

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



December 27, 2010

Advice Letter 2511-E

Akbar Jazayeri
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P O Box 800
Rosemead, CA 91770

**Subject: Submission of Amended and Restated Agreement for
Procurement of Renewable Energy from SCE's 2003
Renewables Portfolio Standard Solicitation**

Dear Mr. Jazayeri:

Advice Letter 2511-E is effective December 2, 2010 per Resolution E-4383.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division

September 20, 2010

**ADVICE 2511-E
(U 338-E)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Submission of Amended and Restated Agreement for
Procurement of Renewable Energy From SCE's 2003
Renewables Portfolio Standard Solicitation

I. INTRODUCTION

A. Purpose of the Advice Letter

Southern California Edison Company ("SCE") submits this Advice Letter in compliance with California Public Utilities Code Section 399.11 *et seq.* (the "RPS Legislation") seeking approval of an amended and restated renewable power purchase and sale agreement ("PPA") between SCE and Mountain View Power Partners IV, LLC ("Mountain View"), effective August 20, 2010, which amends, restates, and replaces in its entirety the Renewable Power Purchase and Sale Agreement that was made effective as of March 8, 2005 (the "Original Agreement") between SCE and Mountain View. The First Amended and Restated Renewable Power Purchase and Sale Agreement between SCE and Mountain View shall be referred to as the "Amended & Restated Mountain View PPA."

The Original Agreement resulted from SCE's 2003 RPS solicitation, and was approved by the California Public Utilities Commission ("Commission" or "CPUC") by Resolution E-3934, effective June 30, 2005. The Original Agreement was for the purchase and sale of the output from a new wind project with a capacity of 37 megawatts ("MW"), with the option for Mountain View to increase the capacity to up to 50 MW. The Amended & Restated Mountain View PPA is for the purchase and sale of the output from a new wind project with a capacity of 49 MW.

A table summarizing the Amended & Restated Mountain View PPA is as follows:

Seller	Generation Type	Gross Power Rating; Net Power Rating	Estimated Annual Energy	Forecasted Initial Operation Date	Term of Agreement (Years)
Mountain View Power Partners IV, LLC	Wind	49 MW	165 GWh	December 1, 2011	20

SCE requests that the Commission issue a resolution containing findings in the form requested in this Advice Letter as soon as possible, but in any event no later than November 30, 2010, due to the timing associated with the application of Mountain View's parent company, AES Wind Generation, Inc. ("AES"), for a treasury grant pursuant to "Grants for Specified Energy Property in Lieu of Tax Credits" provided by the U.S. Department of Treasury under Section 1603 of the American Recovery and Reinvestment Act of 2009 ("ARRA").

In accordance with General Order ("GO") 96-B, the confidentiality of information included in this Advice Letter is described below. This Advice Letter contains both confidential and public appendices as listed below.

- Confidential Appendix A: Consistency with Commission Decisions and Rules and Project Development Status
- Confidential Appendix B: Solicitation Overview and Workpapers
- Confidential/Public Appendix C: Independent Evaluator Report
- Confidential Appendix D: Contract Summary
- Confidential Appendix E: Comparison of Amended & Restated Mountain View PPA with 2009 Pro Forma
- Confidential Appendix F: Amended & Restated Mountain View PPA
- Confidential Appendix G: Original Agreement
- Confidential Appendix H: Mountain View's Contribution Toward RPS Goals
- Appendix I: SCE's Written Description of RPS Proposal Evaluation and Selection Process and Criteria
- Confidential Appendix J: AMF Calculator Using 2008 MPR
- Confidential Appendix K: AMF Calculator Using 2009 MPR
- Confidential Appendix L: Project Viability Calculator
- Confidential Appendix M-1: Original Cash Flow Model

Confidential Appendix M-2: Updated Cash Flow Model
Appendix N: Confidentiality Declaration
Appendix O: Proposed Protective Order

B. Subject of the Advice Letter

The Mountain View Project (the "Project") is a new, 49 MW wind project. The Project will be owned and operated by Mountain View, a Delaware limited liability company which is also the seller under the Amended & Restated Mountain View PPA. Mountain View is a wholly-owned subsidiary of AES, which is an affiliate of AES Corporation.

The Project is located on approximately 625 acres just south of Interstate 10, and just northwest of the city of Palm Springs, California, near SCE's Garnet substation. The Project will connect to SCE's distribution system via a new 115 kV substation and connect to the California Independent System Operator ("CAISO") controlled grid at Garnet substation.

The Project will use 49 Mitsubishi Heavy Industry 1000A wind turbine generators.

The Original Agreement, with an effective date of March 8, 2005, originated from SCE's 2003 RPS solicitation and anticipated that the Project would be on line by December 31, 2006. Due to delays involving permitting, transmission, and other studies, the startup deadline was extended. The extensions were captured in four separate amendments as set forth below:

Amendment 1, dated 09/22/2006, changed the startup deadline to 12/31/2007.

Amendment 2, dated 12/19/2007, changed the startup deadline to 12/31/2008.

Amendment 3, dated 12/10/2008, changed the startup deadline to 06/30/2010.

Amendment 4, dated 06/11/2010, changed the startup deadline to 12/31/2011.

As early as December 2005, Mountain View approached SCE seeking a modification to the energy price in the Original Agreement because of delays, rising costs, and changes to the Project on line date. However, none of the Amendments above contained a price modification.

In July of 2009, as milestones related to the Project were met and a more definite startup date began to become clear, Mountain View again approached SCE about a modification to the energy price.

SCE and Mountain View determined that, rather than amending the Original Agreement, it would be more appropriate to amend and restate the entire agreement.

As is SCE’s practice when evaluating a request for a price change to an existing contract, SCE asked for and received cost models and financial data from AES related to the basis for the 2005 pricing and the 2010 pricing. After evaluating the cost data (included in the confidential appendices to this Advice Letter), and comparing the proposed Amended & Restated Mountain View PPA to the proposals from the shortlisted projects from SCE’s 2009 RPS solicitation, SCE concluded that the Original Agreement must be modified so that development of the Project can proceed.

SCE presented the proposed Amended & Restated Mountain View PPA to its Risk Management Committee on August 3, 2010, and to the Procurement Review Group (“PRG”) on August 4, 2010. On August 20, 2010, SCE and Mountain View executed the Amended & Restated Mountain View PPA, which modifies and updates several of the terms and conditions in the Original Agreement. The amended energy price is above the 2009 market price referent (“MPR”) but is below the 2008 MPR. The amended energy price compares favorably to the proposals from SCE’s 2009 RPS solicitation.

SCE believes that the Amended & Restated Mountain View PPA is necessary for the continued development and operation of the Project. Without the changes set forth in the Amended & Restated Mountain View PPA, the Project would not be viable. The Amended & Restated Mountain View PPA will allow the Project to remain viable and will help ensure that Mountain View meets the newly established forecasted startup deadline of December 31, 2011. The Project will contribute toward SCE’s effort to meet the State’s RPS goals. Accordingly, SCE requests that the Commission approve the Amended & Restated Mountain View PPA.

C. General Project Description

Project Name	Mountain View IV
Technology	Wind
Capacity (MW)	49 MW
Capacity Factor	38.54%
Expected Generation (GWh/Year)	165 GWh per year
Forecasted Initial Operation date	December 1, 2011
Startup Deadline	December 31, 2011
Date contract Delivery Term begins	No later than 6 months after Initial Operation
Delivery Term (Years)	20
Vintage (New/Existing/Repower)	New
Location (city and state)	NW of Palm Springs, California

Control Area (e.g., CAISO, BPA)	CAISO
Nearest Competitive Renewable Energy Zone (CREZ) as identified by the Renewable Energy Transmission Initiative (RETI)	Palm Springs
Type of cooling, if applicable	N/A
Price relative to MPR (i.e., above/below)	Above 2009 MPR; Below 2008 MPR

D. General Deal Structure

The Amended & Restated Mountain View PPA contains many of the provisions from the Original Agreement updated with additional negotiated terms. SCE is purchasing all electric energy produced by the Project throughout the 20-year contract term, net of station use (if any), and all green attributes, capacity attributes, and resource adequacy benefits generated by, associated with, or attributable to the Project. The delivery point is the P-Node designated by the CAISO for the Project. Additional information regarding the deal structure of the Amended & Restated Mountain View PPA is provided in Confidential Appendix D.

E. RPS Statutory Goals

By providing renewable energy from an eligible renewable energy resource (“ERR”) as defined under the RPS Legislation, the Project is consistent with, and contributes toward, the RPS program’s statutory goals. Among other things, by supporting a project involving proven wind technology in California, the Amended & Restated Mountain View PPA helps to ensure stable electricity prices, protect public health, improve environmental quality, stimulate economic development, and create new employment opportunities.

