

May 7, 2014

California Energy Commission
Docket Office, MS-4
Re: Docket No. 14-IEP-1B
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.ca.gov

California Energy Commission

DOCKETED

14-IEP-1B

TN 72998

MAY 07 2014

Re: Southern California Edison Company's Comments on the
California Energy Commission Docket No. 14-IEP-1B:
Lead Commission Workshop on Alternative Financing
Options for Advanced Technology Transportation Projects

Dear Commissioner Scott:

On April 23, 2014, the California Energy Commission (Energy Commission) held a Lead Commissioner Workshop on Alternative Financing Options for Advanced Technology Transportation Projects (the Workshop) as part of the 2014 Integrated Energy Policy Report Update (2014 IEPR Update) process. Southern California Edison (Edison) participated in the Workshop and appreciates the opportunity to provide these written comments.

The Workshop focused on exploring alternative financing strategies that state government agencies could employ to support the development and deployment of the advanced technology, low carbon vehicle, fueling and fuel production projects needed in California to reduce carbon and criteria emissions from the transportation sector. Edison supports the Energy Commission's exploration of innovative financing strategies for advanced technology transportation projects in support of the state's energy, transportation, and climate goals.

Edison believes that alternative financing strategies are essential to the state's realization of its energy policy goals, especially to support very large scale, low-carbon alternative fuel transportation projects, which have relatively low operating costs but high upfront costs that have historically posed a significant barrier to their adoption. Edison also recommends that taxpayer funded financing by the state should be dedicated to emerging technologies that have not yet been able to obtain financing from the private sector. Examples include projects with liability concerns, second use PEV battery projects, very large scale projects such as dual mode catenary electric trucks, or projects that leverage on-going government revenue streams.

Edison also believes that it is important to create criteria for determining how to allocate such financing. Edison encourages the state to require endeavors seeking financing to demonstrate,

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with analytical data and metrics, that the funding will be used to support technologies that have the potential to achieve the greatest reduction of pollutants and greenhouse gas emissions. Edison looks forward to participating in future IEPR transportation workshops to develop the metrics to inform such decisions.

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