

To: Honorable Public Utilities Board

Submitted by: /S/
Chris Ferrara
AGM – Customer Resources

From: Alan Harbottle
Supervisor Energy Resources

Approved by: /S/
Tim Haines
General Manager

Subject: By Motion, Accept Alameda Municipal Power’s Load Forecast for Fiscal Year 2027,
and Find the Action Exempt from the California Environmental Quality Act

RECOMMENDATION

By *motion*, find AMP’s action is not a CEQA project pursuant to CEQA Guidelines Section 15378, is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Sections 15061(b)(3) and 15378 for the reasons outlined in the administrative report, and accept Alameda Municipal Power’s Load Forecast for fiscal year 2027.

BACKGROUND

Each year, Alameda Municipal Power (AMP) staff prepares a forecast of the peak demand and energy requirements (load forecast) for the next 10 years. Staff relies on the load forecast in developing AMP’s budget and rates for the upcoming fiscal year. In addition to the fiscal year (FY) 2027 budget, AMP staff will use the FY 2027 load forecast for the following:

- Projecting AMP’s finances with the 10-year pro forma financial model
- Developing Northern California Power Agency’s (NCPA) annual budget and pre-billing of monthly power costs
- Complying with California’s Renewable Portfolio Standards (RPS) and other environmental regulations

This report presents forecast results for Most Likely, High, and Low scenarios. Results for the Most Likely scenario represent staff’s best projection of AMP’s customer energy usage based on currently available information. The High and Low scenarios are used to examine the impacts of high and low load conditions and bracket the Most Likely scenario. This report provides a summary of the FY 2027 load forecast, the methodology used in preparation of the forecast, a detailed look into individual rate classes, and a comparative analysis of recent forecasts.

DISCUSSION

Summary of the FY 2027 Load Forecast

The FY 2027 load forecast uses recent trends of energy sales, losses, and assumptions for various load modifiers such as customer growth, distributed generation (DG), electric vehicles

(EVs), energy efficiency (EE), and electrification (i.e. switching fuel sources in buildings to electricity) to forecast sales and load for each customer class for a 10-year period. The assumptions for customer growth are based on staff’s projections for future residential and commercial development in Alameda. Figure 1 shows actual and forecast load over a 10-year period by customer class.

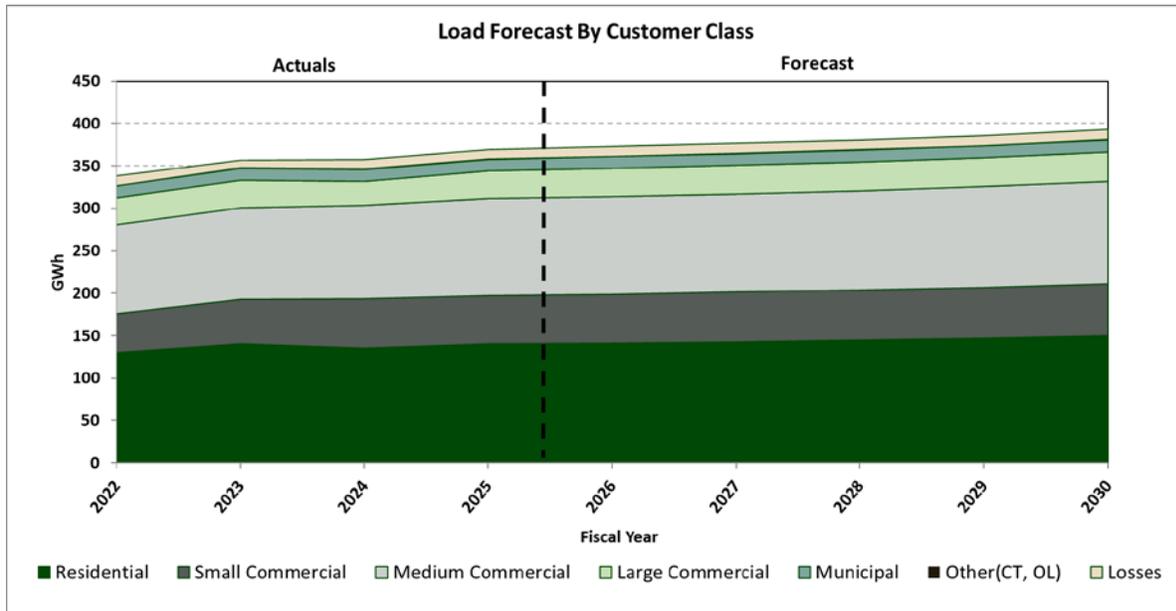


Figure 1: Actual Load and Most Likely Scenario

Actual load data through mid-FY 2026 reveals small year-to-year variations slowly increasing beyond 350 gigawatt hours (GWh) per year. In FY 2025, AMP exceeded its forecast by 1.4 percent, driven by gains in the commercial sectors. The FY 2026 forecast is lagging behind actuals and has been revised upwards 2 percent in the FY 2027 forecast. Current power demand remained stable over the period, despite signs of an economic slowdown in the residential development, commercial office space, and biotech sectors. The FY 2027 forecast starts off higher with adjustments to the baseline following most recent actuals, but overall maintains similar growth projections to the FY 2026 forecast moving forward. In FY 2028 and beyond, the largest new impact to the Likely Forecast scenario is the impact of SF Bay Ferry charging. SF Bay Ferry has proposed installing electric chargers in Alameda for a new, battery-electric ferry fleet. In the near-term, new development is expected to drive growth between 1 and 2 percent. After FY 2031, load is expected to return to a slower rate of growth for the remainder of the forecast period, averaging approximately 0.9 percent per year.

