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09-IEP-1C
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EXECUTIVE DIRECTOR

Ms. Melissa Jones
Executive Director
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Docket Number 09-IEP-1C Demand Forecast

Dear Ms. Jones:

Enclosed please find the Demand Forecast of San Diego Gas & Electric Company (SDG&E) in the referenced docket, along with SDG&E's Application for Confidential Designation. Note form 8.1a only contains data for years 2009 forward since the historical portion was provided on February 13, 2009. The requested information contains confidential information. The highlighted material is confidential/privileged; review and access restricted; and subject to PUC Code Sections 454(g), 583, GO-66-C and D.06.06.066.

If you have any questions regarding the forms, please feel free to contact me.

Sincerely,

Signed/

Despina Niehaus
Regulatory Case Manager, California Regulatory Affairs

Sempra Energy Utilities
(858) 654-1714
dniehaus@semprautilities.com

Via e-mail

APPLICATION FOR CONFIDENTIAL DESIGNATION
(20 CCR SECTION 2505)

2009 INTEGRATED ENERGY POLICY REPORT
Docket Number 09-IEP-1C

Applicant: San Diego Gas & Electric Company (SDG&E)

Attorney for Applicant: John A. Pacheco
Address of Applicant: 101 Ash Street, HQ 12
San Diego, CA 92101-3017
jpacheco@sempra.com
(619) 699-5130

1. (a) Title, date, and description of the record.

SDG&E seeks confidential designation for data provided to the California Energy Commission (Commission) as part of the 2009 Integrated Energy Policy Report (IEPR). The information for which confidential designation is requested pertains to SDG&E's forecast of total energy sales and energy demand, coincident peak demand, peak demand under certain weather scenarios, hourly loads, rate forecasts, and energy sales to both bundled and direct access, as set forth in Part I(b), below.

(b) Specify the part(s) of the record for which you request confidential designation.

IEPR Form 1.1b: Retail Sales of Electricity by Class or Sector – Bundled Customers (GWh) Rows 29-31, Columns C-J;

IEPR Form 1.2: Distribution Area Net Electricity For Generation Load (GWh), Rows 29-31, Columns C, D, H and I;

IEPR Form 1.3: LSE Coincident Peak Demand by Sector (Bundled Customers) (MW), Row 29-31, Column M-P;

IEPR Form 1.4: Distribution Area Coincident Peak Demand (MW) Rows 29-31, Columns C-D;

IEPR Form 1.5: Peak Demand Weather Scenarios, Distribution Area Coincident Peak Demand (MW), Rows 29-40, Columns C-G;

IEPR Form 1.6a: Recorded LSE Hourly Loads for 2007, 2008 and Forecast Loads for 2010. Part 1 of 3. Recorded Loads for 2007, all Rows, Columns C-F; and Part 3 of 3, Forecast Loads for 2010, all Rows, Columns C-F and H;

IEPR Form 2.3: Electricity Rate Forecast (2007 cents/kWh), Rows 29-40, Columns C-H; and

IEPR Form 8.1a (IOU): IOU Revenue Requirements by Major Cost Categories/Unbundled Rate Component, Rows 21 and 46, Columns E-G and Rows 8, 10, 20, 23, 33, 36, 38, 40, 42 and 72, Columns E-P.

2. State and justify the length of time the Commission should keep the record confidential.

SDG&E requests that the forecast data indicated be kept confidential for a period of three years, or through December 31, 2011. This length of protection is required to ensure that SDG&E's detailed demand forecast data remains secure from market participants who could otherwise make competitive use of this information to the detriment of utility ratepayers. The three-year confidential period requested by SDG&E is consistent with the protection given to this same data by the California Public Utilities Commission (CPUC). Three years is adequate time for the demand forecast data to become "stale" in terms of price movement in the electricity and gas markets, and SDG&E has no objection to the data being made public after that time.

3. (a) State the provision(s) of the Public Records Act or other law that allows the Commission to keep the record confidential, and explain why the provision(s) applies to the record.

These forms provide competitively and commercially sensitive business and resource planning information and trade secrets. Under the Public Records Act, Govt. Code Section 6254(k), records subject to the privileges established in the Evidence Code are not required to be disclosed. See also Govt. Code Section 6254.7(d). Evidence Code Section 1060 provides a privilege for trade secrets, which is defined in Civil Code Section 3426.1 as information, including a formula, technique, and process, that derives independent economic value from not being generally known to the public or to other persons who could obtain value from its disclosure. It is well established that the Courts protect trade secret information from disclosure where disclosure would be harmful. See, e.g., *Klatnath-Orleans Lumber v. Miller* (1978), 87 Cal. App. 3d 458. Among the harm that disclosure causes is the ability of competitors to gain knowledge at the expense of the privilege holder. *Pepsico v. Raymond* (9th Cir. 1995) 54 F. 3d 1262.

In addition to the Courts regularly protecting trade secret information, the CPUC also recognizes that utility trade secret information may be kept confidential under appropriate circumstances. See generally, e.g .. R.97-04-010, 71 CPUC 2d 485; D.02-12-074,2002 Cal. PUC LEXIS 905; D.98-02-041, 78 CPUC 2d 486). Of particular relevance here, the CPUC has adopted a "materiality" standard that affords confidential status to procurement-related information that, if revealed,

"[a]ffects the market price [that] an energy buyer pays for electricity." D.06-06-066, at p. 42. The CPUC materiality standard was adopted in response to the legislative directive given to the CPUC to re-examine its practices with regard to protection of confidential, procurement-related data and to revise, where appropriate, its practices in this regard.[1] The CPUC issued two decisions in 2006 regarding what information is deemed to be confidential, commercially sensitive, or trade secrets and for what period of time such information is to be kept confidential. See D.06-06-066 and D.06-12-030.

