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09-IEP-1C

DATE SEP 21 2009

RECD SEP 22 2009



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Committee Workshop on 2010-2020 Revised Demand Forecast and Uncommitted Energy Efficiency

SCE Comments and Concerns on Staff Revised CED

September 21, 2009

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- ◆ SCE appreciates the opportunity to comment.
- ◆ We agree with the increase to the forecast compared to Draft, but growth post 2012 still appears low compared to economic growth.
- ◆ Price forecast seems reasonable considering costs of OTC, RPS, infrastructure upgrades, etc, but does it include impact of recent dramatic upward revisions to estimated US natural gas reserves and lower production costs?
 - Staff could have compared their forecast to price scenarios in CPUC's "33% RPS Implementation Analysis, Preliminary Results" just as a helpful 'level-set'.
- ◆ Regarding PV installations, Staff should consider an analysis of worldwide supply and demand of PV module costs. For example, world-wide demand for PV modules, and therefore module prices, may be impacted by large central-station PV installations that are required to meet RPS goals.



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- ◆ We agree that 2005 lighting standards for lighting system retrofits will affect residential and commercial usage as buildings are remodeled, but are concerned about size and growth of savings and have requested further documentation from Staff.
 - What equipment meets the 2005 standard vs previous standard? How will a building inspector tell if a remodel blueprint meets the standard? How many households get retrofitted each year?
 - Similar questions apply to the commercial sector (square feet retrofitted each year).

- ◆ SCE response to the CPUC's 2010 LTPP Straw Proposal stated that we could not support the 2009 IEPR forecast because the CEC had not yet identified the amount of incremental "uncommitted" energy conservation. We look forward to hearing the progress Staff has made, and seeing the final results.



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- ◆ SCE Aug 21st Comments on Energy Division's Straw Proposal:
"For the assumed levels of energy efficiency in the base case, the Energy Division Straw Proposal proposes to use the IEPR forecast of embedded and uncommitted EE including Commission goals and Commission interpretation of CARB goals, subject to Deliverability Risk Assessment. SCE believes that CPUC Staff's recommendation for uncommitted EE is reasonable. However, until the level of EE embedded in the IEPR demand forecast is resolved, SCE cannot fully support the base case EE assumptions."
- ◆ We note that PGE and SDG&E have expressed similar concerns about using the CEC's forecasts until the embedded EE issue is satisfactorily resolved.

