ComEd March 2025 Forecast Submittal to the IPA
March 15, 2025

ComEd provides the following information to the Illinois Power Agency (IPA) and the Illinois Commerce Commission (ICC) Staff to facilitate their review of the updated forecasted usage related to procurement quantities.

1. The attached spreadsheet contains forecasted usage for the five-year period from June 2025 to May 2030 ("ComEd March 2025 ProcurementBlocks_Update.xlsx").

2. The March 2025 forecast has been updated from the prior July 2024 forecast. The net result is a 1.2% increase, or 295 GWh, in the final procurement volumes for the June 2025 through May 2026 delivery year driven primarily by higher Blended switching assumptions. Total eligible customer load growth is up 0.5%, resulting in a 128 GWh increase to final procurement volumes, due to the pre-switching assumptions versus the prior July 2024 forecast. Another 0.1% or 15 GWh increase is due to changes in Distribution line loss impacts versus the prior July 2024 forecast. This leaves 0.6% or a 152 GWh increase to final procurement volumes due to changes in switching only. This increase in forecasted Blended supply due to switching is met with a subsequent decrease in RES supply. Items of note are:

    a. The forecasted pre-switching delivery class usages have been updated and reflect various refinements and more recent information. The June 2025 to May 2026 pre-switching total usage (rows 4 through 16 of Procurement Blocks) is 188 GWh higher in the March 2025 update than the July 2024 forecast, which is an increase of 0.5% to the overall eligible load. Comments regarding the updated forecasted usages are as follows:

        i. The load results presented in this updated filing leverage the same model-based approach used in the July 2024 forecast to project volumes over the procurement period. The attached "Model Stat Compare.xlsx" spreadsheet has relevant statistics for the three major econometric models used in this forecast and there is little change in model performance since the July 2024 forecast. The forecast is based on S&P Global's (formerly IHS Markit) August 2024 economic outlook for the ComEd service territory. Economic conditions (GMP and Total Employment) for 2025 in the ComEd service territory are projected to be slightly favorable versus the April 2024 vintage, providing some lift to the overall load outlook versus the July 2024 forecast. Residential weather-normalized load growth in calendar year 2025 is anticipated to be relatively flat year-over-year, but pre-switching load levels versus the July 2024 forecast are higher driven by the higher actual load observed in 2024 which grew 1.8% year-over-year, leap-year adjusted.

ii. The energy efficiency projections continue to reflect the objectives of the Future Energy Jobs Act and latest Clean Energy Law passed in September 2021 which was first reflected in the July 2022 filing. The latest projections include the most recent savings evaluation results from our Energy Efficiency department.

iii. There are no changes to the solar outlook versus the July 2024 forecast. The solar forecast continues to be based on the System Dynamics model which reflects various parameters relevant to solar adoption including recent legislation. Table A below reflects the assumptions and solar forecasts for calendar year periods 2025-2030, which are divided into Rooftop and Community solar projects. Overall, we are still anticipating larger GWh increases in Residential solar projects versus Small C&I in the current forecast, with Community projects representing roughly half of the total solar GWh. Community solar does not reduce customer usage, but for the purposes of this forecast update it was included as a reduction to sales to reflect the ultimate quantities the IPA needs to procure.

TABLE A

	(A)	(B)	(C)	(D)	(E)	(F)
	Residential Solar (GWh)			Small C&I Solar (GWh)		
Calendar Year	Rooftop	Community*	Total Solar	Rooftop	Community*	Total Solar
2025	771	444	1,216	224	74	298
2026	924	637	1,561	262	106	368
2027	1,073	862	1,935	300	144	443
2028	1,226	1,109	2,336	338	185	523
2029	1,369	1,372	2,740	375	229	604
2030	1,502	1,668	3,170	410	278	688

* Does not reduce customer usage, but reduces ultimate procurement quantities

b. The process of forecasting switching continues to utilize town-code level data. This detailed switching data has been updated to reflect actual switching data as of January 2025. This approach is beneficial to the forecasting process as the number, specific size, and timing of communities with municipal aggregation ("Muni Agg") contracts expiring in 2025 can be reflected in the forecast. It also provides a good starting point in utilizing the most recent switching information. Attached is the final 2024 Muni Agg tracker spreadsheet (2024 Muni Ag Renewal TrackingFinal.xlsx). At the time of the July 2024 filing, 33 of the 128 communities decided with zero communities choosing to return to ComEd supply. The suspension rate assumption for the rest of 2024 was 5% based on the total RES usage up for renewal, reflecting more recent declining suspension rates consistent with stabilizing wholesale electricity prices. For context, suspension rates spiked to 28% in 2021 and 46% in 2022, but then fell to roughly 12% in 2023. At the end of 2024, 28 communities chose to suspend their Muni Agg

programs and return customers back to ComEd supply which represents approximately 5% of the total RES usage that was up for renewal.

c. The forecasted percentage of Residential usage taking fixed-price ComEd supply (Blended) in 2025 has been updated. We have 92 communities up for renewal in 2025 with approximately 1,700 GWh in total RES usage versus the 128 communities and approximately 2,400 GWh in 2024. Only 10 communities have decided so far this year, but with all opting to renew their Muni Agg contracts. There is limited information to be gleaned from the YTD 2025 Muni Agg decisions with more than 70% of contract expirations scheduled in the second half of the year, but we expect Muni Agg switching decisions similar to those observed last year.