Section 454.5 of the Public Utilities Code is also pertinent. That section requires the CPUC to maintain as confidential certain market sensitive information related to a distribution utility's procurement plan. Significantly, that code section does not even require any demonstration of "ratepayer" harm, even though that risk is clearly present here. It is important as a matter of public policy that this Commission not publicly disclose information that the CPUC has deemed to be confidential for the sake of protecting ratepayers from potentially higher costs. Attachment A provides a copy of the CPUC's "Matrix" to D.06-06-066 outlining the various classes of information protected by the CPUC and the period for which such information will be protected. Attachment A also includes an index cross-referencing each of the specific items of information for which SDG&E seeks confidential protection in this proceeding with the appropriate Matrix category.

The Commission has already articulated a similar standard of ratepayer protection when it discussed the definition of a "trade secret" in the 2005 IEPR proceeding.[2] The Commission determined there that, in order to qualify as a trade secret, it must be demonstrated that there will be harm to the utility's ratepayers if the information for which confidential designation is sought is publicly released.[3] Again, there is a demonstrable risk of harm to ratepayers if the information were to be released. Each category of data and the resultant harm is discussed in the following paragraphs.

IEPR Form 1.1b: Retail Sales Of Electricity By Class or Sector – Bundled Customers (GWh) Rows 29-31, Columns C-J: In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission designated this same information as confidential for a period of three years. In this proceeding, SDG&E is requesting identical treatment for substantially the same information that the Commission has already deemed confidential. Thus, in accordance with 20 CCR §2505(a)(4), SDG&E has submitted a declaration in conformance with 20 CCR §(a)(1)(G), as Attachment B.

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[1] SB 1488, 2004 Cal. Stat., ch 690.

[2] *Commission Order Denying Appeals of San Diego Gas and [sic] Electric Company, Southern California Edison Company and Pacific Gas and Electric Company of the Executive Director's Notice of Intent to Release Aggregated Data, dated* September 7, 2005 in Docket No. 04-IEP-1D, at pp. 14-15.

[3] Id., at p. 15.

IEPR Form 1.2: Distribution Area Net Electricity For Generation Load (GWh), Rows 29-31, Columns C, D, H and I: In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission designated this same information as confidential for a period of three years. In this proceeding, SDG&E is requesting identical treatment for substantially the same information that the Commission has already deemed confidential. Thus, in accordance with 20 CCR §2505(a)(4), SDG&E has submitted a declaration in conformance with 20 CCR §(a)(1)(G), as Attachment B.

IEPR Form 1.3: LSE Coincident Peak Demand by Sector – Bundled Customers (MW), Row 29-31, Column M-P: Disclosure of this peak demand information would for the years 2009-2011 would allow market participants to use this data, in conjunction with other publicly available data, to calculate SDG&E's "Net Open Position," including monthly and hourly net short. The Net Open Position is among the most protected categories of utility data because its disclosure could give buyers or sellers an unfair advantage over the utility in transacting for purchases and sales of power. If a prospective counterparty knows the magnitude of the utility's long or short position, that knowledge could in turn drive the counterparty's bargaining and pricing strategy. The result is that utility customers could end up paying higher prices for purchases, or receiving a lower price for sales, than would otherwise be the case if the net short position were not known. The CPUC's D.06-06-066 decision grants confidential treatment for a period of three years to both the Net Open Position, as well as to the Bundled Customer Coincident Peak Demand for which SDG&E seeks confidential designation here. SDG&E requests the same treatment from this Commission.

IEPR Form 1.4: Distribution Area Coincident Peak Demand (MW), Row 29-31, Columns C and D: This distribution area coincident peak demand information should be kept confidential for years 2009-2011 for the same reasons set forth above for Form 1.3. SDG&E seeks to protect the bundled customer data found in Column C. In addition, SDG&E is seeking confidential designation for the Direct Access and Community Choice Aggregator data in Columns D and E because one could obtain the bundled customer data by simply subtracting those numbers from the total peak demand in Column K. Also, the confidential treatment requested by SDG&E is identical to the treatment given by the CPUC.

IEPR Form 1.5: Peak Demand Weather Scenarios, Distribution Area Coincident Peak Demand (MW), Rows 29-40, Columns C-G: In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission designated this same information as confidential for a period of three years. In this proceeding, SDG&E is requesting identical treatment for substantially the same information that the Commission has already deemed confidential. Thus, in accordance with 20 CCR §2505(a)(4), SDG&E has submitted a declaration in conformance with 20 CCR §(a)(1)(G), as Attachment B.

IEPR Form 1.6a: Recorded LSE Hourly Loads for 2007, 2008 and Forecast Loads for 2010. Part 1 of 3. Recorded Loads for 2007, all Rows, Columns C-F; and Part 3 of 3, Forecast Loads for 2010, all Rows, Columns C-F and H: In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission designated this same information as confidential for a period of three years. In this proceeding, SDG&E is requesting identical treatment for substantially the same information that the Commission has already deemed confidential. Thus, in accordance with 20 CCR §2505(a)(4), SDG&E has submitted a declaration in conformance with 20 CCR §(a)(1)(G), as Attachment B.

