

**DOCKETED**

<b>Docket Number:</b>	19-IEPR-03
<b>Project Title:</b>	Electricity and Natural Gas Demand Forecast
<b>TN #:</b>	228250-1
<b>Document Title:</b>	SDGE IEPR 2019 Cover Letter for Submitting Electricity Demand Forms
<b>Description:</b>	C. Fang Cover Letter 2019 IEPR
<b>Filer:</b>	Lisa Fucci-Ortiz
<b>Organization:</b>	San Diego Gas & Electric Company
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	5/13/2019 4:56:07 PM
<b>Docketed Date:</b>	5/13/2019



Cynthia Fang  
Project Manager  
Energy Research and Analysis  
8326 Century Park Court, CP42F  
San Diego, CA 92123  
Tel: 858-654-6430  
[CFang@semprautilities.com](mailto:CFang@semprautilities.com)

May 13, 2019

Mr. Drew Bohan  
Executive Director  
California Energy Commission  
Docket Office  
1516 Ninth Street  
Sacramento, CA 95814-5512  
[docket@energy.ca.gov](mailto:docket@energy.ca.gov)

RE: San Diego Gas & Electric Company's Submission of 2019 Electricity Demand Forecast Forms to the California Energy Commission Docket No. 19-IEPR-03

Dear Mr. Bohan:

Pursuant to the California Energy Commission's ("CEC's") Staff Final Report "Forms and Instructions for Submitting Electricity Demand Forecasts" that was docketed on January 7, 2019, San Diego Gas and Electric ("SDG&E") respectfully submits Electricity Demand Forms 1.1a, 1.1b, 1.2, 1.3, 1.4, 1.5, 1.6a, 1.6b, 1.7a, 1.7b, 1.7c, 1.8, 2.1, 2.2, 2.3, 3.2, 4 and 6 in the 2019 Integrated Energy Policy report ("IEPR") proceeding. SDG&E had formally requested and received approval for a twenty-eight-day (28) extension of the due date for submitting its Demand Forecast forms from April 15, 2019 to May 13, 2019.

This submission reflects SDG&E's perspective on the forecasted adoption of advanced technology, specifically, photovoltaics (PV), electric vehicles (EV), and energy storage (ES) as well as the performance of energy storage to system peak.

- **PV adoption:** PV adoption in the SDG&E service territory has consistently outpaced the mid-scenario for forecasted PV adoption that has historically been included in the CEC Forecast. SDG&E recommends the use of the high scenario forecast for PV adoption in SDG&E's service territory and has reflected that in its submission of Form 1.7a and has impacts on Forms 1.1a, 1.1b, 1.2, 1.3, 1.4, 1.5 and 1.6a.
- **EV adoption:** SDG&E believes the high scenario forecast for EV adoption, rather than the mid-scenario, to be more appropriate in the outer years, given the policy direction of the State. However, forecasted EV adoption in the near-term needs to better reflect current EV adoption levels in SDG&E's service territory. SDG&E recommends an EV adoption forecast that reflects lower adoption in the near-term years that are below the mid-scenario and higher adoption in the outer years that are

better reflected in the high scenario. This recommendation is reflected in SDG&E's submission of Form 1.1a and has impacts on Forms 1.1b, 1.2, 1.3, 1.4, 1.5 and 1.6a.

- **Energy Storage (ES) adoption:** SDG&E recognizes that energy storage has only recently been included in the CEC forecast and adoption continues to be in the early stages. SDG&E believes based on historic adoption in our service territory that the ES adoption forecast previously provided in the *California Energy Demand Updated Forecast, 2018-2030* ("CEDU 2018") maybe too low. SDG&E recommends the use of an SDG&E allocation of ES adoption in California from Bloomberg's 2018 Long-Term Energy Storage Outlook, published on November 15, 2018. This is reflected in SDG&E's Form 1.7b and 1.7c.
- **Energy Storage Peak Load Reduction:** SDG&E has concerns regarding the expected reduction in system peak load reflected in the CEDU 2018 which reflected over 80% reduction in peak load. The 2017 SGIP Advanced Energy Storage Impact Evolution identified system peak demand reduction of approximately 7%. While SDG&E recognizes that we are still in the early stages of the development of energy storage, given the implications this will have on planning needs for system reliability, SDG&E recommends a more conservative assumption for peak load reduction. This is reflected in SDG&E's submission of Forms 1.3, 1.4 and 1.5.

In addition, historically, SDG&E data provided to the CEC has been based on reported sales, which do not capture the impact that energy exports to the utility grid from net energy metering customers have on total sales. In this submission, the data provided from SDG&E now reflects the net sales which capture the impact of energy exports to the utility grid from net energy metering customers.

Should you have any questions, please feel free to contact Ken Schiermeyer, Electric Forecasting Manager for SDG&E, by email at [KSchiermeyer@semprouilities.com](mailto:KSchiermeyer@semprouilities.com) or by phone at (858) 654-1764. Mr. Schiermeyer's business address is 8306 Century Park Ct., CP42F, San Diego, CA, 92123.

Thank you for your consideration.

Yours Sincerely,

/s/ Cynthia Fang

Cynthia Fang

Manager of Energy Research and Analysis for San Diego Gas & Electric Company