Southern California Edison A.09-09-022 – Alberhill PTC & CPCN

DATA REQUEST SET CPUC-Supplemental Data Request-007

To: CPUC Prepared by: Paul Mccabe Job Title: Senior Advisor Received Date: 10/13/2020

Response Date: 10/30/2020

Question DG-MISC-60:

Why didn't SCE apply the reliability and resiliency values to their 2020 GNA/DDOR filing (Valley/Alberhill need/planned investment) that were used in the cost-effectiveness analysis submitted to the Alberhill proceeding (A.09-09-022), e.g., Flex 1 and Flex 2 values?

Response to Question DG-MISC-60:

Please see SCE's response to Question DG-MISC-61 of this data request set.

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Question DG-MISC-61:

Why couldn't Flex 1, Flex 2, and/or similar SCE value assumptions be used to separate the scope and costs associated with the respective capacity, reliability, and resiliency needs to define discreet DER operating requirements and LNBAs as required by Reform 12 in the May 11, 2020 DRP Ruling?

Reform 12: "The IOUs shall present all grid needs separately for the purpose of identifying planned investment and candidate deferral projects and applying the prioritization metrics to determine which projects to include in the DIDF RFO. For comparative purposes, the IOUs may also present prioritization results from combining grid needs for a deferral opportunity accompanied by an explanation of why the IOU believes the grid needs must be combined into a single deferral opportunity."

Response to Question DG-MISC-61:

Separation of capacity and reliability/resiliency costs for any project requires identification of specific project scope elements applicable to each need. Because the Alberhill System Project (ASP) was developed as an integrated solution (i.e., each of the scope elements serves overlapping functions with the other scope elements) to meet all of the project needs, it is not possible to separate scope elements and assign their purpose to a specific need. As SCE explained in SCE's 2020 GNA and DDOR, filed August 17, 2020, and as discussed during the subsequent September 15th Distribution Planning Advisory Group (DPAG), DERs cannot meet the reliability/resiliency need of the Valley South System provided by the subtransmission system tie-lines scope element of the proposed Alberhill System Project. Separately evaluating any one component of the Alberhill System Project will not defer the Alberhill System Project, and therefore no single component has a deferral value.

The Flex-1, Flex-2, and other benefits addressed in the supplemental data response in the Alberhill System Project licensing proceeding (A.09-09-022) were developed specifically to determine the relative effectiveness of alternatives in meeting project needs. The benefits were assigned a dollar value for the purpose of completing the cost/benefit analysis that SCE was required to perform in the Alberhill System Project proceeding. These metrics were not developed for the purpose of deferral analysis. The metrics have no relation to project scope elements or project costs.

Accordingly, it would be inappropriate to use these metrics in the DIDF proceeding for the purpose of separating Alberhill System Project costs associated with capacity and reliability/resiliency needs.