SOUTHERN CALIFORNIA EDISON®
An EDISON INTERNATIONAL® Company

Exploring New Utility Regulatory Frameworks

Dr. Gary Stern
Director of Energy Policy
Southern California Edison

Denver, October 26, 2015

Southern California Edison (SCE) Overview

- One of the largest utilities in the U.S.
- Committed to providing safe, reliable, affordable, and clean electric service to nearly 14 million people in central, coastal and southern California
- Subsidiary of Edison International that also has unregulated subsidiaries
- Industry leader for over 125 years
- Creating a 21st century power network that can handle California's energy needs

Energy Policy Drivers in California

Assembly Bill 327 (AB 327)

- Distribution Resources Plan (DRP)
- Net Energy Metering Successor Tariff
- Residential Rates Reform

Senate Bill 350 (SB 350)

- 50% RPS by 2030
- 50% increase in building EE by 2030
- Integrated Resource Planning
- Transportation Electrification
- Governor's strong support

California's Energy Policy primarily driven by **decarbonization**

Technology-promoting policies

- Integrated Distributed Energy Resource (IDER) proceeding
- Energy Storage mandate
- Transportation Electrification (e.g. SCE's Charge Ready program)

Disadvantaged Communities

- Expand opportunities for low-income, environmental justice and other underserved segments to access clean energy resources

SCE's Distribution Resources Plan to Support the State's Energy and Environmental Policy Objectives

CPUC Requirements

Distribution Resources Plan (DRP) – filed on July 1, 2015

- Move utilities towards a more full integration of DERs into distribution system planning, operations, and investment
- Modernize the electric distribution system to accommodate two-way flows of energy and energy services
- Enable customer choice of new technologies and services that reduce emissions and improve reliability in a cost efficient manner
- Enable DERs to realize benefits through the provision of grid services

SCE Strategy

Invest in, build, and operate the next generation electric grid

- Expedite interconnection processing
- Increase situational awareness and enhance interaction with DERs
- Improve accuracy in forecasting and planning
- Increase capacity on the grid in certain locations

Identify optimal locations for the deployment of DERs

- Display integration capacity on public maps
- Identify areas for DERs to provide grid benefits