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August 14, 2012

Edward Randolph
Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
EDTariffUnit@cpuc.ca.gov

Re: TURN Comments on Draft Resolution E-4520

Dear Mr. Randolph,

The Utility Reform Network (TURN) submits the following comments on Draft Resolution E-4520 (“Draft Resolution”) issued on July 24, 2012. TURN supports the Draft Resolution and urges the Commission to approve it at the next business meeting. TURN agrees that PG&E does not have a need for these unbundled Renewable Energy Credits (RECs) given its current compliance position. Moreover, TURN believes that the prices specified in these contracts are not competitive with current offerings available to PG&E. Finally, TURN sees little ratepayer value associated with the procurement of unbundled RECs from existing resources, especially when the RECs are not necessary to achieve compliance with RPS targets. Approving these advice letters would simply squander ratepayer money without producing any discernable ratepayer benefits.

The Commission should take this opportunity to reign in utility spending on contracts that were executed under the old RPS program and no longer provide meaningful value in light of changed circumstances. The mere fact that PG&E executed these contracts many years ago should not be sufficient to justify their approval.

Sincerely,

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cc: Commissioners Michael Peevey, Mark Ferron, Mike Florio, Catherine Sandoval,
and Timothy Simon
Edward Randolph, Director, Energy Division
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