IEPR Form 2.3: Electricity Rate Forecast (2007 cents/kWh), Rows 29-40, Columns C-H: In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission designated this same information as confidential for a period of three years. In this proceeding, SDG&E is requesting identical treatment for substantially the same information that the Commission has already deemed confidential. Thus, in accordance with 20 CCR §2505(a)(4), SDG&E has submitted a declaration in conformance with 20 CCR §(a)(1)(G), as Attachment B.

IEPR Form 8.1a (IOU): IOU Revenue Requirements by Major Cost Categories/Unbundled Rate Component, Rows 21 and 46, Columns E-G and Rows 8, 10, 20, 23, 33, 36, 38, 40, 42 and 72, Columns E-P: Forecast data for fuel costs and payments to QFs (lines 8 and 20) fall within the CPUC's materiality standard (described above) because fuel is a significant input into the variable costs of generating electricity, including the formula by which QF payments are calculated. Also, costs for generation from QFs (line 40 and 72) should remain confidential because that price information, along with other publicly available gas price information, provides a means of calculating, through reverse engineering, the price(s) that SDG&E is paying and will pay under its bilateral QF contracts. Similarly, the economic dispatch data associated with DWR contracts (line 36) could be used to calculate SDG&E's net short. With respect to line 46, if this data were revealed, it may be possible to determine SDG&E's hedging practices on a transactional level. Beyond 2009, this line also includes costs for generic resources that cover SDG&E's net short position. Line 21 is a utility generated gas price forecast which is not publicly available. It is derived from the aggregate fuel cost of all natural gas fired resources in the dispatch model. Also, various subtotals (lines 10, 23, 33 and 38) are comprised of the sum of only two figures. Therefore, SDG&E requests that these subtotals remain confidential because subtracting the public line from the subtotal would reveal the confidential line. Similarly, information on "Other" supply contracts (line 42) should be kept confidential because release of that data would allow the calculation of the QF costs forecasts by simply deducting "Other" and Non-QF Renewables from the Supply Contracts Subtotal. Finally, the confidential treatment requested by SDG&E for form 8.1a is identical to the treatment given by the CPUC (see Attachment A).

(b) Discuss the public interest in nondisclosure of the record. If the record contains trade secrets or its disclosure would otherwise cause loss of a competitive advantage, please also state how it would be lost, the value of the information to the Applicant, and the ease or difficulty **with which the information could be legitimately acquired or duplicated by others.**

SDG&E believes that there is a compelling public interest in protecting its information, as described above. The primary public interest to be protected is, among other things, that SDG&E will be disadvantaged in procurement such that consumers may well pay higher energy prices than they would if the information was not publicly released. It is apparent that where parties have "unequal information" and where the seller knows that the buyer is in a position where it must procure seller's product, that sellers have an unfair advantage. The CPUC has given protection to this information based on these same reasons. Although sellers have some access to historical sales information and a generalized knowledge of the resources in SDG&E's power supply portfolio, they do not have access to the specific operating characteristics of SDG&E's utility retained generation and least cost dispatch, SDG&E's hedging of fuel price and supply, the specific terms of SDG&E's power supply contracts, or other competitive information that would be necessary in order to more precisely calculate SDG&E's hourly and monthly power needs. This inability to know precisely what SDG&E needs (on either the buy or sell side) prevents both buyers and sellers from gaining an unfair advantage in the marketplace, and keeps competitive pressure on prices for both sales and purchases.

4. **State whether the record may be disclosed if it is aggregated with other information or masked to conceal certain portions (including but not limited to the identity of the Applicant). State the degree of aggregation or masking required. If the data cannot be disclosed even if it is aggregated or masked, explain why.**

SDG&E's submittal includes a great deal of aggregated data that the Commission can release immediately. In addition, it may be possible to aggregate certain of the data, e.g., on a statewide basis. SDG&E does not believe that the rate forecast information can be aggregated or masked in a manner that would render it useful. However, SDG&E remains willing to work with Commission and its staff to further aggregate data, where possible, in a matter that could be revealed publicly.

5. **State how the record is kept confidential by the Applicant and whether it has ever been disclosed to a person other than an employee of the Applicant. If it has, explain the circumstances under which disclosure occurred.**

As explained above, SDG&E maintains access to this information on a confidential basis. It is only available by hard copy and electronically on a limited basis within certain departments that must have access to the information

to conduct their procurement and regulatory activities. The information is password protected on computer systems or in hard copy form kept in secure locations. Only certain individuals with key card access are able to enter areas of the Company where the information is available and utilized.

The Commission should also be aware that under Standard of Conduct #2 adopted by the CPUC for the utilities' procurement activities, utility employees are obligated to protect the Company's trade secrets:

> 2. Each utility must adopt, actively monitor, and enforce compliance with a comprehensive code of conduct for all employees engaged in the procurement process that: 1) identifies trade secrets and other confidential information; 2) specifies procedures for ensuring that such information retains its trade secret and or confidential status [e.g., limiting access to such information to individuals with a need to know, limiting locations at which such information may be accessed, etc .]; . . . (See D.02-12-074, pp. 57-58)

6. Certification

SDG&E has not, to the best of its knowledge, previously publicly released this information in precisely this format or projected over this duration of time.

