California Public Utilities Commission 505 Van Ness Ave., San Francisco



FOR IMMEDIATE RELEASE Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PRESS RELEASE Docket #: A.16-11-002

CPUC REAFFIRMS COMMITMENT TO INNOVATION AND CLEAN ENERGY TRANSFORMATION WITH APPROVAL OF EDISON'S PREFERRED RESOURCES PILOT

SAN FRANCISCO, July 12, 2018 - The California Public Utilities Commission (CPUC) today reaffirmed its commitment to transforming the state's energy future by authorizing Southern California Edison (SCE) to recover in customer rates the cost of contracts for innovative clean energy resources to offset the need for new natural gas generation.

The CPUC approved SCE cost recovery for 19 contracts totaling 125 megawatts of preferred resources, including distributed energy resources, such as energy storage.

SCE first began its Preferred Resources Pilot Request for Offers following the unexpected retirement of the San Onofre Nuclear Generating Station and anticipated closure of Once Thru Cooled plants, which represented 7,000 megawatts of generation critical to system and local reliability. Today's decision is the second made under the Preferred Resources Pilot.

Today's decision finds that distributed energy resources can be used to offset localized load growth, and that SCE's Preferred Resources Pilot will help determine to what extent an integrated portfolio of preferred resources deployed at a high concentration can operate just as reliably as a traditional gas-fired power plant and meet future customer needs in a clean manner.

"SCE's actions in executing these contracts drives market transformation and innovation and our decision today sends important signals to the investment community that California's support for a clean energy transformation is unwavering," said CPUC President Michael Picker, the author of the decision. "The cost of the contracts is justified by the magnitude of their collective expected



contribution to local system reliability, existing CPUC programs, and larger state policy goals, such as grid modernization, distributed energy resources penetration, and greenhouse gas reductions."

The proposal voted on is available at:

http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M217/K835/217835818.PDF.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

###

