Date Filed: September 22, 2026

Witness: Amparo Nieto
Request from: Public Utilities Regulatory Authority

Question:

(MCOSS) Application, Ex. CLP-MCOS-1, Dir. Test. Nieto, pp. 5 & 12. Address the following:

a. Regarding load profile data and forecasts, what accuracy percentage is considered acceptable between annual projected and realized load data?
b. Provide the accuracy percentages of forecasted to actual load data for years 2022 through 2025.
c. What measures are taken within the Marginal Cost of Service Study to ensure the cost data for the projected years, particularly the outer years 2030 and 2031, are reasonable?

Response:

a. The Company does not have acceptable variance target percentages for its forecasted vs. actual load. The Company plans using a 90/10 forecast which is the extreme weather scenario that only has a 10 percent chance of being exceeded. Actual load data is also heavily influenced by a variety of additional variables including economic data, large customers or step loads, electric vehicle and solar adoption, as well as energy efficiency programs, a majority of which are subject to state and federal policy. Therefore, a comparison to forecasted load is not a good indicator of the strength of the model used to forecast. When creating forecasts, the Company always adheres to statistical thresholds and guidelines for econometric models to ensure stability and reliability.

b. Please refer to RRU-038, Attachment 1, for variance analysis of load data for 2022 through 2025. The 90/10 peak forecast exceeds the actual peak load in part due to the nature of the 90/10 forecast nine out of 10 times. As mentioned above, the 90/10 forecast is the extreme weather scenario that only has a 10 percent chance of being exceeded.

c. The MCOS study used the information on planned dollars of investment and capacity added at the various substation locations provided by the distribution planning group. Only three of the substation projects included in the study are projected through year 2031; the majority of the projects are planned to be placed in service by 2029, therefore cost estimates are considered reliable and based on best estimates by the distribution group. Ms. Nieto reviewed and consulted with the distribution planning group on the work involved in the various projects included in the MCOS study, ensuring that they did not include costs for work unrelated to addressing load growth, such as replacement for asset condition. The

range of cost per MW of capacity added was reasonably comparable to the range of investment per MW estimates observed in other MCOS analysis performed by witness Nieto in other jurisdictions. No other specific measures were taken within the MCOS Study to qualify whether the cost data for the projected years was reasonable.