F. Confidentiality

SCE is requesting confidential treatment of Appendices A and B, D through H, J through M-2, and the confidential version of Appendix C to this Advice Letter. The information for which SCE is seeking confidential treatment is identified in the Confidentiality Declaration attached as Appendix N. The confidential version of this Advice Letter will be made available to appropriate parties (in accordance with SCE’s Proposed Protective Order, as discussed below) upon execution of the required non-disclosure agreement. Parties wishing to obtain access to the confidential version of this Advice Letter may contact Nancy Allred in SCE’s Law Department at Nancy.Allred@sce.com or (626) 302-3102 to obtain a non-disclosure agreement. In accordance with GO 96-B, a copy of SCE’s Proposed Protective Order is attached hereto as Appendix O. It is appropriate to accord confidential treatment to the information for which SCE requests confidential treatment in the first instance in the advice letter process because such information is entitled to confidentiality protection pursuant to Decision (“D.”) 06-06-066, and is required to be filed by advice letter as part of the process for obtaining

Commission approval of RPS PPAs. SCE would object if the information were disclosed in an aggregated format.

The information in this Advice Letter for which SCE requests confidential treatment, the pages on which the information appears, and the length of time for which the information should remain confidential, are provided in Appendix N. This information is entitled to confidentiality protection pursuant to D.06-06-066 (as provided in the Investor-Owned Utility ("IOU") Matrix). The specific provisions of the IOU Matrix that apply to the confidential information in this Advice Letter are identified in Appendix N.

II. CONSISTENCY WITH COMMISSION DECISIONS

A. Compliance with Commission Decisions on Amendments

As explained below and in the Appendices, the Amended & Restated Mountain View PPA is consistent with Commission guidelines regarding amendments. In particular, in Resolution E-4199, the Commission set forth eligibility criteria and guidelines for approving requests for above-market costs of renewable energy contracts negotiated through competitive solicitations. As part of that Resolution, the Commission established standard information that the IOUs, developers, and Independent Evaluators ("IE") must provide when submitting amendments that affect the contract price of an approved contract. This Advice Letter complies with these requirements.

The Amended & Restated Mountain View PPA compares favorably to current market data and is competitive with projects that were shortlisted in SCE's 2009 RPS solicitation. Additional information on the comparison of the Amended & Restated Mountain View PPA against current market data is provided in Appendices A through D. The energy price in the Amended & Restated Mountain View PPA is above the 2009 MPR but is below the 2008 MPR.

Consistent with Commission decisions, SCE is providing the Commission with cash flow models in Appendices M-1 and M-2. SCE is also attaching the IE's Report as Appendix C.

B. The Original Agreement

In Resolution E-3934, the Commission approved the Original Agreement, having determined that it was consistent with SCE's Long Term Procurement Plan. The Commission concluded in Resolution E-3934 that the Original Agreement falls within the criteria identified in SCE's 2003 Request for Proposals ("RFP") and will contribute toward achievement of SCE's RPS procurement goals.

C. SCE's 2009 RPS Procurement Plan

1. SCE's 2009 RPS Procurement Plan Was Approved by the Commission and SCE Adhered to Commission Guidelines for Filing and Revisions

In D.09-06-018, the Commission conditionally approved SCE's 2009 RPS Procurement Plan, including the solicitation materials for SCE's 2009 RPS solicitation. The Commission also ordered SCE to make certain changes to its 2009 RPS Procurement Plan and to file the amended documents with the Director of the Energy Division, and serve such documents on the service list, by June 22, 2009. On June 22, 2009, SCE filed and served its Amended 2009 RPS Procurement Plan, including its amended 2009 solicitation materials. On June 26, 2009, SCE filed and served its Second Amended 2009 RPS Procurement Plan, including its further amended 2009 solicitation materials. Consistent with the schedule set forth in D.09-06-018, SCE issued its RFP on June 29, 2009.

On June 19, 2009, the Commission issued D.09-06-050, which approved a fast-track review process allowing for the use of Tier 2 advice letter filings for short-term RPS contracts of less than 10 years duration that meet certain criteria set forth in the decision. The Commission also directed the IOUs to submit their pro forma short-term contracts as amendments to their 2009 RPS Procurement Plans within 14 days from the date of the decision. Pursuant to D.09-06-050 and an extension of time granted by the Commission's Executive Director, on July 17, 2009, SCE filed and served its Third Amended 2009 RPS Procurement Plan, including its very short-term pro forma confirmations and certain other further amended 2009 solicitation materials. As SCE's Third Amended 2009 RPS Procurement Plan was not suspended by the Commission's Executive Director or Energy Division Director by July 24, 2009, SCE used its short-term pro forma confirmations and other further amended 2009 solicitation materials in its 2009 RFP as of that date.

2. Summary of SCE's 2009 RPS Procurement Plan's Assessment of Portfolio Needs

SCE's 2009 RPS Procurement Plan indicated that SCE planned to seek ERRs to augment those under contract as a result of prior solicitations and bilateral negotiations to the extent necessary to ensure that SCE meets the overall goal of 20 percent renewables as soon as possible. SCE also noted that it intended to procure based on a High Need Case procurement scenario in order to account for potential project success rates and other contingencies. Furthermore, SCE indicated that it has both a near-term and long-term need for renewable energy, and that SCE's evaluation criteria favor proposals for renewable energy sales from generating facilities with near-term deliveries. SCE also stated that its evaluation criteria consider the benefits of projects locating near approved transmission infrastructure, such as the Sunrise Powerlink Transmission Project and Tehachapi Renewable Transmission Project.

SCE's 2009 RFP solicited proposals to supply electric energy, as well as all attributes, including, but not limited to, green attributes, capacity attributes, and resource adequacy benefits from ERRs. SCE solicited standard products, moderately short-term products, and very short-term products. SCE stated that it would consider all timely proposals to sell product to SCE from either a new or existing generating facility that can be certified by the California Energy Commission ("CEC") as an ERR or multiple ERRs. Additionally, SCE noted that if the generating facility is not, or cannot be, fully certified as an ERR, then only the electric energy produced by the renewable fuel will be considered as electric energy produced by an ERR, as determined by the CEC.

3. The Amended & Restated Mountain View PPA Is Consistent With SCE's 2009 RPS Procurement Plan and SCE's Portfolio Needs

The Amended & Restated Mountain View PPA is consistent with SCE's 2009 RPS Procurement Plan and SCE's portfolio needs. The Amended & Restated Mountain View PPA will satisfy SCE's near-term and long-term needs for RPS-eligible energy and will contribute toward achieving the State's renewable energy goals, as the facility will provide 49 MW capacity, and approximately 165 GWh per year for a term of 20 years beginning in 2011. Moreover, the Amended & Restated Mountain View PPA improves the Project's viability and will allow development of the Project to continue.

4. The Amended & Restated Mountain View PPA Meets the Project Characteristics for SCE's 2009 RPS Solicitation

SCE's 2009 RFP requested proposals with a minimum capacity of 1.5 MW. As discussed above, SCE preferred proposals for renewable energy sales from generating facilities with near-term deliveries. SCE also considered the benefits of projects locating near approved transmission infrastructure, such as the Sunrise Powerlink Transmission Project and Tehachapi Renewable Transmission Project.

SCE's locational preferences included: (1) California or (2) outside California if the seller complies with all requirements pertaining to "Out-of-State Facilities" as set forth in the CEC RPS Eligibility Guidebook. SCE stated that it prefers in-state facilities.

Additionally, SCE indicated that the delivery point for generating facilities interconnected to the CAISO Control Area must be: (1) the point where the generating facility connects to the CAISO controlled grid if SCE is the scheduling coordinator; or (2) at a point to be determined by SCE. For generating facilities interconnected outside the CAISO Control Area, SCE stated the delivery point must be: (1) the intertie point where seller's transmission provider ties to the CAISO Control Area and seller's scheduling coordinator schedules energy to SCE, as scheduling coordinator within the CAISO Control Area, via an Inter-SC Trade (also known as a scheduling coordinator-to-scheduling coordinator trade); (2) a liquid power trading hub or hubs outside of the CAISO Control Area (e.g., Mid-Columbia); (3) at the generating facility's first point of interconnection with the respective transmission provider's transmission grid, provided,

however, that seller has (or will have) firm transmission rights to a liquid trading hub or CAISO for the duration of the term of the agreement that is acceptable to SCE; or (4) at a point to be determined by SCE.

