

Application No.: A.08-07-021  
Exhibit No.: SCE-7 ~~Second Amended~~  
Witnesses: S. Galanter



SOUTHERN CALIFORNIA  
**EDISON**

An *EDISON INTERNATIONAL* Company

(U 338-E)

***SCE's ~~2009-2011~~ 2010-2012 Revised Proposed Energy  
Efficiency Program Plan AB 32 Impact***

Before the  
**Public Utilities Commission of the State of California**

Rosemead, California  
~~March 2, 2009~~  
July 2, 2009

Southern California Edison Company  
~~2009-2011~~ 2010-2012 Energy Efficiency Portfolios  
AB 32 – Impact

Rulemaking 06-04-010

California Public Utilities Commission (CPUC) Decision 07-10-032 in Ordering Paragraph 13, instructs the utilities to “include in their applications for approval of 2009-2011 energy efficiency portfolios: .....a report on the status of AB 32’s implementation and proposed program changes that would complement rules and policies, if adopted, including and in particular programs targeting energy efficiency measures in the industrial sector.” The discussion in Decision 07-10-032, at p. 56, addresses the concern that “customers are unlikely to invest significantly in energy efficiency measure before they know the responsibilities they will have to reduce green house gas emissions under AB 32....” Southern California Edison (SCE) shares some of this concern but believes that the energy efficiency programs which we have designed for the period ~~2009-2011~~ 2010-2012 provide sufficient incentives to secure the kilowatt-hour savings as proposed.

The energy efficiency programs which have been designed, in many instances, will be complementary to the goals of AB 32, i.e. a reduction in green house gas emissions. Energy efficiency generally will reduce the amount of energy required to accomplish a particular task as compared to a process that is not energy efficient; therefore, this associated reduction in energy use will be complemented with a reduction in emissions.

However, during this time period SCE will be embarking on an aggressive program to reduce green house gas emissions through the provisions of AB 32 for Voluntary Early Actions (VEA). Some of the programs being proposed by SCE cover a wide range of activities, including, urban tree planting, conversion of additional internal combustion engines to electric

motors, providing incentives for plug-in hybrid and battery electric vehicles, the electrification of truck stops and the use of more electric forklifts. For example an urban tree planting program should provide a reduction in energy usage and CO<sub>2</sub> sequestration. When trees are planted in strategic locations by the cities there may be an associated reduction in air condition use or if more trees are planted in park areas people may choose to spend more time in a park setting rather than at home, thereby reducing the air conditioning load.

Other programs, such as the capture of methane from dairy cows will provide a new potential renewable source for the generation of electricity. Even though this program will not result in energy efficiency savings it should result in a demand savings. This generation, in a small way, should reduce the amount of generation from central power plants. Since most of the central power plants on the margin utilize natural gas for a fuel, this program will conserve that valuable commodity.

To further illustrate SCEs commitment to AB 32, we have proposed a portfolio of VEA programs to the California Air Resources Board (CARB) to secure their concurrence and approval of the programs and the methodology.