



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

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Order Instituting Rulemaking on the
Commission's Own Motion to consider
renewal of the Electric Program Investment
Charge Program.

Rulemaking 19-10-005

OPENING COMMENTS OF SOUTHERN CALIFORNIA EDISON COMPANY
(U 338-E) ON PROPOSED DECISION ADOPTING ELECTRIC INVESTMENT
CHARGE STRATEGIC OBJECTIVES

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SUBJECT INDEX OF RECOMMENDED CHANGES

Pursuant to Rule 14.3(b) of the California Public Utilities Commission’s (“CPUC” or “Commission”) Rules of Practice and Procedure, Southern California Edison Company (“SCE”) provides the following Subject Index of Recommended Changes to the Proposed Decision (“PD”) Adopting Electric Program Investment Charge Strategic Objectives, as issued on January 23, 2026.

- Modify the PD’s language for treating intellectual property (“IP”) flowdowns to clarify that Investor-Owned Utility (“IOU”) Administrators are authorized to use the California Energy Commission’s (“CEC’s”) approach upon the effective date of this decision.
- Modify the PD to reflect that a waiver of Electric Program Investment Charge (“EPIC”) IP requirements can apply when the existing IP is simply being enhanced or altered by the EPIC work.
- Modify the PD to confirm that a waiver of State march-in rights can apply when the EPIC counterparty is a federal governmental entity, or modify the PD to provide a reasonable alternative solution.
- Modify the PD to confirm that a waiver for direct licensing of IP can apply when the EPIC counterparty is a governmental entity, or modify the PD to provide a reasonable alternative solution.
- Modify the PD’s Strategic Objective 8 to delete sub-part (c), in order to safeguard against significant physical and cyber security risks.
- Modify sections 4, 5, and 16.1 of the PD to incorporate SCE’s positions as found in the record of this proceeding; the PD erroneously omits SCE’s positions in several of the “Positions of Parties” and “Discussion” sub-sections.
- Modify the PD to provide EPIC Administrators with specific budget information, including budget allocation tables.

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STRATEGIC OBJECTIVES**

I.

INTRODUCTION

Pursuant to Rule 14.3 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Southern California Edison Company (“SCE”) respectfully submits these comments on the Proposed Decision Adopting Electric Program Investment Charge Strategic Objectives, as issued on January 23, 2026 (“PD”). SCE remains firmly supportive of the continuation of the Electric Program Investment Charge (“EPIC”) program and its essential role in fostering innovation that benefits SCE’s customers and California’s policy goals. SCE appreciates that the PD confirms the critical role of the investor-owned utilities (“IOUs”)¹ as EPIC Administrators.

SCE supports the PD’s acknowledgment of Intellectual Property (“IP”) flowdown considerations and concurs with the Commission’s approach for cases involving pre-existing IP. However, the PD errs in failing to address the need for a waiver of EPIC IP flowdown restrictions in cases where pre-existing IP is simply being enhanced or altered by EPIC work.

¹ In these comments, the term “IOUs” refers to SCE, Pacific Gas and Electric Company (“PG&E”) and San Diego Gas & Electric Company (“SDG&E”).

The PD also errs in its treatment of a waiver of State march-in and direct licensing burdens when the IOU is attempting to contract with a federal or national laboratory or governmental entity. The PD appears to agree that there is a valid concern, but then summarily dismisses SCE's proposed solution without offering one of its own. Absent the Commission more fulsomely addressing this issue, the IP restrictions will continue to prevent key research partners from contracting to participate in EPIC projects with SCE. Failure to resolve this issue will hinder attracting innovative counterparties and limit the program's ability to deliver benefits to customers and communities.

SCE also requests that sub-part (c) of Strategic Objective 8 be removed, in order to safeguard against significant physical and cyber security threats. SCE supports the objective of sharing more information about the grid where appropriate. But due consideration must be given to the attendant and serious physical and cyber security risks and the need to continue to protect sensitive information.

SCE requests the PD be modified to correct its omission of SCE's positions in sections 4, 5, and 16.1. Portions of these sections do not even mention that SCE took an on-the-record position.