Although the Amended & Restated Mountain View PPA was not part of the 2009 RPS solicitation, it meets all project characteristics for SCE's 2009 RFP. The Project is a wind facility that will interconnect in 2011 with a total capacity of 49 MW and is located in the CAISO control area near Palm Springs, California. As noted above, the Amended & Restated Mountain View PPA will also meet SCE's near-term and long-term needs for RPS-eligible energy and contribute to the State's RPS goals.

D. Least-Cost/Best-Fit ("LCBF") Methodology and Evaluation

As explained above, SCE issued its 2009 RFP on June 29, 2009 in compliance with D.09-06-018 and SCE's Commission-approved solicitation materials. On July 24, 2009, SCE expanded its 2009 RFP to include very short-term and moderately short-term products and very short-term pro forma confirmations pursuant to D.09-06-050. In accordance with SCE's Commission-approved solicitation materials, sellers were required to submit their proposals in response to SCE's 2009 RFP on August 21, 2009. SCE submitted its 2009 Solicitation Short List Report to the Commission on December 4, 2009.

SCE evaluates and ranks proposals based on LCBF criteria that comply with criteria set forth by the Commission in D.03-06-071 and D.04-07-029 (the "LCBF Decisions"). The LCBF analysis evaluates both quantitative and qualitative aspects of each proposal to estimate its value to SCE's customers and its relative value in comparison to other proposals. The LCBF analysis was used to evaluate the proposals SCE received in its 2009 RPS solicitation.¹ SCE applied these criteria to the proposals received in its 2009 solicitation in order to establish a "short list" of proposals from sellers with whom SCE would engage in contract discussions.

While assumptions and methodologies have evolved slightly over time, the basic components of SCE's evaluation and selection criteria and process for RPS contracts were established by the Commission's LCBF Decisions. Consistent with those LCBF Decisions, the three main steps undertaken by SCE are: (i) initial data gathering and validation, (ii) a quantitative assessment of proposals, and (iii) adjustments to selection based on proposals' qualitative attributes.

Prior to receiving proposals, SCE finalizes major assumptions and methodologies that drive valuation, including power and gas prices forecasts, existing and forecast resource portfolio, and capacity value forecast. Other assumptions, such as the Transmission

¹ SCE has compared the Amended & Restated Mountain View PPA to the proposals received in its 2009 RPS solicitation since that was the most recent information available to SCE at the time the PPA was negotiated and executed. Therefore, SCE discusses its LCBF methodology for the 2009 solicitation in this Advice Letter.

Ranking Cost Report (“TRCR”), are filed with the Commission for approval prior to the release of solicitation materials.

Once proposals are received, SCE begins an initial review for completeness and conformity with the solicitation protocol. The review includes an initial screen for required submission criteria such as conforming delivery point, minimum project size, and submission of particular proposal package elements. Sellers lacking in any of these items are allowed a cure period to remedy any deficiencies. Following this initial screen, SCE conducts an additional review to determine the reasonableness of proposal parameters such as generation profiles and capacity factors. SCE works directly with sellers to resolve any issues and ensure data is ready for evaluation.

After these reviews, SCE performs a quantitative assessment of each proposal individually and subsequently ranks them based on the proposal’s benefit and cost relationship. Specifically, the total benefits and total costs are used to calculate the net levelized cost or “renewable premium” per each complete and conforming proposal. Benefits are comprised of separate capacity and energy components, while costs include the contract payments, integration costs, transmission cost, and debt equivalence. SCE discounts the annual benefit and cost streams to a common base year. The result of the quantitative analysis is a merit-order ranking of all complete and conforming proposals’ renewable premiums that helps define the preliminary short list.

In parallel with the quantitative analysis, SCE conducts an in-depth assessment of each proposal’s qualitative attributes. This analysis utilizes the Commission’s prescribed Project Viability Calculator to assess certain factors including the company/development team, technology, and development milestones. Additional attributes such as transmission area/cluster, seller concentration, portfolio fit of commercial on-line date, project size, and dispatchability and curtailability are also considered in the qualitative analysis. These qualitative attributes are then considered to either eliminate non-viable proposals or add projects with high viability to the final short list of proposals, or to determine tie-breakers, if any.

Following its analysis, SCE consults with its PRG regarding the final short list and specific evaluation criteria. Whether a proposal selected through this process results in an executed contract depends on the outcome of negotiations between SCE and sellers. Periodically, SCE updates the PRG regarding the progress of negotiations. SCE also consults with its PRG prior to the execution of any successfully negotiated contracts. Subsequently, SCE executes contracts and submits them to the Commission for approval via advice letter filings.

A complete discussion of SCE’s proposal evaluation and selection process and criteria is provided in Appendix I.

E. Compliance With Standard Terms And Conditions

In D.04-06-014, the Commission established a number of “modifiable” and “non-modifiable standard terms and conditions to be used by load-serving entities (“LSEs”) when contracting for RPS-eligible resources. In D.07-11-025, the Commission reduced the number of “non-modifiable” terms to the following four terms: (1) “CPUC Approval;” (2) “RECs and Green Attributes;” (3) “Eligibility;” and (4) “Applicable Law.” The remaining “non-modifiable” terms were converted to “modifiable.” In D.08-04-009, the Commission compiled the standard terms and conditions in one document and deleted the “modifiable” standard term and condition on supplemental energy payments from the standard terms and conditions. In D.08-08-028, the Commission revised the “non-modifiable” “RECs and Green Attributes” standard term and condition.

The Amended & Restated Mountain View PPA includes the four “non-modifiable” standard terms and conditions without change. The “CPUC Approval” term is located on page 7 of Exhibit A of the Amended & Restated Mountain View PPA. The “RECs and Green Attributes” terms are located in Section 3.01(b) on page 13 and on pages 13 through 15 of Exhibit A in the Amended & Restated Mountain View PPA. The “Eligibility” term is located in Section 10.02(b) on page 69 of the Amended & Restated Mountain View PPA. The “Applicable Law” term is located in Section 10.07 on page 76 of the Amended & Restated Mountain View PPA.

In addition, as permitted by D.04-06-014, SCE modified most if not all of the “modifiable” terms. These modifications, however, include the same principles and serve the same purpose as the standard terms and are consistent with the law and government regulations. Thus, the modifications contained in the Amended & Restated Mountain View PPA are permissible.

A comparison of the Amended & Restated Mountain View PPA against SCE’s 2009 pro forma PPA is included as Confidential Appendix E.

F. Unbundled Renewable Energy Credit (“REC”) Transactions

SCE is purchasing bundled RPS-eligible energy and green attributes under the Amended & Restated Mountain View PPA. Accordingly, the Amended & Restated Mountain View PPA is not an unbundled REC transaction under D.06-10-019.

G. Minimum Quantity

In D.07-05-028, the Commission held that, beginning in 2007, each LSE obligated under the RPS program must enter into long-term contracts² or short-term contracts with new facilities³ for energy deliveries equivalent to 0.25 percent of that LSE’s prior year’s retail sales, in order to be able to count for RPS compliance energy deliveries

² Long-term contracts are contracts of at least 10 years duration. See Cal. Pub. Util. Code § 399.14.

³ New facilities are facilities that commenced commercial operation on or after January 1, 2005. See Cal. Pub. Util. Code § 399.14.

from short-term contracts with existing facilities. The Commission also ruled that RPS-obligated LSEs may carry forward contracted energy in long-term contracts and short-term contracts with new facilities that is in excess of the 0.25 percent requirement in the year such contracts are signed, to be used for compliance for the minimum quantity requirement in future years.

The Amended & Restated Mountain View PPA is a long-term contract. Therefore, the minimum quantity requirement does not apply.

H. MPR and Above-Market Funds (“AMFs”)

The price in the Amended & Restated Mountain View PPA is above the 2009 MPR but is below the 2008 MPR.

Pursuant to Resolution E-4199, the Amended & Restated Mountain View PPA complies with the eligibility criteria for AMFs set forth in California Public Utilities Code Section 399.15(d)(2) as follows: each agreement (1) covers a duration of no less than 10 years; (2) is with new or repowered facilities commencing operations on or after January 1, 2005; (3) is not a purchase of RECs; and (4) does not include any indirect expenses as set forth in the statute.

Notably, as SCE’s AMFs are exhausted, SCE proposes to voluntarily procure energy under the Amended & Restated Mountain View PPA pursuant to California Public Utilities Code Section 399.15(d)(4) and requests Commission approval of recovery of the total costs of the agreements pursuant to Section 399.15(d)(4).

The AMF Calculators for the Amended & Restated Mountain View PPA can be found in Appendices J and K.

