

**CALIFORNIA ENERGY COMMISSION**

1516 Ninth Street  
Sacramento, California 95814

Main website: [www.energy.ca.gov](http://www.energy.ca.gov)

<b>DOCKET</b> 08-IEP-1	
<b>DATE</b>	MAY 23 2008
<b>RECD.</b>	MAY 28 2008



In the matter of:	)	Docket No. 08-IEP-1
	)	
Preparation of the	)	NOTICE OF COMMITTEE
2008 Integrated Energy Policy Report	)	SCOPING HEARING
Update and the 2009 Integrated Energy	)	
Policy Report	)	

## Notice of Committee Hearing

The Integrated Energy Policy Report (IEPR) Committee will hold a hearing to receive input from all interested parties on the scope of the 2009 IEPR. Commissioner Jeff Byron is the Presiding Member and Chairman Jackalyn Pfannenstiel is the Associate Member. Other Commissioners from the Energy Commission or California Public Utilities Commission may attend and participate in this hearing. The hearing will be held on:

**TUESDAY, JUNE 3, 2008**  
10 a.m.  
CALIFORNIA ENERGY COMMISSION  
1516 Ninth Street  
First Floor, Hearing Room A  
Sacramento, California  
(Wheelchair Accessible)

Audio from this meeting will be broadcast over the Internet.  
For details, please go to: [www.energy.ca.gov/webcast/](http://www.energy.ca.gov/webcast/)

To participate in the meeting by phone,  
please call **888-566-5914** by 10:00 a.m.  
Passcode: **IEPR** Call Leader: **Suzanne Korosec**

### Purpose

The IEPR Committee has prepared a list of key issues for the 2009 IEPR (see Attachment A) to be discussed at the June 3, 2008 hearing. The Committee will take public comment on the proposed scope of the report and also welcomes additional recommendations from all interested parties on key topics and issues that should be addressed in this proceeding. Following the hearing, the Committee will issue a scoping order based on that input that identifies the specific issues on which Energy Commission staff will focus in developing the 2009 IEPR.

## **Process**

Senate Bill 1389 (Bowen and Sher, Chapter 568, Statutes of 2002) requires the Energy Commission to “conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices. The Energy Commission shall use these assessments and forecasts to develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state’s economy, and protect public health and safety” (Public Resources Code § 25301[a]). This assessment and associated policy recommendations are reported and adopted every two years.

SB 1389 also requires the Energy Commission in alternate years to prepare an energy policy review to update analyses from the IEPR or raise energy issues that have emerged since the release of the IEPR.

The Energy Commission intends to require submission of demand forecasts, resource plans, market assessments, and related outlooks from electric and natural gas utilities, transportation fuel and technology suppliers, and other market participants. To ensure a full and complete record in this proceeding, this data must be submitted in a timely way. The Legislature has found that timely reporting and collection of data “...are essential to serve the information and policy development needs of the Governor, the Legislature, public agencies, market participants, and the public” (Public Resources Code § 25300[d]). On April 16, 2008, the Energy Commission adopted an Order Instituting Information Proceeding to gather and assess information to assist the Energy Commission in preparing the *2009 IEPR*.

SB 1389 directs state government entities to use the information and analyses contained in the adopted IEPR to carry out their energy-related duties and responsibilities. During this proceeding, the Energy Commission will coordinate closely with other agencies to ensure consistency in the underlying information used to develop the report.

## **Hearing Participation**

The Committee is seeking the active participation of interested parties in this proceeding. Interested parties are invited to participate before and during this hearing, and attendees are strongly encouraged to participate in discussions. If you wish to present your comments to the Committee at the hearing, you may contact Suzanne Korosec at (916) 654-4516 or by e-mail at [skorosec@energy.state.ca.us] by Thursday, May 29, 2008. Presentation requests received on the day of the hearing will be accommodated to the extent that time allows. The Committee will also take general comment from the public immediately following the presentations.

## Comments

The Committee will take comments either orally at the hearing or through written comments. The Committee requests that written comments on hearing topics be submitted by 5:00 p.m. on Tuesday, June 10, 2008. Please include the docket number 08-IEP-1 and indicate "2009 Integrated Energy Policy Report Scope" in the subject line or first paragraph of your comments.

