



**Pacific Gas and
Electric Company™**

Mark Krausse
Director
State Agency Relations

1415 L Street, Suite 280
Sacramento, CA 95814

(916) 386-5709
(916) 386-5720 Fax
mckd@pge.com

June 11, 2007

The Honorable Mike Chrisman
Chair, California Ocean Protection Council
1330 Broadway, Suite 1100
Oakland, CA 94612

Dear Chairman Chrisman:

I am writing to express support for a study of the environmental implications of ocean energy, to be funded by the California Ocean Protection Council (OPC). The results of this study and of the feasibility assessment being conducted by the California Energy Commission's Public Interest Energy Research program (PIER) will provide a useful framework for future ocean energy projects.

In February of this year, PG&E took the first step toward developing generation projects that could convert the abundant wave energy of the oceans into electricity by filing two preliminary permit applications with the Federal Energy Regulatory Commission (FERC). Named "WaveConnect," the proposed developments off the coast of Mendocino and Humboldt counties would extend PG&E's environmental leadership by providing its customers with a new source of clean, renewable power.

The WaveConnect projects will begin with resource, environmental and ocean-use studies and, if developed, would use wave energy conversion (WEC) devices to transform the energy of ocean waves into clean, renewable electricity. This would be the first application in North America for a project that would allow multiple WEC device manufacturers to demonstrate their devices on a common site, which could help accelerate the development of wave energy technology.

As a corporate leader in supporting greenhouse gas reduction legislation, PG&E is committed to meeting and, if possible, exceeding renewable energy goals. Ocean energy is a largely unexplored addition to the renewable energy mix. To ensure that it is fully considered, I urge the Ocean Protection Council to give a high priority to funding the ocean energy study.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Krausse', with a long horizontal flourish extending to the right.

Mark Krausse