

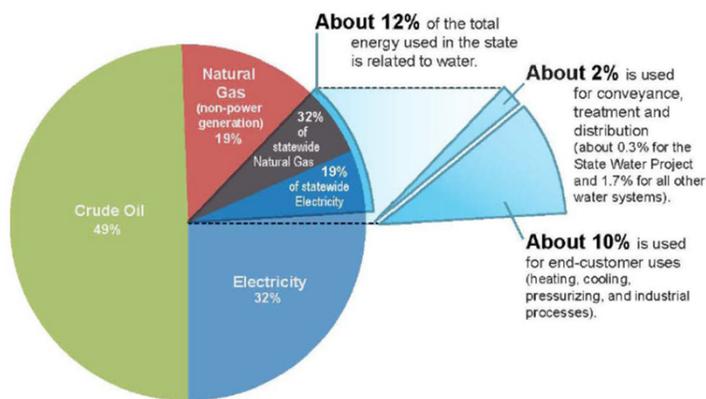
WATER ENERGY NEXUS – CHALLENGES TO STATE WATER PROJECT MISSION

2016 AEP ANNUAL CONFERENCE
SAN DIEGO, CA

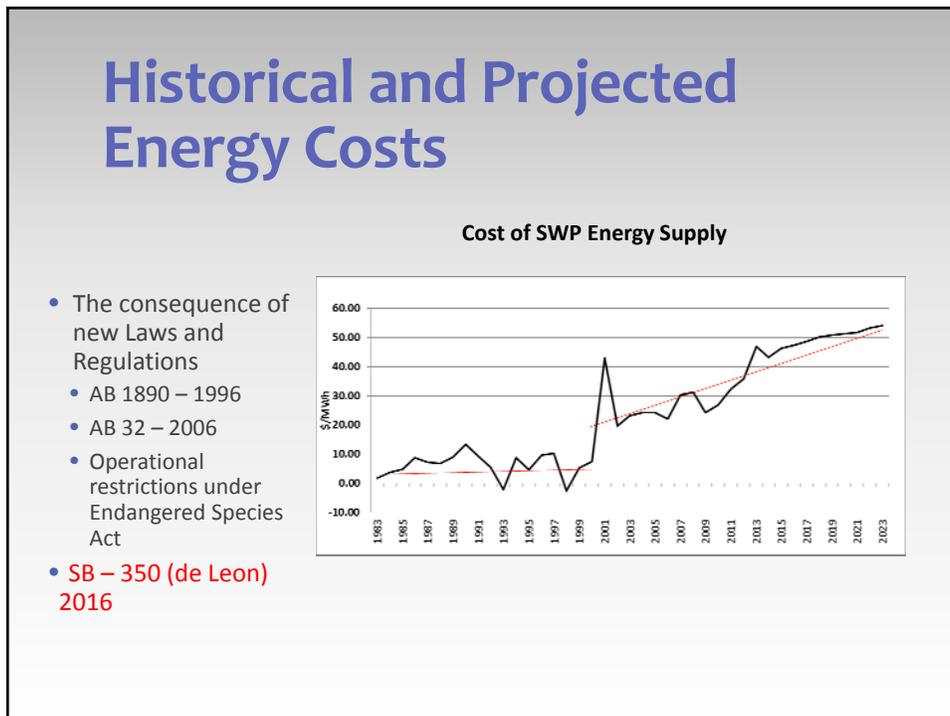
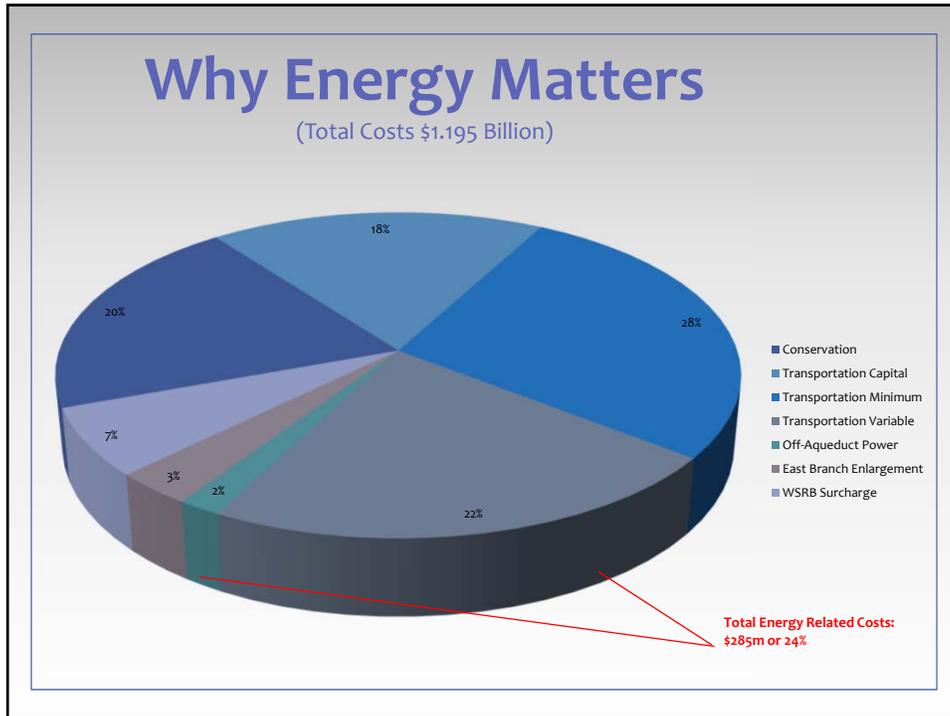
TIM HAINES
STATE WATER CONTRACTORS



Water – Energy Nexus



California Water Plan Update 2013



SWP Transmission Charges

SWP Transmission costs have increased at 15% per year for the last decade

Large reason is significant build-out of California transmission grid

A similar build-out of the transmission grid has yet to occur.

SWP and other California customers may be on the hook for those costs as well.

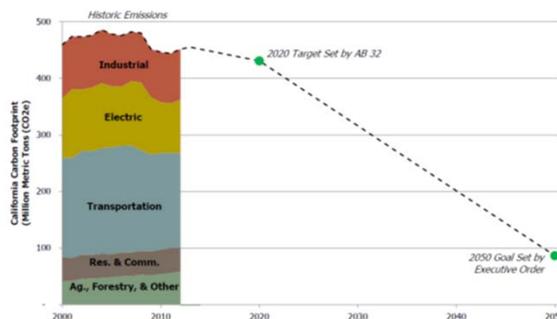


California Energy Policy

- EO B-30-15
 - 50% Renewables
 - 50% reduction in transportation fuel
 - Double Energy Efficiency
- SB 350 (same as EO)
- SB 32 (pending)
 - 40% Reduction in GHG by 2030
 - 80% by 2050

California's 2030 emissions target will determine the path toward 2050 goals

CALIFORNIA'S PATH TO 2050 GOALS



Regional Integration Timeline

