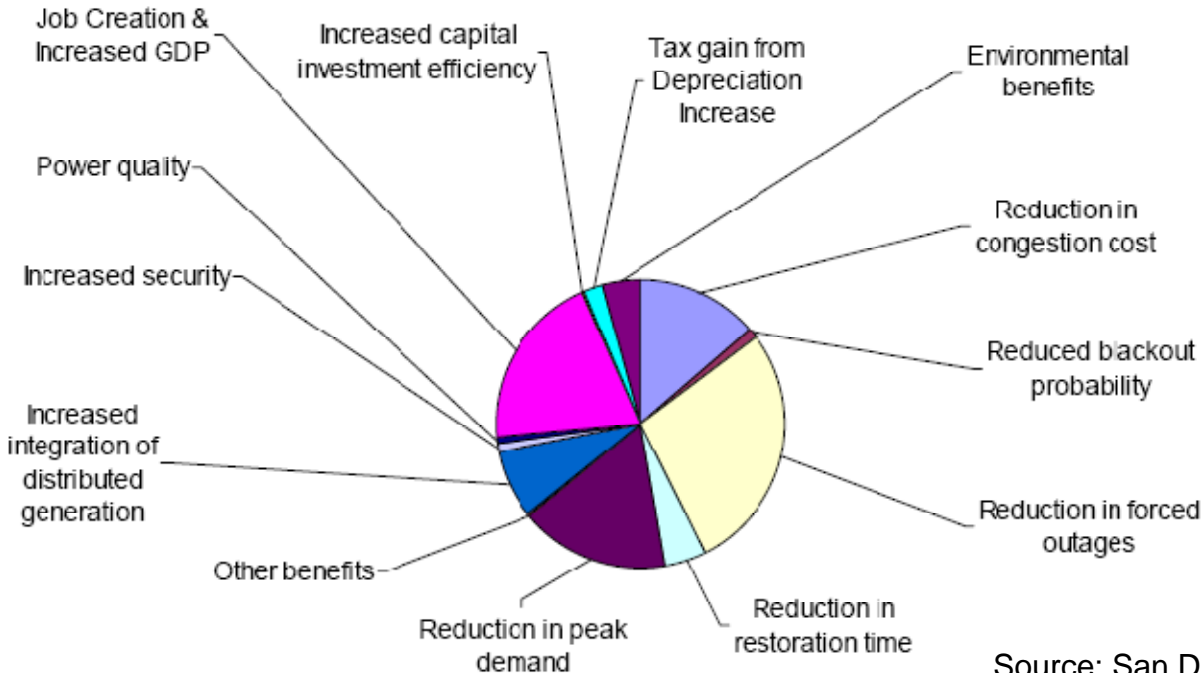


Benefits of Transforming (San Diego Example)



Regional
"IRR" >26%

Source: San Diego Smart Grid Study, Energy Policy Initiatives Center, USD, October 2006

“Based on the cost-benefit analysis conducted for this study, there appear to be sufficient benefits to the utility system, to the broader region (societal), and in total, to justify a movement of the San Diego regional grid to a Smart Grid architecture.” - Bottom Line from San Diego Smart Grid Study, October 2006

Powering the 21st Century Economy

Total Annual Benefits	\$141M
System Benefits (20-years)	\$1,433M
Societal Benefits (20-years)	\$1,396M
Total Capital Cost	\$490M
Annual O&M Cost	\$24M



Office of Electricity Delivery and Energy Reliability