



## **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.<sup>1</sup> 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

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<sup>1</sup> 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

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

cc: President Michael Peevey, CPUC  
Commissioner Timothy Alan Simon, CPUC  
Commissioner Michel Peter Florio, CPUC  
Commissioner Catherine Sandoval, CPUC  
Commissioner Mark J. Ferron, CPUC  
Karen Clopton, Chief Administrative Law Judge, CPUC  
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