California Public Utilities Commission

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News Release

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PUC APPROVES ANTELOPE-PARDEE TRANSMISSION PROJECT TO ENSURE ACCESS TO WIND POWER

SAN FRANCISCO, March 1, 2007 -- The California Public Utilities Commission (PUC) today approved construction of Southern California Edison's Antelope-Pardee Transmission Project in the wind-rich Tehachapi region, a vital step in California's efforts to construct transmission to reach remote, high-potential, renewable resource areas.

Today's decision approves the first segment of the Tehachapi Renewable Transmission Project, vital to ensuring that California has adequate transmission capacity to achieve the state's ambitious renewable energy targets. The Commission previously determined there was a need to construct transmission lines to the Tehachapi region to facilitate the Renewables Portfolio Standard (RPS) goal to have the state's Investor Owned Utilities obtain 20 percent of their power from renewable sources by 2010.

"Our action today represents an absolutely critical step in alleviating the transmission constraints that have limited our ability thus far to take advantage of the substantial wind resource in the Tehachapi region," said PUC President Michael R. Peevey. "If fully developed, the Tehachapi region would represent approximately 4 percent of Investor Owned Utility electricity sales or roughly one-fifth of their overall RPS renewable energy goal."

"Building transmission infrastructure to reach remotely located renewable resources is one of the greatest challenges our RPS program faces," said PUC Commissioner Grueneich. "Today's decision is a crucial first step in the process of rebuilding our transmission infrastructure to accommodate renewables and contribute to a low carbon, green California."

The Antelope-Pardee Transmission Project includes the construction of a new 25.6-mile, 500 kilovolt (kV) transmission line to connect Edison's existing Antelope Substation, located in Lancaster, with Edison's existing Pardee Substation, located in Santa Clarita. Initially, the transmission line will be energized at 220 kV. The project also includes an expansion of the

Antelope substation and the relocation of several existing 66 kV transmission lines in the vicinity of the Antelope substation. The project is expected to be in-service early 2009.

Projects representing over 4,000 megawatts of wind capacity in the Tehachapi region are already in the California Independent System Operator (ISO) interconnection queue. Many of these projects have already entered into contracts with Edison for purposes of their RPS goals. For these renewable projects to contribute to Edison's obligations under the RPS, they will have to produce and deliver energy, something that cannot be done without these transmission facilities, the Commission determined.

The Commission set $92.5 million as a cost cap for project.

In a separate application (A.04-12-008), Edison is seeking approval of the Antelope-Vincent 500 kV (Segment 2) and Antelope-Tehachapi 500 kV and 220 kV (Segment 3) Transmission Projects. The Commission made a preliminary finding of need for these three projects in D.04-06-010 and anticipates issuing a decision in A.04-12-008 on Segments 2 and 3 in the near future.

The proposal is at http://www.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/65047.htm.

For more information on the PUC, please visit www.cpuc.ca.gov.

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