

**DOCKETED**

<b>Docket Number:</b>	19-IEPR-08
<b>Project Title:</b>	Natural Gas Assessment
<b>TN #:</b>	230291
<b>Document Title:</b>	Notice of IEPR Commissioner Workshop on Revised Natural Gas Price Forecast and Draft OutlookElectricity Modeling and Results
<b>Description:</b>	Wednesday, October 30, 2019 - 10:00 a.m. Warren-Alquist State Energy Building Art Rosenfeld Hearing Room, First Floor 1516 Ninth Street, Sacramento, California 95814
<b>Filer:</b>	Raquel Kravitz
<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
<b>Submission Date:</b>	10/18/2019 1:20:51 PM
<b>Docketed Date:</b>	10/18/2019

**CALIFORNIA ENERGY COMMISSION**1516 Ninth Street  
Sacramento, California 95814Main website: [www.energy.ca.gov](http://www.energy.ca.gov)

CEC-70 (Revised 06/18)



In the matter of:	)	Docket No. 19-IEPR-08
	)	
<i>2019 Integrated Energy Policy Report</i>	)	NOTICE OF WORKSHOP
<i>(2019 IEPR)</i>	)	
	)	RE: Revised Natural Gas Price
	)	Forecast and Draft Outlook/ Electricity
	)	Modeling and Results

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## Notice of IEPR Commissioner Workshop on Revised Natural Gas Price Forecast and Draft Outlook/Electricity Modeling and Results

The lead commissioner for the *2019 Integrated Energy Policy Report (2019 IEPR)*, Janea A. Scott, will conduct a workshop to describe the revised results of the natural gas price assessment and electricity system production cost model results. Staff will also present the draft *2019 Natural Gas Market Trends and Outlook Report (2019 Natural Gas Outlook)* as well as an overview of Assembly Bill 1257 (Bocanegra, Chapter 749, Statutes of 2013). Finally, staff will explore several possible electricity systems scenarios for analysis in the CEC's production cost model. The California Energy Commission (CEC) will coordinate with other agencies on the natural gas planning efforts.

A quorum of Commissioners may participate, but no votes will be taken.

**Wednesday, October 30, 2019**

10:00 a.m.

Warren-Alquist State Energy Building  
Art Rosenfeld Hearing Room, First Floor  
1516 Ninth Street, Sacramento, California 95814  
(Wheelchair Accessible)

Remote access is available by computer or phone via WebEx.™  
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### Agenda

Staff from the CEC's Natural Gas Unit will provide presentations on the draft *2019 Natural Gas Outlook*, revised natural gas price results from the North American Market gas-trade (NAMGas) model, and natural gas strategies under AB 1257. Staff from the

Electricity Planning and System Modeling Unit will present the revised production cost results from the PLEXOS model. Staff will also present on exploratory scenarios to inform future modeling efforts using the PLEXOS model. Finally, CEC staff will discuss updates to the gas balance analysis for Southern California that assesses the gaps between capacity and demand that must be met with gas from storage. There will be opportunity for stakeholders to ask questions and provide comments on the staff presentations.

A detailed meeting schedule will be posted prior to the workshop at [http://www.energy.ca.gov/2019\\_energypolicy/](http://www.energy.ca.gov/2019_energypolicy/).

## **Background**

As required by Senate Bill 1389 (Bowen, Chapter 568, Statutes of 2002), the CEC conducts “assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand and prices.” The Energy Commission uses these assessments and forecasts to provide an analytic foundation for developing energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state’s economy and protect public health and safety.

The *Natural Gas Outlook Report* is a technical report produced in support of the IEPR on a biennial basis. This report provides the natural gas price results from NAMGas, and provides an overview of natural gas trends and issues affecting the United States and California. The Energy Commission will use the *2019 Natural Gas Outlook* in a variety of energy policy and planning activities, notably the *2019 IEPR*.

CEC staff has developed a revised annual natural gas price forecast through 2030 for each major natural gas hub within North America using the NAMGas model. The revised results include natural gas supply cases and trends that represent three possible future scenarios: a mid or reference case, a high demand case, and a low demand case. The mid case represents a future where the economy and commercial activity remain consistent with the trends experienced over the past several years. CEC staff developed the high and low demand cases by adjusting assumptions on economic growth, technology improvements, generation changes in relation to various state and national policy goals, natural gas cost curves, and demand costs.