Lastly, SCE requests that the PD be modified to provide EPIC Administrators with specific budget information.

II.

DISCUSSION

A. SCE Supports the PD's Treatment of Flowdowns When There Is Pre-Existing Intellectual Property

Citing SCE's comments, the PD defines the issue as follows:

Where there is partner-owned and developed IP and the potential EPIC project involves incremental work, such as an improvement or repair to a commercial vendor-owned and developed product,

SCE requests that the Commission clarify that the EPIC IP flow downs do not apply to the partner's existing IP, "including any enhancements via EPIC funds."²

To solve for this issue, the PD makes the following finding: "The CEC's approach, allowing all recipients to declare pre-existing IP prior to the start of an EPIC-funded project, appears sufficient *Going forward*, IOU Administrators should follow the CEC's approach when faced with this circumstance."³

SCE supports this solution and asks that the language of the final decision clarify that the use of the terminology "going forward" means that the solution can begin to be applied immediately once the final decision takes effect. In other words, SCE respectfully requests that the following sentence be added to this part of the PD: "IOU Administrators are authorized to use the CEC's approach upon the effective date of this decision."

1. The PD Does Not Substantively Address Whether a Waiver Can Attach If EPIC Funds Are Only Used To Enhance Existing IP.

The PD would allow EPIC project participants to declare pre-existing IP. However, it does not speak to whether a waiver can apply when pre-existing IP *is enhanced or altered by the EPIC work*. Stated another way, SCE's filings asked the CPUC to clarify that when pre-existing IP is enhanced or altered through an EPIC demonstration project, a waiver of license and march-in rights can be appropriate for the enhanced product.

For example, SCE's opening briefing stated as follows: "Specifically, SCE would like the Commission to clarify that . . . the EPIC IP requirements do not apply to the partner's existing IP, including any IP that has been enhanced through EPIC funds."⁴ (emphasis in original)

As reflected in the record, potential EPIC partners have indicated to SCE that where they have existing IP, and the EPIC project may only result in an enhancement to that IP, onerous IP

² PD at 26.

³ PD at 27 (emphasis added).

⁴ SCE's Opening Brief in Response to Administrative Law Judge's Ordering Briefing on Intellectual Property Issues, at 6.

terms related to that incremental enhancement may encumber their broader IP rights. As such, they have been reticent to partner with SCE for fear that their broader pre-existing IP will be burdened by the engagement.⁵ SCE respectfully submits that a clarification on the inapplicability of the EPIC IP requirements in such instances would increase the number of potential EPIC partners with whom SCE could engage.

The PD states that for certain examples that SCE provided, SCE’s “potential partners were concerned about existing IP, not enhancements to their pre-existing IP.”⁶ While SCE did not provide a specific example of enhanced IP, the substantive concern and argument that SCE *did* provide still stand. The absence of an example does not delete the request and (and the justification for that request) that SCE brought before the Commission.

In addition, straightforward logic suggests that since IOUs are engaged in early commercial technology demonstrations, it would be reasonable to expect that virtually every vendor has existing IP. Given that, projects that augment IP (rather than create IP out of whole cloth) are highly likely. For applied R&D (which is *not* an IOU EPIC area), initial IP would likely be developed. But for Technology Demonstration and Development (“TD&D”), which *is* an IOU area, IP enhancements are highly probable in light of the fact that technology is very likely early stage.⁷ Thus, the CEC approach does not solve for the issues SCE faces when the EPIC project aims to enhance existing IP.

The PD should be modified to reflect that a waiver of EPIC IP requirements can apply when the existing IP is simply being enhanced or altered by the EPIC work. This will allow a party to contract with SCE for the benefit of customers and communities, secure in the knowledge that the party’s pre-existing and broader rights to its IP will not be burdened or deleted by agreeing to the project.

⁵ See SCE’s Opening Brief in Response to Administrative Law Judge’s Ordering Briefing on Intellectual Property Issues, at 7.

⁶ PD at 27.

⁷ There can also be projects where market facilitation is implicated. This is not an IOU EPIC area. And in any event, there are likely no IP concerns in market facilitation cases.

