

Constellation NewEnergy, Inc. (“CNE”) hereby provides its response to the Public Utilities Code § 399.13(a)(3) narrative requirement as set out by Energy Division in the “Instructions” tab of the 2012 Preliminary Annual 33% RPS Compliance Report.

1. The status of any necessary siting and permitting approvals from federal, state, and local agencies for those eligible renewable energy resources procured by the retail seller that have not yet attained their commercial on-line dates.

CNE Response: CNE does contract with power marketers that in turn contract directly with facilities under construction. The marketer, and not CNE, has contracted directly with the facilities. The facilities under development are included within a portfolio of operational resources contracted by the power marketer supporting the commercial arrangement. CNE is not aware of any permitting issues with those facilities that would delay the on-line date, and the commercial arrangement does not exclusive rely upon those facilities should their initial operations be delayed.

2. Identification of all procurement from eligible renewable energy resources located outside California and within the WECC during the period covered by the report. Retail sellers should submit a list of facilities in a matrix format including: facility name, location (City and State), and the amount of renewable energy credits (RECs) procured during the year covered by the report (i.e. 2012 for this report). If a retail seller did not procure any RECs from out of state facilities, please include a brief summary on whether the retail seller intends to procure RECs from facilities located out of state in the future, and if so where these facilities may be located.

CNE Response: CNE references the “Procurement Detail” tab of the 2012 Preliminary Annual 33% RPS Compliance Report for full details on RPS compliance procurement. CNE procures from out-of-state resource. Consistent with Narrative Question 2, CNE provides this table of the out-of-state procurement for the 2012 period.

Contract Detail	2012 Procurement	Facility Location (City)	Facility Location (State)
Contract 072F (Dokie Wind Energy Project)	56,103	British Columbia	BC
Contract 07Z1 (Wolverine Creek)	10,043	Bingham/Bonneville County	ID
Contract 072F (Wheat Field Wind Farm)	311	Arlington	OR
Contract 07Z1 (Leaning Juniper)	95	Arlington	OR
Contract 08C1 (Elkhorn Valley Wind Farm)	131,168	Union	OR
Contract 072F (H.W. Hill Landfill Gas Landfill Gas Project)	43,586	Roosevelt	WA
Contract 07L5 (Longview Fibre Paper and Packaging)	5,656	Longview	WA
Contract 07Z1 (Marengo I)	7,661	Dayton	WA
Contract 07Z1 (Goodnoe Hills)	5,382	Goldendale	WA
Contract 07Z1 (Marengo II)	2,165	Dayton	WA

Contract Detail	2012 Procurement	Facility Location (City)	Facility Location (State)
Contract 6MQ7(White Creek Wind)	53,476	Roosevelt	WA
Contract 8B35(Kittitas Valley Wind Farm)	47,084	Cle Elum	WA
Contract 8B35(Kittitas Valley Wind Farm)	10,629	Cle Elum	WA
Contract 07Z1 (Seven Mile Hill I)	33	Medicine Bow	WY
Contract 07Z1 (Seven Mile Hill II)	715	Medicine Bow	WY
Contract 07Z1 (Campbell Hill - Three Buttes)	6,929	Glenrock	WY
Contract 07Z1 (Dunlap I)	21,544	Medicine Bow	WY
Contract 07Z1 (Glenrock I)	7,946	Glenrock	WY
Contract 07Z1 (Glenrock III)	12	Glenrock	WY
Contract 07Z1 (High Plains)	8,151	Rock River	WY
Contract 07Z1 (McFadden Ridge)	1,784	Rock River	WY
Contract 07Z1 (Rolling Hills)	9,435	Glen Rock	WY
Contract 07Z1 (Top of the World)	27,647	Glen Rock	WY

3. Identification of all procurement of unbundled RECs during the period covered by the report. Retail sellers should submit a list of facilities in a matrix format including: facility name, location (City and State), and the amount of unbundled RECs procured during the year covered by the report (i.e. 2012 for this report). If a retail seller did not procure any unbundled RECs, please include a brief summary on whether the retail seller intends to procure unbundled RECs in the near future, and if so where these RECs originate.

CNE Response: CNE references the “Procurement Detail” tab of the 2012 Preliminary Annual 33% RPS Compliance Report for full details on RPS compliance procurement. CNE procures from out-of-state resource. Consistent with Narrative Question 3, CNE provides this table of PCC-3 procurement for the 2012 period:

Contract Year	2012 Procurement	Facility Location (City)	Facility Location (State)
Contract 05YP (Nine Canyon Wind)	15,750	Kennewick	WA
Contract 05YP (Coastal Energy Wind Project)	15,750	Grayland	WA
Contract 05ZA (White Creek Wind 1)	55,000	Roosevelt	WA

4. Recommendations to remove impediments to making progress toward achieving the renewable energy resources procurement requirements established by statute and implemented by Commission decision.

CNE Response: CNE has no additional comments other than those provided in its most recent RPS procurement plan recently submitted to the Commission. With respect to recommendations as to the compliance filing submissions, CNE makes the following recommendations to Energy Division: (1) the size of the template should be reduced from the current 19 MB size so that the file be easily sent via email; and, (2) this “narrative” section should be incorporated into the compliance template so a single document can be prepared and distributed.