

**Valuation of other proposed changes to MPR (\$/MWh)**  
**(20-Year MPR Starting in 2009)**

<u>Issue</u>	<u>Fixed</u>	<u>Variable</u>	<u>Total</u>	<u>Increase*</u>	<u>% Change</u>	<u>Cumulative</u>
<b>Adopted 2007 MPR</b>	\$27	\$70	\$97	NA	0%	0%
Update Gas Price Forecast	\$27	\$74	\$102	\$5	5%	5%
Lower Capacity Factor	\$31	\$75	\$106	\$4	4%	9%
Higher CAISO Losses	\$31	\$76	\$108	\$2	2%	11%
Increased Capital Cost	\$40	\$76	\$116	\$9	9%	20%
Higher CO2 Price	\$39	\$83	\$122	\$6	6%	26%
<b>CalWEA CCC CSP Proposal</b>	\$39	\$83	\$122	\$25	26%	26%
<b>Proposed 2008 MPR with GreenVolts Locational Adjustments</b>						
Distribution Line Losses (pri.)	\$41	\$86	\$127	\$5	4%	31%
Avoided Trans. - Baseload Profile	\$41	\$89	\$130	\$3	3%	34%
Avoided Trans. - Solar Profile	\$41	\$102	\$143	\$13	13%	47%
Avoided Dist. - Baseload Profile	\$41	\$93	\$134	\$4	4%	38%
Avoided Dist. - Solar Profile	\$41	\$109	\$150	\$16	17%	54%
Avoided Transmission Congestion	(to be determined based on MRTU values)					

\* Note: Increase in transmission avoided cost is based upon average of E3 model values for Edison's service territory.

Solar profile values range from \$12.89 to \$13.27 per MWh for Transmission, and from \$9.79 to \$23.84 per MWh for Distribution

**Value boost of Locational Benefits to MPR (\$/MWh)**  
**(20-Year MPR Starting in 2009)**

<u>Issue</u>	<u>Fixed</u>	<u>Variable</u>	<u>Total</u>	<u>Increase*</u>	<u>% Change</u>	<u>Cumulative</u>
<b>Adopted 2007 MPR</b>	\$27	\$70	\$97	NA	NA	NA
<b>Proposed 2008 MPR with GreenVolts Locational Adjustments</b>						
Avoided Distribution Line Losses (prima	\$29	\$73	\$102	\$5	5%	5%
Avoided Distribution Investment	\$29	\$89	\$118	\$16	17%	22%
Avoided Transmission Investment	\$29	\$102	\$131	\$13	13%	35%
Avoided Transmission Congestion	(to be determined based on MRTU values)					

Notes:

- 1) Increase in T&D avoided costs is based upon average of E3 model values for Edison's service territory. Solar profile values range from \$12.89 to \$13.27 per MWh for Transmission, and from \$9.79 to \$23.84 per MWh for Distribution.
- 2) Project assumptions include lifespan from 2008 - 2027, 2.5% inflation, 8.93% discount rate, and 2008 \$.
- 3) Avoided T&D are based on a solar photovoltaic (PV) output profile from a south-facing flat-plate PV system at a 38.5 degree tilt located in Sacramento, CA.
- 4) For SCE, primary voltages are 2kV to 50kV, and a QF interconnecting at primary voltage receives the primary WDAT loss factor, regardless of the specific location that it interconnects; as the loss factor is an average number over the entire primary distribution system. There is no calculation to determine exactly how a specific primary distribution loss compare to the average.

