

DOCKETED

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Filer:	Carrie Bentley
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January 9, 2026

California Energy Commission
Docket Unit, MS-4
715 P Street
Sacramento, CA 95814
Via docket submission

Re: Docket No. 25-IEPR-03 – Comments on the 2025 IEPR Draft Electricity Demand Forecast

Dear Chair Hochschild, Vice Chair Gunda, and Commissioners,

The California Coalition of Large Energy Users (CLEU) requests permission to provide late-filed comments on the California Energy Commission's (CEC's) 2025 Integrated Energy Policy Report (IEPR) draft electricity demand forecast ("draft forecast"). While comments were requested on the draft forecast by December 31st, concerning information was presented at a working group meeting on January 5th, without a notice of formal comment opportunity. We feel strongly that the changes now proposed warrant a full stakeholder review and opportunity to comment before the Commission votes to adopt the IEPR forecast at an upcoming business meeting.

CLEU was recently incorporated to represent the interests of large commercial and institutional energy consumers and ratepayers across California—including the University of California (UC), Genentech, Kaiser Permanente, and Microsoft Corporation. Together, these organizations represent a significant proportion of the state's non-residential electricity usage, and each of these organizations has its own robust clean energy and greenhouse-gas reduction goals. CLEU was formed to advocate for policies that enhance grid reliability, improve resource planning, support clean on-site generation, streamline utility processes, and promote regional cooperation. Our objective is to ensure that California's large energy users have access to stable, cost-effective electricity, minimizing rate impacts while still achieving ambitious zero-emission goals. One of our members, UC, is also an electric service provider (ESP).

As an organization made up of some of the state's largest energy customers, all of whom are also actively working on projects which will add load to California's grid, CLEU finds the accuracy of load forecasts to be of utmost importance, and therefore seeks to provide input to the Commission at this critical juncture. New information regarding near-term load forecasts, as well as the opportunity to comment on important issues was brought to our attention in late December. After that opportunity, the CEC Staff presented a troubling change to the forecast at the Demand Analysis Working Group (DAWG) on January 5th. We therefore submit these comments now in hopes that the Commission will take our perspective into account, and will allow a full comment opportunity in this docket on the issue of "Known Loads" before the Commission votes on the IEPR forecast. A full



stakeholder review will not be possible before the January 20th Commission meeting, therefore, we ask the Commission to delay its vote, if it will not reverse course on Pending Loads, until at least its February 11th business meeting.

The CEC must Adopt Best Estimate Load Forecasts based on Credible Information

CLEU strongly supports the Commission adopting CEC staff's "best estimate" of the 1-in-2 load forecast, including the incorporation of Known Loads based on utility energization and interconnection data. From materials presented at the "DAWG" meeting on January 5th, it appears that the recommendations of Staff to include Known Loads have been overruled by political considerations, and the Known Loads will be removed from the calculation of the planning forecast.¹ This should be extremely concerning to California companies and organizations who are in fact imminently bringing new load onto the grid, as well as all Californians who are concerned about the reliability of our electric grid and the economic and public health implications that result from unplanned grid outages.

It is critical that the CEC maintain its credibility to develop objective and unbiased load forecasts. The CEC has a long and well-established history of producing objective, technically rigorous, and unbiased load forecasts that serve as the foundation for electricity system planning in California. For decades, state agencies, load-serving entities, and market participants have relied on the IEPR forecast precisely because it is developed independently and grounded in data, not policy outcomes or market impacts.

As we understand, based on Staff presentations in December: known loads are based on project-level information, including energization requests and expected in-service dates, and represent a meaningful improvement in near- and mid-term forecast accuracy. CLEU appreciates staff's ongoing work with utilities, particularly PG&E, to refine assumptions and avoid double counting or overestimation of near-term load. We greatly appreciate staff's efforts to refine the pending load data and strongly urge the Commission to rely on Staff's technical judgment and include these highly certain, near-term loads in the adopted forecast.

Procedurally, if the CEC were making such a dramatic shift away from the forecast methodology presented publicly in December, that should be done in a full public workshop, not a working group meeting—there must be a full opportunity for Stakeholder comment, and then for the Commission to consider the record before it votes. There appears to be no record at all supporting the complete removal of Known Loads and thus it appears arbitrary. The Commission should delay its vote until such time as that record exists and can be weighed by the Commissioners.