I. Interim Emissions Performance Standard

The California Legislature passed Senate Bill (“SB”) 1368 on August 31, 2006, and Governor Schwarzenegger signed the bill into law on September 29, 2006. Section 2 of SB 1368 adds Public Utilities Code Section 8341(a), which provides, “No load-serving entity or local publicly owned electric utility may enter into a long-term financial commitment unless any baseload generation supplied under the long-term financial commitment complies with the greenhouse gases emission performance standard established by the commission, pursuant to subdivision (d).”⁴

In order to institute the provisions of SB 1368, the Commission instituted Rulemaking 06-04-009. That proceeding resulted in the establishment of a green house gas (“GHG”) emissions performance standard (“EPS”), for carbon dioxide (“CO₂”). The Commission noted, “SB 1368 establishes a minimum performance requirement for any long-term financial commitment for baseload generation that will be supplying power to California ratepayers. The new law establishes that the GHG emissions rates for these

⁴ Cal. Pub. Util. Code § 8341(a).

facilities must be no higher than the GHG emissions rate of a combined-cycle gas turbine (CCGT) powerplant.”⁵ The decision further explains:

SB 1368 describes what types of generation and financial commitments will be subject to the EPS (“covered procurements”). Under SB 1368, the EPS applies to “baseload generation,” but the requirement to comply with it is triggered only if there is a “long-term financial commitment” by an LSE. The statute defines baseload generation as “electricity generation from a powerplant that is designed and intended to provide electricity at an annualized plant capacity factor of at least 60%.” . . . For baseload generation procured under contract, there is a long-term commitment when the LSE enters into “a new or renewed contract with a term of five or more years.”⁶

In D.07-01-039, the Commission found that it would be redundant and costly to require LSEs to demonstrate EPS compliance for each new ownership investment, new contract or renewed contract with baseload renewable resources if the record clearly demonstrated that these resources comply with the EPS on a net emissions basis.⁷ The Commission found that the net GHG emissions from the following renewable resources/technologies meet the interim EPS: (1) solar thermal electric (with up to 25 percent gas heat input); (2) wind; (3) geothermal, with or without reinjection; and (4) generating facilities using biomass (e.g., agricultural and wood waste, landfill gas) that would otherwise be disposed of utilizing open burning (uncontrolled, gas collection with flare, gas collection with engine), forest accumulation, landfill, spreading or composting.⁸

By this Advice Letter filing, SCE requests that the Commission approve the Amended & Restated Mountain View PPA. The Amended & Restated Mountain View PPA is exempt from EPS regulations because the Project will utilize wind technology, which has been deemed compliant with the EPS standard under D.07-01-039.

J. PRG Participation

SCE’s PRG was formed on or around September 10, 2002. Participants include representatives from the Commission’s Energy and Legal Divisions, the Division of Ratepayer Advocates, The Utility Reform Network, the Natural Resources Defense Council, California Utility Employees, the Union of Concerned Scientists, and the California Department of Water Resources.

⁵ D.07-01-039 at 2-3.

⁶ *Id.* at 4.

⁷ *Id.* at 245-246, Finding of Fact No. 117.

⁸ *Id.* at 246, Finding of Fact No. 118; 269-70, Conclusion of Law No. 35.

On August 4, 2010, SCE briefed the PRG concerning the Amended & Restated Mountain View PPA. Additional information regarding PRG Participation is included in Confidential Appendix A.

K. Independent Evaluator

The IE for this transaction was Alan Taylor of Sedway Consulting. The IE joined and contributed to a number of conference calls and negotiation sessions. In addition, the IE reviewed email traffic, several versions of the proposed contract, and other documents exchanged by the parties. The IE also participated in the PRG review of the Amended & Restated Mountain View PPA. The Confidential and Public versions of the IE Report are included as Appendix C.

III. PROJECT DEVELOPMENT STATUS

The Amended & Restated Mountain View PPA will improve the viability of the Project and help ensure that development will continue and that Mountain View will meet the startup deadline of December 31, 2011.

The following subsections provide additional information pertaining to the development status of the Project and the viability of the project.

A. Company/Development Team

Mountain View is a wholly-owned subsidiary of AES. AES and its parent company, AES Corporation, will develop the project. AES has extensive experience with wind projects, and has developed over 1,800 MW of generation projects. The development team includes individuals with extensive experience in the operation and ownership of utility-scale power generation facilities throughout the United States.

B. Technology

1. Technology Type and Level of Technology Maturity

The Project is a wind project that will use proven wind turbine technology to generate electrical energy. Mountain View plans to install 49 Mitsubishi Heavy Industry 1000A wind turbines, each with a nameplate capacity of 1 MW.

The Mitsubishi MWT-1000A 1.0 MW wind turbine generator was first installed in 2003. Since then, the total global fleet of installed MWT-1000A 1.0 MW turbines is 1,976 units, for a total of 1,976 MW. With seven years since the first unit's installation, this turbine has been commercially proven in various markets around the world, including Palm Springs for another wind project. Based on the extensive operating history of this turbine, no technology issues are anticipated during the Project's operation given this commercially-proven turbine technology. This further enhances the overall project viability.

2. Quality of Renewable Resource

By collecting on-site wind data since May 2005, AES has more than five years of wind information from the Project site. The site is located in the San Gorgonio Pass between the San Bernardino and San Jacinto Mountains, an area well-recognized for its robust wind resources, as captured by several sources of long-term wind data in the area.

3. Other Resources Required

No water or alternative fuel sources are required for the Project's operation, except in the case of ancillary road maintenance or blade cleaning. The Project will use approximately 2500- 3000 gallons per month (30,000-36,000 gal/yr) of water for site road maintenance / blade washing activities only. The water is trucked in to the site via either of two AES-owned 500-gallon water trucks at its Palm Springs O&M facility. The Mission Springs Water Agency is the service provider for the water resource.

C. Development Milestones

1. Site Control

AES has secured 100% site control to support the 49 MW project including full site and substation access. Information regarding site control is included in Confidential Appendix A.

2. Equipment Procurement

Information regarding equipment procurement is included in Confidential Appendix A.

3. Permitting/Certifications Status

Information regarding permitting/certifications status is included in Confidential Appendix A.

4. Production Tax Credits ("PTCs") / Investment Tax Credits ("ITCs")

Mountain View does not plan to file for PTCs or ITCs but does plan to apply for a government cash grant under ARRA.

5. Transmission

Mountain View filed an interconnection application with SCE under the WDAT system in November 2005. Since then, the Project has undergone several studies which have now been completed.

A Large Generator Interconnection agreement (“LGIA”) was executed by SCE and Mountain View effective April 6, 2010. The Project will interconnect with the CAISO system at the Garnet substation. Additional information regarding transmission is provided in Confidential Appendix A.

D. Financing plan

Information regarding financing is provided in Confidential Appendix A.

IV. CONTINGENCIES AND MILESTONES

The Amended & Restated Mountain View PPA modifies certain performance criteria and milestones from the Original Agreement to reflect current project status. Specific information regarding performance criteria and guaranteed milestones is provided in Appendices A and D through F.

V. REQUEST FOR COMMISSION APPROVAL

The effectiveness of the Amended & Restated Mountain View PPA is conditioned on the occurrence of final “CPUC Approval” as that term is defined in the Amended & Restated Mountain View PPA. In order to satisfy that condition, SCE requests that the Commission issue a resolution no later than November 30, 2010, containing:

1. Approval of the Amended & Restated Mountain View PPA in its entirety;
2. A finding that any electric energy sold or dedicated to SCE pursuant to the Amended & Restated Mountain View PPA constitutes procurement by SCE from ERRs for the purpose of determining SCE’s compliance with any obligation that it may have to procure from ERRs pursuant to the RPS Legislation or other applicable law concerning the procurement of electric energy from renewable energy resources;
3. A finding that all procurement under the Amended & Restated Mountain View PPA counts, in full and without condition, towards 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 Amended & Restated Mountain View PPA counts, in full and without condition, towards 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 Amended & Restated Mountain View PPA counts, in full and without condition, towards the requirement in the RPS Legislation that SCE procure 20 percent (or such other percentage as may be established by law) of its retail sales from ERRs by 2010 (or such other date as

may be established by law);

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

VI. TIER DESIGNATION

Pursuant to D.07-01-024, Energy Industry Rule 5.3, SCE submits this Advice Letter with a Tier 3 designation (effective after Commission approval).

VII. EFFECTIVE DATE

This Advice Letter will become effective on November 30, 2010.

