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March 1, 2012

Administrative Law Judge DeAngelis
Administrative Law Judge Simon
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**Re: March 2012 Renewable Portfolio Standard Compliance Submission of Constellation
NewEnergy, Inc.**

Dear Judges DeAngelis and Simon:

Enclosed please find Constellation NewEnergy, Inc.'s ("CNE") March 2012 Renewable Portfolio Standard ("RPS") submission. You will find a public, redacted, signed version of the completed RPS compliance template, a confidential version of the completed template, and a signed confidentiality declaration.

CNE fully met its 20% RPS-eligible procurement obligation in 2010 and held a significant a banked surplus of bundled procurement. CNE expects to apply this existing surplus in the new 33% RPS regime. However, CNE's bundled surplus procurement bank balance is not reflected in the attached report because the new (and potentially interim) template was not designed to inform the Commission about procurement bank balances the retail seller expects to carry forward into the first compliance period.

The regulatory treatment of carried-forward 2010 procurement banked balances is currently pending before the Commission.¹ CNE supports the comments and reply comments filed by the Alliance for Retail Energy Markets, which sought to protect the value of procurement made on behalf of customers. SB 2 (1X) does not stand for the proposition that entities who have accumulated banks under the 20% program and prior to January 1, 2011 are now required to forfeit the customer value of that procurement reflected in their banks. To do

¹ Comments and reply comments on this subject were filed in August and September 2011 in Rulemaking 11-05-005 (http://delaps1.cpubc.ca.gov/CPUCProceedingLookup/f?p=401:36:917273239056251::NO:RP:P2_PROCEEDING_YEAR_SELECT:RI105005).

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otherwise would quite simply confiscate customer value achieved in the 20% program by retail providers that successfully achieved 20% of retail sales target RPS procurement.²

Please contact me if you have any questions regarding this submission.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Andrew Brown', is written over a dotted grid background.

Andrew Brown
Ellison, Schneider & Harris L.L.P.

Attorneys for Constellation NewEnergy, Inc.

Cc: R.11-05-005 Service List

² See, “Comments Of The Alliance For Retail Energy Markets On Administrative Law Judge’s Ruling Requesting Comments On New Procurement Targets And Certain Compliance Requirements For The Renewables Portfolio Standard” (August 30, 2011) in R.11-05-005, page 11. (Link: <http://docs.cpuc.ca.gov/efile/CM/142593.pdf>.)

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)

Constellation NewEnergy, Inc.

March 2012 RPS Procurement Progress Report

PUBLIC VERSION

March 1, 2012

Name: Joe Donovan
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CALIFORNIA'S RENEWABLES PORTFOLIO STANDARD

Instructions for the RPS Procurement Progress Reporting Worksheet

- 1 The March 2012 RPS Procurement Progress Reports will be submitted to the Commission as specified below:
 - > Serve a public version on the service list in proceeding R.11-05-005. All pages must be legible. Retail Sellers are responsible for maintaining confidentiality when serving a redacted report. **No more than 35 CPUC e-mail addresses can be included in the same e-mail.**
 - > **Submit a confidential Excel version utilizing the locked spreadsheet with the Energy Division by e-mailing an electronic version to robert.blackney@cpuc.ca.gov and rpscompliance@cpuc.ca.gov.**
 - > Send paper copies (confidential and public) to each of the assigned Administrative Law Judges (ALJs):

