

Received from Tiff Nelson Via Email

As Lorenzo will attest, SDG&E has long been a supporter on Auction Revenue Rights (ARR) and advocated this position to CAISO at the time that the current CRR rules were being formulated. We feel it is the fairest way to allocate congestion hedges to the LSE's whose customers paid for the grid.

SDG&E is still a advocate of replacing the current CRR process with ARRs. Our only concern is how to make the transition from one to the other. Please let me know what assistance SDG&E can be in moving the transition to ARRs forward.