DOCKETED	
Docket Number:	25-IEPR-03
Project Title:	Electricity and Gas Demand Forecast
TN #:	264250
Document Title:	SVCE IEPR 2025 Demand Forecast Form 4 Narrative Public
Description:	N/A
Filer:	Jen-Ann Lee
Organization:	Braun Blaising and Wynne
Submitter Role:	Public Agency
Submission Date:	6/16/2025 10:13:49 AM
Docketed Date:	6/16/2025

SVCE's long-term retail sales forecast contains two primary components: 1) baseline forecast, and 2) load modifier forecast.

For the baseline forecast, SVCE assumes that the current customer base is at a steady-state, which will not be materially affected by substantial future customer opt outs. SVCE's baseline forecast consists of monthly forecasts for SVCE's six classes and system baseline peak forecast. The monthly sales forecast is developed using two models, a customer count model and an average use model. The customer count model is developed using an econometric framework with an economic outlook as the key driver. The residential average use model is developed using a statistically adjusted end-use model.

Then SVCE forecasts the system baseline peak forecast based on the sales forecast. SVCE utilizes statistical analyses to determine historical relationships between recorded monthly peaks and energy consumption for its service territory. The peak demand forecast is then estimated as a function of forecasted consumption under normalized weather conditions, based on the observed historical relationships.

The load modifier forecast includes electric vehicles (EV), behind-the-meter photovoltaic (BTM PV), and behind-the-meter battery storage (BTM BT). The load modifier forecast is based on the most recent consumption in SVCE's service territory combined with the historical adoption growth and policy. The monthly system total forecast is the combination of monthly baseline forecast and load modifier forecast.

SVCE's peak demand forecast is from an hourly forecast developed by transforming the monthly class sales and system peak forecasts into an hourly system forecast and adjusting the hourly system forecast for load modifier impacts. A 6% distribution loss factor is applied, which reflects the overall recorded historical average over the past three years.