VIII. NOTICE

Anyone wishing to protest this Advice Letter may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received by the Energy Division and SCE no later than 20 days after the date of this Advice Letter. Protests should be mailed to:

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue, Quad 3D
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
c/o Karyn Gansecki
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5540
E-mail: Karyn.Gansecki@sce.com

Marc Ulrich
Vice-President of Renewable and Alternative Power
c/o Mike Marelli
Southern California Edison Company

2244 Walnut Grove Avenue, Quad 4D
Rosemead, CA 91770
Facsimile: (626) 302-1103
E-mail: Mike.Marelli@sce.com

With a copy to:

Nancy Chung Allred
Attorney
Southern California Edison Company
2244 Walnut Grove Avenue, 3rd Floor
Rosemead, CA 91770
Facsimile: (626) 302-6210
E-mail: Nancy.Allred@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section 4 of GO 96-B, SCE is furnishing copies of this Advice Letter to the interested parties shown on the attached R.08-08-009, R.06-02-012, and GO 96-B service lists. Address change requests to the GO 96-B service list should be directed to AdviceTariffManager@sce.com or at (626) 302-4039. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at ProcessOffice@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the Advice Letter at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/AboutSCE/Regulatory/adviceletters/>.

All questions concerning this Advice Letter should be directed to Laura Genao at (626) 302-6842 (E-mail: Laura.Genao@sce.com).

Southern California Edison Company

Akbar Jazayeri

Enclosures

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: James Yee

Phone #: (626) 302-2509

E-mail: James.Yee@sce.com

E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
 PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2511-E Tier Designation: 3

Subject of AL: Submission of Amended and Restated Agreement for Procurement of Renewable Energy From SCE's 2003 Renewables Portfolio Standard Solicitation

Keywords (choose from CPUC listing): Compliance, Contracts, Procurement

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Confidential treatment requested? Yes No

If yes, specification of confidential information: See Appendix A.

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement.

Name and contact information to request nondisclosure agreement/access to confidential information:

Nancy Chung Allred, Law Department, at (626) 302-3102 or Nancy.Allred@sce.com.

Resolution Required? Yes No

Requested effective date: 11/30/10 No. of tariff sheets: -0-

Estimated system annual revenue effect: (%): _____

Estimated system average rate effect (%): _____

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: None

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: _____

¹ Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
inj@cpuc.ca.gov and mas@cpuc.ca.gov

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5540
E-mail: Karyn.Gansecki@sce.com

Marc Ulrich
Vice President, Renewable and Alternative Power
c/o Mike Marelli
Southern California Edison Company
2244 Walnut Grove Avenue, Quad 4D
Rosemead, California 91770
Facsimile: (626) 302-1103
E-mail: Mike.Marelli@sce.com

With a copy to:

Nancy Chung Allred
Attorney
Southern California Edison Company
2244 Walnut Grove Avenue, 3rd Floor
Rosemead, California 91770
Facsimile: (626) 302-6210
E-mail: Nancy.Allred@sce.com

Confidential Appendix A

Consistency with Commission Decisions and Rules and Project Development

Status

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix B

Solicitation Overview and Workpapers

Confidential Protected Materials – Public Disclosure Prohibited

Public Appendix C
Independent Evaluator Report

Sedway Consulting, Inc.

INDEPENDENT EVALUATION REPORT
FOR SOUTHERN CALIFORNIA EDISON'S
AES MOUNTAIN VIEW IV
AMENDED PPA
RPS TRANSACTION

Submitted by:

*Alan S. Taylor
Sedway Consulting, Inc.
Boulder, Colorado*

September 15, 2010

Introduction and Background

This Independent Evaluation Report addresses an amendment to a renewable energy contract associated with Southern California Edison's (SCE) 2003 Renewables Portfolio Standard (RPS) solicitation. That contract – the Mountain View Power Partners IV, LLC (Mountain View IV) power purchase agreement (PPA) – was executed on March 8, 2005 and called for the development of a 37 MW wind facility near Palm Springs, California (potentially expandable to 50 MW, at the developer's option), with a Startup Deadline of December 31, 2006 and the sale of renewable energy to SCE for 20 years. However, the project's development was delayed because of transmission interconnection complications and a change of ownership. The project counterparty – Mountain View Power Partners IV, LLC – was originally a subsidiary of Seawest Windpower. Subsequent to the execution of the original PPA, Seawest Windpower was acquired by AES Corporation. Over the course of several years, SCE and Mountain View IV negotiated and executed four contract amendments to provide the developer with additional time to address transmission complications. Ultimately, however, the delays from the transmission interconnection process necessitated a thorough revision to the project's development schedule and contract price, with a fully amended and restated PPA executed on August 23, 2010. That amended PPA revised the contract's energy price and moved the PPA's Startup Deadline to December 31, 2011, among other things.

Role of Independent Evaluator

The California Public Utilities Commission (CPUC) has issued several decisions in the last several years that require California's investor-owned utilities (IOUs) to retain an Independent Evaluator (IE) in RPS solicitations.¹ In early March 2010, in compliance with these CPUC decisions, SCE retained Sedway Consulting as an IE to monitor the on-going negotiations with AES regarding the Mountain View IV amended PPA. SCE provide additional background materials for Sedway Consulting to understand the history of the transaction and perform the necessary evaluations and comparisons.

In instances where an IE is reviewing a PPA amendment for a contract that has already been approved by the CPUC (as is the case with the Mountain View IV PPA), the CPUC has requested that the IE opine on whether the IOU's contract evaluation process accurately reflects the amended PPA's market valuation and whether the amended PPA's market valuation is competitive relative to the IOU's other options in the most recent solicitation.

Sedway Consulting was the IE in SCE's 2008 RPS solicitation but not the utility's 2009 RPS solicitation. However, Sedway Consulting was involved with the planning process for SCE's 2009 RPS solicitation and has a thorough understanding of the market

¹ D.04-12-048 (Findings of Fact 94-95, Ordering Paragraph 28) and D.06-05-039 (Finding of Fact 20, Conclusion of Law 3, Ordering Paragraph 8).

valuation processes that SCE employed in both the 2008 and 2009 solicitations. Sedway Consulting was able to draw on its materials from the 2008 solicitation, supplement those materials with new information regarding SCE's 2009 solicitation, and perform the necessary comparisons for a determination of the Mountain View IV amended PPA's competitiveness with SCE's other options.

This report touches on several of the items listed in the CPUC Independent Evaluator Report Template (Short Form);² however, that template was developed for reports associated with the annual RPS solicitations and many of the elements are not particularly applicable to contract amendment reviews. Nonetheless, this report describes some of Sedway Consulting's activities regarding SCE's 2008 RPS solicitation (where it was the IE), because Sedway Consulting believes that the executed contracts from that solicitation may provide logical points of comparison for assessing the benefits or drawbacks of the Mountain View IV amended PPA. In addition, Sedway Consulting compared the amended PPA's market valuation results to SCE's 2009 RPS solicitation short list as well.

Independent Evaluator Activities and Analysis

Sedway Consulting reviewed the original Mountain View IV PPA and the subsequently executed four amendments, monitored virtually all of the significant negotiation calls between AES and SCE during 2010, and monitored the back-and-forth exchange of negotiation emails and associated redlined contracts. Sedway Consulting also reviewed the Mountain View IV financial models that were provided by AES to support the original and revised contract pricing, as well as the independent engineering report developed by Black & Veatch. Sedway Consulting participated in the amended PPA discussions in SCE's Risk Management Committee (RMC) and Procurement Review Group (PRG) meetings on August 3, 2010 and August 4, 2010, respectively, and contributed to SCE's internal discussions regarding key aspects of the amended PPA. Sedway Consulting also reviewed drafts of SCE's advice letter filing for the amended and restated PPA.

With regard to the 2009 RPS solicitation, Sedway Consulting was provided SCE's market valuation results and related information for all shortlisted bids. As described below, SCE also provided Sedway Consulting with all necessary market price and evaluation assumptions to allow it to calibrate its bid evaluation model and confirm that SCE's assessment of the Mountain View IV amended PPA accurately reflected the revised project's market valuation. Sedway Consulting recognized, however, that comparing an executed contract with a short list of potential projects/contracts could be problematic. None of the 2009 shortlisted bids have yet to translate into executed contracts. It is reasonable to expect that some will not, and of those that do, some may end up with revised schedules and prices. Therefore, Sedway Consulting decided to

² Administrative Law Judge's Ruling Issuing Templates for Independent Evaluator Reports and Contract Approval Requests, Attachment B, R.06-02-013, Carol Brown, ALJ filed May 8, 2008.

supplement its Mountain View IV/2009 short list analysis with a comparison of the Mountain View IV amended PPA and the executed PPAs from SCE's 2008 RPS solicitation. Although these PPAs were negotiated and executed during 2009 (i.e., a little earlier than the time-frame for the Mountain View IV amended PPA), Sedway Consulting believes that they still represent reasonably comparable transactions.