AB 1257 requires the CEC to identify strategies that maximize the benefits of natural gas. The CEC presents the strategies in a technical report that accompanies the IEPR every four years. For this year, the CEC is meeting this reporting requirement by providing an update as an appendix of the *2019 IEPR*. This report covers natural gas strategies under recently enacted state decarbonization policies and clean energy targets that have potentially significant impacts on fossil natural gas use.

The CEC must consider the state’s clean energy policies in the electricity system modeling efforts. To begin addressing this requirement, CEC staff has begun evaluating electricity system scenarios beyond the core future scenarios used to populate the NAMGas model. These additional electricity supply and demand scenarios include high

vehicle electrification, high building electrification, low hydroelectric generation, and a combination of these scenarios. The results from these scenarios have been compared to a traditional mid electricity demand case to help identify different metrics for evaluating alternative scenarios and possible improvements to the CEC's modeling approach as the CEC expands the scope of its modeling efforts.

Following this workshop, staff will consider stakeholder comments along with direction from the 2019 IEPR Lead Commissioner, and make revisions or additions as appropriate.

## **Public Comment**

**Oral Comments:** Commissioners will accept oral comments at the end of the workshop. Public comments may be limited to three minutes or less per speaker and to one person per organization. If participating via WebEx, use the "raise hand feature" so the administrator can introduce you and unmute your microphone after comments from the floor.

**Written comments.** Written comments must be submitted to the Dockets Unit by **5:00 p.m. on November 11, 2019.**

Written and oral comments, attachments, and associated contact information (including address, phone number, and email address) will become part of the public record of this proceeding with access available via any Internet search engine.

**For the 2019 IEPR, The Energy Commission encourages use of its electronic commenting system.** Visit

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=19-IEPR-08>, which links to the comment page for this docket. Select or enter a proceeding to be taken to the "Add Comment" page. Enter your contact information and a comment title describing the subject of your comment(s). Comments may be included in the "Comment Text" box or attached as a downloadable, searchable in Microsoft® Word (.doc, .docx) or Adobe® Acrobat® (.pdf) file. Maximum file size is 10 MB.

Written comments may also be submitted by email or mail if you choose not to use the electronic filing system. Include the docket number 19-IEPR-08 and Revised Natural Gas Price Scenarios and Outlook in the subject line and send to [docket@energy.ca.gov](mailto:docket@energy.ca.gov).

If preferred, a paper copy may be sent to:

California Energy Commission  
Docket Unit, MS-4  
Re: Docket No. 19-IEPR-08  
1516 Ninth Street  
Sacramento, California 95814-5512

## **Public Advisor and Other Commission Contacts**

The Energy Commission's Public Advisor's Office provides the public assistance in participating in Commission proceedings. For information on how to participate in this forum, please contact the Public Advisor, Noemi Gallardo at [PublicAdvisor@energy.ca.gov](mailto:PublicAdvisor@energy.ca.gov) (916) 654-4489, or toll free at (800) 822-6228.

Please direct requests for reasonable accommodation to Yolanda Rushin at [yolanda.rushin@energy.ca.gov](mailto:yolanda.rushin@energy.ca.gov) or (916) 654-4310 at least five days in advance.

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

Questions on the technical subject matter of this meeting, should be directed to Anthony Dixon at [Anthony.Dixon@energy.ca.gov](mailto:Anthony.Dixon@energy.ca.gov) or (916) 654-4882 or Angela Tanghetti at [Angela.Tanghetti@energy.ca.gov](mailto:Angela.Tanghetti@energy.ca.gov) or (916) 654-4854.

For general questions regarding the IEPR proceeding, please contact Raquel Kravitz at [Raquel.Kravitz@energy.ca.gov](mailto:Raquel.Kravitz@energy.ca.gov) or (916) 651-8836.

## **Remote Attendance**

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

### **Availability of Documents**

Documents and presentations for this meeting will be available online at [https://www.energy.ca.gov/2019\\_energypolicy/documents/](https://www.energy.ca.gov/2019_energypolicy/documents/) or <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-IEPR-08>.

When new information is posted, an email will be sent to those on the energypolicy listserv. Those interested in receiving these notices can subscribe in the lower right corner at [http://www.energy.ca.gov/2019\\_energypolicy/](http://www.energy.ca.gov/2019_energypolicy/), or alternatively manage existing listservs or sign up for others here <http://www.energy.ca.gov/listservers/index.html>.

Dated: Friday, October 18, at Sacramento, California

Original signed by

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Janea A. Scott  
Vice Chair  
*2019 Integrated Energy Policy Report*

Mail Lists: energypolicy, electricity, natural gas, transportation