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Sent: Thursday, August 21, 2008 3:01 PM

To: CRR Comments

Subject: Comments on 2009 CRR Process - SDG&E

SĎG&E appreciates the opportunity to comment on the proposed process for allocation and auction of CRR for 2009. These comments are based on the ISO proposals presented during the stakeholder conference call on August 14.

SDG&E requests that the ISO consider more than a one week delay implementing the 2009 Annual Allocation and Auction schedule. There has not been sufficient time for SDG&E to analyze the impact of the recent release of the CRR FNM DB32. The stakeholder conference call to discuss the new model was just held last week on August 12 and this version of the model has changes which can impact SDG&E. From materials presented at the August 14 meeting, it appears that the ISO has approximately 6 weeks of slack time in it schedule assuming a February 1, 2009 launch date and start of the PNP process on September 3. While the ISO indicated that it could accommodate a 1 week delay in the schedule, starting the PNP process on September 10, the ISO should consider a 3 week delay in the process to September 24 and use the remaining 3 weeks of slack to accommodate the upcoming holidays.