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May 23, 2014

ADVICE LETTER 2607-E
(U902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: REQUEST FOR APPROVAL TO ESTABLISH A RENEWABLE PORTFOLIO
STANDARD COST MEMORANDUM ACCOUNT (RPSCMA) PURSUANT TO
DECISION (D.) 14-05-002**

San Diego Gas & Electric Company (SDG&E) hereby submits for approval to the California Public Utilities Commission (Commission) the following revisions to its electric tariffs, as shown on attachment A.

PURPOSE

In compliance with Decision (D.) 14-05-002 - Decision Granting for Modification of D.11-01-016 and Modifying D.06-10-040, to extend the time for recording costs for certain consulting work associated with the renewable portfolio standard program that was performed for the Commission pursuant to D.06-10-050, SDG&E hereby submits for approval this advice letter to establish a Renewable Portfolio Standard Cost Memorandum Account (RPSCMA).

DISCUSSION

On May 2, 2014, the Commission issued D.14-05-002 which adopted the Petition for Modification (PFM) of D.11-01-016 which was jointly filed by Pacific Gas & Electric, Southern California Edison and SDG&E (collectively the "IOUs") to extend the time allowed for payment of costs for authorized services performed and to record the payment in the RPSCMA.

The PFM was necessary because one invoice for authorized work performed was not presented to the IOUs prior to the December 31, 2013 date set by D.11-01-016 and as such, IOUs were not authorized to make payments for this work and thus this invoice could not be paid without modification of the prior decisions. In D.14-05-002, the Commission modified D.11-01-016 to allow the IOUs to record the costs, for authorized services that were performed in 2010 and 2011, into the RPSCMA until September 30, 2014.

Additionally, Ordering Paragraph (OP) 2 of D.14-05-002 authorizes SDG&E to establish a new RPSCMA. Previously, SDG&E established the RPSMA in accordance with D.06-10-050 and eliminated the account as authorized in D.11-10-029 OP 8. In order to not cause confusion, SDG&E's new account is established with a slightly different acronym and with a new tariff sheet in a manner that meets the requirements of D.14-05-002.

EFFECTIVE DATE

SDG&E believes that this filing is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B. SDG&E respectfully requests that this filing be approved on May 23, 2014, which is the date of this filing.

PROTEST

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than June 12, 2014, which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

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

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. **A copy of the protest should also be sent via both e-mail and facsimile** to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1879
E-mail: MCaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in R.11-05-005 and R.06-05-027, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1879 or by email to SDG&ETariffs@semprautilities.com.

CLAY FABER
Director – Regulatory Affairs

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Joff Morales

Phone #: (858) 650-4098

E-mail: jmorales@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2607-E

Subject of AL: Request for Approval to Establish a Renewable Portfolio Standard Cost Memorandum

Account (RPSCMA) Pursuant to Decision (D.) 14-05-002

Keywords (choose from CPUC listing): Tariffs, Memorandum Account

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.14-05-002

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: None

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 5/23/2014

No. of tariff sheets: 3

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: TOC, RPSCMA

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: None

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
EDTariffUnit@cpuc.ca.gov

San Diego Gas & Electric
Attention: Megan Caulson
8330 Century Park Ct, Room 32C
San Diego, CA 92123
mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

Y. Schmidt
W. Scott

Energy Division

P. Clanon
S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Harteloo

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell
C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

CCSE

S. Freedman
J. Porter

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham
E. Hull

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

Constellation New Energy

W. Chen

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo
M. Clark

Douglass & Liddell

D. Douglass
D. Liddell
G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell
M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg
J. Heather Patrick
J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard
R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

OnGrid Solar

Andy Black

Pacific Gas & Electric Co.

J. Clark
M. Huffman
S. Lawrie
E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

R. W. Beck, Inc.

C. Elder

School Project for Utility Rate
Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander

K. Cini

K. Gansecki

H. Romero

TransCanada

R. Hunter

D. White

TURN

M. Florio
M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing
Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties in

R.11-05-005

R.06-05-027

ATTACHMENT A
ADVICE LETTER 2607-E

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Original 24939-E	PRELIMINARY STATEMENT, III. MEMORANDUM ACCOUNTS, RENEWABLE PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT, Sheet 1	
Revised 24940-E	TABLE OF CONTENTS, Sheet 1	Revised 24866-E
Revised 24941-E	TABLE OF CONTENTS, Sheet 2	Revised 24352-E



PRELIMINARY STATEMENT

Sheet 1

III. MEMORANDUM ACCOUNTS

RENEWABLE PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT(RPSCMA)

1. Purpose

The purpose of the RPSCMA is to record costs associated with third party Renewables Portfolio Standard (RPS) technical contractor activities invoiced through the Commission. In Decision (D.) 06-10-050 the Commission authorized \$1.6 million with an annual cap of \$400,000, to be recorded in the RPSCMA until December 31, 2010. In D.11-01-016, the Commission modified D.06-10-050 to extend the time for recording the costs to December 31, 2011. In D.14-05-002, the Commission modified D.11-01-016 to allow the three Investor-Owned Utilities (IOUs) to record the costs, for authorized services that were performed in 2010 and 2011, into the RPSCMA until September 30, 2014.

In D.11-04-030, the Commission authorized an additional \$2.4 million, of which up to \$600,000 per year can be expensed over a four-year period beginning in the 2010-2011 fiscal year with the ability to carry forward unspent balances from one year to the next (including years beyond year four) and shall be paid by each utility, (PG&E, SCE and SDG&E) on a proportional basis in relationship to retail sales reported each year in the March 1, RPS Compliance Report (or other report each year as directed by the Executive Director). All such costs shall be recorded when paid, for later recovery via rates. SDG&E's RPSCMA was authorized by the Commission in D.14-05-002

2. Applicability

The RPSCMA does not have a rate component.

3. Accounting Procedure

The Utility shall maintain the RPSCMA by making entries at the end of each month as follows:

- a. A debit entry equal to the payments related to RPS technical contractor costs allocated to the Utility.
- b. A credit entry to transfer the balance to the Energy Resource Recovery Account (ERRA) after September 30, 2014 for rate recovery.
- c. Interest shall be calculated on the average of the balance at the beginning of the month and the balance after entries listed above at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

4. Account Disposition

The RPSCMA will be reviewed in SDG&E's annual ERRA proceeding, or other proceeding as authorized by the Commission.

N
N
N
N

N

1P8

Advice Ltr. No. 2607-E

Decision No. D.14-05-002

Issued by
Lee Schavrien
Senior Vice President
Regulatory Affairs

Date Filed May 23, 2014

Effective _____

Resolution No. _____



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The following sheets contain all the effective rates and rules affecting rates, service and information relating thereto, in effect on the date indicated herein.

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Regulatory Affairs

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