In its role as the IE in SCE's 2008 RPS solicitation, Sedway Consulting was provided access to all necessary materials and meetings and was able to parallel SCE's process with its own evaluation of the proposals. Prior to the opening of proposals in that solicitation, Sedway Consulting reviewed SCE's evaluation materials/presentations and conducted interviews and email exchanges with SCE's evaluation personnel to learn how SCE's evaluation process would be performed. Sedway Consulting requested that SCE provide as much information as possible prior to the receipt of proposals. This, in essence, allowed Sedway Consulting to lock down and archive the basic evaluation parameters for the process. Such information included capacity valuation assumptions, cost of capital components, discount rate, transmission revenue requirement assumptions, and regional market forecast assumptions. These assumptions were incorporated into Sedway Consulting's own evaluation model and formed the basis for independently assessing the benefits and costs of proposed resources. The spring 2008 market price assumptions were used as a consistent backdrop for evaluating and comparing the final 15 executed PPAs from the 2008 solicitation and the Mountain View IV amended PPA.

Using its proprietary bid evaluation model, Sedway Consulting conducted a parallel evaluation of the Mountain View IV amended PPA under both 2008 and 2009 RPS solicitation market price assumptions. The first evaluation results were used in comparing the amended PPA to the 2008 executed RPS contracts. The second evaluation results were used to compare the amended PPA to SCE's 2009 RPS solicitation short list.

Sedway Consulting's model is a power supply evaluation tool that uses the following information for each proposal:

- Capacity
- Commencement and expiration dates for power deliveries
- Energy pricing
- Expected hourly generation profile
- Expected total annual generation.

The model is a spreadsheet-based tool that was calibrated with SCE's regional forward price curves and detailed modeling results at the start of the 2008 RPS solicitation. Sedway Consulting was also provided with similar updated regional forward price curves that were used in SCE's 2009 RPS solicitation shortlisting evaluation process. The model calculates the present value of each proposal's monthly energy payments, debt equivalence impacts, wind integration estimates (if applicable), energy benefits, and capacity value. The model then subtracts each proposal's economic benefits from its costs and divides the resulting net costs by the present value of the proposed project's

generation to yield a \$/MWh renewable premium that represents the above market costs of each proposed resource. SCE's evaluation model developed the same renewable premium metric in the same way.

Sedway Consulting found that the Mountain View IV amended PPA's renewable premium compared favorably to the 2009 short list and quite favorably to the 2008 executed contracts. The results of Sedway Consulting's two comparative analyses are provided in the Confidential Appendix A to this report. This material is being afforded confidential treatment for several reasons. First, it is important to protect participants from having their project pricing and operational information provided to their competitors. Second, SCE's customers could be harmed if too much information is made publicly available, allowing some participants to focus on manipulating the negotiation process and/or gaming future solicitations rather than delivering the best renewable projects at the lowest possible prices. Third, pursuant to Public Utilities (Pub. Util.) Code Section 583, General Order (G.O.) 66-C, and D.06-06-066, Sedway Consulting believes that certain market-sensitive data should be kept confidential to ensure that such data does not influence the behavior of bidders in future RPS solicitations.

Sedway Consulting also reviewed the project's development status and concluded that the Mountain View IV project appears to be quite viable and, given the near-term expected in-service date (December, 2011), is a valuable project for helping SCE meet its near-term RPS requirements.

Conclusion

Sedway Consulting believes that SCE's contract evaluation process accurately reflected the amended PPA's market valuation and that the amended PPA's market valuation is competitive relative to SCE's other options in its most recent solicitation as well as to recently executed RPS transactions. The project appears to be quite viable and is likely to help SCE meet its near-term RPS requirements.

Sedway Consulting concludes that the Mountain View IV amended PPA compares favorably with SCE's 2009 RPS solicitation short list and quite favorably with the executed PPAs from SCE's 2008 RPS solicitation. Sedway Consulting does not believe that there is any material issue or deficiency that would warrant the CPUC's rejection of the Mountain View IV amended PPA.

Confidential Appendix D

Contract Summary

Protected Materials – Public Disclosure Prohibited

Confidential Appendix E

Comparison of Amended & Restated Mountain View PPA with 2009 Pro Forma

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix F

Amended & Restated Mountain View PPA

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix G

Original Agreement

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix H

Mountain View's Contribution Toward RPS Goals

Confidential Protected Materials – Public Disclosure Prohibited

Appendix I

**SCE's Written Description of RPS Proposal Evaluation and Selection Process and
Criteria**

Confidential Appendix J

AMF Calculators Using 2008 MPR

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix K

AMF Calculators Using 2009 MPR

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix L

Project Viability Calculator

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix M-1

Original Cash Flow Model

Confidential Protected Materials – Public Disclosure Prohibited

Confidential Appendix M-2

Updated Cash Flow Model

Confidential Protected Materials – Public Disclosure Prohibited

Appendix N

Confidentiality Declaration

**DECLARATION OF DANIEL L. WALKER REGARDING THE CONFIDENTIALITY
OF CERTAIN DATA**

I, Daniel L. Walker, declare and state:

1. I am an Energy Contract/Trading Specialist in the Renewable and Alternative Power department of Southern California Edison Company ("SCE"). As such, I had responsibility for preparing and supervising the preparation of this Advice Letter ("Protected Materials"). I make this declaration in accordance with Decision ("D.") 06-06-066, the Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066, issued on August 22, 2006 in California Public Utilities Commission ("Commission" or "CPUC") Rulemaking ("R.") 05-06-040, and D.08-04-023. I have personal knowledge of the facts and representations herein and, if called upon to testify, could and would do so, except for those facts expressly stated to be based upon information and belief, and as to those matters, I believe them to be true.

2. I have reviewed the Protected Materials. Listed below are the data in the Protected Materials for which SCE is seeking confidential protection and the categories on the Matrix of Allowed Confidential Treatment Investor Owned Utility ("IOU") Data ("Matrix") to which these data correspond.

Data	Page	Matrix Category	Period of Confidentiality
Consistency with Commission Decisions and Rules and Project Development Status	Confidential Appendix A	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.A Bid Information VIII.B Specific quantitative	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. For bid information,

		analysis involved in the scoring and evaluation of participating bids	total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
2009 Solicitation Overview and Workpapers	Confidential Appendix B	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.A Bid Information VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. For bid information, total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
Independent Evaluator Report	Confidential Version of Appendix C	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses,

		<p>VIII.A Bid Information</p> <p>VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids</p>	<p>evaluations of proposed RPS projects confidential for three years.</p> <p>For bid information, total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.</p> <p>Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.</p>
Contract Summary	Confidential Appendix D	<p>VII.F/VII.G RPS Contracts</p> <p>VII.H Score sheets, analyses, evaluations of proposed RPS projects</p> <p>VIII.A Bid Information</p> <p>VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids</p>	<p>RPS contracts confidential for three years, or until one year following expiration, whichever comes first.</p> <p>Score sheets, analyses, evaluations of proposed RPS projects confidential for three years.</p> <p>For bid information, total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval.</p> <p>Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.</p>
Comparison of	Confidential	VII.F/VII.G	RPS contracts

Amended & Restated Mountain View PPA with 2009 Pro Forma	Appendix E	RPS Contracts	confidential for three years, or until one year following expiration, whichever comes first.
Amended & Restated Mountain View PPA	Confidential Appendix F	VII.F/VII.G RPS Contracts	RPS contracts confidential for three years, or until one year following expiration, whichever comes first.
Original Agreement	Confidential Appendix G	VII.F/VII.G RPS Contracts	RPS contracts confidential for three years, or until one year following expiration, whichever comes first.
Mountain View's Contribution Toward RPS Goals	Confidential Appendix H	V.C LSE Total Energy Forecast – Bundled Customer	LSE total energy forecast – bundled customer front three years of forecast data confidential.
AMF Calculators Using 2008 MPR	Confidential Appendix J	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
AMF Calculators Using 2000 MPR	Confidential Appendix K	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed

		VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids	RPS projects confidential for three years. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
Project Viability Calculator ¹	Confidential Appendix L	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
Original Cash Flow Model	Confidential Appendix M-1	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.A Bid Information. VIII.B Specific quantitative analysis involved in the scoring and evaluation	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. For bid information, total number of projects and megawatts bid by

¹ The Commission concluded that project-specific project viability information should remain confidential in D.09-06-018.

		of participating bids	resource type public after final contracts submitted to CPUC for approval. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.
Updated Cash Flow Model	Confidential Appendix M-2	VII.F/VII.G RPS Contracts VII.H Score sheets, analyses, evaluations of proposed RPS projects VIII.A Bid Information VIII.B Specific quantitative analysis involved in the scoring and evaluation of participating bids	RPS contracts confidential for three years, or until one year following expiration, whichever comes first. Score sheets, analyses, evaluations of proposed RPS projects confidential for three years. For bid information, total number of projects and megawatts bid by resource type public after final contracts submitted to CPUC for approval. Specific quantitative analysis involved in the scoring and evaluation of participating bids confidential for three years after winning bidders selected.