Figure 2 illustrates the three load growth scenarios (Most Likely, High, and Low) from the current fiscal year through FY 2034. The scenarios are affected by assumptions for new developments, electrification, DG, EE, and EVs. In particular, the High forecast scenario has a large increase in FY 2028–2030 to reflect that AMP has continued to receive speculative interest from multiple parties about upgrading Alameda Point buildings for high power needs of around 10 megawatts (MW) baseload.

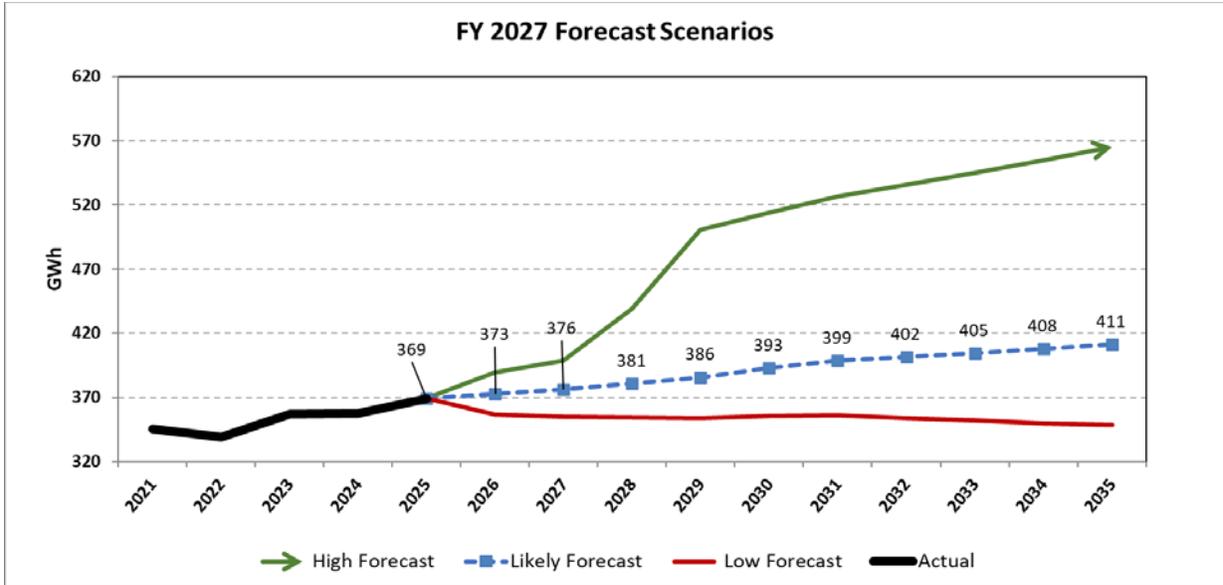


Figure 2: 10-Year Load Forecast Scenarios

Figure 3 compares the Most Likely load forecast for the current and previous two fiscal years. FY 2027 largely tracks the FY2026 forecast, with the most recent actuals increasing the starting point. The adjustments to the baseline represented the most year-over-year change in the FY 2027 forecast with small adjustments in New Developments, EVs, DG, EE, and electrification to align with the latest observed trends.

