



August 1, 2013

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Via E-Mail and Overnight Delivery

Edward F. Randolph
Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: R.11-05-005: Shell Energy North America (US), L.P.'s Preliminary 2012 Annual RPS Compliance Report

Dear Mr. Randolph:

In accordance with D.12-06-038, Shell Energy North America (US), L.P. ("Shell Energy") hereby submits its Preliminary 2012 Annual RPS Compliance Report. As provided in D.08-04-023, Shell Energy seeks confidential treatment of portions of its Preliminary 2012 Report based on the "Declaration" that accompanied Shell Energy's August 2008 RPS compliance report, which was submitted on August 18, 2008.

Shell Energy responds to the narrative reporting requirements as follows:

Narrative Questions:

Pursuant to Public Utilities Code Section 399.13(a)(3), each retail seller must include the following narrative information in each Annual Compliance Report and in the final report for each compliance period:

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.

Response: N/A

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.

Response: Please refer to the "Facility Location" column in the Procurement Detail Report which was created in a matrix format. Any location not listed as "California" is "out of state."

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.

Response: Please refer to the "Expected PCC" column in the Procurement Detail Report which was created in a matrix format. All "Unbundled RECs" are represented by "PCC3."

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

Response: Regulatory uncertainty continues to impede the contracting process for the purchase of renewable energy products. Additionally, the duplicative nature of the reports that must be provided to the various agencies and information requested that is already available or irrelevant for compliance makes it difficult and unreasonably time-intensive to comply with reporting requirements.

Finally, a redacted version of Shell Energy's Preliminary 2012 Annual Compliance Report is being served on the service list in Docket No. R.11-05-005. Thank you for your attention to this matter.

Respectfully submitted,



Marcie A. Milner

Vice President, Regulatory Affairs
Shell Energy North America (US), L.P.

cc: All Parties on the Service List in R.11-05-005

Confidential information redacted in accordance with D.06-06-066 and D.08-04-023:

<u>Tab</u>	<u>Cells</u>
2012 Annual Summary:	9D, 10D, 11E, 12E
Compliance Period Summary:	9E, F, G; 10E, F, G; 11H; 12H
33% RPS Progress Summary:	10D, E, F, G, H; 12D, E, F, G, H; 13C, D, E, F, G, H
Accounting:	18D, E, F, G, H; 21D, E, F, G, H; 26C, D, E, F, G, H; 32C, D, E, F, G, H; 42C, D, E; 43 C, D, E; 44C, D, E; 45C, D, E; 79C, D, E