B. The PD Acknowledges the Problem of Competing Rights if the IOU Administrators Are Attempting to Contract with a Federal Governmental Entity; the PD States that a Solution Could Be Worth Pursuing, But Then Errs in Summarily Dismissing SCE’s Proposed Solution Without Providing Any Alternative Solution.

In detailed briefing, SCE brought to the Commission’s attention the issue of competing and conflicting march-in rights when an IOU Administrator seeks to contract with a federal governmental entity (such as a national laboratory).⁸ The issue is a stark one: how can the contract reflect march-in rights for the State when federal authority simultaneously commands march-in rights for the federal government?

The PD notes that the California Energy Commission (“CEC”) has established a solution:

The CEC states that it has addressed these challenges posed by the conflict of completing [sic.] march-in claims while working with federal government and related entities on EPIC-funded projects by developing specific terms and conditions unique to U.S. Department of Energy (DOE) recipients. These terms recognize the unique status of these recipients as governmental-related entities. The CEC also waives march-in rights for U.S. DOE recipients that otherwise would be within CEC’s standard terms and conditions.⁹

The PD acknowledges the problem and touches on the need for a solution. The PD states:

The Commission agrees with the CEC’s statement that IP rules for EPIC must balance the desire to recoup investments from successful deployment of EPIC-funded IP with the ability of EPIC-funded entities to further commercialize their technologies. Moreover, EPIC-funded projects with the national laboratories may represent an opportunity worth pursuing.¹⁰

⁸ See, e.g., SCE Opening Brief in Response to Administrative Law Judge’s Ruling Ordering Briefing on Intellectual Property Issues, Section A.1. “Exception for Governmental Partners” at 4-6 and Section B examples 2, 3, and 4, which explain examples of contracts and projects that could not be initiated or pursued with governmental-related entities, filed November 1, 2024.

⁹ PD at 22. The PD may contain a typographical error. It uses the word "completing" when it appears to have meant “competing.”

¹⁰ PD at 22.

However, the PD then summarily dismisses SCE's proposed solution of a waiver when the counterparty is a federal governmental entity. The PD offers no solution of its own. This is error. The PD should be modified to either confirm that a waiver should apply, per the detailed submissions that SCE placed in the record; or the PD should at least offer some other reasonable solution, such as an efficient and expedient process for applying for a specific waiver in connection with a specific contract. While the PD states that this proceeding will be closed when a final decision is issued, the Commission's final decision could direct a limited set of written submissions and/or workshops, leading to a suitable process to apply for and receive guidance on a specific waiver within a commercially reasonable timeframe. The proceeding could even be kept open for a discrete timeframe for this limited purpose.

C. The PD Commits Similar Error When Addressing Direct Licensing of Intellectual Property

The PD similarly errs in the context of direct licensing of intellectual property. The Commission requires that EPIC IOU Administrators ensure that both they and the State of California (with administration by the Commission) hold a direct license to the intellectual property to use for governmental purposes, with appropriate protections against public disclosure of proprietary information, data, and intellectual property.¹¹

SCE has attempted to work with national laboratories and other potential governmental-related partners, but these entities have standard terms and conditions or form agreements that will not permit California to have direct IP licenses.¹² This has prevented SCE from moving forward with EPIC projects. Providing an exception for governmental-related partners (such as universities and national laboratories) will let SCE engage in EPIC contracts with these entities, at significant benefit to California ratepayers as a whole.¹³

¹¹ See PD at 23.

¹² See PD at 23.

¹³ See PD at 23.

Again, the PD acknowledges the problem and suggests a solution may be warranted. The PD states as follows:

The Commission agrees with the CEC’s statement that IP rules for EPIC must balance the desire to recoup investments from successful deployment of EPIC-funded IP with the ability of EPIC-funded entities to further commercialize their technologies. EPIC-funded projects with the national laboratories may represent an opportunity worth pursuing.¹⁴

But, again, the PD goes on to summarily dismiss SCE’s proposed solution of a waiver, without offering any solution of its own. In doing so, the PD commits error. The PD should be modified to confirm that a waiver should apply, per the detailed submissions that SCE placed in the record.¹⁵ Or the PD should at a minimum offer some other reasonable solution, such as an efficient and expedient process for applying for a specific waiver in connection with a specific contract. The Commission’s final decision could direct a limited set of written submissions and/or workshops, leading to a suitable process to apply for and receive guidance on a specific waiver within a commercially reasonable timeframe. The proceeding could be kept open for a discrete timeframe for this limited purpose.

