

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.))))	Rulemaking 12-03-014 (Filed March 22, 2012)
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**COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U-902-E)
RE ASSIGNED COMMISSIONER'S RULING ON STANDARDIZED PLANNING ASSUMPTIONS**

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San Diego Gas & Electric Company (“SDG&E”) hereby provides its Comments in response to the *Assigned Commissioner’s Ruling on Standardized Planning Assumptions* dated June 27, 2012 (“*Ruling*”). The *Ruling* invited parties to comment on the updates to the incremental uncommitted energy efficiency estimates found in the California Energy Commission’s forecasts adopted for Phase 2 of these proceedings.

SDG&E generally supports the proposition that the Commission should incorporate latest and best available data and findings into this proceeding. SDG&E commends the Energy Commission Staff for determining and detailing the level of uncommitted energy efficiency savings found in the Navigant 2012 Potential Study which is incremental to the California Energy Demand 2012-2022 Final Forecast (“CED 2011”). But SDG&E believes the Energy Commission Staff should have devoted considerable attention to determining if the resources reflected by these incremental resources are economic, reliable and feasible, and thus suitable for consideration as first-order resource options in the instant proceeding. Notwithstanding the admonition in the *Ruling* that parties should not comment on the values in the Energy Commission Staff’s updates, SDG&E strongly believes this evaluation must be performed prior to the consideration of the Energy Commission Staff’s low, mid and high scenario results. This would allow the Commission to cull out resource options failing the specifications set forth in Public Utilities Code Section 454.5(b)(9)(C) and facilitate the development of realistic procurement plans for each utility.

SDG&E also has two specific comments on the Energy Commission Staff analysis. First, as noted previously, the Energy Commission Staff did not evaluate whether the resources from which the incremental energy efficiency savings result are economic, reliable and feasible. This has the apparent effect of including potential savings from unrealistic levels of “emerging technologies” in the “mid” and “high” scenarios. These potential resources cannot be demonstrated to be economic, reliable and feasible and their reflection in the mid and high scenarios introduces such uncertainty into the value of those

scenarios that SDG&E believes the Commission should carefully reconsider at least this portion of the Energy Commission Staff's analysis. Second, SDG&E wholeheartedly agrees with the exclusion of potential savings that might result from the speculative "Big Bold Energy Efficiency Strategies". Navigant's 2012 Potential Study does not address these savings and Itron's 2008 Potential Study is out-of-date and should not be relied upon by the Commission for any purpose.

Respectfully Submitted,

/s/ Aimee M. Smith

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