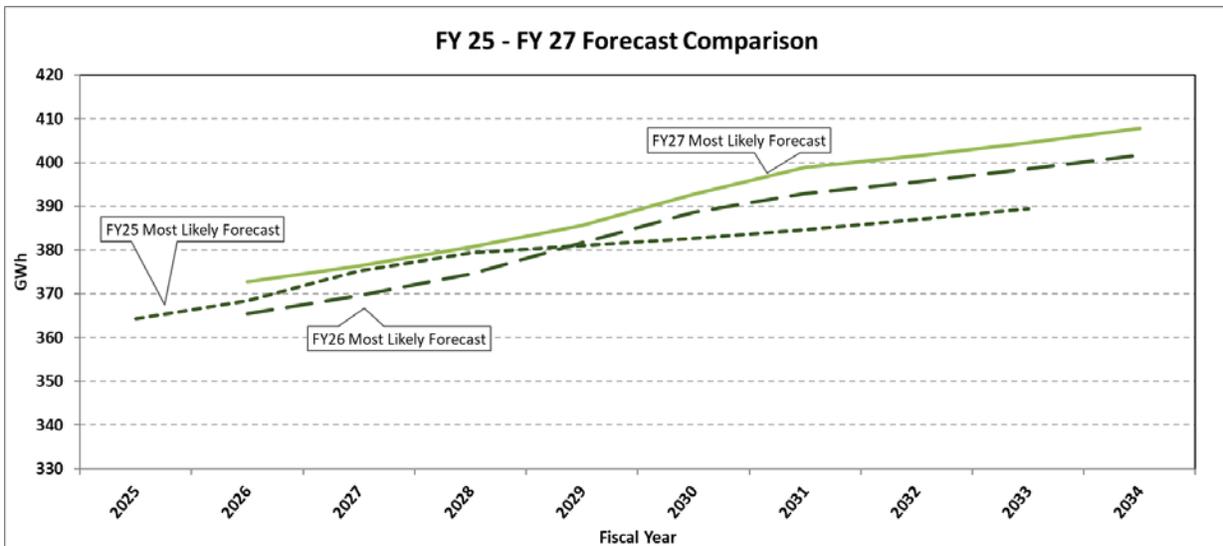


Figure 3: Fiscal Year (FY) 2027 and Prior FY Load Forecasts, Most Likely Scenario

Load Forecast Methodology

AMP staff continues to follow the same forecasting methodology as in years past, with a few modifications to improve accuracy. Staff begins with the preceding year’s load/sales actuals as the base load in the forecast. The following years’ forecast is then modified based on various factors affecting load, like new development, EE, DG, EVs, and electrification.

Factors Affecting Short-Term Load Forecast

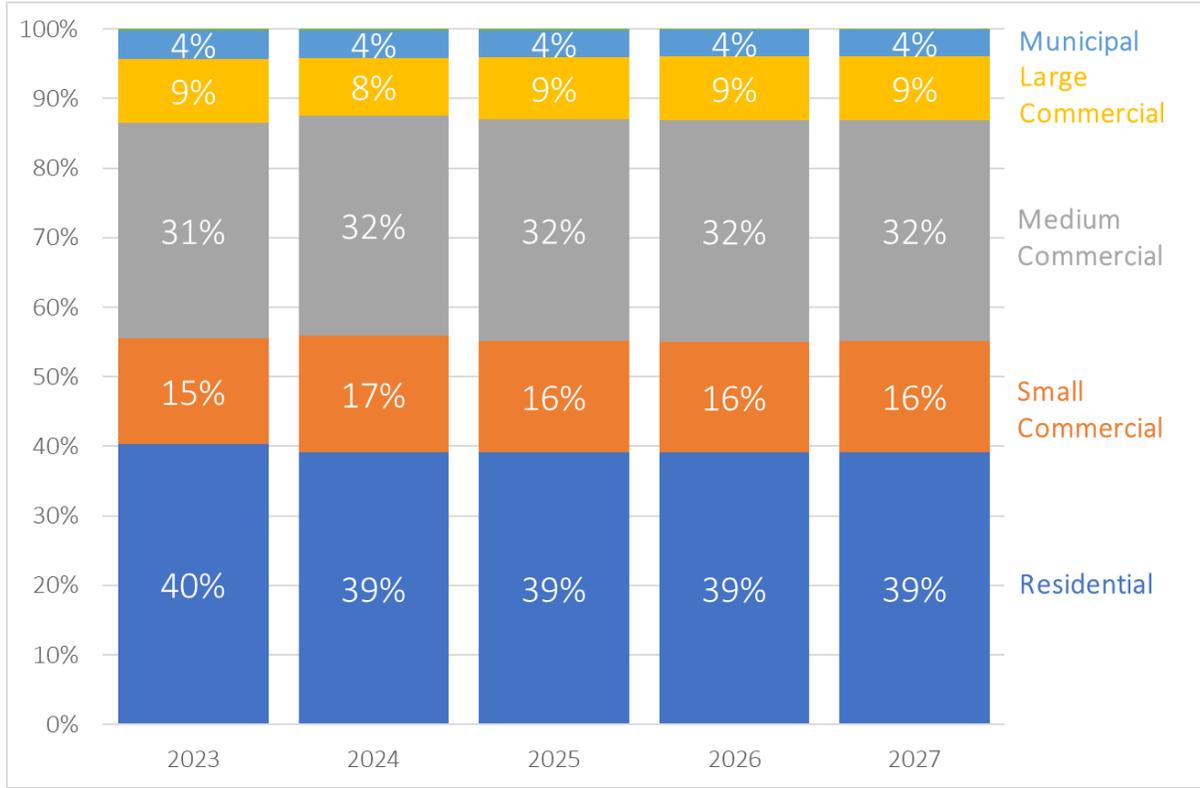


Figure 4: Fiscal Years 2023–2027 AMP Load Share by Customer Class, Percent

Residential Class Forecast

AMP has two residential customer classes: D-1, for individually metered dwellings, and D-2, for multi-family dwellings with a single meter. The D-1 class accounts for more than 98 percent of all residential customer load. The D-2 class is closed to new customers.

To forecast the load for the D-1 class, AMP forecasts the number of new customers in each year of the 10-year period. To accomplish this, AMP staff consults with the City’s Planning, Building, and Transportation Department’s (PBT) Development Forecast and Base Reuse and Economic Development Department (BRED), AMP’s own engineering and key accounts management personnel, and reviews relevant City Council reports and news articles to develop a forecast of new residential developments.

