

**COMMENTS OF SEMPRA ENERGY SOLUTIONS LLC
ON CRRs FOR RESOURCE ADEQUACY IMPORT ALLOCATION**

April 6, 2007

Sempra Energy Solutions LLC (SES) has previously offered comments to the CAISO during the course of this CRR stakeholder process (March 8, 2007), and in FERC Docket No. ER06-615-004 (February 9, 2007),¹ pointing out the fundamental inequities of a CRR allocation scheme that does not explicitly include a set-aside of CRRs for LSEs who have been allocated Resource Adequacy import capacity pursuant to the Resource Adequacy program developed by the California Public Utilities Commission. In the absence of such a set-aside for a CRR energy hedge, SES has argued, an LSE is unable to fully realize the benefit of an import energy contract that qualifies as a Resource Adequacy resource. This jurisdictional disconnect between state-designed Resource Adequacy program elements and federally-regulated grid operator CRR rules must be addressed.

¹ SES's comments can be found on the CAISO website at <http://www.caiso.com/1b9f/1b9fe74671410.pdf>.