Turning to the future switching assumptions, Table B below reflects updated forecasts for March 2025 compared to the prior forecast from July 2024.

TABLE B

		Description	July 2024	March 2025
Assumptions	1)	Municipal Aggregation contracts expiring in 2025 opting for ComEd fixed-price supply	5.0%	5.0%
	2)	Projected usage that will decide to Restart Muni-Agg Program (GWh)	0	0
	3)	% of residential customer usage in the City of Chicago served under ComEd's fixed-price supply during December 2024	85.1%	85.1%
Forecast Results	4)	% of residential delivery classes served under ComEd fixed-price supply by December 2025	74.6%	75.1%
	5)	% of 0-100 kW (non-residential) delivery class served under ComEd fixed-price supply by December 2025	40.9%	41.5%
	6)	% of Watt-Hour (non-residential) delivery class served under ComEd fixed-price supply by December 2025	36.3%	38.1%

i. Based on the Muni Agg activity observed in 2024, 5% of the usage in Muni Agg communities with contracts expiring in 2025 are assumed to opt for ComEd supply (see #1 in Table B above).

ii. We did not have any communities restart their Muni Agg programs in 2022, 2023, or 2024. So far in 2025 there have not been any Muni Agg program restarts. Based on these observations we do not anticipate any communities to restart their Muni Agg program in 2025 (see #2 in Table B above).

iii. We continue to assume the City of Chicago will not reactivate its municipal aggregation program with the City's level of Residential

switching remaining flat to the year-end 2024 levels (see #3 in Table B above).

iv. A development since 2019 is an increasing number of communities that are choosing a pricing option where the Muni Agg pricing is set to match the ComEd price to compare ("PTC"). The benefit to the customer is that the RES purchases renewable energy credits for the eligible customers, with some options offering 100% Green supply. Under this product not all customers are moved to RES supply. Once the program has been implemented, we have generally found that the percentage of usage on RES supply drops by about 20-30 percentage points when a community moves from a traditional rate option to PTC. To illustrate this dynamic we can compare the usage in communities on a traditional rate option versus communities on a PTC option using the most recent Muni Agg data. Communities on a traditional rate option on average had roughly 70% RES usage while communities on a PTC option had around 50% RES usage in 2024. This has the effect of increasing Blended supply even though a community is renewing their Muni Agg program. However, as mentioned in more recent filings, the pool of communities that can choose the price to compare option for the first time continues to get smaller and thus the dynamic of increased Blended supply due to communities choosing PTC from a traditional rate option is less significant to the overall switching outlook. In 2023 none of the communities up for renewal with a traditional rate option chose a PTC option. In 2024 only 4 communities chose a PTC option from a traditional rate option, or roughly 4% based on total usage. We expect similar low activity in 2025 with a modest 3% of total usage up for renewal assumed to choose PTC from a traditional rate option. As a result, approximately 18 GWh of usage is projected to move to Blended supply in 2025 due to this dynamic (3% of the roughly 3,000 GWh of total usage up for renewal will decide on this option with a corresponding 20% movement to Blended supply). This pricing product adds another layer of complexity to the switching forecast and, as in the past, we will continue to monitor it and keep the IPA informed of further developments.

v. The last component is the switching change in non-Muni Agg communities which are the communities that have never adopted a Muni Agg program and those that have at some point but are not currently on a Muni Agg program. An examination of the most recent data for the non-Muni Agg communities shows increases in Blended supply consistent with the broader switching activity, with 85.5% on Blended supply by year-end 2024 versus 84.4% in 2023, translating to an approximately 0.8% year-over-year increase in the total Blended supply.

vi. In general, switching activity has shown signs of a return to levels prior to those observed in the last few years which were notably impacted by the volatility in wholesale electricity prices. The assumptions used for Muni Agg activity reflect recent trend and a more typical switching environment. Overall, total Blended supply is projected to continue to increase over the forecast period similar to the increases observed over the second half of 2024. Blended supply steadily rose throughout 2024 from the lows earlier in the year as switching rates stabilized.

d. As shown above in Table B, the net result of the updated switching assumptions shows modestly higher Blended switching rates than the previous forecast for Residential, 0-100 kW, and Watt-hour by December 2025. Although a return to "normal" switching levels was anticipated and reflected in the July 2024 forecast, the long-term outlook now reflects a gradual increase in Blended supply versus a flatter outlook in the prior forecast.

e. Distribution line losses are unchanged from losses used in 2024 and remain in effect through 2025 per the December 2023 filing, ILL.C.C.No.10, 10th Revised Informational Sheet No.33. Approximately 15 GWh more will need to be procured over the June 2025 – May 2026 period or 0.1% of forecasted Blended supply at the meter.

3. In summary, the net change in forecasted usage for customers taking ComEd Blended supply service for the June 2025 to May 2026 period is approximately 295 GWh higher or 1.2% in this March 2025 forecast update. The change in overall procurement volumes is mostly driven by the updated switching outlook using the most recent historical data. Changes to pre-switching assumptions also bring total eligible customer volumes higher versus the July 2024 forecast, mostly from higher Residential weather-normalized load observed in 2024.