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December 1, 2023

California Energy Commission
Docket Office, MS-4
Re: Docket No. 23-IEPR-01
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.ca.gov

Re: Southern California Edison Company's Comments on the California Energy
Commission's Draft 2023 Integrated Energy Policy Report
Docket No. 23-IEPR-01

Dear Commissioners:

On Wednesday, November 8, 2023, the California Energy Commission (CEC) released the Draft 2023 Integrated Energy Policy Report (IEPR) addressing several key policy issues, including 1) accelerating the connection of clean energy resources to the grid, 2) updating the California Energy Demand Forecast to 2040, and 3) examining the potential growth of clean and renewable hydrogen. Southern California Edison (SCE) appreciates the opportunity to submit these comments on the Draft IEPR.

SCE is pleased to see that the data and modeling used in the analyses for the Draft IEPR incorporate climate change impacts across all demand forecasts. As we know, climate change impacts have broad implications across the state's electricity system, and in particular, projected temperature increases affect many aspects of electricity system planning, including all major components of demand forecasts (consumption, building electrification, transportation electrification, solar PV generation, etc.), generating resources' availability and performance, and grid planning and performance. SCE compliments the CEC staff for its effort to incorporate climate change goals into its demand and hourly load forecasts. SCE appreciates CEC staff's recognition of the importance of capturing the new types of load growth that the state is likely to experience in the next few decades (as SCE pointed out in the previous Commissioner workshop comments), and recommends that the CEC give reasonable consideration of potential impacts from accelerated data center load growth, policy-driven port electrification growth, and electricity demand from hydrogen production as part of its scenario forecast to facilitate the state's long-term grid planning efforts.

SCE especially appreciates that the Draft IEPR includes consideration of customer affordability in the face of the substantial demand increases that will occur as a result of grid expansion and electrification. SCE also identified affordability as a key policy issue in its *Countdown to 2045* whitepaper. However, while the Draft IEPR's recommendations for addressing affordability rely on finding alternative financing sources, SCE's whitepaper provides a different perspective. SCE contends that while customers may face increased electricity costs, the reduced demand for fossil fuel is likely to offset the increase in costs associated with using

more electricity from the grid, which is becoming cleaner.¹ For example, SCE anticipates that the average SCE household will experience a combined reduction of 40% in energy expenses by 2045 as customers move away from fossil fuels and toward electrification. SCE therefore recommends the CEC's 2024 IEPR Update attempt to evaluate the degree to which fuel switching will affect affordability.

Further, SCE would like to acknowledge that several of the Draft IEPR's findings and recommendations on "Accelerating Deployment and Grid Connection of Clean Energy Resources" closely align with the near-term needed actions identified in SCE's whitepaper for facilitating deployment of resources for transitioning to clean energy. These near-term actions include the following 1) system planning must be reimagined by state agencies and utilities for greater speed, efficiency, integration and flexibility, 2) emerging generation technology needs near-term investment to enable longer-term emission reductions, 3) process and regulatory reforms are necessary to accelerate transmission infrastructure development, and 4) distribution grid evolution is required for utilities to serve electrification load and fully utilize local energy resources.² As CEC staff begin the 2024 IEPR Update process, SCE would like to work more closely with CEC staff and consultants to better understand and support this area's development.

The remainder of SCE's comments specifically address the identified problems and associated recommendations for the "Accelerating Deployment and Grid Connection of Clean Energy Resources" section of the Executive Summary.

- **Problem 1 - Accelerated deployment is straining existing paradigms.**
 - SCE supports the proactive aspect of the recommendations for this problem.
- **Problem 2 - The growing number and size of projects applying to connect overwhelm existing processes and can lack adequate capacity**
 - SCE agrees that utilities will need to significantly increase their interconnection automation as most of the current processes are manual. The utilities will not be able to meet the capacity goals at the current level of technology/automation. Some solutions to assist with this effort could be continuing to enhance Load Integration Capacity Analyses (ICA) data, continuing to transition to advanced planning tools, using timeseries power flow analysis, and consolidating all planning processes, data, and technology into a single platform.
 - Regarding the recommendation to expand the use of third-party contractors, SCE would like to reiterate that it already uses such contractors.
 - Regarding the recommendation on strategies and technologies for more flexible service connections to the grid, SCE supports the concept. In fact, SCE recently asked the California Public Utilities Commission (CPUC) to approve a Load Constraint Management System (LCMS) pilot to allow customers to utilize Automated Load Management (ALM) software systems to allow load growth customers to interconnect in a capacity constraint area using a timeseries load

