

Modernizing the Grid and Enabling Distributed Energy Resources

APEC

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Distributed energy resources can become grid resources, integrated with traditional infrastructure

Traditional distribution infrastructure solutions

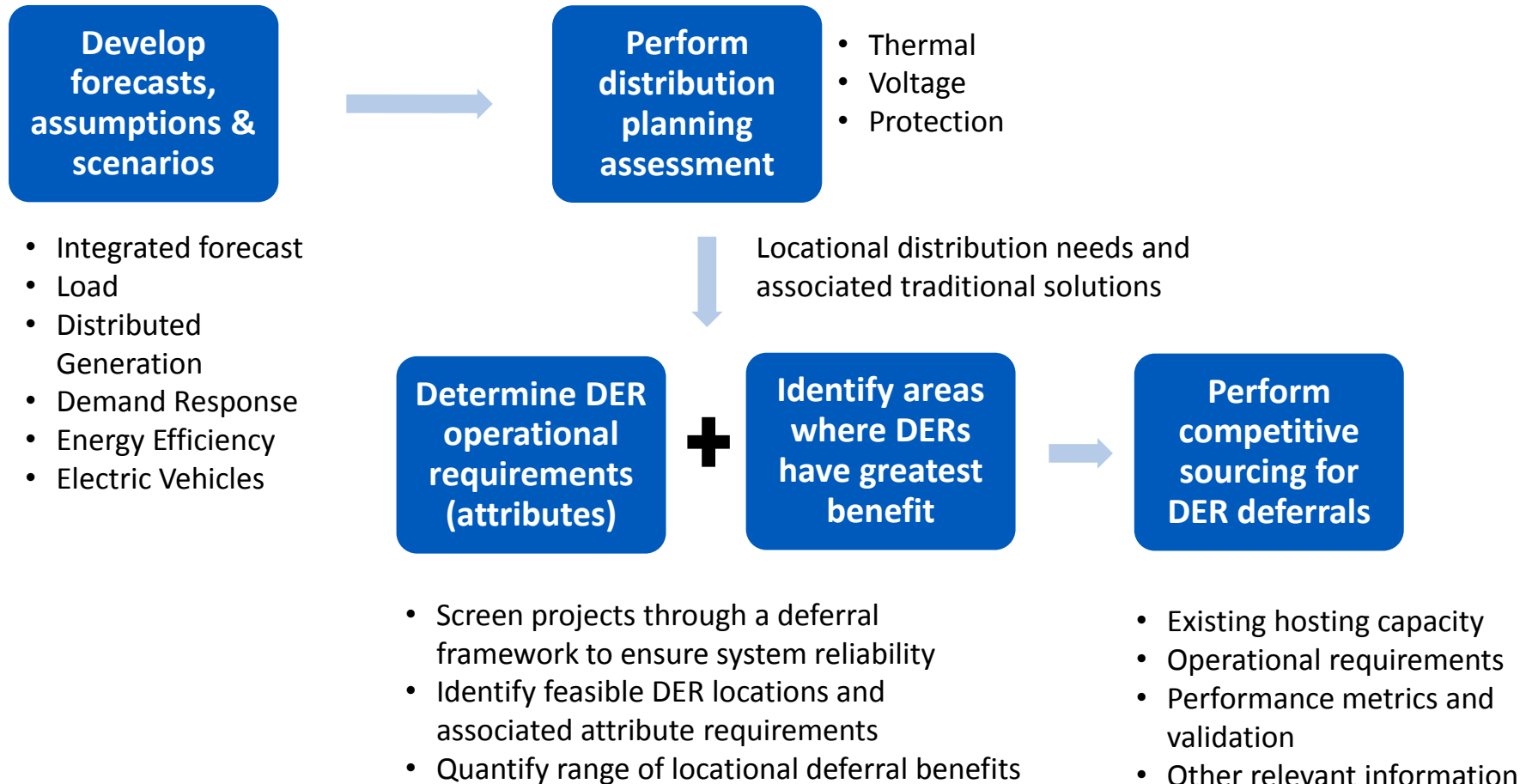
- Voltage regulators
- Conductor upgrade
- Breaker, bus, lead upgrade
- Transformer upgrade
- New circuits
- Substation upgrade
- New substation

