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**STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION**

In the Matter of:

Senate Bill 100 Joint Agency Report

Docket No. 23-SB-100

RE: 2025 Senate Bill 100 Report Workshop
Utilities' Progress Toward Statutory Goals

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS
IN RESPONSE TO THE 2025 SENATE BILL 100 REPORT WORKSHOP
ON UTILITIES' PROGRESS TOWARD STATUTORY GOALS**

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December 6, 2024

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California Community Choice Association¹ (CalCCA) submits these comments in response to the California Energy Commission's (Commission) 2025 Senate Bill (SB) 100 Interagency Report Workshop on Utilities' Progress Toward Statutory Goals (Workshop), held on November 22, 2024.²

I. INTRODUCTION

CalCCA appreciates the opportunity to comment on the joint Workshop, at which the Commission, California Public Utilities Commission (CPUC), and California Air Resources Board (CARB) examined efforts of state utilities and other load serving entities (LSE) to meet SB 100³ targets. While the Workshop presentations demonstrated considerable effort and progress toward meeting the SB 100 goals, the LSE panel in particular also discussed the

¹ California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

² *Notice of Senate Bill 100 Modeling Impacts and Assumptions Staff Workshop*, 23-SB-100 (Feb. 2, 2024): <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-SB-100>.

³ Senate Bill 100 (SB 100) (De León, Chapter 312, Statutes of 2018): https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB100.

significant amount of procurement that still needs to be performed to meet these goals. As discussed by Dan Hopper from Southern California Edison Company (SCE), such procurement will be difficult given current challenges with interconnection, equipment availability, and competition for the same resources both nationally and internationally.

The Workshop also included a discussion of load forecasting for near-term resource adequacy (RA) planning and longer-term SB 100 planning. For RA planning, the load forecast is used to set RA requirements that LSEs must meet through the procurement of existing capacity to serve California load in the year-ahead and month-ahead timeframes. For SB 100 planning, the load forecast is a major driver of the need for new clean capacity through 2024. As expanded upon in the comments herein, CalCCA provides the following recommendation in response to the Workshop presentations:

- Load forecasts must be both consistent for near-term RA planning and accurate for long-term SB 100 planning.

II. LOAD FORECASTS MUST BE BOTH CONSISTENT FOR NEAR-TERM RA PLANNING AND ACCURATE FOR LONG-TERM SB 100 PLANNING

In response to the LSE panel, Commissioner Siva Gunda asked an important question about the need for a load forecast that is both accurate over the SB 100 timeframe and consistent from year to year. Long-term accuracy and near-term consistency are both critically important. The load forecast must accurately predict load needs over the entire SB 100 horizon so that procurement can meet the SB 100 goals. In addition, consistency is critically important because large swings in the load forecast year over year have significant consequences for the CPUC and other Local Regulatory Authorities' (LRA) RA programs.

As CalCCA commented in the Commission’s Integrated Energy Planning Report (IEPR) proceeding,⁴ a dramatic change in load forecast in the near term, in either direction, can have significant reliability and cost impacts. Dramatic increases in the load forecast without prior long-range forecasts predicting the load growth can result in demand for existing capacity that exceeds or comes very close to the amount available. Such relative scarcity can have a significant impact on RA prices, with summer 2024 prices seen as high as \$98/ kilowatt (kw) - month⁵ compared to average prices as low as \$4.97/kw-month (and prices in the 85th percentile at \$13.25/kw-month during the summer peak) only four years ago.⁶

Dramatic swings lowering the RA need are equally problematic. Resources rely on payments for capacity and energy provided in the market to pay their costs and make a return on investment. Lower load forecasts result in less need to procure RA capacity. A resource that does not get a capacity contract to provide RA may decide to retire. While this may not present a problem in the year with the low load forecast, if the load forecast returns to its prior level in the following year, it is possible that the resource will have retired and there may be insufficient capacity available to meet reliability needs.

For these reasons, it is important for the Commission to have a consistent forecast year-over-year for the RA program. Having a forecast over the SB 100 horizon that plans for load

⁴ See *California Community Choice Association’s Comments on the Forecast in Electricity System Planning Workshop*, 24-IEPR-03 (Oct. 16, 2024): <https://efiling.energy.ca.gov/GetDocument.aspx?tn=259570&DocumentContentId=95699>; see also *California Community Choice Association’s Comments on the IEPR Commissioner Workshop on Draft Load Modifier Electricity Demand Forecast Results*, 24-IEPR-03 (Nov. 21, 2024): <https://efiling.energy.ca.gov/GetDocument.aspx?tn=260211&DocumentContentId=96440>.

⁵ See Federal Energy Regulatory Commission Electronic Quarterly Reports for Q3 2024, at: <https://eqrreportviewer.ferc.gov/>.

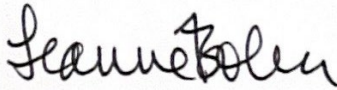
⁶ 2020 Resource Adequacy Report, at Table 6 and Table 10: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/resource-adequacy-homepage/2020_ra_report.pdf.

growth in further out years will allow the CPUC and other LRAs to plan for the build of new resources to serve the increased load and to have sufficient capacity available to meet RA needs.

III. CONCLUSION

CalCCA looks forward to continuing its participation in the SB 100 proceeding and further collaboration on load forecasting to ensure an effective and affordable RA program while guiding procurement processes for future needs.

Respectfully submitted,

A handwritten signature in black ink that reads "Leanne Bober". The signature is written in a cursive style with a large, stylized initial "L".

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