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September 14, 2017

VIA E-MAIL

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Mr. Anthony M. Star
Mr. Mario Bohorquez
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RE: Commonwealth Edison Company's Comments on the
Illinois Power Agency's 2018 Draft Procurement Plan

Pursuant to Section 16-111.5(d)(2) of the Public Utilities Act, Commonwealth Edison Company ("ComEd"), by its counsel, respectfully submits these comments ("Comments") on the Illinois Power Agency's ("IPA") 2018 Draft Procurement Plan ("Draft Plan"), which was circulated by the IPA on August 15, 2017, for public review and comment. ComEd commends the IPA on its well written and thorough Draft Plan. ComEd is generally supportive of the Draft Plan, and thus recommends just one clarifying revision below. ComEd's silence at this time regarding any particular issue should not be interpreted as agreement with all statements, approaches, calculations, or recommendations made in the Draft Plan pertaining to that issue.

Similar to previous IPA procurement plans, the Draft Plan includes an Action Plan subsection that identifies the specific items for Illinois Commerce Commission ("ICC" or

“Commission”) approval. Draft Plan at 5. These include, *inter alia*, (i) approval of the base case load forecasts the utilities submitted in July 2017, (ii) approval of two procurement events in Spring 2018 and Fall 2018, and (iii) pre-approval of the updated load forecasts to be submitted on March 15, 2018 and July 15, 2018, subject to the review and consensus of the IPA, ICC Staff, the Procurement Monitor, and the applicable utility. *Id.* Importantly, the Spring 2018 and Fall 2018 procurement events will be based on the most recent updated load forecasts submitted by the utilities. Assuming consensus is reached regarding each update, these procurement events would be based on the March 2018 and July 2018 updates, respectively, which ensures that the procurements are conducted using the most accurate and up-to-date information.

Given the importance of the load forecast updates, ComEd recommends that the IPA add additional language to the Draft Plan highlighting the importance of submitting the most accurate forecast that can be calculated at the time. In the past, the March forecast update has always included updates to the value of the variables that were a part of the approved forecast. But ComEd has not otherwise changed the forecasting model itself. In reality, ComEd is constantly tweaking, revising and enhancing the forecasting model in order to ensure the most accurate forecast possible. ComEd requests that the Draft Plan reflect this reality and provide clear direction to the utilities that they may enhance their econometric models, including adding or deleting variables, in furtherance of providing the most accurate forecast, provided that such enhancements (apart from any updates to the value of the variables) do not result in changes to the base case load forecast that exceed 5 percent. The Draft Plan should also continue to allow utilities to update the value of variables previously included in the model. The updates, of

course, would continue to be subject to the consensus of the IPA, ICC Staff, the Procurement Monitor, and the applicable utility.

To this end, ComEd recommends that the IPA revise Section 1.4 of its Draft Plan to include the following revisions:

1.4 The Action Plan

In this plan, the IPA recommends the following items for ICC action:

1. Approve the base case load forecasts of ComEd, Ameren Illinois, and MidAmerican as submitted in July 2017.
2. Approve two energy procurement events scheduled for Spring 2018 and Fall 2018. The energy amounts to be procured in the spring will be based on the updated March 15, 2018 load forecasts developed by Ameren Illinois, MidAmerican, and ComEd, in accordance with the hedging levels stated in this Plan, and as ultimately approved by the ICC. The energy amounts to be procured in the fall will be based on the July 15, 2018 base load forecasts developed by Ameren Illinois, MidAmerican, and ComEd, in accordance with the hedging levels stated in this Plan, and as ultimately approved by the ICC.
3. The March 15, 2018 and the July 15, 2018 forecast updates provided by the utilities to be used to implement this Plan will be pre-approved by the ICC as part of the approval of this Plan, subject to the review and consensus of the IPA, ICC Staff, the Procurement Monitor, and the applicable utility. In the event that the parties do not reach consensus on an updated load forecast required in Item 2 above, then the most recent consensus load forecast will be used for the applicable procurement event. If the Parties are unable to reach consensus on either of the updated load forecasts required in Item 2 above, then the July 2017 load forecast will be used for the applicable procurement event.
4. Approve procurement by ComEd, Ameren Illinois, and MidAmerican of capacity, network transmission service and ancillary services from their respective RTO.

Because the load forecast updates form the basis for the Spring 2018 and Fall 2018 procurement events, the Illinois Power Agency urges each utility to submit forecast updates that reflect the most accurate and up-to-date information and modeling available at the time, including but not limited to changes to variables' values (such as switching) and minor enhancements to econometric models,

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provided that such enhancements to econometric models do not result in a change of more than 5% percent.

The Illinois Power Agency respectfully publishes this draft 2018 Procurement Plan, and invites the affected utilities and any interested parties to submit comments on the Plan to the Agency by September 14, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark R. Johnson', is written over a horizontal line.

Mark R. Johnson

cc: Thomas Russell (via email)
Elizabeth McErlean (via email)