I certify under penalty of perjury that the information contained in this Application for Confidential Designation is true, correct, and complete to the best of my knowledge. Applicant is a California corporation, and I am authorized to make the application and certification on behalf of the Applicant.

Dated: March 27, 2009

Signed: 
Name: John A. Pacheco
Title: Senior Counsel – State Regulatory

Attachment A

San Diego Gas & Electric Company
Application for Confidential Designation

Attachment A

Index Cross-Referencing Confidential Data With CPUC D.06-06-066 Matrix

2009 INTEGRATED ENERGY POLICY REPORT
Docket Number 09-IEP-1C

Form and Line Number	D.06-06-066 Matrix Category Number
Form 1.1b	
Row 29-31, Columns C-J	V.C
Form 1.2	
Row 29-31, Columns C, D, H and I	V.C and V.E
Form 1.3	
Row 29-31, Column M - P	V.B
Form 1.4	
Row 29-31, Columns C-D	V.B and V.D
Form 1.5	
Row 29-40, Columns C-G	V.I
Form 1.6a	
Recorded LSE Hourly Loads for 2008; Forecasted Load for 2010 all Rows, Columns C-F and H	For 2008 data, X.A For 2010 data, V.B, V.D and VF
Form 2.3	
Rows 29-40, Columns 29-40, Columns C-H	II.A.2.
Form 8.1a	
Line 8	II.B.1
Line 10	II.B.1
Line 20	II.B.1

Line 21	I.A.2
Line 23	II.B.1
Line 33	II.B.1
Line 36	II.B.2
Line 38	II.B.2
Line 40	II.B.3
Line 42	II.B.3
Line 46	II.B.1
Line 72	II.B.3

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
I) Natural Gas Information		
A) Forecasts (gas)		Covers gas forecasts only insofar as they relate to gas used in electric generation.
1) Commercially available gas price forecasts	Public unless there is confidentiality provision with vendor. If there is such a provision, IOU shall first attempt to secure permission to release information. If that fails, data confidential no more than three years.[2]	A price forecast is a projection of future price levels (these could be day-ahead prices, futures prices, monthly prices etc.) expressed either in nominal or a given year's dollars. Covers commercially available gas price forecasts from NYMEX,[3] CERA,[4] PIRA[5] and similar vendors only.

[1] Unless otherwise indicated, the "Public/Confidential Treatment" determinations for each item in the matrix covers data for that item for all time periods (annual, quarterly, monthly, daily etc.)

[2] Where this Matrix allows confidential treatment for a period of time, that period shall begin on the first date a party submits the data to the Commission or furnished it to a third party, including an affiliated company, whichever comes first.

[3] New York Mercantile Exchange.

[4] Cambridge Energy Research Associates.

[5] PIRA Energy Group.

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
2) Utility gas price forecasts	Front three years of forecast data confidential.[6]	Covers forecasts developed by IOUs only.
3) Utility gas demand forecasts – consumption	Utility specific – front three years of demand forecast data confidential. Aggregate – demand forecast by service territory public.	Covers forecasts of natural gas used in IOU generators and/or purchased by IOUs and delivered to other generators with contracts with IOUs to deliver power.
4) Long-term fuel (gas) buying and hedging plans	Confidential for three years	
5) Monthly California Department of Water Resources (DWR) gas position updates, including information about hedging	Confidential for three years	

[6] For example, an IOU's forecast in 2006 of gas prices for 2007, 2008, and 2009 would be confidential, but the forecast in 2006 of gas prices for 2010 would be public. As data become one year old, the one-year window of confidentiality for historical data comes into play. Thus, in the 2006 gas price forecast for 2007, 2008 and 2009, the data for 2007 should be released in 2008, when it is one year old. The data for 2008 should be released in 2009, and so on.

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
activities		
B) Historical information (gas)		
1) Commercially available historical market gas prices	Public unless there is confidentiality provision with vendor. If there is such a provision, IOU shall first attempt to secure permission to release information. If that fails, data confidential no more than three years.	Closing trading market price of natural gas at gas delivery points.
2) Utility recorded gas procurement and cost information	Confidential for one year.	Covers actual quantity and cost of procured natural gas.
II) Cost Forecast Data - Electric		
A) Electric Price Forecasts		
1) Commercially available electric price forecasts	Public unless there is confidentiality provision with vendor. If there is such a provision, IOU shall first	Covers broker projections of the average cost of energy, capacity, and other costs that influence the customer cost of electricity which is used to determine average customer rates broken into two time periods (on-peak and off-peak).

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
	attempt to secure permission to release information. If that fails, data confidential no more than three years.	
2) Utility electric price forecasts	Confidential for three years	Covers on-peak and off-peak annual, quarterly, monthly, and daily data
B) Generation Cost Forecasts		Forecast of cost by resource
1) Utility Retained Generation (URG)	Confidential for three years Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	
2) DWR Contracts	Variable cost of dispatchable resources confidential. All other information public	DWR Contracts are contracts for generating resource capacity and energy deliveries executed by the California Department of Water Resources during 2001 and allocated to the investor owned utilities for contract administration purposes only.
3) QF Contracts	Confidential for three years. Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
4) Non-QF bilateral contracts	Confidential for three years. Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	
5) Demand response program cost	Public	
6) Demand side management (not including demand response) and Energy Efficiency cost	Public	
7) Non-contractual and spot purchases of energy and capacity	Aggregated net sale and purchase cost public	
8) Forecast of total cost of generation	Public	
III) Forecast of Revenue Requirements and Customer Rates – Electric		
A) Utility Generation Revenue Requirements	Public	Does not include Transmission & Distribution or other non-Generation items.