Table 1 has actual and forecast Most Likely Scenario data from the FY 2027 load forecast for number of customers and usage per customer. Customer growth is based on residential new development forecasts for the number of new units. After staff forecasts the base load for D-1 customers from the projected number of new customers and the forecast usage per customer, additional factors that affect customer load are applied, which are discussed below.

Table 1: New Customers and Usage, Most Likely Scenario

	Actual		Fiscal Year 2027 Forecast					
	2024	2025	2026	2027	2028	2029	2030	2031
Total Customers	32,979	32,746	32,831	33,022	33,164	33,532	34,079	34,273
New Customers			85	191	142	368	547	194
(kWh/customer/year)	4,038	4,192	4,236	4,261	4,295	4,319	4,340	4,376

Table 2 highlights some of the major developments slated to either come online or come to full load in the next five years.

Table 2: Residential Customer Growth by Area

Area	Details	New Units	Time frame
Alameda	Alameda Marina Phase 2	125	2026-2028
Alameda	West Midway/RESHAP	400	2027-2030
Alameda	Pennzoil Project	45	2026-2028

Figure 5 illustrates the total contribution of the additional factors affecting residential sales through the FY 2031 forecast period using the Most Likely Scenario, relative to the updated forecast for total residential sales in FY 2026. The forecast residential sales are expected to increase, driven by the continued growth in occupation of the new developments across the island. EVs and electrification are forecast to continue to grow in importance.

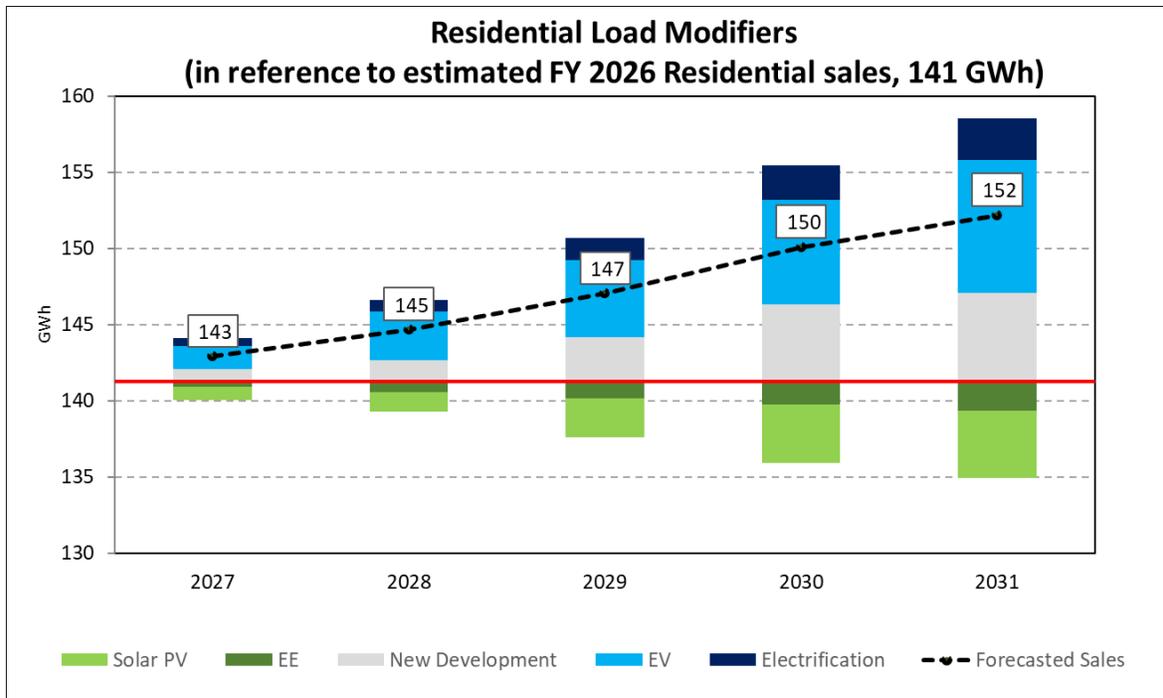


Figure 5: Factors Affecting Residential Load Forecast

Commercial Class Forecast

AMP has four commercial rate classes (A-1, A-2, A-3, and A-4). Monthly customer usage and demand determines which rate class each entity is enrolled into. Currently, AMP does not have any A-4 customers. Table 3 shows the actual sales in FY 2025, followed by forecast sales for the commercial classes for the next five years.

Table 3: Forecast Sales by Commercial Class, Fiscal Years 2025–2030

Fiscal Year	Sales (GWh)			Total Sales (GWh)
	A-1	A-2	A-3	
2025	57.4	114.2	32.2	203.8
2026	57.7	114.8	33.3	205.8
2027	58.4	115.8	33.5	207.7
2028	59.2	117.0	33.9	210.1
2029	60.1	118.2	34.3	212.6
2030	61.5	120.1	34.8	216.4

To project commercial load, the forecast starts with the total commercial load through mid-FY 2026, then subtracts the incremental load reductions from EE and solar PV installations and adds the incremental load from new development and EVs.

