

## **Summary of Load Forecast Survey Responses**

A series of questions was developed regarding load forecasting was developed with the intent of gathering answers to those questions for various different load forecasts that are developed by Michigan Planning Consortium participants. The group sought to gather information that would highlight any differences between various types of load forecasts, such as forecasts developed for corporate purposes, transmission planning purposes or for resource adequacy purposes, and also provide insight into the methodologies, assumptions, and basis used for various load forecasts. The intent of the survey was to gather information and open up the lines of communication between the infrastructure planning participants within Michigan. A copy of the matrix of questions that was distributed to participants is located on the MPC info sharing webpage ([http://www.michigan.gov/mpsc/0,1607,7-159-16377\\_47107\\_52010-201612--,00.html](http://www.michigan.gov/mpsc/0,1607,7-159-16377_47107_52010-201612--,00.html)). Responses to the load forecasting survey were received from ITC, Wolverine, Detroit Edison, Consumers Energy, Indiana Michigan, Michigan South Central Power Agency, Alpena Power, ATC, PJM, and MPPA.

An important piece of information that was collected was the name and contact information for an individual from each company regarding load forecasts. As forecasts are updated by planning participants in Michigan, other parties expressed an interest in having a direct contact who would be able to answer questions regarding the updated forecast including the assumptions that were made to develop the updated forecast. The contact information was requested in order to facilitate answers to questions and further informal discussion surrounding load forecasts between the various planning participants in Michigan.

Survey question number 3 asked participants to describe the primary purpose of each forecast, and also describe any other uses there may be for that specific forecast. Several participants reported that one forecast is used for several purposes. For instance, Indiana Michigan reported that one forecast is used for their financial plan, integrated resource plan, and for transmission planning. Consumers Energy also reported that they use one forecast for financial and operational planning including rate cases, PSCR plan, budgets / forecasts, strategic plans, and integrated resource planning. The load forecast that Consumers Energy provides to METC and MISO for transmission planning purposes and the load forecast that Consumers Energy provides to MISO for Module E are based upon the same internal forecast even though they may be reported from employees working in different areas, and even though the specific timing or forecasted years may be different between those two applications. Many of the participants responded that they develop a single forecast that serves multiple purposes. However, not all of the participants have reasons to develop all of the different types of forecasts based upon a varying scope of business. For that reason, several participants provided answers only for one or two of the different types of forecasts.

The survey gathered some detailed information from participants regarding the frequency, methodology, and basis for the various forecasts. Many different sources and methodologies for developing forecasts were reported by the participants. Some areas where similarities existed between the majority of the responses include:

- Weather, economics, demographics, AC saturation, and historical loads are key drivers of forecasts developed by participants.
- Forecasts are updated at least annually (and some more frequently).
- The use of a 50/50 confidence interval, especially for longer term planning.
- Energy efficiency, demand side resources, and new loads are included only to the extent that they are known and firm.

Some key differences in the survey responses worthy of noting include:

- Sources and methodologies used to develop forecasts are varied within our region.
- Although transmission owners and operators Wolverine, ATC and MISO roll up the load forecasts that they are provided from LSEs within their territories, others such as ITC and PJM develop their own forecasts.
- Outside of rate cases or PSCR cases, there is not a consistent location or time to obtain updated load forecasts from other parties.
- Outside of participating in a rate case or PSCR case, there is not any specific process outlined to obtain the underlying details and assumptions that are utilized to develop updated forecasts.

The complete set of responses to the load forecasting survey may be found on the MPC Info Sharing Webpage ([http://www.michigan.gov/mpsc/0,1607,7-159-16377\\_47107\\_52010-201612--,00.html](http://www.michigan.gov/mpsc/0,1607,7-159-16377_47107_52010-201612--,00.html)).