

The total expected cost of the CA Solar 10 PPA, as estimated by SCE, is reasonable based on its relation to bids received in response to SCE's 2008 solicitation and when compared to other RPS PPAs recently approved by the Commission.

Payments made by SCE under the PPA are fully recoverable in rates over the life of the PPA, subject to Commission review of SCE's administration of the PPA.

Eligibility for Above-MPR Funds

Pursuant to California Pub. Utils. Code § 399.15, a utility may recover above-market costs of an RPS PPA, referred to as Above-MPR Funds (AMFs). As mentioned above, the CA Solar 10 PPA price may be above the applicable MPR. The CA Solar 10 project is eligible for AMFs:

- The PPA was selected through a competitive solicitation.
- The PPA covers a duration of no less than 10 years.
- The contracted project is a new facility that will commence commercial operation after January 1, 2005.

- The PPA is for a bundled energy and renewable energy credit (REC) product, and is not a REC-only agreement.⁹
- SCE and the IE assert that the above-market costs of the project do not include any indirect expenses, including imbalance energy charges, sales of excess energy, decreased generation from existing resources, or transmission upgrades.

While this project would qualify for AMFs, SCE has exhausted its AMFs. SCE states that it will voluntarily incur the above-MPR costs even though there are insufficient AMFs to cover the costs of the CA Solar 10 project. See Confidential Appendix A for more details.

While SCE has exhausted its AMFs, SCE will voluntarily procure energy pursuant to the CA Solar 10 contract at an above-MPR price.

Project Viability

For SCE's 2008 RPS solicitation, SCE quantitatively evaluated and scored each bid's viability, based on a number of factors such as development issues, site control, technology maturity, and seller experience. SCE asserts that the CA Solar 10 project is highly viable because of the maturity of the solar thermal trough technology, excellent solar resource availability at the Blythe location, and experience of the developers, Solar Millennium and MAN Ferrostaaland. According to SCE, Solar Millennium has substantial experience with solar thermal power plant development and is involved in the development and construction of three 50 MW solar thermal generating facilities in Spain (Andasol 1, 2, and 3). Andasol 1, which is currently in operation, uses the same technology that will be deployed in the CA Solar 10 project. The other development partner in the CA Solar 10 project, MAN Ferrostaal is, according to SCE, one of Europe's largest project development and construction companies, and it has developed projects in over 60 countries, including several solar power plants.

⁹ The CPUC has not authorized unbundled or tradable REC transactions. A thorough examination of the issues related to the use of unbundled and tradable RECs for RPS compliance is taking place in R.06-02-012, and we do not prejudge the outcome of that proceeding here.

Given the recent credit crisis, large renewable energy projects have faced significant financing risk. However, the CA Solar 10 project is seeking American Recovery and Reinvestment Act of 2009 (ARRA) funding, which, if received, will increase the project's ability to secure project financing. In order to receive ARRA funding, the project must meet certain project milestones by the end of 2010. A precondition to achieving the milestones is to receive its Application for Certification (AFC) from the California Energy Commission (CEC), which requires an Environmental Impact Statement from the CEC and Bureau of Land Management. Both agencies released a Staff Analysis and Draft Environmental Impact Statement in March, 2010. See Confidential Appendix A for more details on viability of project financing and Confidential Appendix B for a comparative analysis of the CA Solar 10 project versus other 2008 RPS solicitation shortlist projects.

SCE asserts that the CA Solar 10 project has high viability.

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.

The CA Solar 10 PPA includes the Commission adopted RPS "non-modifiable" standard terms and conditions, as set forth in D.08-04-009 and amended by D.08-08-028.

Contribution to RPS Minimum Quantity Requirements for Short-term Contracts with Existing Facilities

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

¹⁰ For purposes of D.07-05-028, contracts of at least 10 years in duration are considered "long-term," and facilities that commenced commercial operations on or after January 1, 2005 are considered "new."

This PPA is considered a long term contract with a new facility. Therefore, the CA Solar 10 PPA will contribute to SCE's minimum quantity requirement established in D.07-05-028.

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) power contracts procured on behalf of California ratepayers.

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. The EPS applies to all energy contracts for baseload generation that are at least five years in duration.¹¹ Generating facilities using certain renewable resources are deemed compliant with the EPS,¹² although contracts with intermittent resources are subject to the limitation that total purchases under the contract do not exceed the expected output from the facility over the term of the contract.¹³

The CA Solar 10 PPA meets the condition for EPS compliance established in D.07-01-039 because the CA Solar 10 solar thermal facility is one of the pre-approved renewable energy technologies listed in D.07-01-039.

Procurement Review Group Participation

SCE's Procurement Review Group (PRG) consists of representatives from: the Division of Ratepayer Advocates (DRA), The Utility Reform Network (TURN), California Utility Employees, the Union of Concerned Scientists, the Natural Resources Defense Council, the California Department of Water Resources, and the Commission's Energy and Legal Divisions.

¹¹ "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).

¹² D.07-01-039, Attachment 7, p. 4

¹³ D.07-01-039, Attachment 7, p. 7

SCE asserts that its PRG was consulted during each step of the 2008 renewable procurement process. According to SCE, on June 11, 2008, it informed its PRG of the proposed shortlist of bids from SCE's 2008 RPS solicitation, and on May 13, 2009, SCE informed its PRG of the successful discussions with CA Solar 10.

Although Energy Division participated in the PRG, it reserved judgment on the contract until the AL was filed. Energy Division reviewed the transaction independently of the PRG, and allowed for a full protest period before concluding its analysis.