The Energy Commission encourages comments by e-mail. Please include your name or organization's name in the name of the file. Those submitting comments by electronic mail should provide them in either Microsoft Word format or as a Portable Document File (PDF) to [docket@energy.state.ca.us]. **One paper copy** must also be sent to the Energy Commission's Docket Unit at the address shown below.

Parties may also submit comments in hard copy. Please hand deliver or mail an original plus 10 paper copies to:

California Energy Commission  
Dockets Office, MS-4  
Re: Docket No. 08-IEP-1  
1516 Ninth Street  
Sacramento, CA 95814-5512

Participants may also provide an original and 10 copies at the beginning of the workshop. All written materials relating to this workshop will be filed with the Dockets Unit and become part of the public record in this proceeding.

## Public Participation

The Energy Commission's Public Adviser's Office provides the public assistance in participating in Energy Commission activities. If you want information on how to participate in this forum, please contact the Public Adviser's Office at (916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at [pao@energy.state.ca.us]. If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

The service list for the 2009 *IEPR* and associated key topic proceedings is handled electronically. Notices and document for these proceedings are posted to the Energy Commission website at [[http://www.energy.ca.gov/2009 energy policy/](http://www.energy.ca.gov/2009_energy_policy/)]. When new information is posted, an e-mail will be sent to those on the energy policy e-mail list server. We encourage those who are interested in receiving these notices to sign up for the list server through the website [<http://www.energy.ca.gov/listservers/index.html>].

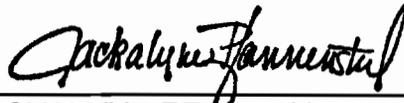
Please direct all news media inquiries to the Media Office at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us]. Technical questions should be directed to Suzanne Korosec, Assistant Director for Policy Development, at (916) 654-4516 or by e-mail at [skorosec@energy.state.ca.us].

If you are planning to attend this meeting, please be aware that drivers can expect traffic congestion and delays due to repair work on Interstate 5 in the downtown Sacramento area. Information on road closures and alternate routes is available at [<http://www.fixi5.com/>], or you can call 511 to get information in English and Spanish.



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JEFFREY D. BYRON  
Commissioner and Presiding Member  
Integrated Energy Policy Report Committee



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JACKALYNE PFANNENSTIEL  
Chairman and Associate Member  
Integrated Energy Policy Report Committee

Date posted: May 23, 2008

Note: California Energy Commission's formal name is State Energy Resources Conservation and Development Commission.

## **Attachment A**

### **Proposed Scope of 2009 Integrated Energy Policy Report**

For the 2009 *IEPR*, the Committee proposes to further explore the topics raised in the 2008 *IEPR Update* in addition to the statutory requirements for the report, including evaluation of electricity system changes needed to support higher levels of renewables and ensuring that energy efficiency embedded in the Energy Commission's demand forecast is made more explicit. The 2009 *IEPR* will also continue to focus on reducing greenhouse gas impacts from the state's electricity, natural gas, and transportation energy sectors.

The IEPR Committee proposes to include the following topics in the 2009 *IEPR*, consistent with the requirements of Senate Bill 1389 (Bowen and Sher, Chapter 568, Statutes of 2002). The Committee also seeks input on whether the IEPR should focus on a subset of specific topics and if so, what those topics should be.

#### ***Electricity and Natural Gas:***

- Supply trends and price outlook, both wholesale and retail.
- Forecasts of statewide and regional demand, including: annual, seasonal, and peak; demand growth factors; evaluation of best, worst, and average conditions for long-range forecast; and impacts on natural gas demand of increasing renewable resources.
- Evaluation of supply adequacy.
- Examination of the long-term procurement process to better understand how the state's loading order is being addressed in the procurement framework, and how to ensure at the same time a competitive market that allows independent producers to compete.
- Assessment of infrastructure and system availability, reliability, and efficiency.
- Impacts on public health and safety, the economy, resources, and the environment of supply, demand, and the system.
- Effects of load management efforts.
- Ability of the market to meet public interest objectives, including: economic benefits, competitive, low-cost reliable services, customer information and protection, environmental sensitivity, and improved market performance.
- Continued evaluation under the scenario analysis effort undertaken in the 2007 *IEPR* of trade-offs of various resource portfolios under various greenhouse gas regulatory outcomes.
- Examination of potential strategies to implement prior IEPR recommendations for combined heat and power and distributed generation technologies.
- Evaluation of the Energy Commission's siting process, including potential additional power plant efficiency requirements, how greenhouse gas emission concerns should be addressed, the impact of NOx requirements on the ability of generators to ramp up and down quickly, and continued evaluation of potential environmental impacts associated with siting large renewable projects.

