



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

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November 21, 2011

CPUC, Energy Division
Attention: Tariff Files, Room 4005
505 Van Ness, Avenue
San Francisco, CA 94102

Subject: **DIVISION OF RATEPAYER ADVOCATES' COMMENTS ON DRAFT
RESOLUTION E-4292**

The Division of Ratepayer Advocates (DRA) submits the following comments on Draft Resolution E-4292.

I. Background

On November 1, 2011 the California Public Utilities Commission issued Resolution E-4292 denying without prejudice cost recovery for Advice Letter (AL) 2358-E and supplemental ALs 2358 E-A, E-B, and E-C; Southern California Edison Company's (SCE) contract with Puget Sound Energy, Inc.

II. Position & Recommendation

DRA supports the Draft Resolution denying without prejudice cost recovery for the Puget Energy contract. DRA supports this Draft Resolution for two reasons. First, the Commission finds that the short-term duration of the contract (January 2012 – 2015) is inconsistent with SCE's RPS energy need for these years.¹ Second, under SB 2(1X), energy from short-term renewable energy credit (REC)-only contracts cannot be banked or applied towards procurement needs in deficit years, as was permitted under the former RPS program. Consequently, it would be a wasteful use of ratepayer money to approve this contract considering SCE's lack of need for renewable energy during the timeframe

¹ Draft Resolution E-4292, p. 6.

of this contact and the inability to bank or apply the excess energy to future procurement targets.

III. Conclusion

For the reasons stated above, DRA supports Draft Resolution E-4292 which denies without prejudice SCE's REC-only contract with Puget Sound Energy, Inc.

/s/ Cynthia Walker

Cynthia Walker, Program Manager
Energy Planning and Policy Branch
Division of Ratepayer Advocates

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R.11-05-005 Service List