

**DOCKET**

**11-IEP-1C**

DATE JAN 14 2011

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January 14, 2011

California Energy Commission  
Docket Office, MS-4  
Re: Docket No. 11-IEP-1C  
1516 Ninth Street  
Sacramento, CA 95814-5512  
[docket@energy.state.ca.us](mailto:docket@energy.state.ca.us)

Re: California Energy Commission (Energy Commission) Docket No. 11-IEP-1C: Revised Short-Term Peak Demand Forecast

To Whom It May Concern:

Southern California Edison Company (SCE) appreciates having the opportunity to work with Energy Commission staff and to review the methodology and results of the Energy Commission's Draft staff report titled, "Revised Short-Term (2011-2012) Peak Demand Forecast" (Draft Staff Report).<sup>1</sup> Energy Commission staff developed the revised short-term peak load forecast in the Draft Staff Report because the economic downturn in 2008 and 2009 was more severe than that assumed for the short-term peak load forecast in the 2009 Integrated Energy Policy Report (IEPR). SCE's understanding is that the Energy Commission staff developed the revised short-term peak load forecast using two steps. First, the Energy Commission staff developed a 1 in 2 peak load forecast for 2010.<sup>2</sup> Second, growth rates were applied to derive 2011 and 2012 peak load forecasts.<sup>3</sup>

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<sup>1</sup> These updated peak load numbers are to be used by the California Independent System Operator (CAISO) for the upcoming local capacity requirements (LCR) study.

<sup>2</sup> 1 in 10 peak load was then derived by applying a multiplicative factor to the 1 in 2 forecast.

<sup>3</sup> Basically, the Draft Staff Report revised the 2009 IEPR growth rates downward.

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The Draft Staff Report shows a significantly lower peak demand for 2010 -2012, relative to the 2009 IEPR, as would be expected. However, it is also significantly lower than SCE's own recently revised peak demand forecasts. SCE discussed this inconsistency between its recent peak demand forecast and the Draft Staff Report with the Energy Commission staff and reviewed both the methodologies and the data underlying the Draft Staff Report forecast. The Energy Commission staff subsequently revised their methodologies and data, which resulted in an increase to their 2010-2012 peak load forecast<sup>4</sup> relative to the forecast contained in the Draft Staff Report. The revised Energy Commission staff forecast was shared with SCE, along with the attached table containing the initial and revised forecasts. SCE supports the use of the revised peak demand forecasts as opposed to those in the Draft Staff Report.

SCE appreciates having the opportunity to work with Energy Commission staff on this matter.

Sincerely,

/s/ Manuel Alvarez

Manuel Alvarez, Manager  
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<sup>4</sup> The revision, apparently, incorporates correction for a weather station (Burbank) data, weather normalization based on 50 years of historical data (instead of 60 years), and increased pumping load.

**Initial Peak Load Forecast**

**Revised Peak Load Forecast**

	Initial Peak Load Forecast					Revised Peak Load Forecast				
	weather normalized (12-2-10)	1-in-2	1-in-2	1-in-10	1-in-10	new weather normalized (1- 5-11)	1-in-2	1-in-2	1-in-10	1-in-10
	2010	2011	2012	2011	2012	2010	2011	2012	2011	2012
SCE Service Area - LA Basin	15,329	15,581	15,801	17,136	17,435	15,823	16,080	16,350	17,538	17,833
Anaheim	522	530	538	579	587	539	547	557	597	607
Riverside	553	562	570	613	622	571	580	590	633	644
Vernon	177	180	183	197	199	183	186	189	203	206
MWD	27	27	27	27	27	27	27	27	27	27
Other SP15 LSEs - LA Basin	249	253	257	276	280	256	260	265	284	289
Pasadena	281	285	289	311	315	290	294	299	321	326
<b>LA Basin Subtotal</b>	<b>17,138</b>	<b>17,419</b>	<b>17,665</b>	<b>19,139</b>	<b>19,465</b>	<b>17,689</b>	<b>17,975</b>	<b>18,276</b>	<b>19,603</b>	<b>19,931</b>
SCE Service Area - Big Creek Ventura	3,715	3,776	3,829	4,021	4,021	3,835	3,897	3,962	4,250	4,322
CDWR-S	406	406	406	406	406	406	406	406	406	406
<b>Big Creek/Ventura Subtotal</b>	<b>4,121</b>	<b>4,182</b>	<b>4,235</b>	<b>4,427</b>	<b>4,427</b>	<b>4,241</b>	<b>4,303</b>	<b>4,368</b>	<b>4,656</b>	<b>4,728</b>
SCE Service Area - Out of Basin	508	517	524	519	527	525	533	542	582	591
MWD	259	259	259	259	259	259	259	259	259	259
Other SP15 LSEs - Out of Basin	7	7	7	8	8	7	7	7	8	8
<b>SCE Out of Basin Subtotal</b>	<b>774</b>	<b>783</b>	<b>790</b>	<b>786</b>	<b>794</b>	<b>791</b>	<b>799</b>	<b>808</b>	<b>848</b>	<b>858</b>
<b>Total SCE TAC Area</b>	<b>22,032</b>	<b>22,384</b>	<b>22,691</b>	<b>24,352</b>	<b>24,686</b>	<b>22,720</b>	<b>23,077</b>	<b>23,453</b>	<b>25,107</b>	<b>25,517</b>