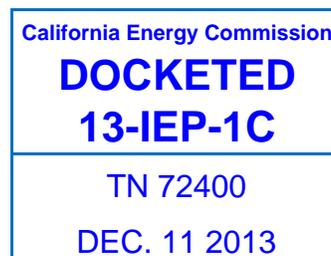




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**CORRECTED**

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California Energy Commission  
Dockets Office, MS-4  
1516 Ninth Street  
Sacramento, CA 95814-5512

**RE: Comments of Sempra Energy utilities on the California Energy Demand 2014-2024 Final Forecast**  
Docket No. 11-IEP-1C-“Demand Forecast”

The Sempra Energy utilities (SEu), San Diego Gas and Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) appreciate the opportunity to comment on the final staff report on the California Energy Demand 2014 - 2024 Final Forecast in support of the 2013 Integrated Energy Policy Report (IEPR). SEu believes that natural gas will continue to be a preference for businesses and consumers as future natural gas prices are expected to stay reasonably low with widespread supply availability. Therefore, SEu offers the following comments on the California Energy Demand 2014 - 2024 Final Forecast:

**Natural Gas Demand Forecast**

The December 2013 IEPR Final Baseline gas demand forecasts for SoCalGas and SDG&E’s service territory appear reasonable. SEu compared the 2013 IEPR gas demand forecasts (essentially flat for SoCalGas and a slight growth for SDG&E) with those in the 2012 California Gas Report, excluding the electric generation demand, and found the long-term growth rates to be comparable. The Baseline demand forecast is the forecast that the CEC develops incorporating committed energy efficiency savings.

SEu notes that this gas demand forecast, developed by the CEC’s Demand Analysis Office, captures the end-users’ gas demand forecast and does not include gas demand for electric generation from gas-fired plants and combined heat and power units. This forecast, therefore, does not reflect total gas demand, either at the state-wide or utility service territory level. However, the CEC’s Electricity Analysis Office currently develops the gas demand forecast for electric generation. In future IEPR proceedings, SEu requests that the gas demand forecast for electric generation be added to the end-user demand forecast, at least for the mid (expected) case, to get the total gas demand picture.

**Electric Demand Forecast**

SEu prefers that the Commission adopt staff’s Mid baseline demand forecast along with Staff’s Mid AAEE scenario for general planning purposes. As for other future planning proceedings, such as 2014 LTPP or CAISO’s 2014 Transmission Planning Study, SEu believes that other AAEE scenarios be considered, in conjunction with other specific planning assumptions being used for each planning effort. Our rationale for recommending this course of action is that there may be other planning assumptions being considered at that time that are directly or indirectly related to various AAEE scenarios or various AAEE scenarios may have an effect on choosing other planning assumptions relevant to the planning effort. SEu believes it would be wise to wait until each planning effort is being scoped before choosing a particular AAEE scenario to be added into the mix of planning assumptions for that effort.

Yours sincerely,