D. Sub-part (c) of Strategic Objective 8 Creates Significant Incremental Security Risks by Seeking to Allow Open Access to Grid Equipment Condition and Capability

Strategic Objective 8 in the PD seeks to direct that SCE (and other IOUs) grant open access to data concerning grid equipment conditions and capabilities. But the PD fails to substantively address the increased risks to physical and cyber security that would occur if confidential and sensitive information on grid equipment and capabilities were open to virtually anyone. SCE supports the objective of sharing more information about the grid where appropriate. But due consideration must be given to the attendant and serious physical and cyber

¹⁴ PD at 24 (internal citations omitted).

¹⁵ See, e.g., SCE Opening Brief in Response to Administrative Law Judge’s Ruling Ordering Briefing on Intellectual Property Issues, Section A.1. “Exception for Governmental Partners” at 4-6 and Section A.2. “Clarifications For All Potential EPIC Partners” at 6-7, filed November 1, 2024.

security risks and the need to continue to protect sensitive information. Sub-part (c) represents a significant, concerning incremental “jump” in these risks.

A noted below in Section E.1., SCE supported PG&E and SDG&E in their opposition to sub-part (c) of Objective 8.¹⁶ SCE is acutely aware of the risks and attacks that SCE faces every day by external parties seeking to disrupt service to SCE’s customers.¹⁷ As written, sub-part (c) would promote EPIC-funded projects “to measurably improve...c) open-access on grid equipment condition and capability.”¹⁸ This language would essentially promote access to anyone, including actors who would seek to destabilize the grid or identify the weakest parts of the grid. This is in direct conflict with EPIC directives because EPIC’s “mandatory guiding principle is to provide ratepayer benefits.”¹⁹ It does not benefit ratepayers in any way to expose them to the attendant risks of confidential cyber or physical security information being made available to anyone who is interested, whether a “bad” actor or a “good” actor. As a result of the physical and cyber vulnerabilities that sub-part (c) will expose customers and communities to, sub-part (c) is incompatible with EPIC’s mandatory guiding principle.

The following sub-sections contain several passages from the PD and explain why the Commission should change or remove the language of each in the final decision.

¹⁶ SCE Reply Comments, filed April 4, 2025, at 5.

¹⁷ This has been an important topic in all of SCE’s recent General Rate Cases (“GRCs”). For example, in SCE’s most recent rate case (Test Year 2025 GRC), it was undisputed in the record that in 2021 there were approximately 383.9 million intrusion attempts for SCE’s perimeter cyber defense alone. That number grew to almost double (515.5 million attempts) by year end of 2022. *See* A.23-05-010, Ex. SCE-04, Vol. 3, pp. 29-30. SCE offers this information simply as an illustrative example of a markedly evident real-world problem.

¹⁸ PD at 60.

¹⁹ D.21-11-028, Appendix A, at A1. The guidance also appears to conflict with other sources of authority, such as protection of Critical Energy Infrastructure.

1. The PD Errs in Asserting Cyber Security is Not a Concern Simply Because it is Included in the EPIC Goals

The PD incorrectly concludes that the revisions proposed by the IOUs do not need to be adopted “because cybersecurity already has been designated as a cross-cutting principle of EPIC Goals and this Strategic Objective already seeks to improve rather than degrade cyber and physical security.”²⁰ The PD’s notation that cyber security is a cross-cutting goal does not address the IOUs concerns about physical and cyber risks. This is a critical error.