Figure 6 illustrates the total impacts of the load modifiers of commercial load through FY 2031 under the Most Likely Scenario. In relation to the revised commercial sales forecast in FY 2026, the three commercial classes are expected to grow primarily as a result of new development.

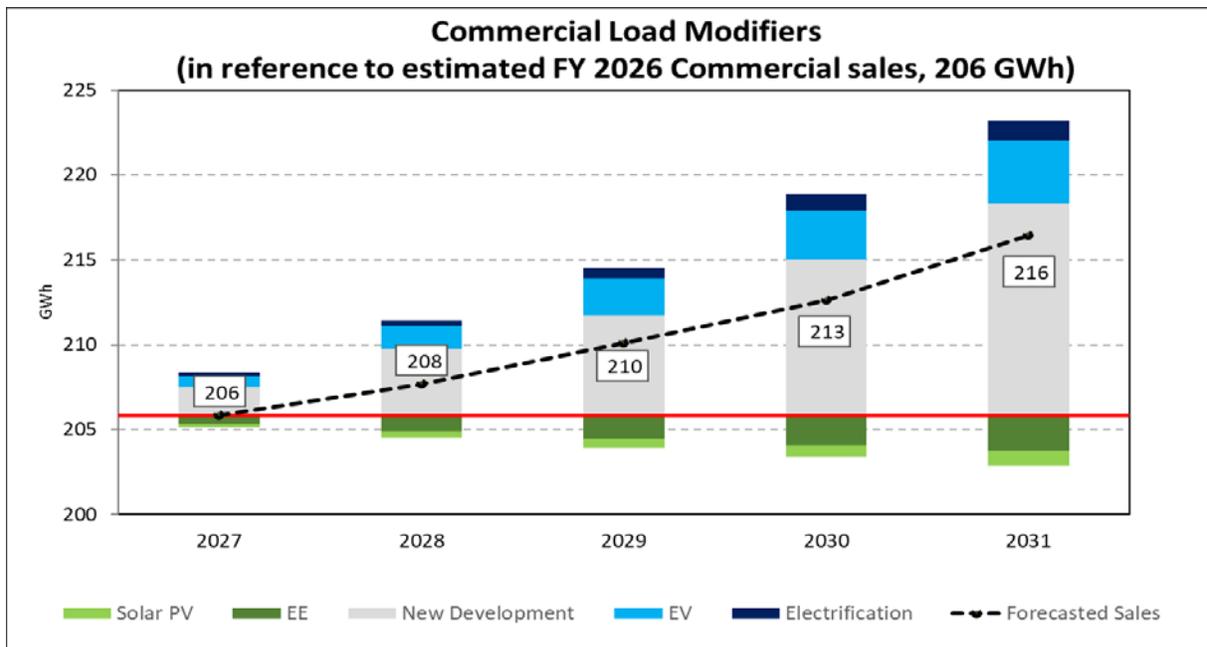


Figure 6: Factors Affecting Commercial Load Forecast

New Development

The principal driver of commercial customer sales is new development. The forecast is compiled using the PBT Development Forecast, input from BRED and AMP engineering and key accounts management staff, and load assumptions from comparable existing customers. Staff expects the primary driver of commercial load growth to be the addition of SF Bay Ferry electric ferry charging. Additionally, the Hilton Garden Inn on Bay Farm Island is nearly ready to be energized and should be opening in early calendar year 2026. More difficult to forecast, but observed in recent years, is a steady stream of smaller upgrades to many A1 and A2 customers that increase usage. Floor space growth over the next five years is expected to be modest and high levels of vacant commercial retail and biotech space throughout the bay area may still lead to some customer departures. Table 4 displays some of the larger proposed commercial developments in the load forecast. The High Usage Customer, assumed to be 10MW baseload, is only included in the High forecast scenario as a possible development given the current speculative nature of interest.

Table 4: Commercial Development

Area	Details	Time Frame
Harbor Bay Business Park	North Loop Rd, 5 Office Buildings	2021-2026
Bay Farm	Hilton Garden Inn	2026-2027
Alameda Point	Enterprise District – Industrial/R&D	2027-2030
Alameda	Electric Ferry Charging	2028-2033
Alameda Point	High Forecast Scenario: High Usage Customer (10MW)	2028-2030

Forecast for Other Customer Classes

The remaining customer classes include municipal accounts (M-1, M-2, and M-3), privately owned outdoor lighting (OL), and service for the two Northern California Power Agency (NCPA) combustion turbine units (CT). M-1 consists of all municipal accounts including Alameda Unified School District (AUSD), with the exception of municipal street lighting (M-2) and AMP’s operations (M-3). The forecast sales for these customer classes for FY 2027 is 14.3 GWh, approximately 4 percent of AMP’s total sales. Staff keeps power demand for these customer classes flat for the forecast period.

Comparing Recent Energy Forecasts

Prior to FY 2023, actual annual load was lower than forecast, particularly in FY 2021 and FY 2022, the years most impacted by Covid-19. Starting in FY 2023, and continuing through FY 2025, load bounced back and continued to grow beyond expectations. Through mid-FY 2026, load is 188 GWh. Table 5 provides a comparison of the forecast and actual loads for four prior fiscal years and the year-to-date (YTD) forecast for the current fiscal year.