### E3 Model T&D Values (Levelized 20-year in 2008\$)

Utility	Division	Transmission + Distribution				Transmission				Distribution			
		Baseload Profile		Solar Profile		Baseload Profile		Solar Profile		Baseload Profile		Solar Profile	
		\$/kW-year	\$/MWh	\$/kW-year	\$/MWh	\$/kW-year	\$/MWh	\$/kW-year	\$/MWh	\$/kW-year	\$/MWh	\$/kW-year	\$/MWh
PG&E	Central Coast	\$46.07	\$5.26	\$35.70	\$24.60	\$1.55	\$0.18	\$1.20	\$0.83	\$44.51	\$5.08	\$34.50	\$23.77
	De Anza	\$58.67	\$6.70	\$46.95	\$32.35	\$1.55	\$0.18	\$1.24	\$0.86	\$57.11	\$6.52	\$45.71	\$31.49
	Diablo	\$55.62	\$6.35	\$44.51	\$30.67	\$1.55	\$0.18	\$1.24	\$0.86	\$54.06	\$6.17	\$43.27	\$29.81
	East Bay	\$11.57	\$1.32	\$8.97	\$6.18	\$1.55	\$0.18	\$1.20	\$0.83	\$10.02	\$1.14	\$7.77	\$5.35
	Fresno	\$48.24	\$5.51	\$37.08	\$25.55	\$1.55	\$0.18	\$1.19	\$0.82	\$46.68	\$5.33	\$35.89	\$24.72
	Kern	\$30.87	\$3.52	\$23.73	\$16.35	\$1.55	\$0.18	\$1.19	\$0.82	\$29.32	\$3.35	\$22.54	\$15.53
	Los Padres	\$46.82	\$5.34	\$37.47	\$25.81	\$1.55	\$0.18	\$1.24	\$0.86	\$45.26	\$5.17	\$36.23	\$24.96
	Mission	\$70.36	\$8.03	\$54.53	\$37.57	\$1.55	\$0.18	\$1.20	\$0.83	\$68.80	\$7.85	\$53.32	\$36.74
	North Bay	\$47.46	\$5.42	\$36.78	\$25.34	\$1.55	\$0.18	\$1.21	\$0.83	\$45.90	\$5.24	\$35.57	\$24.51
	North Coast	\$64.43	\$7.35	\$40.41	\$27.84	\$1.55	\$0.18	\$0.97	\$0.67	\$62.87	\$7.18	\$39.43	\$27.17
	North Valley	\$80.30	\$9.17	\$63.33	\$43.63	\$1.55	\$0.18	\$1.23	\$0.84	\$78.74	\$8.99	\$62.10	\$42.78
	Peninsula	\$20.90	\$2.39	\$16.19	\$11.16	\$1.55	\$0.18	\$1.20	\$0.83	\$19.34	\$2.21	\$14.99	\$10.33
	Sacramento	\$60.93	\$6.96	\$48.05	\$33.11	\$1.55	\$0.18	\$1.23	\$0.84	\$59.37	\$6.78	\$46.83	\$32.26
	San Francisco	\$16.89	\$1.93	\$13.09	\$9.02	\$1.55	\$0.18	\$1.20	\$0.83	\$15.34	\$1.75	\$11.89	\$8.19
	San Jose	\$44.65	\$5.10	\$35.74	\$24.62	\$1.55	\$0.18	\$1.24	\$0.86	\$43.10	\$4.92	\$34.49	\$23.76
Sierra	\$66.84	\$7.63	\$52.71	\$36.32	\$1.55	\$0.18	\$1.23	\$0.84	\$65.29	\$7.45	\$51.49	\$35.47	
Stockton	\$69.90	\$7.98	\$55.94	\$38.54	\$1.55	\$0.18	\$1.24	\$0.86	\$68.34	\$7.80	\$54.69	\$37.68	
Yosemite	\$42.73	\$4.88	\$34.20	\$23.56	\$1.55	\$0.18	\$1.24	\$0.86	\$41.18	\$4.70	\$32.96	\$22.70	
SCE	Dominguez Hills	\$45.91	\$5.24	\$32.93	\$22.69	\$26.09	\$2.98	\$18.71	\$12.89	\$19.82	\$2.26	\$14.21	\$9.79
	Foothills	\$59.90	\$6.84	\$42.96	\$29.59	\$26.09	\$2.98	\$18.71	\$12.89	\$33.80	\$3.86	\$24.24	\$16.70
	Santa Ana	\$55.19	\$6.30	\$39.58	\$27.27	\$26.09	\$2.98	\$18.71	\$12.89	\$29.10	\$3.32	\$20.87	\$14.38
	SCE Rural	\$72.95	\$8.33	\$53.87	\$37.11	\$26.09	\$2.98	\$19.27	\$13.27	\$46.86	\$5.35	\$34.60	\$23.84
	Ventura	\$57.57	\$6.57	\$41.29	\$28.45	\$26.09	\$2.98	\$18.71	\$12.89	\$31.48	\$3.59	\$22.58	\$15.56
SDG&E	SDG&E	\$114.15	\$13.03	\$84.35	\$58.11	\$13.84	\$1.58	\$10.23	\$7.05	\$100.31	\$11.45	\$74.12	\$51.07

Note: assumes 2008 - 2027 project lifespan, 2.5% inflation, 8.93% discount rate, and 2008 \$