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
including DWR Contracts		
B) Customer Class Total Revenue Requirements and Rates	Public	Total system revenue requirements allocated to existing rate classes using existing rate allocation formulas.
IV) Resource Planning Information – Electric		
A) Forecast of IOU Generation Resources (MW and MWh)	Confidential for three years. Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	Covers the capacity rating and expected energy output of power plants owned partly or fully by an IOU.
B) Forecast of Qualifying Facility Generation	Confidential for three years. Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	
C) Forecast of IOU Hydro Greater than 30 Megawatts (MW)	Confidential for three years. Public by resource category (e.g. fossil, wind, solar, hydro-electric, etc.) after three years.	Hydro generation stations > 30 MW do not qualify for the Renewable Portfolio Standard (RPS).
D) Forecast of IOU Hydro Less than 30 MW -	Public	Hydro generation stations <30 MW stations qualify for the RPS

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
RPS-eligible		
E) Forecast of Pre-1/1/2003 ("Old-World") Bilateral Contracts	Individual contract information confidential for three years, or until one year following expiration, whichever comes first. Aggregated annual capacity and energy data from all contracts public.	"Old World" contracts are IOU contracts for electric capacity and energy executed prior to January 1, 2003 when utilities returned to procurement. Covers price, other key terms and descriptive information for each contract or aggregations of contracts with the same supplier.
F) Forecast of Post-1/1/2003 ("New World") Bilateral Contracts	Individual contract information confidential for three years, or until one year following expiration, whichever comes first. Aggregated annual capacity and energy data from all contracts public	"New World" contracts are IOU contracts for electric capacity and energy executed after January 1, 2003 when utilities returned to procurement. Covers price, other key terms and descriptive information for each contract or aggregations of contracts with the same supplier. Contracts submitted to CPUC for approval through the Application process.
G) Forecast of DWR contracts	Individual contract information confidential for three years, or until one year following expiration, whichever comes first.	

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
	Aggregated annual capacity and energy data from all contracts public i	
H) Forecast of generic renewable resources disaggregated by location and technology type	Public	Estimates of future resources that may be needed to meet the RPS requirements. This information relates to capacity, expected energy, location, technology, and possibly expected average generation costs and emissions. Ranges of the internal cost benefit scores by technology, expiring renewable contract capacity by resource type, minimum renewable procurement needed per year by resource type.
I) Forecast of existing renewable resource contracts	Public	Specific details regarding specific individual renewable resources, or projects, which include the capacity, energy, timing, and pricing terms of the contracts. Terms and conditions of executed contracts and contract amendments.
J) Forecast of wholesale market purchases	Front three years of forecast of aggregate purchases confidential	Purchases of energy, and possibly capacity, that occur for shorter durations of time and are usually purchased only shortly before needed. The purchases may be made as short term bilateral contracts or as purchases of energy from other energy markets.
K) Forecast of wholesale market sales	Front three years of forecast of aggregate sales confidential	Sales of energy, and possibly capacity, that occur for shorter durations of time and are usually sold only shortly before needed. These may be made as short term bilateral contracts or through exchange markets.

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
L) Forecast of Interruptible tariff and other dispatchable Demand Response programs	Public, except any reference to these programs as a percentage of peak. For such reference, the front three years of information is confidential.	Impacts of Demand Response programs and demand reduction programs.
M) Forecast of non-Demand Response Demand Side Managements (DSM) and Energy Efficiency (EE) Savings	Public	Consortium for Energy Efficiency (CEE) forecasted capacity and energy savings.
V) Load Forecast Information and Data – Electric		
A) Load Servicing Entity (LSE) demand forecasting methodology	Public	General descriptive information regarding the methodology used by LSEs when estimating future expected electric capacity and energy needs.
B) LSE Total Peak Load Forecast - Bundled Customer (MW)	Front three years of forecast data confidential	Each LSE's own forecast of its bundled customer peak load.
C) LSE Total Energy Forecast - Bundled Customer (MWh)	Front three years of forecast data confidential	Each LSE's own forecast of its bundled customer total energy requirements.

