

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

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.))))	Rulemaking 11-05-005 (Filed May 5, 2011)
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LATE-FILED NOTICE OF EX PARTE COMMUNICATION

In accordance with Rule 8.3 of the Commission’s Rules of Practice and Procedure, San Diego Gas and Electric Company (SDG&E) hereby gives notice of the following *Ex Parte* communication in the above proceeding.

On Thursday, October 11, 2011 at 4:30 p.m., Billy Blattner, Manager of Regulatory Relations for SDG&E, spoke by telephone to Damon Franz, Advisor to Pres. Peevey, on October 11, 2011 at 4:30 p.m. The meeting was initiated by SDG&E to discuss the draft resolution (DR) and Commissioner Florio’s alternate draft resolution (ADR) regarding SDG&E’s proposed purchase of renewable attributes associated with power being delivered to SDG&E’s customers under two separate California Department of Water Resources (CDWR) contracts. Communication was oral and lasted approximately 15 minutes.

Mr. Blattner indicated that SDG&E supports Commissioner Florio’s ADR. He expressed concern that the DR would treat the renewable energy credits (RECs) associated with the CDWR contracts as unbundled RECs under current RPS rules, while the proposed decision (PD) on portfolio content categories issued in the above-captioned proceeding would treat the CDWR RECs as an exception to the classification rules, and deem them to be bundled for RPS compliance purposes, consistent with the approach proposed in the ADR. He also expressed concern that if the DR is adopted, but a final

decision on the PD is not adopted before December 1, 2011, SDG&E will not be able to treat the resources as bundled for purposes of RPS compliance. This could result in a loss of RPS-eligible volumes and value to ratepayers, which would negatively impact SDG&E's 2011 RPS compliance. Mr. Blattner urged that any uncertainty be eliminated by adopting Commissioner Florio's ADR.

To request a copy of this notice, please contact:

Cindy Zammit
601 Van Ness Avenue, Suite 2060
San Francisco, CA 94102
Telephone: (415) 202-9986
Facsimile: (415) 346-3630
Email: czammit@semprautilities.com

Dated this 17th day of October, 2011 at San Francisco, California.

Respectfully submitted,

/s/ Billy Blattner

Billy Blattner
Manager of Regulatory Relations
San Diego Gas & Electric Co.