- Refine the input data used for developing technologies in the Cost of Generation Model and establish a process to regularly update changing technology costs over time, including those for renewable technologies.
- Potential impacts on electricity supplies/demand of electrification in the transportation sector of both vehicles and infrastructure.
- The role of energy storage and other technologies in firming up renewables and reducing the use of natural gas peaking plants.

***Strategic Transmission Investment Plan:***

- Update of the *2007 Strategic Transmission Investment Plan*.
- Actions needed to develop and maintain cost-effective, reliable transmission system, including new transmission needed to support renewable goals and accommodate imports of renewable electricity.
- Recommendations for overcoming transmission challenges.
- Recommendations for in-state transmission corridor planning and in-state transmission projects.
- Discussion of Energy Commission and Federal corridor designation efforts.
- Discussion of the Renewable Energy Transmission Initiative and Western Renewable Energy Zones.
- Evaluation of new technologies to reduce grid impacts from increased renewable generation.
- Discussion and evaluation of “smart grid” and potential research and develop needs to support the state’s distribution system.

***Transportation Fuels, Technologies, and Infrastructure Forecasting and Assessment:***

- Trends in supply and demand.
- Forecasts of wholesale and retail prices for petroleum, petroleum products, and alternative transportation fuels.
- Forecasts of seasonal and annual transportation fuel demand, both statewide and regionally, and factors leading to demand growth.
- Evaluation of supply, technology, and infrastructure adequacy.
- Discussion of any changes needed to the state’s contingency plan.
- Evaluation of alternative transportation energy scenarios and effects, and progress toward alternative fuel goals identified in the *2007 IEPR*.
- Evaluation of sustainable land use planning and policies and resulting impacts on energy use and infrastructure.
- Recommendations to improve efficiency, reduce petroleum use, increase alternative transportation fuel use, and improve environmental performance.
- Update the State Alternative Fuels Plan, as recommended in the *2007 IEPR*.
- Status of the Alternative and Renewable Fuel and Vehicle Technology Program established by Assembly Bill 118.

***Environmental Performance of Electric Generation Facilities:***

- Assessment of facility efficiency and emission control technologies
- Evaluation of displacement or reduction of operation of existing facilities, and associated effects.

- Consideration of statewide policy efforts to address impacts of once-through cooling and associated impacts on both existing and new facilities as well as potential impacts on reliability.

**Public Interest Energy Trends and Strategies:**

- Evaluate additional achievable energy efficiency and conservation measures and technologies, including what will be needed to meet the goal of 100 percent cost-effective energy efficiency; implement load management.
- Discussion of the importance of the water-energy nexus as it relates to efficiency.
- Evaluate progress toward the state’s existing Renewables Portfolio Standard goals and discuss system changes needed to support higher targets, including transmission additions or upgrades, operational changes, and the use of advanced energy storage.
- Discuss status of efforts to pursue research, development, demonstration, and commercialization of new energy technologies in the electricity, natural gas, and transportation sectors.
- Evaluation of efforts to reduce statewide greenhouse gas emissions and address the impacts of climate change on California, stimulate energy-related business, and protect and enhance the environment.

The proposed schedule for the 2009 IEPR is shown below.

**PROPOSED SCHEDULE:**

<b>2009 IEPR</b>	
Issue Order Instituting Informational Proceeding	April 16, 2008
Scoping hearing for 2009 IEPR	June 3, 2008
Issue IEPR Committee Scoping Order for 2009 IEPR	July 15, 2008
Hold public workshops on specific topics and issue staff white papers summarizing findings and recommendations on specific topics	September 2008 – June 2009
Hold Committee hearings on specific topics/white papers	July – August 2009
Issue <i>Committee Draft 2009 IEPR</i>	September 2009
Committee hearing on <i>Draft 2009 IEPR</i>	September 2009
Issue <i>Committee Final 2009 IEPR</i>	October 2009
Business Meeting adoption	November 2009