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*Comment Received From: Southern California Edison Company  
Submitted On: 8/29/2019  
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**SCE Comments on IEPR Workshop on Preliminary Demand Forecast**

*Additional submitted attachment is included below.*

August 29, 2019

California Energy Commission  
Docket Office, MS-4  
Re: Docket No. 19-IEPR-03  
1516 Ninth Street  
Sacramento, CA 95814-5512  
docket@energy.ca.gov

Re: Southern California Edison Company's Comments on the California Energy Commission Docket No. 19-IEPR-03: IEPR Commissioner Workshop on 2019 Preliminary California Energy Demand Electricity and Natural Gas Demand Forecast

Dear Commissioners:

On August 15, 2019, the California Energy Commission (CEC) held the *IEPR Commissioner Workshop on 2019 Preliminary California Energy Demand Electricity and Natural Gas Demand Forecast* (Workshop) as part of the CEC's 2019 Integrated Energy Policy Report (IEPR) Proceeding. Energy Commission staff, led by Vice Chair Janea A. Scott and Commissioner J. Andrew McAllister, provided an overview of the preliminary demand forecast results. Southern California Edison (SCE) appreciates the opportunity to review CEC's preliminary demand forecast through both the Workshop and the Demand Analysis Working Group (DAWG). SCE is pleased to offer comments, which are summarized here and expanded on further, below:

- As stated in SCE's comments on the *IEPR Commissioner Workshop on Preliminary Transportation Energy Demand Forecast*, the CEC should include forecast scenarios that provide the analytical foundation necessary to inform policy recommendations in pursuit of California's established decarbonization goals.
- In its pursuit of a reasonable, comprehensive, and transparent final demand forecast, the CEC should further collaborate with stakeholders to more closely examine key aspects of its modeling efforts, including:
  - Electric vehicle forecasting;
  - Sources of potentially impactful future load growth;
  - Further disaggregation of demand forecast results; and
  - Additional Achievable Energy Efficiency (AAEE) scenario development.

I. Include forecast scenarios that provide the analytical foundation for policy recommendations in pursuit of California's established decarbonization goals

The goal of the IEPR forecast is to help the CEC "develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety." (Pub. Res. Code § 25301(a)). However, the proposed scenarios for the 2019 IEPR forecast do not fully consider alternative technology, policy, or market conditions to inform such policy development.

Preliminary results for the demand forecast presented at the Workshop assume relatively stable technology, policy, and market conditions and, as a result, may not provide the analytical foundation necessary to inform policy recommendation that could ultimately help California meet its established decarbonization goals. While this correctly illustrates the vital importance of market advancements and enabling policy to achieve California's goals, a more robust forecast scenario that would inform policy recommendations in furtherance of California's decarbonization goals should be included.

Thus, SCE recommends that in addition to the demand forecasts presented at the workshop, the CEC should create a forecast scenario where California's decarbonization goals could be met to better understand the impact of prospective enabling policies that could be pursued in support of those goals. CEC has conducted separate modeling efforts that explore these issues, including its recent study titled *Deep Decarbonization in a High Renewables Future*. CEC should create additional forecast scenarios that are consistent with that work.

SCE has also conducted relevant analytical work underlying our Clean Power and Electrification Pathway.<sup>1</sup> This work has been shared with CEC staff, including at the most recent DAWG meeting on August 1.<sup>2</sup> SCE would be happy to provide any information on this effort that would be helpful to the CEC in developing additional forecast scenarios.

II. Further collaborate with stakeholders to more closely examine demand forecast

SCE appreciates the CEC's efforts to engage stakeholders in reviewing its demand forecast methodologies and preliminary results. Such efforts have led to modeling enhancements that improve the reasonableness, completeness, and transparency of the demand forecast. SCE urges the CEC to continue these collaborative efforts, with particular emphasis on the following key areas:

- Electric vehicle forecasting. Providing an opportunity for stakeholders to more closely examine important factors in the CEC's electric vehicle forecast may suggest modeling enhancements in addition to those described in SCE's comments on the *IEPR Commissioner Workshop on Preliminary Transportation Energy Demand Forecast*. Such factors include electric vehicle hourly load shapes, emerging electric vehicle applications, and long-term electric vehicle growth patterns.

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<sup>1</sup> For more information, please visit <https://www.edison.com/home/our-perspective/clean-power-and-electrification-pathway.html>.

<sup>2</sup> For more information, please visit <http://dawg.energy.ca.gov/meetings/preliminary-demand-forecast-2019>.

- Sources of potentially impactful future load growth. Establishing a process to identify and assess sources of potential future load growth can ensure impactful trends are incorporated into the CEC's demand forecast and effectively informing utility planning. For example, the CEC should consider building electrification, cultivation load, and super charging station load in its demand forecast.
- Further disaggregation of demand forecast results. Sharing demand forecast results that have been disaggregated into key components can provide additional transparency into CEC's modeling efforts and more adequately inform utility planning. For example, medium- and heavy-duty vehicle load and other off-road transportation electrification load have unique profiles that may impact planning, but there is no visibility into CEC's demand forecast results for these components.
- Additional Achievable Energy Efficiency (AAEE) scenario development. Additional engagement with stakeholders can help CEC's AAEE process incorporate key trends, including regulatory activities at the California Public Utilities Commission, potential impact of emerging technologies, and non-utility program savings. SCE appreciates the CEC's focus on this effort at the Workshop and looks forward to providing more detailed comments at the upcoming DAWG meeting on AAEE scenario design on September 18.<sup>3</sup>

### III. Conclusion

SCE thanks the CEC for consideration of the above comments and looks forward to its continued partnership with stakeholders in the development of the 2019 IEPR. Please do not hesitate to contact me at (916) 441-3979 with any questions or concerns you may have. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/

Catherine Hackney

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<sup>3</sup> For more information, please visit <http://dawg.energy.ca.gov/meetings/additional-achievable-energy-efficiency-scenario-design>.