Table 5: Fiscal Year Forecast Annual Load vs. Actual Annual Load

Fiscal Year	Forecast Load (GWh)	Actual Load (GWh)	% Difference
2022	354	338	-4.34%
2023	348	357	2.37%
2024	351	358	1.86%
2025	364	369	1.37%
2026 (YTD)	366 (185)	188	1.61%

FINANCIAL IMPACT

This load forecast does impact the upcoming budgeting process, the development of AMP’s revenue requirements for ratemaking updates, and future analysis of resource acquisitions and other longer-term activities.

ENVIRONMENTAL REVIEW

Alameda Municipal Power finds that its actions are not a project as defined by CEQA Guidelines Section 15378, which excludes “continuing administrative...activities” and “organization or administrative activities of governments...” Alameda Municipal Power further finds that it can be seen with certainty that there is no possibility that the activity will result in a direct or reasonably foreseeable indirect change in the environment. The project involves the disclosure of factual information pursuant to statutory mandates, and there is no potential for direct or indirect changes in existing conditions as a result.

Alameda Municipal Power further finds that its actions are exempt CEQA pursuant to CEQA Guidelines §§ 15268, which excludes ministerial actions. More specifically, Alameda Municipal Power finds its action is subject to the commonsense exemption because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

NEXT STEPS

Staff will develop the FY 2027 forecasts of power costs and revenues at current rates for use in AMP’s FY 2027 budgeting process.

LINKS TO STRATEGIC PLAN AND METRICS

Sustainability, Strategy 2: Deliver and maintain 100 percent carbon-neutral energy resources by 2020

Business Resiliency, Strategy 2: Develop financial planning processes that provide fiscal stability

EXHIBITS

- A. FY 2027 Most Likely Scenario Load Forecast
- B. FY 2027 Load Forecast PowerPoint Presentation

Alameda Municipal Power
Most Likely Energy Forecast FY2027
 1/5/2026

Monthly Energy Forecast (millions of kilowatt-hours):

FY	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	10-Year Annual Growth Rate
Jul	29.4	29.6	30.0	30.3	30.8	31.2	31.5	31.8	32.1	32.4	32.8	33.1	33.4	33.8	34.1	34.5	
Aug	30.9	31.2	31.4	31.7	32.3	32.7	33.0	33.3	33.5	33.8	34.2	34.6	34.9	35.2	35.6	35.9	
Sep	31.3	31.6	31.9	32.2	32.8	33.2	33.4	33.7	34.0	34.2	34.7	35.0	35.3	35.6	35.9	36.3	
Oct	31.3	31.6	32.0	32.3	32.9	33.4	33.7	34.1	34.4	34.7	35.1	35.5	35.8	36.2	36.6	36.9	
Nov	31.1	31.4	31.8	32.2	32.8	33.2	33.5	33.8	34.1	34.4	34.8	35.1	35.5	35.8	36.2	36.5	
Dec	35.4	35.8	36.2	36.6	37.2	37.7	38.1	38.5	38.8	39.1	39.6	40.0	40.4	40.8	41.2	41.6	
Jan	34.7	35.1	35.5	36.1	36.8	37.5	37.7	37.9	38.2	38.5	39.0	39.4	39.8	40.2	40.6	41.0	
Feb	30.6	30.9	31.3	31.8	32.4	33.0	33.2	33.4	33.7	34.0	34.4	34.7	35.1	35.4	35.8	36.2	
Mar	32.0	32.3	32.7	33.2	33.8	34.4	34.6	34.8	35.1	35.4	35.9	36.2	36.6	37.0	37.4	37.8	
Apr	28.8	29.1	29.4	29.8	30.4	30.9	31.0	31.2	31.4	31.6	32.0	32.3	32.6	32.9	33.2	33.5	
May	29.1	29.3	29.7	30.2	30.8	31.3	31.5	31.6	31.9	32.2	32.6	32.9	33.2	33.6	33.9	34.3	
Jun	28.3	28.5	28.8	29.3	29.8	30.3	30.4	30.5	30.7	31.0	31.3	31.6	31.9	32.2	32.5	32.8	
FYear	372.8	376.4	380.7	385.7	392.8	398.9	401.6	404.5	407.7	411.2	416.4	420.3	424.4	428.6	432.9	437.2	1.11%
Check Growth		0.96%	1.14%	1.33%	1.84%	1.54%	0.68%	0.74%	0.79%	0.84%	1.28%	0.93%	0.96%	0.99%	1.01%	0.99%	

Annual Energy Sales by Customer Class (millions of kilowatt-hours):