Pursuant to D.02-08-071, SCE's PRG participated in the review of the CA Solar 10 PPA.

Independent Evaluator Oversaw SCE's RPS Procurement Process

SCE retained an Independent Evaluator (IE), Sedway Consulting, Inc., to report to SCE's PRG about the 2008 RPS solicitation and to ensure that the solicitation was conducted fairly and that the best resources were acquired. According to the IE Report submitted in AL 2374-E, Sedway Consulting performed its duties overseeing the 2008 solicitation and has provided assessment reports to the PRG and the Commission.

In its Independent Evaluator Report, Sedway Consulting concluded that SCE "...conducted a fair and effective evaluation of the RPS proposals that it received in response to its March 7, 2008 RFP. All proposals were evaluated consistently, appropriately, and without bias." Regarding the CA Solar 10 PPA, The IE finds that the PPA was "...negotiated fairly and appropriately." The IE's contract-specific evaluation of the CA Solar 10 project is attached to this resolution as Confidential Appendix C.

Consistent with D.06-05-039, an IE oversaw SCE's 2008 RPS procurement process.

RPS ELIGIBILITY AND CPUC APPROVAL

Pursuant to Pub. Utils. 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 use commercially reasonable efforts to maintain eligibility should there be a change in law affecting eligibility.¹⁴

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 Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.”¹⁵

Notwithstanding this language, the Commission has no jurisdiction to determine whether a project is an eligible renewable energy resource, nor 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 shall not be read to allow generation from a non-RPS-eligible renewable energy resource under this PPA to count towards an RPS compliance obligation. Nor shall this finding absolve SCE of its obligation to enforce compliance with this PPA.

CONFIDENTIAL INFORMATION

The Commission, in implementing Pub. Utils. 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

¹⁴ See, e.g. D. 08-04-009 at Appendix A, STC 6, Eligibility.

¹⁵ See, e.g. D. 08-04-009 at Appendix A, STC 1, CPUC Approval.

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 ON THIS RESOLUTION

Pub. Utils. Code § 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 on June 7, 2010.

No comments were submitted.

FINDINGS AND CONCLUSIONS

1. The CA Solar 10 power purchase agreement (PPA) is consistent with Southern California Edison's (SCE) 2008 Renewables Portfolio Standard (RPS) Procurement Plan, approved by D.08-02-008 and subsequently amended by SCE.
2. The CA Solar 10 PPA is consistent with the resource needs identified in SCE's 2008 Procurement Plan.
3. The CA Solar 10 PPA compares reasonably to the results of SCE's 2008 solicitation.
4. The total expected cost of the CA Solar 10 PPA, as estimated by SCE, is reasonable based on its relation to bids received in response to SCE's 2008 solicitation and when compared to other RPS PPAs recently approved by the Commission.

5. Payments made by SCE under the PPA are fully recoverable in rates over the life of the PPA, subject to Commission review of SCE's administration of the PPA.
6. While SCE has exhausted its above-Market Price Referent funds (AMFs), SCE will voluntarily procure energy pursuant to the CA Solar 10 contract at an above-Market Price Referent price.
7. SCE asserts that the CA Solar 10 project has high viability.
8. The CA Solar 10 PPA includes the Commission adopted Renewable Portfolio Standard (RPS) "non-modifiable" standard terms and conditions, as set forth in D.08-04-009 and amended by D.08-08-028.
9. The CA Solar 10 PPA will contribute to SCE's minimum quantity requirement established in D.07-05-028.
10. The CA Solar 10 PPA meets the condition for Emissions Performance Standard (EPS) compliance established in D.07-01-039 because the CA Solar 10 solar thermal facility is one of the pre-approved renewable energy technologies listed in D.07-01-039.
11. Pursuant to D.02-08-071, SCE's Procurement Review Group (PRG) participated in the review of the CA Solar 10 PPA.
12. Consistent with D.06-05-039, an Independent Evaluator (IE) oversaw SCE's 2008 RPS procurement process.
13. Procurement pursuant to the PPA is procurement from eligible renewable energy resources for purposes of determining SCE'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.), D.03-06-071 and D.06-10-050, or other applicable law.
14. The immediately preceding finding shall not be read to allow generation from a non-RPS-eligible renewable energy resource under this PPA to count towards an RPS compliance obligation. Nor shall that finding absolve SCE of its obligation to enforce compliance with this PPA.
15. 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.
16. The CA Solar 10 PPA proposed in AL 2374-E should be approved effective today without modification.

17. Commission evaluation of the Ridgecrest Solar I power purchase agreement proposed in AL 2374-E will be deferred.

THEREFORE IT IS ORDERED THAT:

1. The CA Solar 10 power purchase agreement proposed in Southern California Edison Company's Advice Letter 2374-E is approved without modification.
2. Commission evaluation of the Ridgecrest Solar I power purchase agreement proposed in Advice Letter 2374-E will be deferred.
3. 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 July 8, 2010; the following Commissioners voting favorably thereon:

/s/ PAUL CLANON
PAUL CLANON
Executive Director

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
TIMOTHY ALAN SIMON
NANCY E. RYAN
Commissioners

Confidential Appendix A

Additional Discussion of CA Solar 10 Project

[REDACTED]

Confidential Appendix B

Comparison of CA Solar 10 to Other 2008 RPS
Solicitation Shortlisted Projects

[REDACTED]

Confidential Appendix C

Independent Evaluator's
Contract-Specific Assessment

[REDACTED]