Distributed energy resource solutions – combined portfolio

- Energy efficiency
- Demand response
- Energy storage
- Solar PV
- Other distributed generation

A modernized distribution planning process identifies grid needs and DER solution attributes

Deferral framework and competitive DER procurement produce lowest cost solution



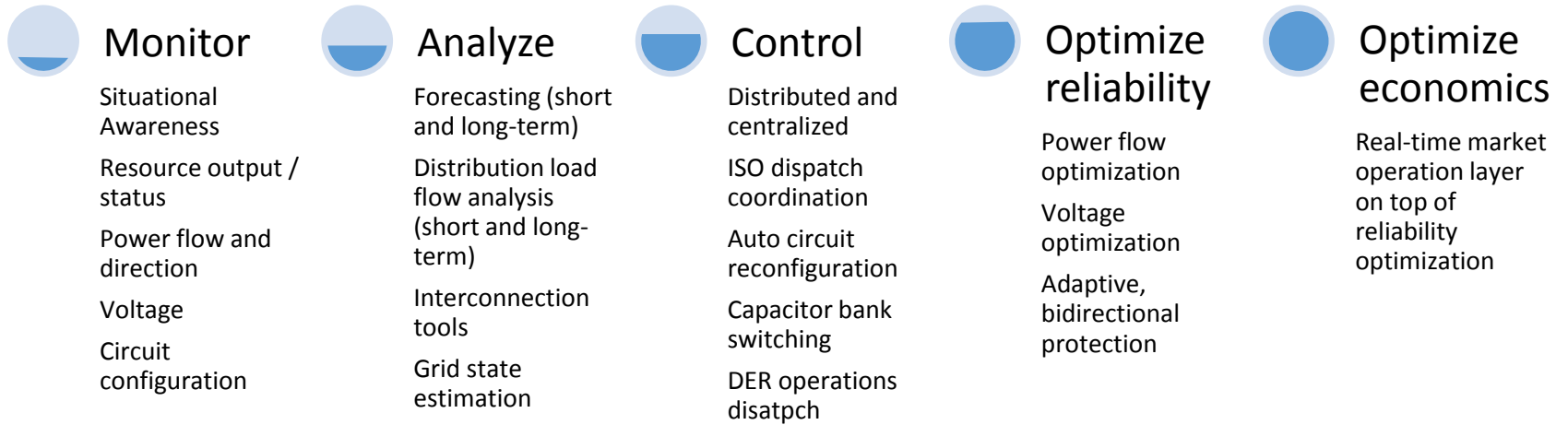
DER portfolio solutions fulfill required performance attributes, however are not entirely equivalent

DER portfolios bring different dynamics than traditional infrastructure

	Traditional infrastructure	DER portfolio solution
Availability	Accessible when required	Competing priorities for use can affect availability, may be serving customer needs or wholesale market
Dependability	Installed for specific use and perform function as specified	Depends on other factors such as weather, time of day, and customer process demands
Durability	Well-defined and understood asset life	Customers may decide to exit voluntary programs, fail to maintain resources, or move
Flexibility	Increased operating options due to inherent capacity margin	Maximizes utilization of existing infrastructure, however limits operating possibilities

Grid reinforcement and modernization is required to maintain reliability and realize DER operational capability

DER installation for customer use increases grid operation complexity; when DER portfolios are relied on as part of reliability, that complexity escalates



Customer objectives

Customer objectives, small volume of DER providing grid services

Customer objectives, increasing reliance of DER providing grid services

Customer objectives, reliance of DER providing grid services, prioritized by DER costs

Thank you

To access SCE's Distribution Resources Plan (DRP), SCE's Distributed Energy Resources Interconnection Map (DERiM), and additional information, please visit the CPUC's DRP website at: <http://www.cpuc.ca.gov/PUC/energy/drp/>