

**CALIFORNIA ENERGY COMMISSION**

1516 Ninth Street  
Sacramento, California 95814

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

California Energy Commission

**DOCKETED**  
**13-IEP-1K**

TN # 70286

APR. 12 2013



In the matter of:

Docket No. 13-IEP-1K

*2013 Integrated Energy Policy Report*  
*(2013 IEPR)*

WORKSHOP  
RE: Natural Gas Forecast Scenarios

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## **Notice of Staff Workshop on Natural Gas Issues and Forecast Scenarios**

California Energy Commission staff will conduct a workshop to discuss and take public comments on its proposed *2013 Integrated Energy Policy Report* assessment of key supply, demand, infrastructure, pricing, and policy issues of current relevance in the natural gas market. Staff will host industry experts to present recent market trends and issues affecting California. Staff will also describe the inputs and results of its reference case modeling efforts and describe proposed input assumptions for modeling additional natural gas market scenarios. Further stakeholder comments will be requested.

Although this is a staff workshop, Commissioners may attend and participate. Commissioners and staff from the California Public Utilities Commission may also attend and participate in the workshop.

**WEDNESDAY, APRIL 24, 2013**

Beginning at 9:00 a.m.

**CALIFORNIA ENERGY COMMISSION**

1516 Ninth Street

First Floor, Hearing Room A

Sacramento, California

Wheelchair Accessible

Remote Access Available by Computer or Phone via WebEx™  
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### **Background**

Senate Bill 1389 (Bowen, Chapter 568, Statutes of 2002) mandates the Energy Commission to:

*"At least every two years, the commission shall conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices." (Pub. Resources Code, § 25301(a).)*

At the February 19, 2013, Lead Commissioner Workshop on Economic, Demographic, and Energy Price Inputs for Electricity, Natural Gas and Transportation Fuel Demand Forecasts, staff gave a presentation about key drivers, structure, and preliminary cases used in the North American Market Gas-Trade (NAMGas) Model (Leon Brathwaite). Public comments on this material were requested at the workshop and received by March 5, 2013: [www.energy.ca.gov/2013\\_energypolicy/documents/2013-02-19\\_workshop/comments/](http://www.energy.ca.gov/2013_energypolicy/documents/2013-02-19_workshop/comments/).

The presentations by industry experts will focus on three topic areas: shale hydrofracking, cap and trade, and natural gas storage. These topics have been identified by staff as being important to understanding the future of natural gas in California. Stakeholders are encouraged to suggest other major topic areas of interest that should be explored by the Energy Commission in its 2013 natural gas analytic and modeling efforts.

Shale hydrofracking in California's Monterey shale formation will be discussed as well as hydrofracking in the more developed shale plays in the United States. The effects of California's newly implemented cap and trade program will be discussed as one of the major market changes affecting natural gas in California. Finally, the growing role of storage in supporting the relationship between natural gas and electric operations as well as providing system reliability will be explored.

Staff will then present and explain the amended reference, high, and low cases and results. Changes in assumption inputs that concern the cost environment and coal retirement will be explained. Comments and suggestions received at the February 19, 2013, workshop will be addressed at this time.

Staff will also present assumptions and input for four additional scenarios: California Policy Case, Natural Gas/Electric Synchronization Case, Low Innovation Case, and the Shale Development Case. These cases will attempt to integrate the issues explored by presenters and stakeholders within the limitations of the modeling tools and data available. Comments and feedback from stakeholders will be sought regarding the input assumptions and values selected for modeling.

Any comments received from stakeholders at the workshop, or by May 8, 2013, will be considered in modeling these natural gas market scenarios. The results of these scenarios and a summary of California's natural gas market assessment will be presented at a *IEPR* Lead Commissioner workshop on July 17, 2013. Staff will consider any comments and suggestions received at the July workshop for inclusion in the final report. The final report is currently scheduled for September 2013.

## **Public Comment**

**Oral Comments:** Staff will accept oral comments during the workshop. Any comments may become part of the public record in this proceeding.

**Written Comments:** Written comments should be submitted to the Dockets Unit by **May 8, 2013**. Written comments will be also accepted at the workshop; however, the Energy Commission may not have time to review them before the conclusion of the

meeting. For additional information, see Standing Order re: Proceedings and Confidentiality Procedural Requirements for Filing, Service, and Docketing Documents with the Energy Commission, available at: [www.energy.ca.gov/commission/chief\\_counsel/docket.html](http://www.energy.ca.gov/commission/chief_counsel/docket.html).

Additionally, written comments may be posted to the Energy Commission's website for the proceeding. Please note that your written and oral comments, attachments, and associated contact information (for example, your address, phone, email, and so forth) become part of the viewable public record. This information may become available via Google, Yahoo, and any other search engines.

The Energy Commission encourages comments by e-mail. Please include your name and any organization name. Comments should be in a downloadable, searchable format such as Microsoft® Word (.doc) or Adobe® Acrobat® (.pdf). Please include the docket number 13-IEP-1K and indicate Natural Gas Modeling and Trends in the subject line. Send comments to:

[docket@energy.ca.gov](mailto:docket@energy.ca.gov)

If you prefer, you may send a paper copy of your comments to:

California Energy Commission  
Dockets Office, MS-4  
Re: Docket No. 13-IEP-1K  
1516 Ninth Street  
Sacramento, CA 95814-5512

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Media inquiries should be sent to the Media and Public Communications Office at [mediaoffice@energy.ca.gov](mailto:mediaoffice@energy.ca.gov) or (916) 654-4989.

If you have questions on the subject matter of this meeting, please contact [Robert.Kennedy@energy.ca.gov](mailto:Robert.Kennedy@energy.ca.gov).

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If you have difficulty joining the meeting, please call the WebEx Technical Support number at 1-866-229-3239.

**Availability of Documents**

Documents and presentations for this meeting will be available online at: [www.energy.ca.gov/2013\\_energypolicy/documents/index.html](http://www.energy.ca.gov/2013_energypolicy/documents/index.html).

Date: April 11, 2013

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Sylvia Bender  
Deputy Director

SB:sdf

Mail Lists: Energypolicy, natural gas