

December 17, 2014

**VIA E-MAIL DOCKET@ENERGY.  
CA.GOV**California Energy Commission  
Dockets Office, MS-4  
Re: Docket No. [14-IEP-1E]  
1516 Ninth Street  
Sacramento, CA 95814-5512Re: PG&E's Comments on Updated Electricity Demand Forecasts 2015-2025**I. INTRODUCTION**

Pacific Gas and Electric Company ("PG&E") appreciates the opportunity to provide comments on the California Energy Commission's ("CEC") updated electricity demand forecasts for the years 2015 through 2025. Overall, PG&E has no concerns with the forecast for its service territory and agrees with the overall trend of slightly lower sales growth, given that this update is limited in scope to updating historical data and economic forecasts. However, PG&E would like to highlight a notable difference between its current forecast of long-term sales versus what the CEC has presented in their update.

**II. PG&E'S LONG-TERM FORECAST FOR ENERGY SALES**

On October 3, 2014, PG&E filed an alternative case in the Long-Term Procurement Plan proceeding (Rulemaking 13-12-010) with the California Public Utilities Commission ("CPUC") that details PG&E's current long-term view of its bundled electric sales. In its filing, PG&E indicated that it expects system-level energy sales in 2024 to be approximately 4 percent lower than the proposed CEC update. A higher forecast of distributed generation primarily drives the difference. For example, PG&E expects that by 2024, customer-owned rooftop solar will generate over twice as much energy than currently assumed in the CEC's demand forecast.

Additionally, PG&E also expects bundled sales drop by 18% by 2024 due to a large transfer of customers from PG&E's bundled service to community choice aggregation ("CCA"). The CEC's forecast does not currently address expected CCA departures outside of Marin Clean Energy. PG&E feels it is critical to take a hard look at this issue in the 2015 IEPR forecast. PG&E looks forward to working collaboratively to develop a probabilistic forecasting approach to CCA departure similar to the approach we took in the bundled procurement plan.

### **III. CONCLUSION**

PG&E understands the limited scope of this update and thus, for now, is simply flagging these issues. PG&E looks forward to working with CEC Staff for the 2015 Electricity Demand Forecast and submitting its most current estimates to gain consensus on the long-term view of electricity demand in PG&E's service territory.

Sincerely,

/s/

Madeline R. Silva

CC: Chris.Kavalec@energy.ca.gov