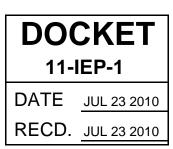


July 23, 2010

California Energy Commission Dockets Office, MS-4 Re: Docket No. 11-IEP-1 1516 Ninth Street Sacramento, CA 95814-5512 Tamara Rasberry Manager, State Agency Governmental Affairs

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RE: Comment on Draft Committee Scoping Order for the 2011 Integrated Energy Policy Report, 11-IEP-1

Dear Commissioners:

Sempra Energy utilities, on behalf of San Diego Gas and Electric, appreciate the opportunity to comment on the Draft Scoping Order for the 2011 Integrated Energy Policy Report (Draft Scoping Order). The area that seems lacking in the Draft Scoping Order is the integration of new combined heat and power (CHP) generation given the significant expected increase in intermittent renewable resources. The ability of utilities to integrate additional CHP consistent with the CARB Scoping Plan should be part of the overall analyses in the 2011 IEPR.

While CHP may be currently implicitly included in the category of distributed generation, it should be identified separately given its inclusion in the California Air Resources Board (CARB) 2008 Scoping Plan.

We recommend that the Draft Scoping Order be modified as follows:

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The 2009 IEPR also committed to addressing the following electricity sector topics in the 2011 IEPR: the impacts of integrating increased levels of energy efficiency, demand response, renewables, **CHP**, and **other** distributed generation into the electricity system; the transparency and quality of the Energy Commission's electricity and natural gas demand forecasts; the impact of electricity market structures on infrastructure planning processes; and reliability issues associated with potential outages at the state's nuclear facilities.

We appreciate the Commission's consideration of this request.

Sincerely,

Stamara Rasly