

November 19, 2021

Rajinder Sahota  
Division Chief  
Industrial Strategies Division  
California Air Resources Board

**RE: Electricity Sector Technical Workshop of the 2022 Scoping Plan Update to Achieve Carbon Neutrality by 2045.**

Dear Ms. Sahota,

Southern California Edison (SCE) appreciates the opportunity to provide comments on the Electricity Sector Technical Workshop of the 2022 Scoping Plan Update (SPU) to Achieve Carbon Neutrality by 2045, held on November 2, 2021, by the California Air Resources Board (CARB).

SCE appreciates CARB's efforts to move the electricity sector contributions toward achieving the state's carbon neutrality goal to the foreground of the SPU so it can be analyzed and open to input from all stakeholders. SCE also appreciated the opportunity to provide a presentation and participate on one of the panels of this technical workshop so that SCE could emphasize the importance of achieving carbon neutrality through a cost-effective path. SCE offers the following comments for consideration.

**I. SCE Recommends Further Interagency Coordination and Collaboration**

The electric sector is an essential partner in achieving economywide decarbonization and has been primarily responsible for California's progress in reducing its GHG emissions. Furthermore, this positive trend must be maintained to ensure that California meets its 2030 and 2045 climate goals through a cleaner, more affordable, and more equitable electricity grid that benefits all sectors of the economy. As such, it is important to ensure coordinated alignment among the state agencies responsible for assessing the progress from all the sectors that have impacts on the state's climate goals. With the understanding that the Statute establishes specific agency mandates and responsibilities<sup>1</sup>, SCE encourages the state authorities to provide a framework that facilitates an agile and direct interaction among the agencies so they can collaborate and share information for this common goal.

Additionally, SCE reiterates its interest in working closely with the state agencies and other stakeholders to develop and implement the necessary structures to support the successful, equitable, and affordable transition to a clean energy economy. As stated in our recently published document, Mind the Gap, "this effort will require improving, clarifying, and harmonizing goals, standards, planning, and approaches to how the transition takes place and how quickly."<sup>2</sup> This collaboration among stakeholders must continue to be an open, transparent, and dynamic process to benefit from the combined efforts and perspectives of the entire electric sector. Together, we can bring about practical, actionable, and wise policies as well as actions that result in effective GHG emission reductions.

---

<sup>1</sup> California Health and Safety Code section 38561 sections a and h.

[https://leginfo.ca.gov/faces/codes\\_displayText.xhtml?lawCode=HSC&division=25.5.&title=&part=4.&chapter=&article=](https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=HSC&division=25.5.&title=&part=4.&chapter=&article=)

<sup>2</sup> Mind the Gap, SCE, September 2021, p. 20

SCE views the challenges and work ahead as a call for action for all stakeholders and we are committed to partnering with the State and stakeholders in the development of the 2022 Scoping Plan Update that sets us on a path to achieving our air quality and climate goals.

## **II. Achieving Carbon Neutrality Requires Large Increase of Clean Resources**

As the Environmental Defense Fund (EDF) and Clean Air Task Force (CATF) noted in their presentations, achieving both 100% retail sales with clean energy and carbon neutrality by 2045 will require a significant investment in clean resources.<sup>3</sup> More importantly, this investment will far exceed the maximum historical annual build rate for clean energy. These two findings were also noted in SCE's Pathway 2045.<sup>4</sup> With this need for an increased build rate, it will be necessary to facilitate and streamline the permitting, approval, and building of the infrastructure and resources needed to reach California's ambitious climate goals.

SCE supports EDF and CATF's recommendation to be more inclusive working with both local governments but also other stakeholders such as tribes and burdened communities. This recommendation is echoed in SCE's Mind the Gap whitepaper.<sup>5</sup> More importantly, the joint agencies (CARB, CEC, and CPUC) and CAISO have recognized this issue and have recommended that the state "create a structure that better integrates statewide electricity planning and local land use planning and permitting that recognizes the scale and pace at which clean energy projects and supporting infrastructure must be built to achieve SB 100."<sup>6</sup>

## **III. Affordability and Rate Design**

Taking the bold actions needed to mitigate climate change will come at a cost, but that cost will be much lower than the harm the State will suffer if we fail to mitigate climate change. While the most cost-effective climate change mitigation strategy is to electrify California's economy and power it with clean generation, this will require \$250 billion to procure resources and upgrade the transmission and distribution systems.<sup>7</sup> This future will reduce total energy costs for most customers, however, electricity must remain less expensive compared to fossil fuels in order to catalyze the transition. Some customers may be disproportionately burdened by the cost of actions to mitigate climate change, and it is important that all customers are able to participate in the transition to clean energy.

Meanwhile, the need to adapt the electricity system to the impacts of climate change will also put upward pressure on the cost of electricity. Southern California Edison stands willing and able to invest in the infrastructure and supportive programs needed to enable the economy-wide electrification needed to mitigate climate change and meet California's GHG and air quality goals while maintaining electric reliability. However, to ensure a cost-effective and equitable clean energy transition, Policymakers, IOUs, and other stakeholders must partner to think creatively about ways to minimize electric rates and make room for this essential work.

---

<sup>3</sup> Building a Zero Carbon California Grid: Moving from Models to an Implementable Plan, EDF and CATF, November 2, 2021, p. 4

<sup>4</sup> Pathway 2035, SCE, November 2019, p. 5

<sup>5</sup> Mind the Gap, SCE, September 2021, p. 10

<sup>6</sup> Report to the Governor on Priority SB 100 Actions to Accelerate the Transition to Carbon-Free Energy, CEC, CPUC, CARB, CAISO, September 2021, p. 11

<sup>7</sup> Pathway 2035, SCE, November 2019, p. 2

**IV. Conclusion**

SCE thanks CARB for taking into consideration the above comments on the Electricity Sector Technical Workshop and appreciates the invitation to be an active participant in the workshop. Please do not hesitate to contact me at (626) 302-8442 with any questions or concerns you may have. I am available to discuss these matters further at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Michael A. Backstrom". The signature is written in a cursive style with a long horizontal line extending to the right.

Michael A. Backstrom  
Vice President, Regulatory Policy  
Southern California Edison  
8631 Rush Street, Rosemead, CA 91770  
T. 626-302-8442  
Email: [michael.backstrom@sce.com](mailto:michael.backstrom@sce.com)