D-1	139.1	140.7	142.5	144.8	147.9	150.0	151.9	153.9	156.1	158.5	162.0	164.6	167.3	170.0	172.9	175.7	
D-2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	
A-1	57.7	58.4	59.2	60.1	61.5	62.8	63.0	63.3	63.6	64.0	64.5	64.9	65.4	65.8	66.3	66.8	
A-2	114.8	115.8	117.0	118.2	120.1	122.0	122.4	122.8	123.3	123.8	124.5	125.1	125.8	126.4	127.1	127.7	
A-3	33.3	33.5	33.9	34.3	34.8	35.4	35.5	35.6	35.8	35.9	36.2	36.3	36.5	36.7	36.9	37.1	
OL	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
M-1	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	
M-2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	
M-3	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
CT	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
Sales	361.4	364.9	369.1	374.0	380.8	386.7	389.3	392.2	395.3	398.6	403.7	407.5	411.4	415.5	419.7	423.9	1.11%
Check Losses	11.4	11.5	11.6	11.8	12.0	12.2	12.2	12.3	12.4	12.5	12.7	12.8	12.9	13.1	13.2	13.3	

Monthly Peak Demand Forecast (Megawatts):

Jul	46.87	47.61	48.29	49.19	50.24	51.35	51.95	52.61	53.40	54.24	55.52	56.42	57.33	58.26	59.19	60.10	
Aug	54.48	55.06	55.66	56.44	57.48	58.26	58.70	59.17	59.72	60.43	61.52	62.29	63.07	63.87	64.68	65.47	
Sep	64.89	65.55	66.08	67.04	68.24	69.02	69.30	69.73	70.20	70.72	71.47	72.20	73.04	74.06	75.15	76.25	
Oct	57.20	57.45	57.96	58.54	59.45	60.27	60.53	60.81	61.12	61.46	62.00	62.38	62.78	63.19	63.63	64.05	
Nov	53.63	54.22	54.86	55.80	56.99	57.85	58.37	58.92	59.51	60.12	61.08	61.76	62.57	63.58	64.59	65.58	
Dec	62.57	63.39	64.18	65.21	66.51	67.42	67.98	68.57	69.20	69.86	70.88	71.62	72.37	73.15	74.24	75.33	
Jan	57.60	58.28	59.24	60.42	61.58	62.82	63.36	63.93	64.53	65.16	66.44	67.40	68.39	69.38	70.40	71.39	
Feb	58.20	58.95	60.00	61.29	62.66	63.90	64.45	65.02	65.63	66.27	67.24	67.95	68.67	69.42	70.19	70.93	
Mar	54.91	55.57	56.41	57.46	58.61	59.63	60.08	60.63	61.33	62.06	63.18	63.98	64.80	65.63	66.49	67.33	
Apr	50.49	51.02	51.57	52.30	53.58	54.02	54.30	54.62	55.09	55.66	56.54	57.20	57.90	58.77	59.65	60.52	
May	47.16	48.13	49.20	50.49	52.06	53.20	54.08	55.00	55.96	56.96	58.48	59.55	60.64	61.73	62.84	63.92	
Jun	50.70	51.28	52.19	53.26	54.43	55.52	55.91	56.33	56.77	57.24	57.94	58.46	58.99	59.53	60.09	60.64	
FYear	64.89	65.55	66.08	67.04	68.24	69.02	69.30	69.73	70.20	70.72	71.47	72.20	73.04	74.06	75.15	76.25	0.97%
Check Growth		1.01%	0.81%	1.45%	1.80%	1.13%	0.42%	0.62%	0.68%	0.74%	1.05%	1.02%	1.18%	1.40%	1.46%	1.46%	

