



February 14, 2012

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

Shell Energy North America
4445 Eastgate Mall, Suite 100
San Diego, CA 92121
Tel. 1+ 858 526 2109
www.shell.com/us/energy

Subject: Shell Energy North America (US), L.P. GHG Environmental Performance
Standard (EPS) Compliance Filing

Please find enclosed the above referenced in hard and electronic copies. Please forward
the notice of disposition to:

Marcie A. Milner
Vice President, Regulatory Affairs
Shell Energy North America (US), L.P.
4445 Eastgate Mall, Suite 100
San Diego, CA 92121
Marcie.milner@shell.com
(858) 526-2106

If you have any questions concerning this compliance filing, please don't hesitate to
contact me.

Regards,

A handwritten signature in black ink, appearing to read "Marcie A. Milner", is written over the typed name.

Marcie A. Milner

Enclosures

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY LSE (Attach additional pages as needed)

Company name/CPUC Utility No. Shell Energy North America (US), L.P.

Utility type: ESP #1374

ELC GAS

PLC HEAT WATER

Contact Person for questions and approval letters: Marcie Milner

Phone #: (858) 526-2106

E-mail: Marcie.milner@shell.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 9-ESP

Subject of AL: Greenhouse Gas Emission Performance Standard

Tier Designation: 1 2 3

Keywords (choose from CPUC listing):

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: D.07-01-039

Does AL replace a withdrawn or rejected AL? No If so, identify the prior AL _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: March 15, 2012

No. of tariff sheets:

Estimated system annual revenue effect: (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Utility Info (including e-mail)

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

inj@cpuc.ca.gov and mas@cpuc.ca.gov

¹ Discuss in AL if more space is needed.

Attachment 1
Compliance Filing for LSEs with no Long-Term Financial Commitments

February 15, 2012

CA Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

Re: GHG Environmental Performance Standard (EPS) Compliance Filing

Pursuant to Ordering Paragraph No. 4 of Decision (“D.”) 07-01-039, issued in R. 06-04-009 on January 25, 2007, Shell Energy North America (US), L.P. (“Shell Energy”) submits this annual Attestation Letter affirming that the financial commitments Shell Energy has entered into for generation on behalf of its California retail load during the prior calendar year are in compliance with the greenhouse gas (“GHG”) emissions performance standard (“EPS”). Specifically, Shell Energy, ESP # 1374 is in compliance with the EPS as it has no generation facilities and did not enter into any long-term financial commitments for generation in 2011.

Effective Date: (No later than March 16, 2012 – 30 days after filing)

Tier Designation: Tier 2 Designation

Purpose

This Attestation Letter provides information and documentation required by D.07-01-039. This Attestation Letter demonstrates that for 2011 Shell Energy has entered into financial commitments that are in compliance with the EPS (long-term financial commitments defined on Page 3 of Attachment 7 in D.07-01-039).

Background

D.07-01-039 requires all Load Serving Entities (“LSEs”) to file annual Attestation Letters, due February 15 of each year, attesting to the Commission that the financial commitments entered into for generation during the prior calendar year are in compliance with the EPS. D.07-01-039 requires LSEs to file Attestation Letters as an advice letter and serve the Attestation Letter on the service list in Rulemaking (“R.”) 06-04-009. This Attestation Letter is filed pursuant to that process.

D.07-01-039 requires LSEs to include a listing of long-term financial commitments of five years or longer that they have entered into during the prior year. Furthermore, D.07-01-039 requires additional documentation demonstrating that LSEs have complied with

the EPS. Specifically, D.07-01-039 requires LSEs to provide documentation to demonstrate:

- (a) That the commitments were not “covered procurements” under the interim EPS rule and/or
- (b) For those that represent covered procurements, documentation demonstrating that such procurements are EPS-compliant, including any contracts with a term of five years or longer that include provisions for substitute energy purchases.
- (c) For any requested reliability-based exemptions that have been pre-approved by the Commission, a reference to the application and Commission decision number.

D.07-01-039 requires all LSEs to disclose the investment amount and type of alteration to retained generation, by generation facility and unit. D.07-01-039 also advises LSEs to present documentation regarding the design and intended use of the powerplant(s) underlying their new long-term financial commitments utilizing the sources of information listed in § 8341(b)(4), as well as any other sources of documentation that they believe will be relevant to this determination.

D.07-01-039 emphasizes that the key concept is to establish the design and intended use of the powerplant. Accordingly, documentation of the annualized plant capacity factor for the powerplant should include historical annual averages in order to help determine whether the plant is “designed and intended” to be used for baseload generation. D.07-01-039 requires LSEs to provide documentation of capacity factors, heat rates and corresponding emissions rates that reflect the actual, expected operations of the plant.

This Attestation Letter comports with the requirements outlined above.

Protests

This compliance filing is not subject to protest pursuant to General Order 96-B, Energy Industry Rule 9.

Correspondence

Any correspondence regarding this compliance filing should be sent by email to the attention of:

Marcie A. Milner
Vice President, Regulatory Affairs
Shell Energy North America (US), L.P.
4445 Eastgate Mall, Suite 100
San Diego, CA 92121
(858) 526-2106
E-Mail: Marcie.milner@shell.com

Certification

- (1) I have reviewed, or have caused to be reviewed, this compliance submittal.
- (2) Based on my knowledge, information, or belief, this compliance submittal does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements true.
- (3) Based on my knowledge, information, or belief, this compliance submittal contains all of the information required to be provided by Commission orders, rules, and regulations.

Include the name and contact information for the LSE officer(s) certifying the above:



Michael D'Arienzo, Vice President
Shell Energy North America (US), L.P.
4445 Eastgate Mall, Suite 100
San Diego, CA 92121
(858) 320-1500
Michael.d'ariento@shell.com