

Testimony of Pedro Pizarro
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Committee on Energy and Natural Resources
United States Senate
Hearing on S.2921: the California Desert Protection Act of 2010

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I want to thank Chairman Bingaman, Ranking Member Murkowski, and the rest of the Committee for inviting Southern California Edison to participate in this hearing. I also want to thank Senator Dianne Feinstein for her leadership and tireless effort in drafting S. 2921, the California Desert Protection Act of 2010. As today's testimony indicates, this legislation impacts a number of very disparate and sometimes competing interests. Southern California Edison applauds Senator Feinstein for working to address all of these views.

As many of you know, last year, Governor Arnold Schwarzenegger signed an executive order setting a new goal that 33 percent of California's energy come from renewable generating sources such as wind, solar, and geothermal. Developing significant new wind and solar generation while protecting California's natural resources is a big challenge – especially since most of our state's best renewable areas lie amidst relatively pristine desert and remote mountain areas. Absent a thoughtful balancing of interests, doing the right thing by reducing California's emissions can be the wrong thing for our own desert natural resources. This legislation does a good job of reconciling these important and sometimes competing interests in a

reasonable way. I believe the California Desert Protection Act of 2010 will help the state increase its renewable energy resources in a manner that safeguards our state's natural beauty and resources.

Southern California Edison (SCE), a subsidiary of Edison International, is currently the largest purchaser of renewable electricity in the country. SCE serves about 13 million people and 300,000 businesses over a 50,000 square mile service territory in southern and central California. In 2009, we delivered 13.7 billion kilowatt hours of renewable energy, representing approximately 17 percent of our customers' energy consumption. Since 2002, SCE has entered into 61 contracts that are expected to deliver up to 31.2 billion kilowatt-hours per year of renewable energy. SCE signed contracts for every major renewable technology: wind, solar, geothermal, small hydropower and biomass. SCE is the nation's leading purchaser of solar power, and procured approximately 65 percent of all U.S. solar generation for its customers in 2008. In February 2009, SCE executed one of the world's largest solar deals. The series of seven "power tower" projects will provide up to 1,300 megawatts of solar thermal energy; they are to begin producing in San Bernardino County, California, starting in 2013.

As SCE's Executive Vice President for Power Operations, I am responsible for the procurement, generation, and delivery of electricity for our customers. As such, much of my time is spent working to increase the company's renewable power portfolio and ensuring that our high voltage transmission system is capable of delivering that renewable power.

The California Desert Protection Act of 2010 protects 1.7 million acres of California desert from development. It should also help speed up renewable development outside of those areas, while preserving a corridor for the construction and upgrade of transmission lines needed to bring renewable power to urban load centers.

Senator Feinstein's proposed creation of the Mojave Trails and Sand to Snow national monuments and the proposed expansion of the Death Valley, Mojave Preserve and Joshua Tree national parks are all within SCE's service territory. There is probably no entity on which these new designations will have more direct impact than Southern California Edison, both as a transmission owner, and as a purchaser of renewable resources. We have worked long and hard with Senator Feinstein to make sure the proposals are good for our customers and employees and will help us meet the policy goals of the state of California.

I want to assure the Committee that SCE would not support this legislation if we believed it would endanger our ability to increase delivery of renewable energy to our customers.

SCE believes that the desert renewable energy permitting provisions of the bill will help expedite the development of new renewable energy projects. Some of the most noteworthy aspects of the legislation are the provisions designed to encourage the development of renewable projects on previously disturbed private lands through the creation of Habitat Mitigation Zones in the California Desert Conservation Area.

Currently, when projects impact federally protected species or their habitat, the process for permitting renewable energy development on private lands is significantly slower than projects proposed on public lands, taking years instead of months. The bill addresses this inequity by allowing projects on private lands to mitigate environmental impacts by providing funding to help purchase or rehabilitate additional BLM lands. Use of this money would be guided by an advisory panel consisting of environmental groups, state and local governments, and the renewable energy industry.

SCE also supports provisions establishing deadlines for actions by federal agencies and holding those agencies accountable for meeting those deadlines. Just as importantly, the bill ensures that the agencies have the staff and resources to enable them to meet those deadlines by creating a dedicated revenue stream through solar and wind leasing revenues.

Finally, SCE appreciates the language in the bill that expressly authorizes the company to maintain, upgrade, and replace existing transmission and substation facilities in the monuments, including the development of a new east-to-west line that has been preliminarily identified through the State of California's Renewable Energy Transmission Initiative (RETI) stakeholder process. S. 2921 will both protect public lands and enable the construction of transmission projects necessary to support renewable energy development and deliver clean power to southern California. Specifically, SCE will be able to expand the current Pisgah switchyard to a new 500 kV substation which will collect power from renewable projects in the Mojave Desert and deliver it to California's electric customers. Additionally, the legislation permits future high voltage

transmission lines within the monuments.

I want to take just a moment to point out the extraordinary steps that Senator Feinstein has taken to build consensus for this legislation. She led a group of stakeholders including Ted Craver, Chairman and CEO of Edison International, two of today's panelists, Mr. Meyers and Ms. Wald, and others, on a tour of the proposed monument site. Seeing the natural beauty of California's desert areas made it clear why Senator Feinstein is so passionate about this issue. This act would conserve these spectacular and sensitive lands for the benefit and enjoyment of future generations.

Decisions on where to site generation and transmission facilities require a delicate balancing act between providing electricity and protecting the environment. This legislation will help to achieve this balance. It is a win-win for the environment by conserving pristine land and promoting renewable energy projects. Senator Feinstein is to be commended for her leadership in developing a comprehensive approach that will spur renewable development in California and will provide new protections for vast portions of the desert.