

DOCKET

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"Road Map" to Natural Gas Demand-Related Assumptions for Staff's Proposed Natural Gas Market Assessment; For Discussion at February 24, 2011 IEPR Joint Committee Workshop on Economic, Demographic, and Energy Price Inputs for Electricity, Natural Gas and Transportation Fuel Demand Forecasts

These cases are designed to address specific CA policy-relevant questions (see footnotes)										
Focus on national drivers that lead to*			Focus on CA drivers that lead to @				Single-variable Sensitivity+	Single-variable Sensitivity#	Case not question-focused	
Below are Key Drivers for Which Assumptions are Selected and Combined to Create the Cases in Each Column		High Gas Price Case (output price is high, not input)	Low Gas Price Case (output price is low, not input)	High CA Gas Demand Case (output demand is high, not input)	Stressed High CA Demand Case (higher econ/demo; lower temps, hydro-generation)	Low CA Gas Demand Case (output demand is low, not input)	Stressed Low CA Demand Case (higher econ/demo; lower temps, hydro-generation)	Shale Gas Environmental Mitigation Cost Case	Reduced Pipeline Pressure Case	Rice University Reference Case
Economy/ Demographics	GDP									
	Population									
Weather	Temperature - degree days									
Electricity, Natural Gas and Fuel Prices	Initial Electricity price by sector and elasticities									
	Initial gas price by sector and elasticities				It won't be until the April 19, 2011, Workshop on staff's proposed Natural Gas Market Assessment that staff will have selected the various demand-related assumptions it proposes to use in these indicated cases. Also at that workshop, staff will propose gas supply-related assumptions.					
	Cross-price elasticities for substitute fuels (e.g., oil)									
Precipitation	Amount of Hydroelectric generation									
GHG and Energy Policy/Incentives & Constraints (These drivers affect gas demand via their effects on end use gas demand, end use electricity demand, and/or electricity supply alternatives).	GHG Regulations									
	Energy Efficiency									
	Central Station Renewable Generation									
	Combined Heat & Power									
	Distributed Generation									
	Transportation Electricity/NG Use									
	Other									
Environmental Protection and Public Safety	Environmental Compliance Costs									
	Public Safety Compliance costs									

Key to Policy-Relevant Questions:

- * Explore California's potential vulnerabilities, or opportunities, across a plausible range of conditions that could drive future wholesale market gas prices
- Explore California's potential vulnerabilities, or opportunities, across a plausible range of conditions that could drive future California gas demand, costs, and infrastructure
- @ additions
- + Explore potential effects on natural gas price and supply of uncertainties related to possible constraints/environmental mitigation costs assigned to shale gas development.
- # Explore potential effects on supply adequacy/price of uncertainties related to pressure reductions in gas pipelines.