

California Public Utilities Commission
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PRESS RELEASE

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**CPUC TAKES ANOTHER STEP TOWARD STATE'S RENEWABLE
ENERGY GOAL WITH APPROVAL OF PG&E AND EDISON CONTRACTS**

SAN FRANCISCO, September 23, 2010 - The California Public Utilities Commission (CPUC) today approved a renewable energy contract for Pacific Gas and Electric Company (PG&E) and 12 renewable contracts for Southern California Edison, furthering the state's progress towards its renewable energy goals.

PG&E received approval of a 25-year power purchase agreement (PPA) with First Solar, Inc. for generation from the Desert Sunlight project. The PPA is for a solar photovoltaic facility that will provide 300 megawatts of new renewable capacity and an estimated 619 gigawatt-hours of energy annually. Desert Sunlight will be located in Desert Center, Calif., and deliveries are anticipated to begin in July 2015. First Solar is pursuing a Department of Energy loan guarantee under the American Recovery and Reinvestment Act for the project.

Edison received approval of 12 long-term PPAs that were executed as part of Edison's 2009 Renewables Standard Contract (RSC) Program. Edison initiated the RSC Program for renewable energy projects under 20 megawatts to provide a streamlined procurement process for smaller renewable energy projects. Each contract executed as part of Edison's 2009 RSC Program is priced at the applicable 2008 Market Price Referent. In total, these contracts would account for approximately 180 megawatts of new renewable capacity in California. Two of the projects are existing landfill gas facilities, eight are new solar photovoltaic facilities, and two are new wind facilities. The total net present value cost of the long-term contracts is estimated to be \$548 million.

The CPUC's Renewables Portfolio Standard (RPS) program requires investor-owned utilities, energy service providers, and community choice aggregators operating in California to obtain 20 percent of their retail sales from renewable energy sources by 2010. On November 17, 2008, Governor Schwarzenegger signed an Executive Order (S-14-08) that established a 33 percent by 2020 RPS goal. According to self-reported data, in 2009, PG&E served 14.4 percent of its retail sales with renewable energy and Edison served 17.4 percent. For more information, please see the RPS Quarterly Report for the 3rd Quarter 2010 at www.cpuc.ca.gov/PUC/energy/Renewables/index.htm.

The proposals voted on are available at http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_RESOLUTION/123619.htm (PG&E) and http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_RESOLUTION/123743.htm (Edison).

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