

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON
COMPANY (U338E) for a Permit to
Construct Electrical Facilities with
Voltages between 50kV and 200 kV:
Valley-Ivyglen 115 kV Subtransmission
Line Project.

Application 07-01-031

And Related Matters.

Application 07-04-028
Application 09-09-022

**OFFICE OF RATEPAYER ADVOCATES’
REPLY COMMENTS ON PROPOSED DECISION**

In accordance with Rule 14.3(d) of the Rules of Practice and Procedure of the California Public Utilities Commission, the Office of Ratepayer Advocates (ORA) hereby submits its reply comments regarding the Proposed Decision (PD) of Administrative Law Judge Yacknin granting Southern California Edison Company’s (SCE) petition to modify its permit to construct the Valley-Ivyglen 115 kV Subtransmission Line Project, and denying SCE’s application for a Certificate of Public Convenience and Necessity (CPCN) to construct the Alberhill System Project (Alberhill).¹

SCE’s criticisms of the PD are without merit. The PD correctly denies a CPCN for Alberhill.

¹ ORA addresses primarily SCE’s opening comments on the PD. Silence on any issue should not be construed as support or agreement.

I. THE PD CORRECTLY CONCLUDES THAT ALBERHILL IS NOT NEEDED

A. The PD Correctly Concludes that SCE's Forecasts Have Overestimated Peak Demand

The PD concludes that “SCE’s forecasts have proven to overestimate local area peak demand on a regular basis” based on a comparison of recorded peak demand and projected 1-in-5 year heat storm peak demand for 2005-2016 that shows SCE’s projected demand exceeded recorded demand in each year.² SCE asserts that the appropriate comparison is between adjusted 1-in-5 year heat storm values to projected 1-in-5 year heat storm peak demand values.”³ This comparison shows that SCE’s projected demand exceeded adjusted demand in eight of the thirteen years depicted (2004-2016), and adjusted values exceeded projected values in five of the thirteen years. Thus, SCE’s preferred comparison also supports the PD’s conclusion that SCE’s forecasts have, more often than not, overestimated peak demand.

B. The PD Correctly Considers the CAISO's Forecasts in Determining that Alberhill Is Not Needed

Contrary to SCE’s assertions, the California Independent System Operator’s (CAISO) forecasts are relevant and are appropriately considered by the PD in evaluating project need. The PD notes that, notwithstanding SCE’s position that the CAISO’s and SCE’s forecasts are not directly comparable, the CAISO “predicts declining electric demand at the Valley South system.”⁴ SCE acknowledges that its own forecasts “predict decreasing rates of load growth,”⁵ but nevertheless asserts that Alberhill is needed because the rate of growth is “still positive.”⁶ SCE’s assertion does not support a finding that Alberhill is needed.

² PD (Rev. 1) at p. 29; Final Environmental Impact Report (FEIR), Table 1-1.

³ SCE Comments at pp. 6-7; FEIR Table 1-2.

⁴ PD (Rev. 1) at pp. 29-30.

⁵ SCE Comments at pp. 9-10.

⁶ SCE Comments at p. 10.

SCE predicts load growth of 0.89 percent per year from 2017 to 2026,⁷ which, according to SCE, “will result in 1123 MVA of demand in the year 2021, exceeding the 1119 MVA capacity of the Valley South transformers.”⁸ However, SCE’s projected demand value does not include the offsetting effects of “behind the meter generation” because SCE does not account for such resources in its planning activities.⁹ In both its 2015-2016 and 2016-2017 Transmission Plans, the CAISO canceled numerous transmission projects that it deemed as no longer needed based on assessments of reliability, deliverability and local capacity requirements.¹⁰ Similarly, in a 2016 report, the California Energy Commission addressed the potential for avoided transmission and the benefits of avoided costs resulting from deployment of distributed energy resources.¹¹ Absent such considerations, SCE’s load forecast overstates the projected electrical demand for the Alberhill System Project.¹²

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⁷ PD (Rev. 1) at p. 37, FOF 21.

⁸ SCE Comments at p. 10.

⁹ See ORA Opening Brief at p. 4.

¹⁰ See ORA Opening Brief at pp. 2-3.

¹¹ See ORA Opening Brief at p. 3. See also Decision 16-12-064, *Decision Granting Certificate of Public Convenience and Necessity to San Diego Gas & Electric Company to Improve Reliability in Its South Orange County Territory*, issued Dec. 21, 2016 at p. 7: “It is accepted practice to utilize load forecasts prepared by the California Energy Commission as the basis of demand analysis.”

¹² See FRONTLINES Opening Brief at p. 24: “These energy resources ... actually serve to *reduce* peak demand and ... when they are properly factored in, they render CAISO’s forecast and SCE’s forecast similar.”

II. CONCLUSION

The PD properly concludes that Alberhill is not needed.

Respectfully submitted,

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