Regina M. DeAngelis and Anne E. Simon
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
 - > **Do not send paper copies of the confidential version to anyone except the persons listed above, unless specifically requested.**
 - 2 Any retail seller seeking confidentiality protection should file a declaration. Confidentiality requests shall comply with the substantive and procedural rules set forth in D.06-06-066, as modified by D.08-04-023, the Commission's decision in its Confidentiality proceeding, Rulemaking (R.) 05-06-040, and any subsequent decisions issued in the same or successor proceeding. A declaration for confidentiality should include the identification of all redacted information by tab name and cell reference.
 - 3 Any questions regarding the completion and/or filing of this report can be directed to:
Robert Blackney, Energy Division, California Public Utilities Commission: robert.blackney@cpuc.ca.gov, (415) 703-3072
 - 4 Include the Title Page and fill out the following information:
 - > Name of the retail seller submitting the Report
 - > Date the Report is being submitted
 - > Contact information
 - 5 Complete the Officer Verification Form in the format provided (Rule 1.11)
 - 6 Yellow cells throughout the spreadsheet indicate user supplied data by the retail seller where and when applicable.
 - 7 All data must be entered in MWh out to three decimal points to accurately account for retail sales, procurement and targets. The spreadsheet will display MWh throughout. Do not round any reporting data, as this may trigger some cells to turn red.
 - 8 The spreadsheet included in this report has locked cells to ensure the functionality of the spreadsheet and the accuracy of the data provided by the user. An unprotected version of the spreadsheet is also available by request.
- ACCOUNTING TAB**
- 9 The user will enter actual and forecasted retail sales figures to generate the Procurement Quantity Requirement.
- PROCUREMENT DETAIL TAB**
- 10 **Procurement Summary:** *Total Annual Procurement* is differentiated by four categories: Procurement from Contracts Executed Prior to June 1, 2010, Procurement from Category 1 Contracts, Procurement from Category 2 Contracts, Procurement from Category 3. Procurement is further differentiated based on whether the contract is 10 years in length or longer (i.e., a long-term contract). Data for this section is populated by completing the Contract Detail section below. See notes in cells B10:B13 for references to procurement definitions in the portfolio content category decision D.11-12-052.
 - 11 **RPS Eligible Procurement by Resource Type:** This report must state the amount procured or projected to be procured from each resource type (D.05-07-039, Appendix A, D.06-10-050, page 47-48). This information is reported in rows 25-38 in the "Procurement Detail" tab and populated by completing the "Contract Detail" section.
 - 12 **Contract Detail:** For each contract, enter actual and forecasted delivery data throughout the contract term. Do not assume that an expiring contract will be renegotiated.
 - > *Pre-2002 Contracts:* Input total annual deliveries by resource type
 - > *2002-Present years' Contracts:* List contracts by name, annual deliveries (MWh), contract status, facility status, resource type, contract classification and contract length.
 - > In the "Contract Status" column, "short-listed and/or under negotiation" is an option; use the short-listed option only for projects for which the LSE has a high level of confidence that a contract will be executed.
 - > *"Expired Contracts":* Any contract expiring prior to 2020 should be listed in this section. User should identify expired contract by name and input annual deliveries (MWh) in the first year the contract is no longer delivering for the LSE (per existing contract) and in every year thereafter. For example, if a contract with annual deliveries of 10,000 MWh expired 12/31/2007, user should enter 10,000 MWh in 2008 and in every year thereafter. If this same contract expired 6/30/2007, user should enter 5,000 MWh in 2007 and 10,000 in every year thereafter. If an expired or expiring contract is re-signed, remove contract information from "Expired Contracts" section and enter it under the appropriate contracting year, as you would for any other contract.

Spreadsheet user notes

- > Protecting confidential data: Individual cells may be formatted black, which will serve to redact info when excel file is converted to pdf. Select cell - click on "fill color" icon - choose black. Note: Once converted to pdf, additional steps are necessary to ensure redacted data is not accessible.
- > Adding and/or deleting rows. The "Procurement Detail" tab allows users to add to or delete rows. Within the desired section, highlight entire row(s) by selecting the excel row number(s) - right click and select "copy" - right click again and select "insert copied cells"

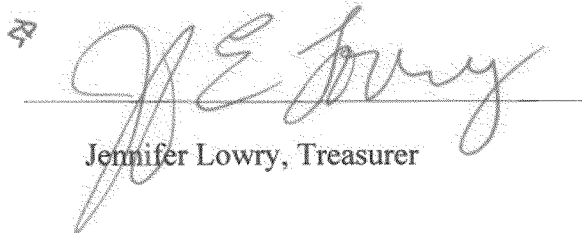
	A	B	C	D	E	F	G	H	I	J	K	L
1												
2		RPS Procurement Progress Report: Procurement Status										
3		Data Reported by:										
4		Constellation NewEnergy, Inc.			Input Required							
5		March 1, 2012			Actual Data							
6					Forecasted Data							
7												
8			Actual				Forecast					
9		RPS Procurement and Targets (MWh)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
10		Bundled Retail Sales						4,600,000	4,600,000	4,600,000	4,600,000	4,600,000
11		Annual Percentage Targets	20.0%	20.0%	20.0%	21.7%	23.3%	25.0%	27.0%	29.0%	31.0%	33.0%
12		Total RPS Procurement	459,192	637,228	391,728	316,728	0	0	0	0	0	0
13												
14												
15		RPS Cumulative Procurement Summary	Procurement Quantity Requirement (Forecast)				Procurement Amount (Forecast)					
16		Compliance Period 1 [2011 - 2013]					1,488,148					
17		<i>Procurement Quantity Calculation: 0.20 * (2011 retail sales + 2012 retail sales + 2013 retail sales)</i>										
18		Compliance Period 2 [2014 - 2016]					316,728					
19		<i>Procurement Quantity Calculation: (.217 * 2014 retail sales) + (.233 * 2015 retail sales) + (.25 * 2016 retail sales)</i>										
20		Compliance Period 3 [2017 - 2020]	5,520,000				0					
21		<i>Procurement Quantity Calculation: (.27 * 2017 retail sales) + (.29 * 2018 retail sales) + (.31 * 2019 retail sales) + (.33 * 2020 retail sales)</i>										

OFFICER VERIFICATION FORM

I am an officer of the reporting corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true. The spreadsheet format used to file this compliance report has not [has] been altered from the version issued or approved by Energy Division [, with the alterations described in this report].

I declare under penalty of perjury that the foregoing is true and correct.

Executed on Feb. 29, 2012 at Baltimore, Maryland.

A handwritten signature in cursive script, appearing to read "J. E. Lowry", is written over a horizontal line. To the left of the signature is a small, stylized mark that resembles a bird or a logo.

Jennifer Lowry, Treasurer