¹ See "Demand Analysis Working Group IEPR Forecast- Updated Results" Presentation Jan. 5, 2026, slide 28, available at https://www.energy.ca.gov/sites/default/files/2026-01/2026-01-05_DAWG_Mtg_Slides-Combined_ada.pdf



Maintaining Objectivity Regarding Load Forecasts is Critical for Reliability

The CEC's statutory role is to produce the most accurate load forecast possible. It does not share this authority with other state agencies, it is clearly the CEC's alone.² Decisions regarding how that forecast is used to set RA requirements, procurement targets, or cost mitigation measures appropriately fall within the jurisdiction of the CPUC and, where applicable, the CAISO.

If the IEPR forecast is adjusted or constrained due to concerns about potential market impacts rather than accuracy, it risks undermining multiple planning processes that depend on it, including local reliability assessments, and mid-and long-term resource procurement. An artificially suppressed or incomplete forecast increases the risk of under-planning infrastructure and capacity resources, ultimately threatening reliability in the near-term and increasing long-term cost.

As a ratepayer organization, CLEU recognizes concerns raised regarding the potential downstream impacts of higher load forecasts on Resource Adequacy (RA) procurement volumes and prices. However, it is important to clearly distinguish agency responsibilities and it is not the CEC's job to manage the RA program, it *is* the CEC's job to produce a forecast that is the most credible best estimate of load, for the CPUC and the Publicly Owned Utilities (POUs) to rely upon for Resource Adequacy. The consequences of an artificially low forecast could be catastrophic. CLEU members are bringing on large loads in the next few years with the expectation that the state's planning agencies are including them in the forecast and that the capacity will be available on the grid to meet our load. The major infrastructure investments to support these new loads on the distribution and/or transmission grids has already been made, cutting them out of the forecast cannot be supported by logic. If new loads cannot be served, this will also have catastrophic economic consequences for California.

Including Credible “Known Loads” is Critical for System and Local Reliability

CLEU emphasizes that known loads are the most certain near-term category of the larger bucket of “pending loads” and are particularly important for identifying local and regional reliability needs. Transmission and distribution planners increasingly observe load growth, especially from electrification, industrial development, and data-driven facilities, before it appears in traditional econometric forecasts. Incorporating known loads helps close this gap and improves alignment between distribution planning, transmission planning, and statewide resource adequacy processes. CEC Staff’s January 5th presentation implies that the known loads will be incorporated into the transmission forecast, but not the *Planning Forecast*. This means that not only will the RA requirements for 2027 exclude this *real load*, but any additional procurement for capacity between now and 2030 or 2032 will be *likely insufficient to serve projects that our members are bringing online*.

² California Public Resources Code Chapter 4, sections 25302- 25328, which provide only that the CEC “consult” with the CPUC and other agencies on the IEPR.



While CLEU acknowledges that known load data is relatively new to the IEPR process and lacks a long “historical record” within IEPR, the utilities have a long “historical record” of tracking energization requests, and building the distribution infrastructure to serve new load. The solution is not to exclude load from the forecast, but rather to continue refining assumptions transparently over time. Staff’s approach reflects this balance and should be supported.

Conclusion

CLEU urges the Commission to continue its long-standing practice of relying on staff expertise and technical analysis and to adopt the most accurate representation of expected load growth in the 2025 IEPR final forecast. Doing so will preserve the integrity of the IEPR, support reliable system planning, and ensure that subsequent policy decisions are made using the best available information.

We appreciate the opportunity to file late comments and hope the Commission will take our concerns into account. The Commission should implement a necessary delay in considering the IEPR forecast until stakeholders have had the opportunity to fully review the very recent decision to exclude Known Loads, and until the Commission can fully weigh the record in this docket, which at the earliest would appear to be the February 11th business meeting.

Thank you for your thoughtful consideration of our concerns,

Meredith L. Alexander

Meredith L. Alexander
Acting Executive Director
CA Coalition of Large Energy Users