

# CALIFORNIA ENERGY COMMISSION

REPORT OF CONVERSATION Page 1 of 1

## DOCKET

11-AFC-2

DATE APR 05 2012

RECD. JUN 01 2012



### Siting, Transmission, and Environmental Protection Division

FILE: 11-AFC-2

PROJECT TITLE: Hidden Hills Solar Electric Generating System

<input type="checkbox"/> Email	<input checked="" type="checkbox"/> Phone	<input type="checkbox"/> Meeting Location:	
<b>NAME:</b> Jason Simon, Policy Analyst, Energy Division	<b>DATE:</b> April 5, 2012	<b>TIME:</b>	
<b>WITH:</b> California Public Utilities Commission			
<b>SUBJECT:</b> Power purchase agreements for renewable energy projects			

Staff spoke with Jason Simon to ask about the regularity or irregularity of the three large investor-owned utilities (PG&E, SCE, and SDG&E) requesting amendments to approved power purchase agreements (PPAs) for renewable energy facilities. Jason stated that it is not uncommon for there to be hurdles during the 5-year development process that includes approval of a PPA(s) for a project. A 5-year period is long enough that project changes, such as a site change, interconnection change, or technology change (e.g., adding storage to a solar thermal project), would not be unusual. Unless the project change was accounted for in the PPA, such as a PPA that allows a site change, the utility would have to file an amended advice letter with the California Public Utilities Commission (CPUC) asking for an amended PPA. CPUC would evaluate price, project viability, and value vs. cost (of the added energy storage, for example) in considering whether to approve the project change. CPUC would evaluate the net economic benefit that storage could provide. Jason stated that adding energy storage, for example, changes the "pricing structure of the PPA," and "definitely changes the value of the project to CPUC." Jason did not discuss the likelihood of amending any particular PPA, either relating to a BrightSource Energy project or any other project.

CC: Amanda Stennick

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