Order Instituting Rulemaking (OIR) 05-06-040 Matrix of Allowed Confidential Treatment Investor Owned Utility (IOU) Data		
Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
D) LSE Peak Load Forecast by Service Area (MW), i.e., Retail at ISO Peak Forecast	Front three years of forecast data confidential	Forecasts of expected highest demand (MW) during the hour, month or the year for Retail Load at ISO (which equals bundled customer load + direct access at the ISO).
E) LSE Energy Forecast by Service Area (MWh), i.e., Retail at ISO Energy Forecast	Front three years of forecast data confidential.	Forecasts of expected total energy demand (MWh) during the hour, month or the year for Retail Load as ISO (which equals bundled customer energy + direct access at ISO).
F) Total Peak Demand Load Forecast - IOU Planning Area (MW)	Annual and Quarterly data: Public. Monthly and Daily data: Front three years of forecast data confidential	Forecasts of the expected highest demand (MW) in the entire system area of the IOU. This system area includes both the customers served by the IOU (area of bundled customers) and the customers served by other retail providers. Includes bundled load, Direct Access, Community Choice Aggregation (CCA), Municipal Utilities (Munis), and Transmission and Distribution (T&D) losses.
G) Total Energy Load Forecast - IOU Planning Area (MWh)	Annual and Quarterly data: Public. Monthly and Daily data: Front three years of forecast data confidential.	Forecasts of the total energy requirements (MWh) in the entire system area of the IOU. The planning area includes both the customers served by the IOU (area of bundled customers) and the customers served by other retail providers. Includes bundled load, Direct Access, CCA, Munis, and T&D losses.
H) Net capacity and energy forecasts by retail provider	Front three years of forecast data confidential	Forecast bundled customer load of each LSE plus T&D losses
I) Incremental peak load from 1:5, 1:10, and 1:20	Front three years of forecast data confidential	Forecasts of expected highest demand (MW) under different weather scenarios. 1:2 means average weather conditions. 1:5, 1:10, 1:20 mean

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compared to 1:2 peak		higher probability of hot temperature (one in every five, ten or twenty year).
J) Projections of Distributed Generation energy production and peak output reducing energy sales to end-users	Public	Estimation of the total energy production by all distributed generation, which reduces the total energy needed from other generation resources.
K) Energy and peak impacts of demand response programs	Public, except any reference to these programs as a percentage of peak. For such reference, the front three years of information is confidential.	Forecasts of the estimated capacity and energy impacts of various demand response programs, which reduce resource needs provided by generation resources.
VI) Net Open Position Information – Electric		
A) Utility Bundled Net Open (Long or Short) Position for Capacity (MW)	Front three years of forecast data confidential	The difference between the available amount of capacity and the forecasted need for capacity which can be aggregated on an hourly, monthly, quarterly, or annual basis.
B) Utility Bundled Net Open (Long or Short) Position for Energy (MWh)	Front three years of forecast data confidential	The difference between the available amount of energy and the forecasted need for energy which is aggregated on a monthly or annual basis.

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C) Utility Bundled Net Open (Long or Short) Position for Capacity (MW) by Customer Class	Front three years of forecast data confidential	The difference between the available amount of capacity and the forecasted need for capacity which can be aggregated on an hourly, monthly, quarterly, or annual basis.
D) Utility Bundled Net Open (Long or Short) Position for Energy (MWh) by Customer Class	Front three years of forecast data confidential	The difference between the available amount of energy and the forecasted need for energy which is aggregated on a monthly or annual basis.
E) Utility Planning Area Net Open (Long or Short) for Capacity (MW)	Annual and Quarterly data: Public. Monthly and Daily data: Front three years of forecast data confidential.	On a regional basis, including all LSEs, the difference between the available amount of capacity and the forecasted need for capacity which can be aggregated on an hourly, monthly, quarterly, or annual basis.
F) Utility Planning Area Net Open (Long or Short) for Energy (MWh)	Annual and Quarterly data: Public. Monthly and Daily data: Front three years of forecast data confidential.	On a regional basis, including all LSEs, the difference between the available amount of energy and the forecasted need for energy which is aggregated on a monthly or annual basis.

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Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
VII) Bilateral Contract Terms and Conditions – Electric		
A) Contracts and power purchase agreements between utilities and their affiliates.	Public	Specific details regarding specific resources owned by the affiliates (any entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with) of the IOU. The contract information includes the capacity, energy, timing, and pricing terms of the contracts.
B) Contracts and power purchase agreements between utilities and non-affiliated third parties (except RPS)	Contract summaries public, including counterparty, resource type, location, capacity, expected deliveries, delivery point, length of contract and online date. Other terms confidential for three years from date contract states deliveries to begin; or until one year following expiration, whichever comes first.	Specific contracts between the IOU and other parties (including affiliates of the IOU) to deliver power to the IOU. The contract information includes the capacity, energy, timing, and pricing terms of the contracts.
C) Expired Power Purchase Agreements (PPAs)	Public	Terminated Power Purchase Agreements under which power is no longer delivered

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Item	**Public/Confidential Treatment[1]**	**Explanation of Item**
D) Interruptible tariff and other dispatchable Demand Response programs	Public	Descriptions of Demand Response programs and their operating characteristics, customer groups etc.
E) New non-utility affiliated bilateral contracts (except RPS)	Contract summaries public, including counterparty, resource type, location, capacity, expected deliveries, delivery point, length of contract and online date. Other terms confidential for three years from date contract states deliveries to begin; or until one year following expiration, whichever comes first.	Includes contracts of greater and fewer than 5 years in duration
F) Renewable Resource Contracts under RPS program - Contracts with Supplemental Energy Payments (SEPs)	Contract summaries public, including counterparty, resource type, location, capacity, expected deliveries, delivery point, length of contract and online date.	SEPs are payments, administered by the California Energy Commission (CEC), that are intended to cover some or all (at CEC's discretion) of the difference between the market price referent and the (higher) price of RPS contracts that are approved.