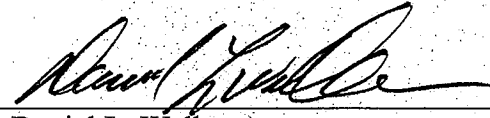
3. SCE is complying with the limitations on confidentiality specified in the Matrix that pertain to the data listed in the table above.

4. I am informed and believe and thereon allege that the data in the table above cannot be aggregated, redacted, summarized, masked or otherwise protected in a manner that would allow partial disclosure of the data while still protecting confidential information.

5. I am informed and believe and thereon allege that the data in the table in paragraph 2 above has never been made publicly available.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 15, 2010, at Rosemead, California.



Daniel L. Walker

Appendix O
Proposed Protective Order

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

Submission of Amended and Restated Agreement)
for Procurement of Renewable Energy From)
SCE's 2003 Renewables Portfolio Standard
Solicitation

Advice 2511-E

PROTECTIVE ORDER

1. Scope. This Protective Order shall govern access to and the use in this proceeding of Protected Materials produced by, or on behalf of, any Disclosing Party.

2. Modification. This Protective Order shall remain in effect until it is modified or terminated by the California Public Utilities Commission ("Commission") or Assigned Administrative Law Judge ("Assigned ALJ"). The parties acknowledge that the identity of the parties submitting Protected Materials may differ from time to time. In light of this situation, the parties agree that modifications to this Protective Order may become necessary, and they further agree to work cooperatively to devise and implement such modifications in as timely a manner as possible. Each party governed by this Protective Order has the right to seek changes in it as appropriate from the Assigned ALJ or the Commission.

3. Definitions.

A. The term "Protected Material(s)" means: (i) trade secret, market sensitive, or other confidential and/or proprietary information as determined by the Disclosing Party in accordance with the provisions of D.06-06-066 and subsequent decisions, General Order 66-C, and Public Utilities Code section 454.5(g), or any other right of confidentiality provided by law; or (ii) any other materials that are made subject to this Protective Order by the Assigned ALJ, Law and Motion Administrative Law Judge ("Law and Motion ALJ"), Assigned Commissioner, the Commission, or any court or other body having appropriate authority. Protected Materials also includes memoranda, handwritten notes, spreadsheets, computer files and reports, and any

other form of information (including information in electronic form) that copies, discloses, or compiles other Protected Materials or from which such materials may be derived (except that any derivative materials must be separately shown to be confidential). Protected Materials do not include: (i) any information or document contained in the public files of the Commission or any other state or federal agency, or in any state or federal court; or (ii) any information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Order or any other protective order.

B. The term “redacted” refers to situations in which Protected Materials in a document, whether the document is in paper or electronic form, have been covered, blocked out, or removed. The term “unredacted” refers to situations in which the Protected Materials in a document, whether in paper or electronic form, have not been covered, blocked out, or removed.

C. The term “Disclosing Party” means a party who initially discloses any specified Protected Materials in this proceeding.

D. The term “Market Participant” (“MP”) refers to a party that is:

- 1) A person or entity, or an employee of an entity, that engages in the wholesale purchase, sale, or marketing of energy or capacity, or the bidding on or purchasing of power plants, or bidding on utility procurement solicitations, or consulting on such matters, subject to the limitations in (3) below.
- 2) A trade association or similar organization, or an employee of such organization,
 - a) whose primary focus in proceedings at the Commission is to advocate for persons/entities that purchase, sell, or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or
 - b) a majority of whose members purchase, sell, or market energy or capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations; or
 - c) formed for the purpose of obtaining market sensitive information; or
 - d) controlled or primarily funded by a person or entity whose primary purpose is to purchase, sell, or market energy or

capacity at wholesale; bid on, own, or purchase power plants; or bid on utility procurement solicitations.

- 3) A person or entity that meets the criteria of (1) above is nonetheless not an MP for purposes of access to market sensitive data unless the person/entity seeking access to market sensitive information has the potential to materially affect the price paid or received for electricity if in possession of such information. An entity will be considered not to have such potential if:
 - a) the person or entity's participation in the California electricity market is *de minimis* in nature. In the resource adequacy proceeding (R.05-12-013), it was determined in D.06-06-064, § 3.3.2, that the resource adequacy requirement should be rounded to the nearest megawatt ("MW"), and load serving entities ("LSEs") with local resource adequacy requirements less than 1 MW are not required to make a showing. Therefore, a *de minimis* amount of energy would be less than 1 MW of capacity per year, and/or an equivalent of energy; and/or
 - b) the person or entity has no ability to dictate the price of electricity it purchases or sells because such price is set by a process over which the person or entity has no control, *i.e.*, where the prices for power put to the grid are completely overseen by the Commission, such as subject to a standard offer contract or tariff price. A person or entity that currently has no ability to dictate the price of electricity it purchases or sells under this section, but that will have such ability within one year because its contract is expiring or other circumstances are changing, does not meet this exception; and/or
 - c) the person or entity is a cogenerator that consumes all the power it generates in its own industrial and commercial processes, if it can establish a legitimate need for market sensitive information.

E. An MP's Reviewing Representatives are limited to persons designated by the MP who meet the following criteria:

1. are outside experts, consultants, or attorneys;
2. are not currently engaged, directly or indirectly, in: (a) the purchase, sale, or marketing of electrical energy or capacity or natural gas (or the direct supervision of any employee(s) whose duties include such activities); (b) the bidding on or purchasing of power plants (or the direct supervision of any employee(s) whose duties include such activities); (c) consulting with or advising others in connection with any activity set forth in subdivisions (a)

or (b) above (or the direct supervision of any employee(s) whose duties include such activities or consulting); and

3. are not an employee of an MP.

F. Persons or entities that do not meet the definition of MP are non-market participants (“NMPs”), and may have access to market sensitive information through their designated Reviewing Representatives. An attorney or consultant that simultaneously represents MPs and NMPs may not have access to market sensitive data. If, on the other hand, simultaneous representation is of MP and NMP clients involved in completely different types of matters, there should be no bar (although there may be ethical implications of such representation that we do not address here). For example, if an attorney represents an MP in matters unrelated to procurement, resource adequacy, RPS, or the wholesale purchase, sale, or marketing of energy or capacity, or the bidding on or purchasing of power plants, or bidding on utility procurement solicitations, in a forum other than this Commission, and simultaneously represents an NMP in cases related to these topics before the Commission, there should be no bar to the attorney's receipt of market sensitive data (pursuant to a non-disclosure agreement and protective order) in the latter matter. In close cases, the balance should militate to bar simultaneous representation because of the risks it poses.

G. All Reviewing Representatives are required to execute a non-disclosure agreement and are bound by the terms of this Protective Order.

4. Designation of Materials. When filing or providing in discovery any documents containing Protected Materials, a party shall physically mark such documents on each page (or in the case of non-documentary materials such as computer diskettes, on each item) as “PROTECTED MATERIALS SUBJECT TO PROTECTIVE ORDER,” or with words of similar import as long as one or more of the terms, “Protected Materials,” “Protective Order,” or “General Order No. 66-C” is included in the designation to indicate that the materials in question are protected.

All materials so designated shall be treated as Protected Materials unless and until the designation is withdrawn pursuant to Paragraph 17, below, or an ALJ, Commissioner, or other Commission representative makes a determination changing the designation.

All documents containing Protected Materials that are filed with the Commission or served shall be placed in sealed envelopes or otherwise appropriately protected and shall be endorsed to the effect that they are filed or served under seal pursuant to this Protective Order. Such documents shall be served upon Reviewing Representatives and persons employed by or working on behalf of the state governmental agencies referred to in Paragraph 12, below, who are eligible and have requested to review such materials. Service upon the persons specified in the foregoing sentence may either be by electronic mail in accordance with the procedures adopted in this proceeding, by facsimile, or by overnight mail or messenger service. Whenever service of a document containing Protected Materials is made by overnight mail or messenger service, the Assigned ALJ shall be served with such document by hand on the date that service is due.

5. Redaction of Documents. Whenever a party files, serves, or provides in discovery a document that includes Protected Materials (including but not limited to briefs, testimony, exhibits, and responses to data requests), such party shall also prepare a redacted version of such document. The redacted version shall enable persons familiar with this proceeding to determine with reasonable certainty the nature of the data that has been redacted and where the redactions occurred. The redacted version of a document to be filed shall be served on all persons on the service list and the redacted version of a discovery document shall be served on all persons entitled thereto.

