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# **SDGE Comments on Final 2017 IEPR**

Additional submitted attachment is included below.



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California Energy Commission Dockets Office, MS-4 1516 Ninth Street Sacramento, CA 95814-5512

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### Subject: Comments on 2017 Final Integrated Energy Policy Report, Docket Number: 17-IEPR-01

Dear Chairman Weisenmiller and fellow Commissioners:

San Diego Gas & Electric Company ("SDG&E") appreciates the opportunity to submit comments in response to the California Energy Commission's ("CEC") 2017 Final Integrated Energy Policy Report ("2017 Final IEPR") issued on January 26, 2018 and noticed on January 29, 2018.

### I. Introduction

As we have stated in prior comments, filed on November 13, 2017, to the Draft IEPR report, SDG&E is supportive of comments made by our sister company, the Southern California Gas Company ("SoCalGas"), which highlight the need to maintain and modernize the natural gas system in a manner that significantly enhances the overall safety, reliability, resiliency, and flexibility of the Southern California energy grid. The Final 2017 IEPR should recognize that investments in natural gas infrastructure are consistent with the state's safety, reliability, *and* climate goals. For example, SDG&E and SoCalGas have co-sponsored the Pipeline Safety & Reliability Project ("PSRP") which would enhance public safety, improve reliability in a gas-constrained region, facilitate renewable gas usage in the greater San Diego area, and modernize the natural gas system through state-of-the-art technology upgrades.

Further, the Final 2017 IEPR should emphasize that safe and reliable pipeline infrastructure is a critical prerequisite to realizing the widely-recognized climate, air quality, and human health benefits that can be achieved by increased deployment of renewable gas to a variety of end uses. For example, in the absence of the PSRP, the San Diego region's ability to share in the myriad benefits of renewable gas would be uniquely jeopardized due to the region's constrained natural gas system.

## II. Chapter 8: Natural Gas Trends and Outlook

SDG&E appreciates the CEC's consideration of our previous comments relating to PSRP. We would like to request a few clarifications relating to the description of this proposed project.

SDG&E and SoCalGas have proposed PSRP to: (1) enhance the safety of their integrated natural gas transmission system and comply with State safety mandates, (2) improve the reliability and resiliency of the natural gas system within San Diego County, and (3) enhance operational flexibility to manage stress conditions by increasing local capacity in the San Diego region.

The proposed project would construct a new approximately 47-mile long, 36-inch diameter natural gas transmission pipeline from the existing Rainbow Metering Station, where SDG&E and SoCalGas also propose a new pressure-limiting station, and terminate on Marine Corps Air Station Miramar. The new pipeline would replace the transmission function of existing Line 1600 and allow it to be converted to distribution service. SDG&E and SoCalGas do not propose pressure testing Line 1600 and instead propose to de-rate, or lower the pressure of, Line 1600. Replacing Line 1600's transmission function and operating Line 1600 at a lower pressure achieves a greater margin of safety.

The new pipeline would also enhance the resiliency, reliability, and operational flexibility of SDG&E and SoCalGas' system by increasing local capacity in the San Diego region, which would allow SDG&E to handle intra-day fluctuations in electric generation demand. This is particularly important as new fast-ramping natural gas-fired electric generation comes online in San Diego County.

SDG&E therefore requests revising the last paragraph on page 260 of the clean version of the Final 2017 IEPR as follows:

California's existing combination of pipeline capacity and underground gas storage appears adequate to meet forecast natural gas demand and no general increase in capacity is proposed. SoCalGas and SDG&E, however, have an application before the CPUC seeking permission to build a new 47-mile pipeline, not to increase system capacity but to increase local capacity in the San Diego region. The proposed pipeline would transport natural gas from the existing Rainbow Pressure-Limiting Metering Station at the Riverside/San Diego County line, south to the Marine Corps Air Station Miramar in San Diego. The proposed pipeline would replace the existing transmission function of existing Line 1600, which, under this proposal, would be <u>de-rated, or lowered in pressure, converted</u> to <u>serve as</u> a distribution line. The new line would allow safety testing and de<u>rating</u> of the existing Line 1600 and <u>would</u> provide a measure of redundancy and additional <u>safety and</u> reliability for gas service into San Diego.

### III. Conclusion

Thank you for the opportunity to provide these comments.

Sincerely,

/s/ Tim Carmichael

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