

Manuel Alvarez Manager, Regulatory Policy and Affairs

December 17, 2013



California Energy Commission-Docket Office, MS-4 Re: Docket No. 13-IEP-1H 1516 Ninth Street Sacramento, CA 95814-5512 docket@energy.state.ca.us

To Whom It May Concern:

On December 3, 2013, the California Energy Commission (Energy Commission) released the *Distributed Generation Integration Cost Study: Analytical Framework* ("the Study"). The Study consists of an independent analysis of the cost impacts associated with increased installations of distributed generation in California. The Study, which was conducted by Navigant Consulting under the direction of the Energy Commission, assesses the findings of an earlier SCE research effort, which concluded that the transmission and distribution costs associated with integrating distributed energy resources in Southern California could be significantly impacted by where and how such resources are sited. SCE has been actively engaged throughout the development of Navigant's Study, and appreciates the opportunity to provide these written comments.

SCE supports the Energy Commission's and Navigant's efforts, and recognizes the importance of investing in the research, development, and demonstration of local energy resources (LER), also commonly referred to as Distributed Generation (DG). SCE believes that this Study will help to further awareness and understanding of the costs and implications of integrating LER/DG on the electrical system.

While SCE commends the Energy Commission's and Navigant's effort in analyzing the impacts of integrating LER/DG on the electrical grid, SCE also recognizes that additional efforts will be required to fully understand how to successfully integrate increasing levels of LER/DG, particularly given the potential for upstream transmission system-level impacts. To this end, SCE recommends that in future phases of this analysis, the Energy Commission consider various factors including "Transmission Impacts," which could significantly influence the identification of preferred areas.

Re: Southern California Edison Company's (SCE's) Comments on the California Energy Commission Docket No. 13-IEP-1H Distributed Generation Integration Cost Study

California Energy Commission Page 2 December 17, 2013

The continuing development and proliferation of LER/DG will require SCE to integrate increasing levels of these resources onto the electrical grid while maintaining its commitment to protecting the efficiency, reliability, and affordability of the electricity it delivers to its customers. SCE therefore recognizes the importance and need for further analysis to support LER/DG integration.

SCE looks forward to continuing to work with the Energy Commission and stakeholder groups to inform statewide policy and to ensure cost competitive, safe, reliable, and sustainable outcomes for planning the integration of LER/DG in the system.

In conclusion, SCE appreciates the Energy Commission's consideration of these comments and looks forward to its continuing collaboration with the Energy Commission. Please do not hesitate to contact me at (916) 441-2369 with any questions or concerns you may have. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/ Manuel Alvarez

Manuel Alvarez