6. Selection of Reviewing Representatives. Each MP and NMP selecting a Reviewing Representative shall first identify its proposed Reviewing Representative to the Disclosing Party. An attorney or consultant that simultaneously represents MPs and NMPs may not have access to market sensitive data, subject to the exception in Paragraph (3)F, above. Any designated

Reviewing Representative has a duty to disclose to the Disclosing Party any potential conflict that puts her/him in violation of D.06-12-030. A resume or curriculum vitae is reasonable disclosure of such potential conflicts and should be the default evidence provided in most cases.

7. Access to Protected Materials and Use of Protected Materials. Subject to the terms of this Protective Order, Reviewing Representatives shall be entitled access to Protected Materials. All other parties in this proceeding shall not be granted access to Protected Materials, but shall instead be limited to reviewing redacted versions of documents. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials. Protected Materials obtained by a party in this proceeding may also be requested by that party in a subsequent Commission proceeding, subject to the terms of any protective order governing that subsequent proceeding, without constituting a violation of this order.

8. Maintaining Confidentiality of Protected Materials. Each Reviewing Representative shall treat Protected Materials as confidential in accordance with this Protective Order and the Non-Disclosure Certificate executed pursuant to Paragraphs 7 and 8. Protected Materials shall not be used except as necessary for the conduct of this proceeding, and shall not be disclosed in any manner to any person except: (a) Reviewing Representatives who have executed Non-Disclosure Certificates; (b) Reviewing Representatives' paralegal employees and administrative personnel, such as clerks, secretaries, and word processors, to the extent necessary to assist the Reviewing Representatives, provided that they shall first ensure that such personnel are familiar with the terms of this Protective Order and have signed a Non-Disclosure Certificate; or (c) persons employed by or working on behalf of the California Energy Commission ("CEC") or other state governmental agencies covered in Paragraph 12, below. Reviewing Representatives shall adopt suitable measures to maintain the confidentiality of Protected Materials they have obtained pursuant to this Protective Order and shall treat such Protected Materials in the same

manner as they treat their own most highly confidential information. Reviewing Representatives shall be liable for any unauthorized disclosure or use by their paralegal employees or administrative staff. In the event any Reviewing Representative is requested or required by applicable laws or regulations, or in the course of administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand, or similar process) to disclose any Protected Materials, they shall immediately inform the Disclosing Party of the request and the Disclosing Party may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the Reviewing Representative shall cooperate in good faith with such party either to oppose the disclosure of the Protected Materials consistent with applicable law or to obtain confidential treatment of them by the person or entity who wishes to receive them prior to any such disclosure. If there are multiple requests for substantially similar Protected Materials in the same case or proceeding where a Reviewing Representative has been ordered to produce certain specific Protected Materials, the Reviewing Representative may, upon request for substantially similar materials by another person or entity, respond in a manner consistent with that order to those substantially similar requests.

9. Exception for California Independent System Operator (CAISO). Notwithstanding any other provision of this Protective Order, with respect to a CAISO Reviewing Representative only, participation in the CAISO's operation of the CAISO-controlled grid and in its administration of the CAISO-administered markets, including, but not limited to, markets for ancillary services, supplemental energy, congestion management, and local area reliability services, shall not be deemed to be a violation of this Protective Order.

10. Non-Disclosure Certificates. A Reviewing Representative shall not inspect, participate in discussions regarding, or otherwise be granted access to, Protected Materials unless and until she/he has first completed and executed a Non-Disclosure Certificate, attached hereto as Appendix A, and delivered the original, signed Non-Disclosure Certificate to the Disclosing

Party. The Disclosing Party shall retain the executed Non-Disclosure Certificates pertaining to the Protected Materials it has disclosed and shall promptly provide copies of the Non-Disclosure Certificates to Commission Staff upon request.

11. Return or Destruction of Protected Materials. Protected Materials shall remain available to Reviewing Representatives until the later of the date that an order terminating this proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Materials is concluded and no longer subject to judicial review. If requested to do so in writing after that date, the Reviewing Representatives shall, within fifteen (15) days of such request, return the Protected Materials (including Notes of Protected Materials) to the party that produced them, or shall destroy the materials, except that copies of filings, official transcripts, and exhibits in this proceeding that contain Protected Materials and Notes of Protected Materials may be retained if they are maintained in accordance with Paragraph 8, above. Within such time period each Reviewing Representative, if requested to do so, shall also submit to the Disclosing Party an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 8, above. To the extent Protected Materials are not returned or destroyed, they shall remain subject to this Protective Order and General Order No. 66-C. In the event that a Reviewing Representative to whom Protected Materials are disclosed ceases to be engaged to provide services in this proceeding, access to such materials by that person shall be terminated. Even if no longer engaged in this proceeding, every such person shall continue to be bound by the provisions of this Protective Order and the Non-Disclosure Certificate.

12. Access and Use by Governmental Entities.

A. In the event the Commission receives a request from the CEC for a copy of or access to any party's Protected Materials, the procedure for handling such requests shall be as follows. Not less than five (5) days after delivering written notice to the Disclosing Party of the

request, the Commission shall release such Protected Materials to the CEC upon receipt from the CEC of an Interagency Information Request and Confidentiality Agreement (“Interagency Confidentiality Agreement”). Such Interagency Confidentiality Agreement shall: (i) provide that the CEC will treat the requested Protected Materials as confidential in accordance with this Protective Order; (ii) include an explanation of the purpose for the CEC’s request, as well as an explanation of how the request relates to furtherance of the CEC’s functions; (iii) be signed by a person authorized to bind the CEC contractually; and (iv) expressly state that furnishing of the requested Protected Materials to employees or representatives of the CEC does not, by itself, make such Protected Materials public. In addition, the Interagency Confidentiality Agreement shall include an express acknowledgment of the Commission’s sole authority (subject to judicial review) to make the determination whether the Protected Materials should remain confidential or be disclosed to the public, notwithstanding any provision to the contrary in the statutes or regulations applicable to the CEC.

B. In the event the Commission receives a request for a copy of or access to a party’s Protected Materials from a state governmental agency other than the CEC that is authorized to enter into a written agreement sufficient to satisfy the requirements for maintaining confidentiality set forth in Government Code section 6254.5(e), the Commission may, not less than five (5) days after giving written notice to the Disclosing Party of the request, release such protected materials to the requesting governmental agency, upon receiving from the requesting agency an executed Interagency Confidentiality Agreement that contains the same provisions described in section (a), above.

C. The CEC may use Protected Materials when needed to fulfill its statutory responsibilities or cooperative agreements with the Commission. Commission confidentiality designations will be maintained by the CEC in making such assessments and the CEC will not publish any assessment that directly reveals the data or allows the data submitted by an individual LSE to be “reverse engineered.”

13. Dispute Resolution. Any parties involved in disputes that arise under this Protective Order, including, but not limited to, alleged violations of this Protective Order and disputes concerning whether materials were properly designated as Protected Materials, shall first meet and confer in an attempt to resolve such disputes. If the meet and confer process is unsuccessful, the involved parties may present the dispute for resolution to the Assigned ALJ or the Law and Motion ALJ.

14. Other Objections to Use or Disclosure. Nothing in this Protective Order shall be construed as limiting the right of a party, the Commission Staff, or a state governmental agency covered in Paragraph 12, above, from objecting to the use or disclosure of Protected Materials on any legal ground, such as relevance or privilege.

15. Remedies. Any violation of this Protective Order shall constitute a violation of an order of the Commission. Notwithstanding the foregoing, the parties and Commission Staff reserve their rights to pursue any legal or equitable remedies that may be available in the event of an actual or anticipated disclosure of Protected Materials.

16. Withdrawal of Designation. A Disclosing Party may agree at any time to remove the “Protected Materials” designation from any materials of such party if, in its opinion, confidentiality protection is no longer required. In such a case, the Disclosing Party will notify all other parties that the Disclosing Party believes are in possession of such materials of the change of designation.

17. Interpretation. Titles are for convenience only and may not be used to restrict the scope of this Protective Order.

Entered: _____
Administrative Law Judge

Date: _____

APPENDIX A TO PROTECTIVE ORDER

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Submission of Amended and Restated Agreement)
for Procurement of Renewable Energy From)
SCE's 2003 Renewables Portfolio Standard)
Solicitation)

Advice 2511-E

NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Order in this proceeding, that I have been given a copy of and have read the Protective Order, and that I agree to be bound by it. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Order. I acknowledge that a violation of this certificate constitutes a violation of an order of the California Public Utilities Commission.

By: _____
Title: _____
Representing: _____
Date: _____