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Joint Subcommittee Hearing of
The House Natural Resources Subcommittee on Energy and Mineral Resources and
The Subcommittee on National Parks, Forests and Public Lands
"Impact of Energy Corridor Site Selection in the Western States"
April 15, 2008

Opening Statement:
Thank you to the Subcommittee on National Parks, Forests and Public Lands, and the Subcommittee on Energy and Mineral Resources for inviting me here today, and in particular to Chairman Costa and Chairman Grijalva. My name is Les Starck and I am Vice President of Local Public Affairs for Southern California Edison Company. SCE is an electric utility serving about 13 million people and 300,000 businesses over a 50,000 square mile service territory in southern and central California. SCE is an investor-owned utility, and is a wholly-owned subsidiary of Edison International. SCE constructs, owns, and maintains transmission and generation facilities, many of which are located on federal land. SCE also purchases power from generators located inside and outside of California. As such, SCE relies on the electric grid throughout the western United States, in addition to our own transmission system, to ensure we have a reliable supply of power for our customers.

As SCE invests in both transmission and generation facilities, our commitment to renewable energy remains a top priority. For example, we announced three weeks ago that we will be installing solar panels on 65 million square feet of rooftops of commercial buildings in Southern California, which will generate approximately 250 MW of solar power. This will be the largest solar cell installation in the United States, generating enough power to serve 162,000 homes in Southern California. In addition, last month, we broke ground on the nation's largest wind-related transmission project in the country. This project, called the Tehachapi Renewable Transmission Project, will provide for the interconnection and transmission of 4,500 MW of electricity from wind farms in Los Angeles and Kern Counties. In the meantime, SCE leads the nation in renewable power delivery, procuring approximately 12.5 billion kWh of renewable energy annually; more than any other utility in the United States. This makes renewable energy 16% of SCE's total energy portfolio.

Furthermore, since the Department of Energy started tracking energy efficiency in 1992, we have helped our customers conserve more than nine million megawatt-hours of electricity. To put this number in some perspective, that is enough to power 1.1 million homes for a year. SCE also has the largest demand response program in California. When needed, we can call on our customers to interrupt more than 1,000 megawatts of their power demand at one time. That is roughly equivalent to the size of a large power plant.

However, demand response and energy-efficiency programs are not a silver bullet. The need for added transmission infrastructure continues despite our efforts to reduce customer demand for electricity. Thus, to meet both load growth and an increasing number of customers on our system, SCE must purchase more power and build more transmission facilities.

Transmission infrastructure investment by electric utilities in the Unites States has increased significantly over the last couple of years and is expected to continue well into the future. SCE's infrastructure investment program is a prime example. Between 2002 and 2006, SCE recorded approximately $1.3 billion of transmission and sub-transmission capital investment. And, from 2008 through 2012, SCE plans to invest approximately $5.5 billion in additional transmission infrastructure.

To facilitate the timely construction of these needed transmission facilities, utilities must have streamlined siting and permitting processes. SCE's transmission investments are expected to: 1) increase the capability for transfers of power between California and other regions; 2) facilitate the development and delivery of remotely-located renewable resources to customers; 3) maintain reliability of the electric system; and (4) serve growing customer load.

When enacting the Energy Policy Act of 2005, Congress understood the need to expand and modernize the existing electricity grid to assure reliability and to provide access to renewable energy, clean coal, and other forms of generation needed to meet the intense growth in customer demand for electricity. Congress also recognized that grid expansion could not be accomplished in the western United States without crossing federal lands and that the federal departments with jurisdiction over land should, to the degree possible, plan for the siting of new infrastructure. For example, many sites for wind farms and solar generating facilities are located outside SCE's load center, with many of these potential renewable resource areas located on federal land. In fact, the Bureau of Land Management in the California Desert has received over 100 applications for the construction of wind and solar-powered generating facilities. Due to SCE's geographical location, we will undoubtedly need to build transmission facilities across federal lands to deliver power from these new renewable generating resources.

The Section 368 requirement to designate energy corridors across federal lands and facilitate siting of facilities in the corridors was one element of a suite of provisions in the Energy Policy Act of 2005 intended to facilitate the siting of transmission facilities. In particular, Section 368 was intended to allow the federal land managing agencies to address the need for comprehensive planning and limit the delay in siting and approving vitally needed new infrastructure.

The designation of the corridors on Federal lands is critical in meeting, in a timely fashion, growing electricity demand, accessing new diversified generating resources, increasing reliability on the SCE transmission grid, and mitigating potential transmission congestion due to significant load growth in Southern California. In fact, it is nearly impossible to bring transmission lines to the Southern California area without crossing

Federal lands. [1] Overall, SCE believes the establishment of these Section 368 corridors is needed to streamline the development of the ongoing investment in transmission infrastructure. In fact, we think that additional corridors would be well utilized. SCE proposed that thirteen existing transmission corridors and eight new transmission corridors be designated pursuant to Section 368 of the Energy Policy Act. Many of SCE's requested corridors would be used to transport energy from renewable generation facilities that are being developed in the Southwest. However, the Draft Programmatic Environmental Impact Statement issued by the Agencies on November 8, 2007, designated only three of our existing transmission corridors and only two of SCE's requested new transmission corridors. SCE believes that many more corridors would be useful in Southern California to meet the long-term needs of our customers and maintain the reliability of the electric grid. Thus, we submitted comments on the draft PEIS recommending that the previously requested corridors also be designated. This will better satisfy the need for long-term planning and development of transmission facilities in the future.

While the designation of transmission corridors may seem to be significant in terms of land use, the footprint of a transmission facility is considerably smaller than the actual land set aside for a corridor. The designation of a corridor does not mean that all vegetation within the corridor will be removed. Nor does the designation of any area as a corridor necessarily pre-determine that a transmission line will be built within the corridor. Utilities, regional planning entities, and regulatory agencies must still evaluate the best solution to relieve transmission congestion or capacity constraint issues in any given area. The designation of a corridor pursuant to Section 368 will merely serve as a means to streamline the siting and permitting process. Such a designation, however, does not mean that a utility will use the corridor. Nor does it mean the utility will not seek to develop a transmission facility in an area not designated as a transmission corridor.

Section 368 should harmonize the policies of the Federal agencies from the executive-level offices throughout the agencies, down to the local and regional offices that are making the day-to-day facility siting decisions. Without the Section 368 corridors and the required streamlining of permitting processes on Federal lands, there is a greater chance transmission projects, including projects needed to transmit renewable energy, could be adversely affected.

In closing, I believe it is important that we strike a balance in managing the Nation's federal lands for multiple public uses, including ensuring that utilities in the United States can continue to meet the growing needs of its customers through the placement of necessary infrastructure on federal lands. This cannot be done without the cooperation of the Federal government and the agencies overseeing Federal lands. Thank you.

[1] The Southern California area (Los Angeles and Orange Counties) is bordered on the north by the Los Padres and Angeles National Forests, on the northeast and east by the San Bernardino National Forest, and on the east and southeast by the Cleveland National Forest. Camp Pendleton, also federal land, is to the south. To the northeast, east, and southeast sides of these national forests are vast areas of other federal land administered by the Bureau of Land Management.