



Joff Morales
Regulatory Affairs
8330 Century Park Court
San Diego, CA 92123-1548

Tel: 858.650-4098
Fax: 858.654.1879
jmorales@semprautilities.com

July 23, 2013

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, Room 4005
San Francisco, CA 94102

**RE: Substitute Sheet for San Diego Gas & Electric (SDG&E) Advice Letter 2504-E,
Request for Approval of Bundled Energy Sales with Imperial Irrigation District**

Please find enclosed the original and four copies of page 1 of SDG&E's Advice Letter 2504-E submitted on July 22, 2013 to the California Public Utilities Commission.

Subsequent to filing, it was discovered in the second paragraph of page 1 of the advice letter that an incorrect number was reported. This number describes SDG&E as "the seller of 352,000 MWh bundled renewable electricity and green attributes." This number is incorrect and is being replaced with 252,000 MWh.

An asterisk has been reflected in the upper right corner of the page referenced above.

The attached substitute page is being served to interested parties in R.11-05-005

Sincerely,

Joff Morales
Rates, Regulations & Tariffs

Enclosed



Clay Faber - Director
 Regulatory Affairs
 8330 Century Park Court
 San Diego, CA 92123-1548
 Tel: 858-654-3563
 Fax: 858-654-1788
 CFaber@semprautilities.com

July 22, 2013

ADVICE LETTER 2504-E
 (U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: REQUEST FOR APPROVAL OF BUNDLED ENERGY SALES WITH
 IMPERIAL IRRIGATION DISTRICT**

I. INTRODUCTION

A. PURPOSE OF THE ADVICE LETTER

San Diego Gas & Electric Company ("SDG&E") seeks approval from the California Public Utilities Commission (the "Commission" or the "CPUC") for the following transaction:

Confirmation Letter dated July 5, 2013 with Imperial Irrigation District ("IID"), which incorporates the terms of the Western Systems Power Pool Agreement, version date March 3, 2013 (the "WSPP Agreement"). Under this transaction, SDG&E is the seller of 252,000 MWh bundled renewable electricity and green attributes. This short-term proposed contract between SDG&E and IID (the "Proposed Agreement") is for a three month delivery term and involves delivery from any of a number of listed facilities which are wind, solar, biomass, biogas and/or geothermal operating California facilities. All of the facilities listed in the Proposed Agreement have been previously included in CPUC-approved SDG&E Advice Letters and are in SDG&E's current Renewable Portfolio Program ("RPS") Portfolio. The Proposed Agreement establishes an initial delivery date of the later of (a) Commission approval or (b) October 1, 2013.

This transaction will help facilitate SDG&E's satisfaction of its procurement requirement under California's RPS program, especially in Compliance Period 1, at lower costs to its ratepayers as it optimizes value across compliance categories. SDG&E has entered into the Proposed Agreement on reasonable terms, as set forth in more detail below. The revenues, net of costs, from this transaction will be credited to SDG&E's customers via SDG&E's Energy Resource Recovery Account ("ERRA"), thereby helping to reduce overall procurement costs as well as the costs of the RPS program. As set forth in greater detail in Part 2 of this Advice Letter, the Proposed Agreement provides greater value to SDG&E's customers than other options available to SDG&E for optimizing its RPS portfolio.

B. SUBJECT OF THE ADVICE LETTER

1. **PROJECT NAME:** Various projects certified by the California Energy Commission ("CEC") that are part of SDG&E's portfolio as being RPS-eligible located throughout California ("Projects") as follows:



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