To be clear, SCE is not suggesting that the Commission add some reference to cyber security to Strategic Objective 8. That will not solve the problem. Instead, SCE (joined by the other IOUs) is saying that the very adoption of sub-part (c) markedly increases physical and cyber security risks. Consequently, SCE proposes that sub-part (c) be removed. Recognizing that cyber security is a cross-cutting principle is irrelevant to the security concerns, and it is error to rely on the “cross-cutting” nature of cyber security to summarily dismiss the IOUs’ proposal to remove sub-part (c).

Moreover, the PD states in conclusory fashion that Strategic Objective 8 “seeks to improve rather than degrade cyber and physical security.”²¹ The PD does not cite to any evidence or authority for this statement. It is the IOUs that are directly responsible for preserving physical and cyber security of the system in order to safely and reliably serve customers and communities. Whatever the subjective intent might be of the referenced part of Strategic Objective 8, the fact remains that sub-part (c) compromises rather than fosters security.

²⁰ PD at 64.

²¹ PD at 64.

2. The PD Errs in Asserting (Without Evidence or Support) that Tools Related to Strategic Objective 8 Will Not Introduce Increased Risks

The PD errs in stating the following: “we clarify that tools related to this Strategic Objective will not necessarily introduce increased physical risk or cybersecurity vulnerabilities to the energy system.”²² SCE does not understand how the PD can make this promise without knowledge of the actual tools that will be included in a project or what data a project sponsor will request. The PD itself may recognize this error to a degree, because the PD states that tools “will not *necessarily* introduce increase physical risk or cybersecurity vulnerabilities.” This means that tools admittedly *may* introduce such risks.

Projects that SCE undertakes (EPIC or otherwise) are rigorously evaluated with the company’s cyber team to determine how best to safeguard our system and the customers we serve. For example, rapid changes in technology or capabilities can lead to the existence of vulnerabilities that did not exist a short while earlier. This is an iterative process, and changes can occur as a project progresses. It is erroneously premature to make assertions as to whether a future project’s (as yet unstated) tools may or may not increase physical risk or cyber security vulnerabilities before even seeing a project proposal, much less reviewing the actual project details.

3. The PD Errs in Asserting that the Raising of Open-Source Data as an Important Need in the Technical Working Groups Somehow Addresses the Risk of Physical and Cyber Threats.

As part of its justification to not adopt the proposal to remove sub-part (c), the PD states, “Finally, the need for open-source data was repeatedly raised as an important need for this topic in the Technical Working Groups.”²³ SCE does not dispute the PD’s assertion that this was

²² PD at 64.

²³ PD at 64.

raised in the Technical Working Groups. But the PD does not address who expressed interest in open-access data, and what qualifies them to understand how the request could affect physical and cyber security or breach vulnerabilities. Merely stating that there is some degree of (non-utility) interest in open-access data does not in any way address the crucial security and vulnerability concerns that the IOUs previously raised.

4. The PD Errs Because Physical Risk or Cyber Security Vulnerabilities Are Ongoing, Can Change, and Must Not Be Judged With Finality at a Single Point in Time

The PD errs in stating the following: “In response to PG&E and SDG&E’s concerns on the open-access provision, the Commission clarifies that EPIC-funded projects addressing this Strategic Objective demonstrate *at the outset* that the granularity of related open-access data will not increase physical risk or cybersecurity vulnerabilities to the energy system.”²⁴ This language does not address the IOUs’ concerns. As noted in Section D.2. above, rapid changes in technology or capabilities can lead to the existence of vulnerabilities that did not exist a short while earlier. A project that appears safe at first can quickly, and sometimes without warning, have significant security risk concerns.

Thus, it is a mistaken approach to allow a project open access solely because it is believed to be safe based on the physical and cyber security protocols in place at the outset of the project at a single point of time. At later points in time, the previously-suitable physical and cyber security protocols or safeguards can become a vulnerability that can be widely exploited. Protecting against security risks is an ongoing mission and cannot be “stuck” at a single point in time.

As noted above, PG&E, SDG&E, and SCE are directly responsible for serving customers and managing the grid, which includes protecting grid data. As such, it is error for the PD to not

²⁴ PD at 64 (emphasis added).

provide meaningful answers to their security and vulnerability concerns. This erroneous aspect of the PD must be corrected by deleting sub-part (c) of Strategic Objective 8.