¹ Southern California Edison. *Countdown to 2045: Realizing California's Pathway to Net Zero*. September 2023. Available at [Countdown to 2045 | Edison International](#)

² Southern California Edison. *Countdown to 2045: Realizing California's Pathway to Net Zero*. September 2023. Available at [Countdown to 2045 | Edison International](#)

profile and monitoring system. This system will allow customers to interconnect load while waiting for additional capacity to become available. In the future, SCE plans to enhance its Advanced Distribution Management System (ADMS) and Distributed Energy Resource Management System (DERMS) to help with more automated load management in real time, as the current pilot is limited to data collected based on the previous day.

- **Problem 4 – Capacity and connection processes and timelines are not always transparent or consistently tracked**
 - Regarding the first recommendation to expand publicly available tools and datasets, SCE has proactively, and without directive from the CPUC, developed and published circuit and substation-level Load ICA and reserve load capacity to its Distribution Resource Plan External Portal (DRPEP) to assist developers in understanding available capacity to serve load with consideration for known load growth projects currently in process. This information is updated daily as any new load growth requests are received after the Grid Needs Assessment (GNA) yearly publication (note that the GNA does include load growth projects as part of the annual DSP planning cycle). This is above and beyond the compliance requirement to perform nodal Integration Capacity Analysis. As a longer-term solution, consistent with the Draft IEPR’s identified initiatives underway, and in response to a CPUC order, SCE is in the process of implementing forecasted load ICA, which will provide available load capacity at a more granular level. Forecasted load ICA will be published to SCE’s DRPEP in 2026. Further, SCE currently publishes planned capacity expansion and upgrade projects at the distribution and subtransmission levels in the annual Distribution Deferral Opportunity Report, including the planned operation date. These projects can also be viewed on DRPEP.
 - Regarding the second recommendation to broaden tracking and public reporting of timelines for new service connections, the provisions of AB 410 propose similar reporting, which would directly address this recommendation.

- **Problem 5 – Permitting is slow and the scale of deployment will need public engagement outside of formal permitting processes**
 - In *Countdown to 2045*,³ SCE identified four key areas to accelerate transmission buildout, including 1) advancing policies that reduce permitting review timelines, including time limits for CEQA reviews, 2) eliminating redundant efforts in the permitting phase, 3) minimizing agency handoffs and appointing a lead agency for permitting reviews, and 4) standardizing permitting at local levels.
 - Beyond that, SCE agrees with the recommendation to prioritize expansion of infrastructure capacity within existing rights-of-way (ROW) and aligning those ROW to transmission upgrades identified in studies such as the CAISO 20-Year Outlook. To that end, SCE supports exploring how the CEC’s transmission corridor designation authority aligns with and enables upgrades identified in long

³ Southern California Edison. *Countdown to 2045: Realizing California’s Pathway to Net Zero*. September 2023. Available at [Countdown to 2045 | Edison International](#)

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term resource and transmission planning (CPUC Integrated Resource Plan, CAISO Policy-Driven Study and CAISO 20-Year Outlook) and how additional designations can proactively be assigned.

- SCE acknowledges that grid enhancing technologies may have a role in increasing the throughput and capability of existing facilities and should be considered as solutions, but their merits and effectiveness need to be first evaluated and proven in planning studies such as the annual CAISO Transmission Planning Process (TPP).
- SCE supports exploring how to integrate early and frequent coordination with local and tribal governments, planning entities, and developers as part of infrastructure planning.
- Additional efforts to further streamline permitting and reduce timelines for project approvals (including with federal agency partners) should be undertaken, as without it, sufficient transmission will not be constructed in a timely manner,

SCE thanks the CEC for consideration of the above comments. Please do not hesitate to contact me at (626) 302-0905 or Dawn.Anaiscourt@sce.com or Jennifer.Pezda@sce.com with any questions or concerns you may have. We are available to discuss these matters further at your convenience.

Very truly yours,

/s/

Dawn Anaiscourt