

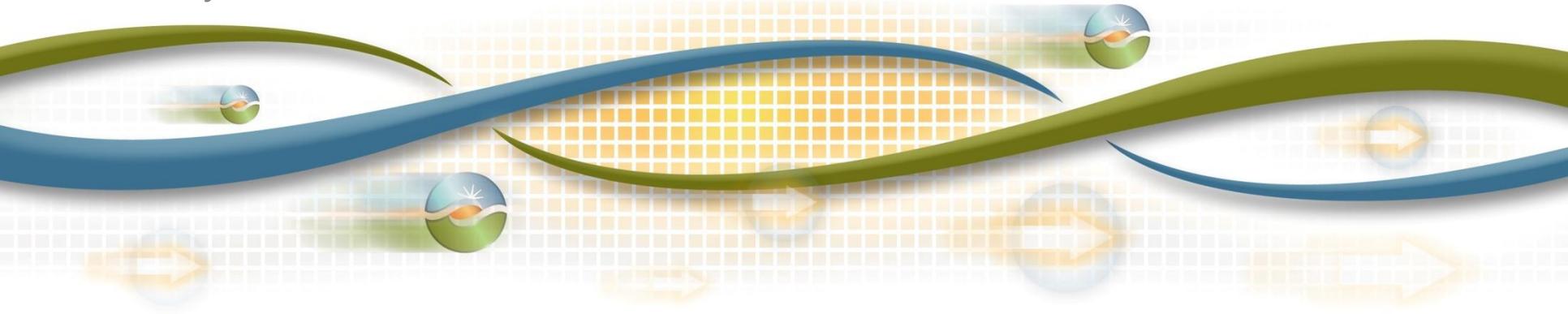
CEC/CPUC Joint Workshop

Electricity Infrastructure Issues Resulting from SONGS Closure

Task Force Status

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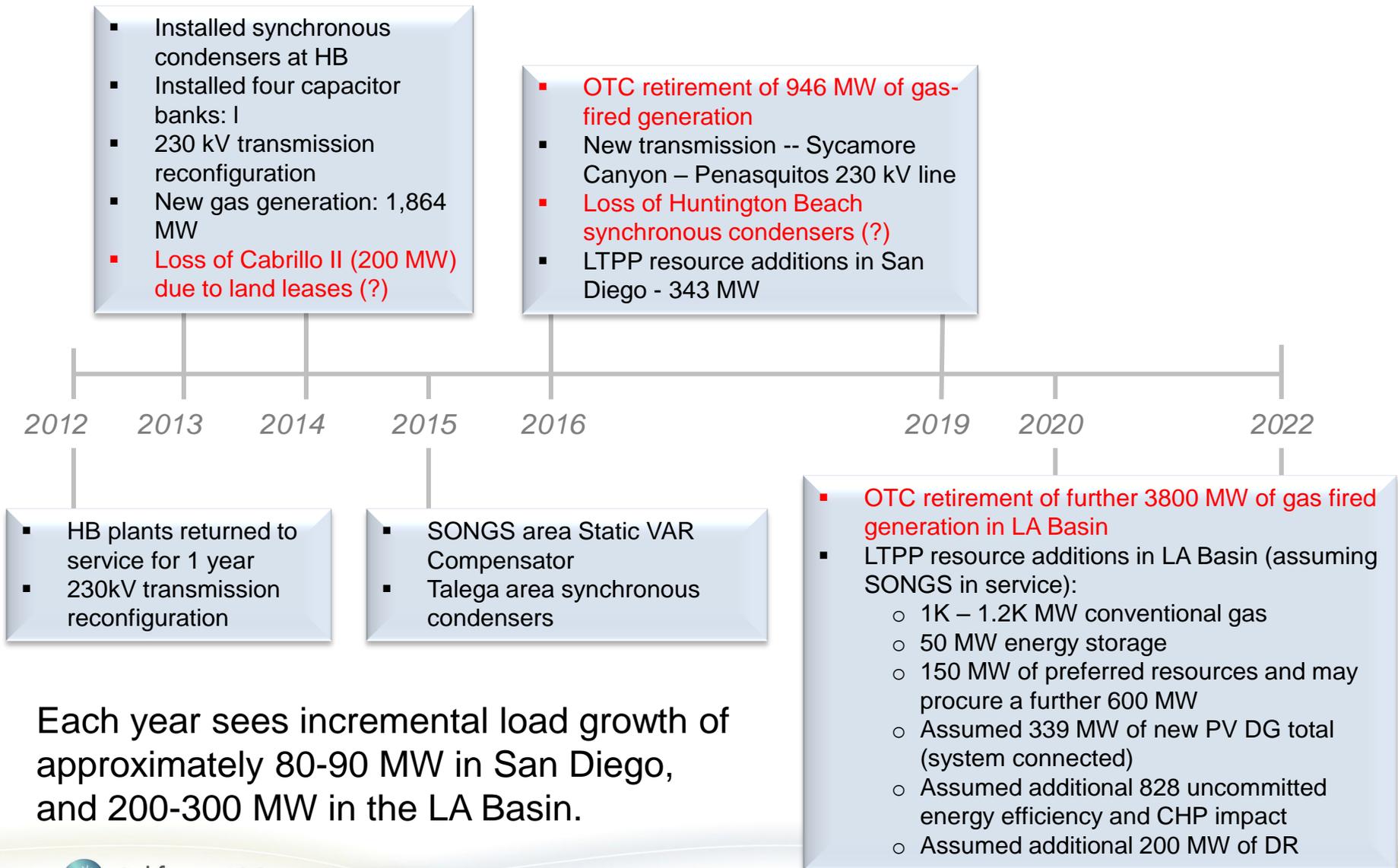
Scope of work and schedule:

- Identify issues and solutions for all time horizons
 - Ensure overall reliability in LA Basin and San Diego reliability, not just the loss of SONGS
 - Propose solutions consistent with the loading order, beginning with preferred resources, followed by transmission and then conventional generation
 - Identify challenges and mitigations in achieving the necessary solutions
 - Consider OTC compliance extensions as an option to provide enough time to implement long term solutions, or a contingency plan to obtain preferred resources
- Prepare for potential briefing to Governor in August

Areas for consideration in developing the report:

- Refine baseline expectations for preferred resources:
 - Energy efficiency and DR viable for existing load shapes
 - Distributed generation, impact on load shape, and expectations for peak shaving demand response
- Refine minimum gas generation requirements for LA Basin and San Diego. (based on reasonable assumptions of above alternatives.)
- Initiate transmission need and evaluation of options on major transmission reinforcement and reconfiguration as well as distribution upgrades to transfer loads.
- Review regulatory strategy and alignment to implement plan

Key resource changes already in progress:



Each year sees incremental load growth of approximately 80-90 MW in San Diego, and 200-300 MW in the LA Basin.

Deliverables from the Task Force

- Identify issues and solutions for near term and mid term
- For long term, propose a mix of mitigations for alternative action – no single solution
- Identify approximate amounts of different resources:
 - Preferred resources (reasonable optimistic forecast with off-ramps)
 - Transmission Alternatives (with likelihood of success)
 - Gas fired generation (meeting residual need)
- Identify processes by which:
 - Specific volumes would be selected
 - Procurement of resources would be initiated
 - Final selection and siting of transmission resources