E. The PD Errs by Entirely Omitting SCE’s Positions in Several “Positions of Parties” and “Discussion” Sections

The PD should be revised to include SCE’s on-the-record position in several “Positions of Parties” and “Discussion” sections, as the PD in its current form does not reflect SCE’s arguments or positions in these sections. This omission mis-states the record and creates an inaccurate factual and procedural foundation for the final decision.

1. The PD Omits SCE’s Security and Vulnerability Concerns Raised for Sub-part (c) of Strategic Objective 8.

The PD’s Section 16.1 “Positions of Parties” only includes SCE’s view when characterizing the positions of the IOUs as follows: “SDG&E, SCE, and PG&E support removing the ‘open-access data on grid equipment and capability’ component of this Strategic Objective, claiming that implementing systems to provide open access to equipment data could be costly and increase the regulatory burden on IOUs.”²⁵ The sentence mentions cost and regulatory burden, but says nothing about the *security and vulnerability concerns* that SCE joined in raising. For example, in SCE’s Reply Comments to the Staff Proposal, SCE wrote: “For the reasons set forth in both PG&E’s and SDG&E’s Opening Comments, SCE supports the removal of the requirement for open access data on grid equipment condition and capability from Strategic Objective 8: Increase Predictability of Weather, Intermittent Resources, and Load.”²⁶ Those on-the-record reasons included PG&E and SDG&E’s concerns about increased security

²⁵ PD at 63.

²⁶ SCE Reply Comments, filed April 4, 2025, at 5.

risk from exposing vulnerabilities.²⁷ The primary concern is to protect the integrity of the grid and the safety of customers; items like regulatory burden are of secondary importance.

The PD should be revised to confirm, in Section 16.1 “Positions of Parties,” that SCE expressly supported and agreed with PG&E’s recommendation to remove “sub-part (c) of this proposed Strategic Objective, asserting that tools related to ‘open-access data on grid equipment condition and capability’ may introduce increased physical risk or cybersecurity” vulnerabilities to the energy system.²⁸ The record bears out SCE’s support of this position.

The PD should also clarify, in Section 16.1 “Positions of Parties,” that SCE expressly supported and agreed with SDG&E’s statement, “Assuming that ‘open access’ includes real-time public access to sensitive data about electric utility equipment, SDG&E argues this policy could expose vulnerabilities.”²⁹ Again, the record should reflect SCE specifically joining in this position.

2. The PD Similarly Omits SCE’s Positions in the PD’s Sections 4 and 5, and Should be Revised Accordingly

In the PD’s Section 4 “IOUs Authorized as Administrators for EPIC 5 Investment Plan Cycle,” the PD contains a summary of SDG&E, CEC, PG&E, and WeaveGrid’s positions submitted in the record. However, the PD is silent as to SCE’s position.³⁰ SCE fully supported the findings in the Staff Report that each IOU has demonstrated significant progress in implementing all administrative requirements of D.21-11-028,³¹ and emphasized that the Commission should affirm that IOUs will continue serving as EPIC 5 administrators.³²

²⁷ PG&E Opening Comments, filed March 28, 2025, at A-10 and SDG&E’s Opening Comments, filed March 28, 2025, at 3-5.

²⁸ PG&E Opening Comments, filed March 28, 2025, at A-10.

²⁹ SCE Reply Comments, filed April 4, 2025, at 5, footnote 21 references SDG&E’s Opening Comments, filed March 28, 2025, at 3-5.

³⁰ See PD at 12-13.

³¹ D.21-11-028, Ord. Para. 7.

³² SCE Comments on Energy Division Staff Proposal, filed March 28, 2025 at 1-2; Reply Comments on Energy Division Staff Proposal, filed April 4, 2025 at 1-2.

