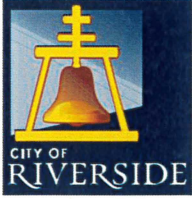


DOCKETED	
Docket Number:	19-IEPR-03
Project Title:	Electricity and Natural Gas Demand Forecast
TN #:	230048
Document Title:	Riverside Public Utilities Comments - On IEPR Commissioner Workshop on Emerging Trends for the California Energy Demand Forecast
Description:	N/A
Filer:	System
Organization:	Riverside Public Utilities
Submitter Role:	Public Agency
Submission Date:	10/8/2019 3:59:50 PM
Docketed Date:	10/8/2019

Comment Received From: Riverside Public Utilities
Submitted On: 10/8/2019
Docket Number: 19-IEPR-03

On IEPR Commissioner Workshop on Emerging Trends for the California Energy Demand Forecast

Additional submitted attachment is included below.



City of Arts & Innovation

Submission Date: October 7, 2019 | Submitted Electronically

Commissioner Janea A. Scott
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

RE: Docket No. 19-IEPR-03, Comments on the IEPR Commissioner Workshop on Emerging Trends for the California Energy Demand Forecast

Honorable Commissioner Scott,

Riverside Public Utilities (RPU) on behalf of the City of Riverside respectfully submit these comments to the California Energy Commission (CEC) on the forthcoming 2019 Integrated Energy Policy Report (2019 IEPR).

The City of Riverside was founded in 1870 and incorporated on October 11, 1883. It is located in the western portion of Riverside County, about 60 miles east of Los Angeles. Riverside Public Utilities (RPU), established in 1895, is a publically-owned water and electric utility that provides high quality, reliable services to the residents of the City of Riverside. RPU generates, imports, transmits and distributes electricity within the 81.5 square-mile territory of the City. RPU has been submitting energy Supply and Demand information to the CEC through the bi-annual IEPR process since its inception and is one of the 16 publically-owned utilities that must submit its City Council approved Integrated Resource Plan (IRP) to the CEC to ensure consistency with the requirements of PUC Section 9621. Riverside's most recent 2018 IRP was approved by the CEC on August 15, 2019.

The following comments are focused on specific policy recommendations associated with the **Managed Single Forecast Set** produced by the CEC Demand Forecasting staff, as expressed in the 2018 IEPR Update, Volume II, pages 234-235.¹ For clarity, the above-referenced text is shown below, with the specific policy recommendations of concern highlighted in yellow:

Managed Single Forecast Set

The *CEDU 2018* baseline forecasts combine with AAEE and additional achievable photovoltaic (AAPV) scenarios to form managed forecasts. While the AAEE scenarios described above do not reflect any substantive changes from those adopted as part of *CED 2017*, updates to baseline demand and AAPV scenarios carry through to the *single forecast set* used for planning purposes in the Energy Commission, CPUC, and California ISO proceedings. **Leadership at these agencies have agreed that a single set of forecasts**

¹ California Energy Commission staff. 2018. *2018 Integrated Energy Policy Report Update, Volume II*. California Energy Commission. Pub Number: 100-2018-001-V2-CMF.

will form the basis of procurement and other planning decisions within the California ISO's Transmission Planning Process (TPP) and the CPUC's Integrated Resource Planning (IRP) and resource adequacy programs.

The single forecast set is comprised of the mid demand baseline case for the California ISO control area — with its weather variants — and two scenarios each for AAEE and AAPV, the combination of which depends on the purpose of their use. The mid baseline weather variants have been applied consistently by the CPUC and California ISO as follows:

- 1-year-in-2 weather conditions - Used for system flexibility studies performed by the California ISO, for input into the CPUC's IRP, and for economic studies in the California ISO TPP.
- 1-year-in-5 weather conditions - Used for public-policy transmission assessments and bulk system studies in the California ISO TPP.
- 1-year-in-10 weather conditions - Used for local capacity requirements and California ISO TPP local reliability studies.

The Energy Commission, CPUC, and California ISO leadership agree, in principle, that the same AAEE and AAPV forecast scenarios should be applied to the uses described above; however, due to the local nature of reliability needs and the difficulty of assigning AAEE, AAPV, or demand to specific locations, the agencies' leadership agrees to use the mid-low AAEE and AAPV forecast for local studies and the mid-mid AAEE and AAPV forecast for other system-level studies.

Riverside's concern here focuses on the blanket default use of these CEC forecast scenarios for CAISO Transmission Planning Process (TPP) local reliability studies. More specifically, the local Agency peak demand within a specific Balancing Authority (BA) area represents a coincident peak forecast (i.e., the forecasted Agency peak is adjusted to be coincident with the respective BA area net peak demand total). While an Agency specific coincident peak forecast can be argued to be suitable for local capacity planning efforts, the same argument does not typically hold for many TPP local reliability studies. Indeed, if the local TPP focuses on a radial load pocket with a single point of interconnection to the bulk transmission system (a common configuration in the SCE service area), then the use of a coincident peak forecast will not only be highly misleading, but also violate prudent utility planning practices. With respect to a local TPP involving a single point of interconnection, the fundamental issue that must be addressed is what peak loading can occur at the bulk transmission substation serving the radial load pocket. Obviously, a non-coincident system peak needs to be used in this analysis, because that is what the substation will be experiencing.

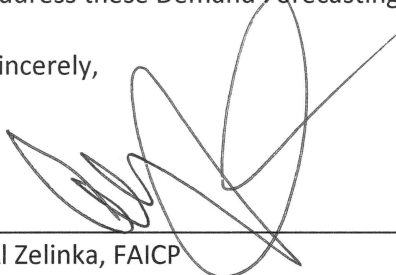
While Riverside recognizes and respects the desire by leadership within the CEC, CPUC, and CAISO to use a single set of forecasts for planning purposes, we also strongly believe that it is both reasonable and prudent for these agencies to consider and review/assess local Agency forecasts for TPP related local reliability studies. Local Agencies often have a much more nuanced and granular understanding of the primary driving forces behind their historical local area load and peak trends, and are therefore often in a better position to produce reliable and accurate local area forecasts. Prudent utility practices dictate that the careful assessment of such forecasts should take place, and not be arbitrarily set aside simply for the sake of convenience.

This being said, should the CEC, CPUC, and CAISO still prefer to rely on the CEC mid-demand, low AAEE forecasts for TPP local reliability studies, Riverside believes that it is absolutely essential that the CEC Demand Forecasting staff develop and publish a clear methodology for converting local Agency coincident peak forecasts into equivalent non-coincident peak forecasts. Such a methodology could be as simple as publishing the coincident peak adjustment factors for each local Agency forecast (either as a separate table, or as a column in the current demand tables if the factor is constant across the specified forecasting period). As discussed above, certain types of local TPP studies must be based on non-coincident peak

forecasts; thus it is imperative that such forecasts can be readily derived from these CEC demand tables, if/when this need arises.

Riverside appreciates the opportunity to submit these comments for consideration in the ongoing 2019 IEPR process and looks forward to working cooperatively with both CEC staff and Commissioners to address these Demand Forecasting policy issues.

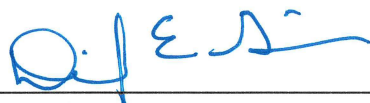
Sincerely,



Al Zelinka, FAICP
City Manager
City of Riverside



Todd M. Corbin
General Manager
Riverside Public Utilities



Daniel E. Garcia
Assistant General Manager – Resources
Riverside Public Utilities



Dr. Scott M. Lesch
Power Resource Manager
Riverside Public Utilities