



Steven D. Powell
President and Chief Executive Officer

March 22, 2024

Via Email

The Honorable Mayor Patricia Lock Dawson
and Members of the City Council
c/o City Clerk Donesia Gause, MMC
City of Riverside
3900 Main Street, 7th Floor
Riverside, CA 92522
city_clerk@riversideca.gov

Re: Riverside Transmission Reliability Project

Dear Honorable Mayor Lock Dawson and Members of the City Council:

As you may know, yesterday the California Public Utilities Commission (“CPUC” or “Commission”) voted unanimously to deny the *Petition Of The City Of Norco To Modify Decision 20-03-001 To Reopen The Record To Reconsider Alternative 8 Of The Riverside Transmission Reliability Project* (the “Norco PFM”). A written decision will be issued in the near future reflecting that outcome. I am writing to respectfully request that the City of Riverside (“Riverside”) take prompt action to formally re-affirm its commitment to the Riverside Transmission Reliability Project (“RTRP” or the “Project”) consistent with Alternative 1 as approved in CPUC Decision D.20-03-001.

D.20-03-001 granted SCE a Certificate of Public Convenience and Necessity (“CPCN”) for the Project on March 18, 2020. Since that decision was issued, progress on the Project has stalled because of multiple post-approval delays, challenges, and explorations for additional funding (which has not materialized) that could ostensibly pay for a substantial change in project scope. Unfortunately, the filing of the Norco PFM delayed the Project another six months while matters already evaluated by the CPUC were re-litigated, with the same result.

These RTRP delays have extended and exacerbated the electrical reliability challenges Riverside has been facing for decades. Rapid growth and electrification in the Inland Empire, coupled with Riverside’s dependence on a single interconnection to the broader grid via SCE’s Vista Substation, continues to expose Riverside’s electrical customers to potential service disruptions and renders them dependent on aging gas-fired peaker generation facilities. While the 2020 decision brought construction of RTRP (a much-needed second transmission connection to the broader grid capable of providing a substantial amount of additional capacity) within sight for Riverside, the delays resulting from Riverside’s search for funding to pay for additional undergrounding, compounded by the filing of the Norco PFM, have significantly postponed that reliability solution, prolonging the risk of service interruptions to Riverside’s electrical customers.

As noted in my prior letters, if SCE were to have incurred expenses and commenced construction while the full project scope was still subject to revision, California ratepayers would have been subjected to financial exposure, which is why SCE paused work on the Project while these issues remained in question. Now that the CPUC has voted to deny the Norco PFM, SCE believes it is time to immediately move forward with the Project, and SCE intends to resume pre-construction activities (including final engineering and

most right-of-way acquisitions) as soon as possible. However, SCE can only do so confidently once it receives firm and unconditional support for the Project from Riverside, which the Project will benefit. Therefore, I seek to obtain Riverside's written confirmation no later than April 12, 2024, that:

- a) Riverside does not intend to challenge the CPUC's denial of the Norco PFM or file a separate PFM or any other legal or regulatory challenge that would call for further reevaluation of the Project or D.20-03-001;
- b) the "Working Group" Riverside previously convened to explore funding opportunities to support additional undergrounding of the Project will be disbanded and its actions terminated;¹
- c) Riverside supports construction of Alternative 1 of RTRP as approved by the CPUC; and
- d) Riverside will direct its staff, including Riverside Public Utilities, to resume activities in support of development of Alternative 1 (including coordination with SCE) without further delay.

A formal Riverside commitment to proceed to construct RTRP in good partnership with SCE is prudent for electrical reliability purposes, and it is legally required. Section 8.8 of the Interconnection Facilities Agreement ("IFA") executed by both Riverside and SCE provides that each party will "provide information and assistance to one another as reasonably requested by the other Party in obtaining the necessary permits and regulatory approvals." SCE has worked diligently for more than 17 years in partnership with RPU and Riverside staff towards obtaining the approvals necessary for RTRP, ultimately securing the CPCN following a challenging five-year CPUC proceeding, overcoming the objections of multiple intervenor opponents (some of whom now support moving forward) and incorporating several changes to the Project design. SCE has now defended that CPCN against a challenge in the form of the Norco PFM. Should Riverside continue to cause delay of RTRP despite those regulatory approvals, SCE would have to continue its existing pause on most major RTRP efforts and expenditures unless and until Riverside confirms its commitment to Alternative 1, as provided above. SCE also reserves all of its rights and legal options with respect to the IFA.

SCE remains committed to constructing and operating its portion of RTRP to help ensure the continued safe delivery of reliable and resilient power to meet Riverside's growing needs as soon as possible. SCE must promptly receive Riverside's clear commitment and support to commence and complete the Project as approved in D.20-03-001 (*i.e.*, Alternative 1). We await Riverside's formal commitment to the

¹ At its October 25, 2023, meeting, the Riverside City Council voted to delay further proceedings of the Working Group pending CPUC action on the Norco PFM.

development of Alternative 1 without further delay. Thank you for your attention to this important electric reliability project for your community and we hope to move forward as quickly as possible.

Sincerely,



Steven D. Powell
President and Chief Executive Officer
Southern California Edison Company

cc:

Mike Futrell, City Manager, City of Riverside
Todd Corbin, General Manager, RPU
Daniel Garcia, Deputy General Manager, RPU
Heather Rivard, Senior Vice President, Transmission and Distribution, SCE
Jose Salazar, Principal Manager, Transmission and Distribution, SCE
Kenneth Spear, Senior Project Manager, Transmission and Distribution, SCE