BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewable Portfolio Standard Program.

Rulemaking 11-05-005 (Filed May 5, 2011)

NOTICE OF EX PARTE COMMUNICATION

Pursuant to Rules 8.2(c), 8.3, and 8.5 of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates (DRA) gives notice of the following written ex parte communication, which occurred on June 21, 2011 at 4:49 p.m. in the Commission's San Francisco office. DRA analyst Yuliya Shmidt initiated the communication with Commissioner Catherine J.K. Sandoval's advisor Colette Kersten. The communication was written and was sent via electronic mail. A copy of the electronic email is attached, in which DRA explained that the Commission should move quickly to address threshold issues and then turn its attention to the cost-containment mechanism envisioned in Senate Bill 2(1x)'s adoption of a 33% Renewable Portfolio Standard.

Copies of this Notice may be obtained by contacting Sue Muniz at (415) 703-1858 or sam@cpuc.ca.gov.

Respectfully submitted,

/s/DIANA L. LEE

DIANA L. LEE

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June 22, 2011

454593 1 From: Shmidt, Yuliya

Sent: Tuesday, June 21, 2011 4:49 PM

To: Kersten, Colette

Cc: Lukins, Chloe; Lee, Diana; Miley, Matt; Walker, Cynthia; Cox, Cheryl;

Ashuckian, David **Subject:** RPS OIR

Hi Colette,

DRA's position in the RPS OIR is that, although there are some threshold issues that are urgent and should be addressed in the next few months, the next priority is the cost-containment mechanism. The bill itself and the discussions in the legislature made it clear that cost discipline will be an important component of getting to 33% RPS. DRA feels that utilities need as much certainty as possible in that area to help them make decisions through this procurement cycle. The cycle was launched by the RFOs issued a month ago and we expect that much of procurement for 33% will be done.in this year and the next one.

DRA encourages the Commission to quickly address the largely definitional issues that have to do strictly with interpreting the language of the legislation and, immediately after that, address the cost-containment. We feel that this will allow for a decision by the end of the year and will allow the IOUs to take the cost limitations into account in this procurement cycle.

Thanks and please let me know if you have any questions, Yuliya

Yuliya Shmidt
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