



Michael R. Niggli
President & Chief Operating Officer

8330 Century Park Ct
San Diego • CA 92123-1530

Tel: 858.650.6175
Fax: 858.650.6106
MNiggli@SempraUtilities.com

September 21, 2011

To: WEIL Group Leaders

Please see the attached letter from the Western Governors' Association (WGA) that I recently received. This letter responds to the WEIL Group's correspondence of June 29, 2011.

The WGA agrees this is the right time to press for changes that will make permitting and construction of critical transmission lines more timely, efficient and effective. To that end, they have requested a meeting or conference call in the near future.

In speaking with WGA representatives, we have a tentative agreement that this subject should be the focus of a plenary session at the upcoming WGA Winter Session meeting in Palm Springs, to be hosted by Washington Governor Gregoire on December 6 and 7. We also are planning a conference call sometime in early October wherein interested WEIL Group members and WGA representatives can outline the most important issues that should be tackled.

I am pleased to see the positive response from WGA to our initiative. The timing is also good as we can further discuss this at our upcoming WEIL Group meeting in Portland on October 17. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads 'Michael R. Niggli'. The signature is written in a cursive style with a large, stylized 'M' and 'N'.

Michael R. Niggli

Attachment



WESTERN GOVERNORS' ASSOCIATION

Christine O. Gregoire
Governor of Washington
Chair

Gary R. Herbert
Governor of Utah
Vice Chairman

Pam O. Inmann
Executive Director

Headquarters:
1600 Broadway
Suite 1700
Denver, CO 80202

303-623-9378
Fax 303-534-7309

Washington, D.C. Office:
400 N. Capitol Street, N.W.
Suite 388
Washington, D.C. 20001

202-624-5402
Fax 202-624-7707

www.westgov.org

September 1, 2011

Western Electric Industry Leaders
c/o Michael R. Niggli
President & COO
SDG&E
8330 Century Park Court
San Diego, CA 92123

Dear Members of WEIL:

Thank you for your letter of June 29. WGA agrees with you that the difficulty of getting transmission projects permitted is a major problem for the West. Not only is transmission critical for the states to meet their clean energy goals, it has a major role in supporting the growing population of the West. WGA is willing to assist you in finding ways to improve the transmission planning and siting process in order to move critical new transmission projects from the planning phase to implementation.

While it is easy to describe the obstacles to a more efficient transmission planning and siting process, agreeing on a solution that would serve all stakeholders -- including those most immediately impacted by the location of transmission structures -- is more complicated. Federal processes do constitute a difficult hurdle for transmission developers. However, after numerous discussions with the upper management at federal agencies, we are convinced they are just as interested in making the permitting process work better as you are; and we would note that the Federal Energy Regulatory Commission (FERC) recently issued Order 1000 which expands upon the Order 890 planning process referenced in your June 29 letter. Given all of this, we believe the timing is right to implement policies and procedures that will reduce the time necessary to get transmission permitted and built.

We do want to hear your ideas as to what kinds of changes or actions would help all of us achieve the goal of more efficient permitting. Toward that end, I suggest a meeting between WEIL members, WGA Executive Committee governors' staff, and WGA staff to identify specific strategies WGA could pursue to more effectively work with federal agencies to bring about change. Please contact Rich Halvey of my staff to let him know whether you are available for a meeting in Denver either September 27 or 29.

Together we can find solutions that will enable the West to meet its clean energy, economic and environmental goals.

Sincerely,

Pam O. Inmann
Executive Director