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	Other terms confidential for three years, or until one year following expiration, whichever comes first.	
G) Renewable Resource Contracts under RPS program - Contracts without SEPs	Contract summaries public, including counterparty, resource type, location, capacity, expected deliveries, delivery point, length of contract and online date. Other terms confidential for three years, or until one year following expiration, whichever comes first	
Score sheets, analyses, evaluations of proposed RPS projects	Confidential for three years.	

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VIII) Competitive Solicitation (Bidding) Information – Electric		Bid data on price, terms and conditions.
A) Bid information	Total number of projects and megawatts bid by resource type (e.g. fossil, wind, solar, hydro-electric, etc.) – public after final contracts submitted to CPUC for approval	Participating bids, counter-party names, prices and quantities offered.
B) Specific quantitative analysis involved in scoring and evaluation of participating bids	Evaluation guidelines should be public. Other information confidential for three years after winning bidders selected.	Other information includes levelized and/or escalated bid prices, transmission upgrade cost adders, wheeling charges, congestion costs, delivery characteristics, portfolio fit, "dump energy" quantities and costs, SEP calculations.
IX) Strategic Procurement Information – Electric		
A) Qualitative identification of specific uncertainties leading to risks	Public	Discussion of various uncertainties impacting resource need, potential supply and prices (e.g. core/non core market structure, community choice aggregation).
B) Reliance on various types of resources, such as energy efficiency, demand reduction, shaped energy contracts,	Public	Forecasts or recorded data on broad categories of supply sources used to serve bundled load, expressed as annual percentages.

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capacity contracts, new utility power plants, and purchases from California Independent System Operator (CAISO) markets expressed as annual percentages		
C) Qualitative description of risk management plans with use of hedging instruments, including gas supply purchases, tolling arrangements, financial arrangements.	Public	Discussion of various means, both physical and financial, which utility may employ to hedge energy cost risk without quantification of hedging strategy, hedging products used or hedged volumes.
D) Procurement incentive mechanisms including principles underlying incentive mechanisms, formulas to allocate cost responsibility relative to reference levels or benchmarks, and escape conditions.	Public	Description of incentive mechanisms including underlying principles, comparisons to reference levels or benchmarks, allocation of costs/benefits and escape conditions.

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E) Procurement mechanics including number, type, and design of Requests of Offers (RFO) proposed to secure bilateral bids, and contract oversight appropriate to ex-ante review in lieu of prudency review.	Public	General discussions of RFO procurement, products being sought through RFO and criteria to be used to evaluate RFO.
X) Recorded (Historical) Data and Information – Electric		
A) Bundled customer total historical peak demand (MW)	Public after data are one year old,	Historical peak demand for all customers in aggregate.
B) Bundled customer historical peak demand by customer class	Public after data are one year old,	Historical peak demand by customer class.
C) IOU planning area historical peak demand	Public	Historical peak demand at system area level. Highest demand system level hourly historical load for previous calendar year is made public by FERC sometime after June 1 of the current year (entire year: 8760 hours).
D) IOU Planning Area historical peak demand by customer class (MW)	Public after data are one year old.	Historical peak demand segmented by customer class.
E) Total IOU Bundled Customer historical	Annual, quarterly, monthly – Public.	Historical sales are as billed at the customers meter without the addition of distribution and transmission losses.

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energy sales (MWh)	Daily, hourly data public after data are one year old.	
F) Bundled Customer historical energy sales by customer class (MWh)	Annual, quarterly, monthly – Public Daily, hourly data public after data are one year old.	Historical sales are as billed at the customers meter without the addition of distribution and transmission losses.
G) IOU historical energy sales for bilateral contracts in which the IOU is the seller	Public	Transaction detail of all exchange traded sales of energy from IOU to another party).
H) Market purchases of energy and capacity	Public	Transaction detail of all exchange-traded purchases of energy by IOU to another party
I) Market sales of energy and capacity	Public	Transaction detail of all exchange traded capacity purchases and sales
XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings)	Confidential for three years	Detail of monthly variable cost on energy and utility operation.
XII) Monthly Portfolio Risk Assessment	Confidential for three years	Value at Risk (VaR) of electric and gas for electric generation – (a.k.a. To Expiration Value at Risk [TeVaR]).

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XIII) Energy Division Monthly Data Request (AB 57)	Confidential for three years	Updates (on the monthly/weekly on/off-peak procurement cost, procurements cost categorized by transaction type, monthly energy and capacity forecast, monthly residual net short (RNS) forecast for a rolling 12-month the number of hours the utility is expecting to be short or long, the nature of the long position (physical vs. economic), monthly electric and gas price forecast) filed in response to the Energy Division's monthly data request.

Attachment B

DECLARATION REGARDING THE COMMISSION'S PRIOR CONFIDENTIALITY DESIGNATIONS
Docket Number 09-IEP-1C

As described in the attached Application, San Diego Gas & Electric Company ("SDG&E") requests that certain information in Forms 1.1b, 1.2, 1.5, 1.6a, and 2.3 (shown as highlighted on the attached forms) be designated as confidential by the Commission. SDG&E requests that the information be designated as confidential for a period of three years. In the 2007 IEPR proceeding, docket number 06-IEP-1I, the Commission's Executive Director determined that substantially similar data in the same forms qualified for confidential protection for those same time periods under Government Code §6254 (k) and 20 CCR §2505 (see B.B. Blevins' decision dated May 2, 2007).

