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Pacific Gas and Electric Comments on 2018 IEPR Update - Volume I

Additional submitted attachment is included below.



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California Energy Commission Dockets Office, MS-4 Docket No. 18-IEPR-02 1516 Ninth Street Sacramento, CA 95814-5512

Re: <u>Docket 18-IEPR-02: Pacific Gas and Electric Company Comments on the 2018 Integrated Energy Policy Report Update – Volume I</u>

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments on the 2018 Integrated Energy Policy Report Update (2018 IEPR Update, Update, or Report) – Volume I and appreciates the California Energy Commission's (CEC) work to assemble such a comprehensive and user-friendly assessment of California's climate leadership.

Following the publication of the 2017 IEPR, PG&E recommended that the broad climate theme be coupled with efforts to achieve GHG reductions in an affordable way for all customers, not just customers who are able to participate in particular programs. To that end, PG&E appreciates the acknowledgement in this Update that "further work is underway to ensure that the NEM program meets the needs of California's evolving electricity grid." It is essential for all California customers that the important work on California's climate energy future, so effectively encapsulated in this report, be sustainable and continue to consider affordability as a central element of GHG reduction efforts.

PG&E supports the adoption of Volume I and provides the following edits in furtherance of the report's clarity and effectiveness:

Page 8: The CEC should consider removing the modifier "small scale" regarding hydroelectric in the "Cleaning up the Electric Grid" paragraph to account for existing large-scale hydroelectric resources as well as small scale resources.

Page 10: The Update references 6,600MW of installed distributed solar, but the accompanying chart reflects approximately 5,800 MW (2017). The text also references distributed solar while the accompanying chart references "Distributed Generation," which encompasses a broader suite of distributed energy technologies. We recommend that the CEC consider reconciling the chart and the text for clarity.

Page 10: In the Rooftop Revolution section, CEC should consider inserting the below highlighted phrase to increase the accuracy of the following statement: "The CSI also expanded utilization of NEM, another key program that has helped make rooftop solar cost-effective for California consumers **seeking to adopt**

¹ 2018 Integrated Energy Policy Report Update – Volume 1. Page 10.

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solar." While rooftop solar is cost-effective for participating customers, it is not cost-effective for non-participating customers due to the cost-shift associated with net energy metering.

Page 12: In the Energy Efficiency Savings section, CEC should insert the below highlighted phrase to increase the accuracy of the following statement: "In 2015, California enacted landmark legislation to achieve a **cost-effective** cumulative doubling of energy efficiency savings in electricity and natural gas end uses by 2030."

Page 16: In the section titled Increasing Grid Flexibility, CEC should consider expanding the list of drivers of need for flexibility to include (1) enabling two-way flow of local, customer-generated clean energy, and (2) enabling transportation electrification. Both state-policy objectives drive the need for increased distribution grid flexibility and capability.

Page 16: The "Integrated Resource Plan" section should be updated to reflect the new developments in this area. For example, SB350 and its implementation through a new Integrated Resource Planning Proceeding should be added. Other possible additions could reflect the planning will be done towards meeting a statewide GHG emissions target for the electricity sector.

XII. Conclusion

PG&E appreciates this opportunity to comment on the 2018 IEPR Update – Volume I and looks forward to continued participation in this process as the CEC works toward Volume II later this year.

Sincerely,

/s/

Wm. Spencer Olinek