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VIA E-MAIL: [jcostant@arb.ca.gov](mailto:jcostant@arb.ca.gov); [jblakesl@arb.ca.gov](mailto:jblakesl@arb.ca.gov)

Jon Costantino  
Jeannie Blakeslee  
Office of Climate Change  
California Air Resources Board

RE: Administrative Fee Pursuant to AB 32

Dear Mr. Costantino and Ms. Blakeslee:

Southern California Edison Company (SCE) appreciates the opportunity to provide comments on the Proposed AB32 Administrative Fee Regulation (posted on February 19, 2009 and presented at ARB's February 25, 2009 workshop).

SCE's position on implementation of AB32 measures has consistently focused on equality: equality within sectors as well as equality among sectors. SCE believes that inter- and intra-sector equality should also apply to the allocation of administrative fees associated with the implementation of AB32. In this regard, SCE believes that just as emissions associated with electrical imports have been included by ARB for baseline and compliance purposes, so too should these same electrical imports be included by ARB when determining allocation factors for administrative fees.

SCE understands that ARB has two concerns with the inclusion of electrical imports within the administrative fee allocation factors: (1) identification of the emission factor to be assigned to unspecified imports; and (2) potential interstate commerce issues associated with the Federal Power Act.

SCE suggests that the emission intensity of unspecified imports for administrative fee allocation purposes can be treated the same as recommended by the CPUC for compliance purposes (i.e., 1,100 lbs CO<sub>2</sub>E/MWh).

With regard to potential interstate commerce issues associated with the Federal Power Act, SCE believes that the justifications used to include electrical imports for compliance purposes are appropriate to justify including electrical imports when determining allocation factors for administrative fees.

Sincerely,



Kelly O'Donnell