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)

COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) ON RESPONSE OF SOUTHERN CALIFORNIA EDISON COMPANY TO ALJ RULING

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September 10, 2012

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In accordance with the direction provided in the *Administrative Law Judge's Ruling Requesting Additional Information from Southern California Edison Company Regarding Proposal not to Hold a 2012 RPS Solicitation* ("ALJ Ruling"),[1] San Diego Gas & Electric Company ("SDG&E"), SDG&E files these comments regarding the response to the ALJ Ruling ("Response") provided by Southern California Edison Company ("SCE").[2]

In SCE's Response, SCE explains that it has no near term Renewable Portfolio Standard ("RPS") need and that the potential for declining tax benefits in 2016 does not justify an immediate solicitation. SDG&E agrees with SCE that there is no need for a 2012 RPS solicitation. Like SCE, SDG&E does not have a near term need and will have a better view of the progress of developing projects and their impact on its RPS need at a later point. SDG&E agrees that the public interest does not support holding a 2012 RFO in order to ensure procurement of long term projects that can utilize Investment Tax Credits ("ITCs") before the possibility of a decrease in such benefits in 2016. SCE argues that such decrease does not

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1/ ALJ Ruling, p. 3.

2/ *Southern California Edison Company's Response to Administrative Law Judge's Ruling requesting Additional information From Southern California Edison Company Regarding Proposal Not to Hold a 2012 RPS Solicitation,* filed September 5, 2012 ("Response").

necessary mean that it is better for ratepayers to procure today.[3/] Even if there was a clear benefit to undertaking new procurement prior to the time decreases in ITC benefits take effect, a late 2013 or early 2014 solicitation would still allow for winning projects to be placed in service by December 31, 2015 in order to take advantage of the full ITC benefits.

For these reasons, SDG&E agrees with SCE that the Commission should not require a 2012 RPS solicitation.

Respectfully submitted this 10th day of September, 2012.

/s/ Aimee M. Smith

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[3/] Response, pp. 5-7.

AFFIDAVIT

I am an employee of the respondent corporation herein, and am authorized to make this verification on its behalf. The matters stated in the foregoing **REPLY COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) ON THE PROPOSED DRAFT TARIFF FOR THE SECTION 399.20 FEED-IN TARIFF PROGRAM** are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 10th day of September, 2012, at San Diego, California

/s/ Hillary Hebert
Hillary Hebert
Partnerships and Programs Manager
Origination and Portfolio Design Department