Accordingly, pursuant to 20 CCR § 2505(a)(4), SDG&E submits the following certification regarding the Commission's prior confidentiality designations.

1. I certify under penalty of perjury that the information described above for which SDG&E seeks confidential treatment is substantially the same information as that which the Commission's Executive Director previously designated as confidential in docket number 06-IEP-1I, and that the facts and circumstances relevant to confidentiality remain unchanged.; and
2. I am authorized to make this application and certification on behalf of SDG&E.

Dated: 3/27/09

By: _____
Timothy S. Vonder

Business/Economics Advisor

Form 4: Demand Forecast Methods and Models

Presented below is a summary of the methodology underlying the long-term forecast of electric energy and peak demand for the San Diego Gas and Electric (SDG&E) service territory.

SDG&E uses a combination of econometric and end-use models to develop forecasts of electric sales, system energy requirements and system peak demand. In general, the forecasting models integrate input assumptions regarding demographics, economics, weather, energy prices, conservation measures, building and appliance standards, appliance saturations and other measurable factors that affect electricity consumption.

Residential electric sales are a function of the number of customers or households, billing days, real electric prices, real household income, home size, air-conditioning saturation, heating degree days, cooling degree days, building and appliance standards, conservation impacts, solargeneration and seasonal factors. Non-residential electric sales are a function of commercial floor stock, customers, billing days, real electric prices, employment activity, air-conditioning saturation, heating degree days, cooling degree days, self-served load (solar and non-solar), building and appliance standards, conservation impacts and seasonal factors. Large non-residential customers and selected sectors such as military, hospitals, agriculture and street lighting are forecast on a customer-by-customer or sector-by-sector basis. The remaining non-residential customers are forecast as an aggregated class.

System energy requirements are then derived by incorporating line losses and unaccounted-for energy losses, as well as the timing difference between energy sales (billing-cycle basis) and system energy requirements (calendar basis).

Energy efficiency impacts from programs, codes and standards are directly incorporated into the SDG&E's energy forecast as deviations from a historical trend. Historical and projected savings for programs are based on SDG&E estimates filed annually with the CPUC. Codes and standards impacts are based on end-use analysis in each sector and benchmarked to the latest available CEC staff estimates. The combined cumulative impacts of programs, codes and standards exhibit a historical upward trend that is implicit in the historical customer usage data. The econometric energy models are based on this usage data and therefore implicitly include this upward trend of savings in the model coefficients and also in the forecast. To the extent that projected cumulative savings deviate from the historical trend, the forecast is adjusted to reflect these deviations.

System peak load is a function of the underlying electric energy growth and also incorporates the following concepts: weather (heating degree-days, cooling degree-days, maximum and minimum temperatures, and humidity), various conservation impacts (energy efficiency, building and appliance standards, and other energy efficiency impacts), demand response programs, self-served load (solar and non-solar distributed generation, cogeneration, etc.), real electric prices, air-conditioning saturation and seasonal factors/trends.

Peak load is modeled on an unmitigated basis (without savings from programs and standards) as a function of unmitigated energy. The resulting unmitigated forecast is then adjusted to subtract projected savings to produce a mitigated or "managed" forecast.

The level of direct access energy and peak is assumed to be held constant throughout the forecast period. In the initial phase of this forecast process, no assumption was made for

community choice aggregation – this concept, as well as other departed load, will be addressed later in this IEPR process.

The economic assumptions are based on the latest available forecasts from Global Insight, Inc. (Fourth Quarter 2008 Regional 30-year Metro forecast for San Diego) and Moody's Economy.com (February 2009 Regional Forecast for San Diego). Numerical values for key assumptions are presented in Form 2.2.

SDG&E uses various weather concepts in the forecast development process, including heating-degree days, cooling-degree days, maximum temperatures, minimum temperatures, and relative humidity. The peak demand models incorporate day-of and prior day temperatures for three weather stations that are representative of SDG&E's service area (Lindbergh Field, Marine Corps Air Station (MCAS) and El Cajon). Peak weather scenarios were developed from statistical distributions of historical weather data for the last 30 years.

Annual system energy losses are approximately 6.3% for SDG&E. This is derived by calculating the difference between system energy requirements and billed customer consumption. The overall loss factor remains relatively stable over time, with much of the period-to-period variation explained by the number of calendar days versus billing days.

Form 5 & 6: Demand-Side Program Methodology

Efficiency Program Costs and Impacts

For years 2000 through 2004, impacts are from energy efficiency annual reports. For year 2005 impacts are from the Energy Division's Draft Verification Report (11/18/2008). For years 2006 through 2008, impacts are form SDGE filed reports (EGAS Website 3/2/2009). For years 2009 through 2011, impacts are from SDG&E's preferred case in its Amended Application of San Diego Gas & Electric Company (U 902-M) For Approval of Electric and Natural Gas Energy Efficiency Programs and Budgets For Years 2009 Through 2011 (Application 08-07-023). For years beyond 2011 impacts are the CPUC's report on energy savings goals, Interim Opinion: Energy Savings Goals For Program Year 2006 and Beyond (Decision 04-09-060, September 23, 2004).

Demand Response Program Costs and Impacts

DR program impacts and costs are from SDG&E filed annual reports.

Renewable and Distributed Generation Program Costs and Impacts

SDG&E includes the impacts of renewable technologies and distributed generation (DG), such as solar, in the self-served component of the forecast.