INDEPENDENT ENERGY PRODUCERS ASSOCIATION

October 29, 2013

California Energy Commission Dockets Office, MS-4 Re: Docket Nos. 13-IEP-1A 1516 Ninth Street Sacramento, CA 95814-5512

RE: CEC Draft 2013 Integrated Energy Policy Report

The Independent Energy Producers Association (IEP) appreciates the opportunity to comment on the California Energy Commission (CEC) Draft 2013 Integrated Energy Policy Report (IEPR).

The IEPR covers the following topics: energy efficiency (EE), demand response (DR), renewables, electricity, nuclear power plants, natural gas, transportation, and climate change. The IEPR contains a number of assumptions related to policy implementation and penetration. These assumptions are critical to achieving the policy goals developed over the course of many workshops, reports, etc. Many of these assumptions are aggressive given historical performance of the underlying programs. This is true particularly with regard to the future penetration by 2020 of EE (e.g. zero net energy buildings), DR (to mitigate peak demand by 5%), and the transportation sector (e.g. penetration of 1 million electric vehicles). To the extent that the state's overall grid reliability relies on the penetration and performance of unproven technologies and programs, electric reliability is increasingly at risk.

Accordingly, IEP recommends that the final 2013 IEPR address the need to increase the statewide Planning Reserve Margin (PRM) on a going-forward basis by at least 1-2 percentages to help ensure overall grid reliability.

IEP appreciates the opportunity to comment on the Draft 2013 IEPR.

Respectfully submitted,

Steven Kelly Policy Director

