



CPUC Participation in the 2008 IEPR Update

IEPR Committee Workshop
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Long-standing CPUC Position on Load Forecast

- March 14, 2005 ACR (“IEPR Ruling”)
 - CEC IEPR forecast is the state’s official forecast
 - LTPP proceeding shall be based on IEPR forecast
 - CPUC does not intend to re-examine load forecast issues in the LTPP proceeding, “with very narrow exceptions:”
 1. Material new information
 2. Materially changed circumstances
- D.07-12-052 (2006 LTPP)
 - Reaffirmed long-standing position
 - Identified quantification of EE in the load forecast as a high-priority
- R.08-02-007 OIR/Preliminary Scoping Memo (2008 LTPP)
 - Placed load/forecast EE issue in scope
 - Referred to 2008 IEPR Update for it to be addressed





CPUC Expectations

- IOUs and Parties fully commit to resolving all issues related to load forecast in the IEPR process
- LTPP is not an “alternative forum” for re-litigating such issues
- CPUC commits to bring its experts to the table to satisfactorily address the issues:
 - In the short-term (i.e., by the next LTPP cycle)
 - For the long-term





Where the IEPR Update Fits - LTPP Proceeding

- 10-year planning horizon
 - Longer timeframe than resource proceedings (EE)
- Need determination authorizes new conventional generation
 - Load & resource assessment, according to loading order policy
 - IEPR load forecast
 - Preferred resource forecasts (EE, DR, RPS, and DG/CHP)
 - Residual net short/long position
 - Authorize new fossil procurement to fill net short, with adequate lead time
- Forecast EE (i.e., goals) appears in two places:
 - Load side – “Committed EE” embedded in forecast
 - Resource side – “Uncommitted EE,” an incremental resource reducing net short
- “Overlap factor” – Percent of the EE goals embedded in forecast
 - D.07-12-052 assumed 80% overlap (20% incremental EE resource) for PG&E, SCE (and 100% overlap for SDG&E)
 - But the Commission found... “these issues need to be better understood, and a robust methodology is needed...”





Where the IEPR Update Fits – EE Proceeding

- Commission-approved EE Goals are based on EE Potential Studies
- Highly developed Evaluation, Measurement and Verification (E,M&V) infrastructure to quantify and attribute savings based on utility actions
- D. 07-09-043 adopted IOU incentives based on cumulative energy savings
- Focus is energy savings; capacity saving are derived





Where the IEPR Update Fits – GHG Proceeding

- Joint CPUC/CEC recommendations to ARB on AB32 regulatory structure
- GHG Modeling Project to evaluate cost of CO2 reductions in electricity sector
- EE is the first loading order resource to meet forecasted load
- Modeling uses CEC load forecast, but quantification of EE resource potential and cost is a critical assumption.





Timeline for a Deliverables

- Inputs - CPUC deliverables feeding into IEPR Update
 - EE Potential Studies (Itron) – March 2008
 - 2009-2011 EE Program Portfolios (IOUs) – May 15, 2008
 - Statewide EE Strategic Plan (IOUs) – May 15, 2008
- Analysis – CEC (with CPUC assistance)
- Results needed, for CPUC processes, by:
 - July 2008 – GHG (Phase II Modeling), if preliminary IEPR Update results are available
 - April 2009 – LTPP (2010 Scoping Memo)





Approach for Comments

- Express CPUC's intention to collaborate with CEC in the IEPR Update process
- To date, CPUC has informally traded questions and comments with CEC's Demand Analysis Office (DAO)
- Submit some version of this input as Workshop Comments