Moreover, section 5 of the PD (“2024 Evaluation and 2028 Evaluation”) omits SCE’s position regarding the 2024 Evaluation and an additional evaluation in 2028.³³ In response to the March 7, 2025 Ruling,³⁴ SCE said it was “pleased that the findings of the [2024] Evaluation Report generally support the IOUs continuing as EPIC Administrators.”³⁵ With respect to future EPIC evaluations, SCE explained: “SCE supports continued transparency into EPIC spend and effectiveness. SCE looks forward to working with the CPUC and other stakeholders to determine the best way to provide this transparency and demonstrate SCE’s competency as program Administrator.”³⁶

SCE respectfully requests the Commission revise the PD to accurately reflect the record here.

F. The PD Should Provide EPIC Administrators with Specific Budget Information.

The PD specifies that the prior annual authorization by IOUs is unchanged³⁷ and clarifies “the funding for the EPIC funds shall be allocated to the utilities in the following percentages: PG&E - 50.1 percent; SDG&E - 8.8 percent; and SCE - 41.1 percent.”³⁸ In D.21-11-028, the Commission delineated a specific budget breakdown methodology by Administrator in table format.³⁹ The tables included details on the total EPIC budget, CPUC oversight budget, each Administrators’ portion of total EPIC Budget; this is followed by Administrator-specific information for EPIC budget allocation, administrative budget, share of oversight budget, and

³³ PD at 14-18.

³⁴ Administrative Law Judge’s Ruling Requesting Comment on Staff Proposal, March 7, 2025.

³⁵ SCE Opening Comments in Response to Ruling Requesting Comments on the Electric Program Investment Charge Evaluation and Staff Report at 3, filed May 9, 2025. SCE also filed Reply Comments in Response to Ruling Requesting Comments on the Electric Program Investment Charge Evaluation and Staff Report, filed May 19, 2025 at 1-2.

³⁶ SCE Opening Comments in Response to Ruling Requesting Comments on the Electric Program Investment Charge Evaluation and Staff Report at 4, filed May 9, 2025.

³⁷ PD Ord. Para. 2 (specifies that the prior annual authorization is “\$18.444 million for PG&E, \$3.24 million for SDG&E and \$15.131 million for SCE.”).

³⁸ PD Ord. Para. 2.

³⁹ D.21-11-028 Decision Approving the Utilities as Electric Program Investment Charge Administrators with Additional Administrative Requirements, Appendix B Proposed Budget Tables.

program area budget. The PD should be modified to include the percent allocation by budget item and provide similar budget breakdown tables that were provided in Appendix B of D.21-11-028. These tables provide valuable transparency on budgets across Administrators and clear guidance for line items such as Commission Oversight Budgets.

III.

CONCLUSION

SCE appreciates the opportunity to provide these opening comments on the PD and asks that the final decision include the corrections specified herein.

Respectfully submitted,

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Appendix A

SCE's Proposed Modifications to Findings of Fact and Conclusions of Law

SCE’S PROPOSED MODIFICATIONS TO FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

Proposed text deletions are in bold and strikethrough (~~abcd~~)

Proposed text additions are in bold and underlined (**abcd**)

FINDINGS OF FACT

9. EPIC-funded projects with the national laboratories may represent an opportunity worth pursuing,~~;~~ ~~however~~ SCE’s ~~did not provide sufficient detail to support its~~ request for ~~with~~ a general waiver of California’s march-in rights and direct-licensing requirements for EPIC projects **is reasonable**.

12. For the two examples provided by SCE to support its request to waive rights to enhancements to pre-existing intellectual property, the explanation provided by SCE addresses existing intellectual property, not enhancements to pre-existing intellectual property. **A waiver of EPIC intellectual property flow-down requirements is reasonable if the project only seeks to enhance existing intellectual property.**

CONCLUSIONS OF LAW

5. It is ~~not~~ reasonable for the Commission to waive California’s march-in rights for EPIC projects **when the IOU is contracting with a federal governmental entity or national laboratory.**

6. It is ~~not~~ reasonable for the Commission to waive California’s direct licensing rights for EPIC projects **when the IOU is contracting with a federal governmental entity or national laboratory.**

8. The Commission should ~~not~~ grant SCE’s request to clarify that the EPIC intellectual property flow-downs do not apply to enhancements to existing IP.