Fiscal Year 2027 Load Forecast

January 12, 2026

Overview



Background



**Fiscal Year
2027 Load
Forecast**



**Comparison
with Prior
Years**



Next Steps

BACKGROUND

Rationale for a Load Forecast



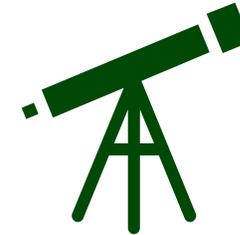
Short-Term

AMP's Power budget

AMP's Pro forma

Cost-of-service & Ratemaking

Short-term revenue projections



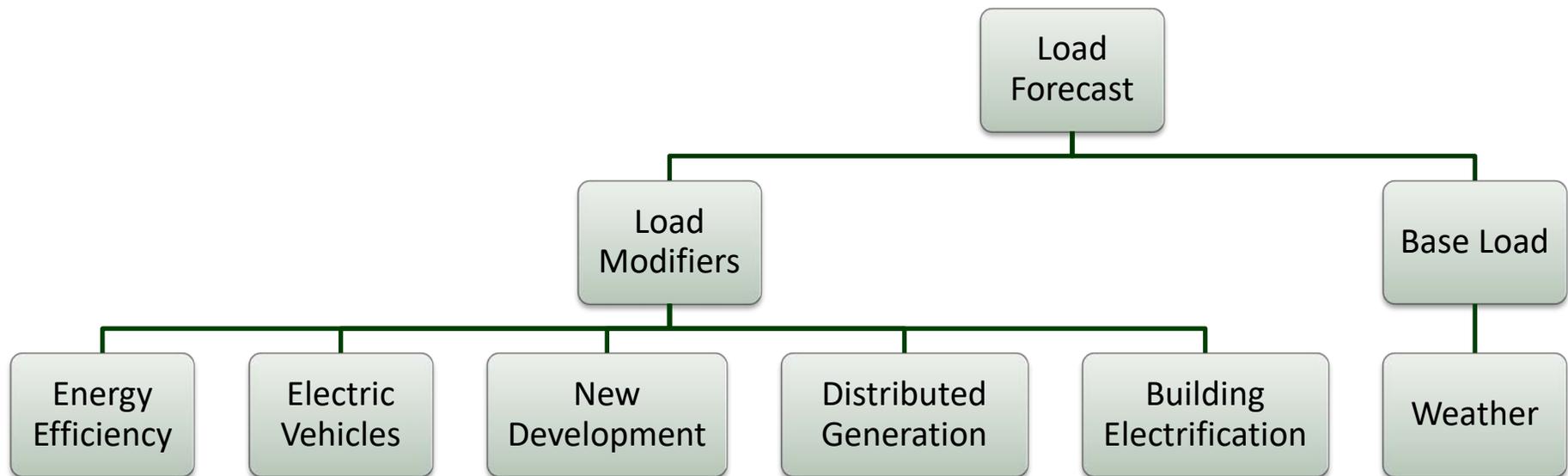
Long-Term

Resource planning

Long-term compliance

Financial planning

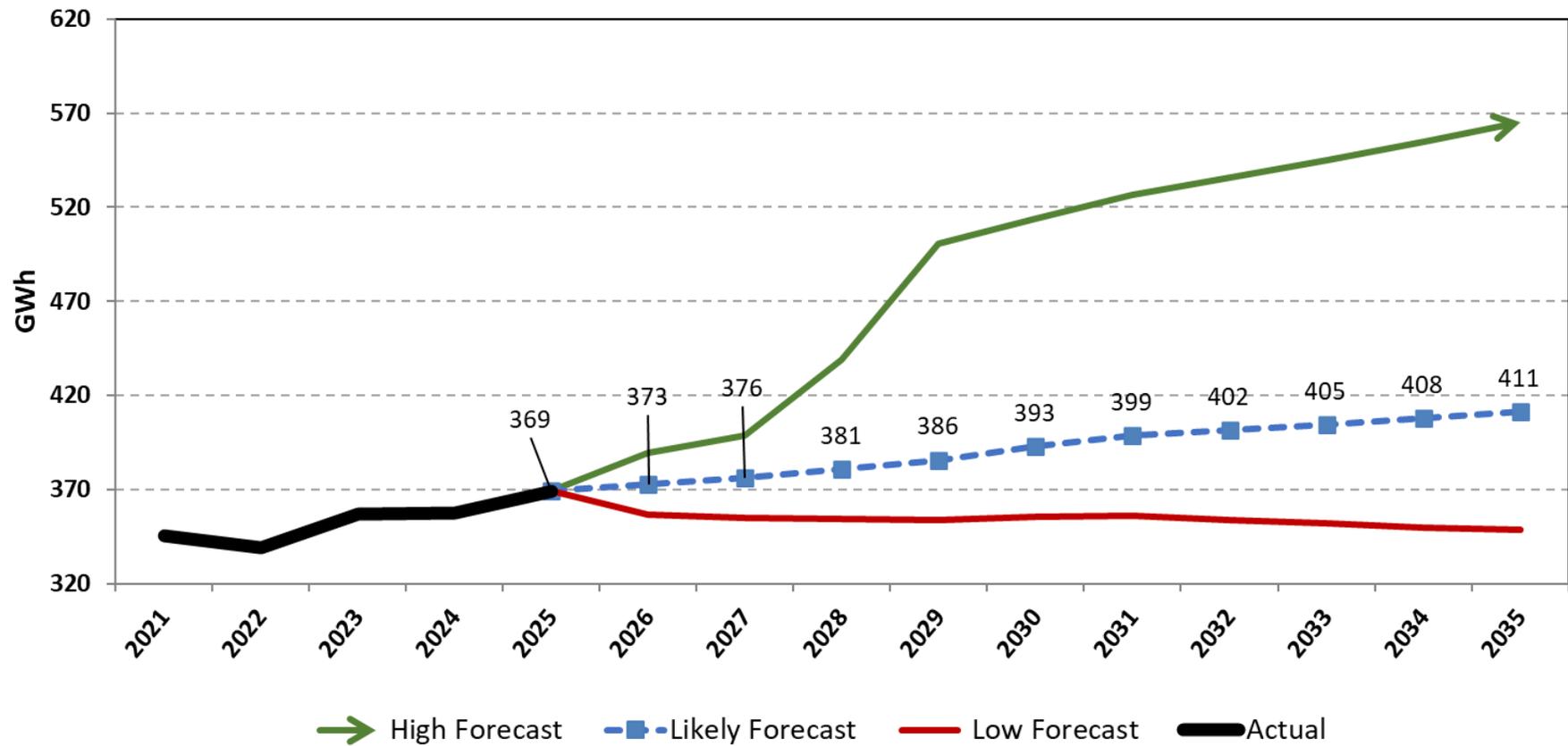
Forecast Methodology



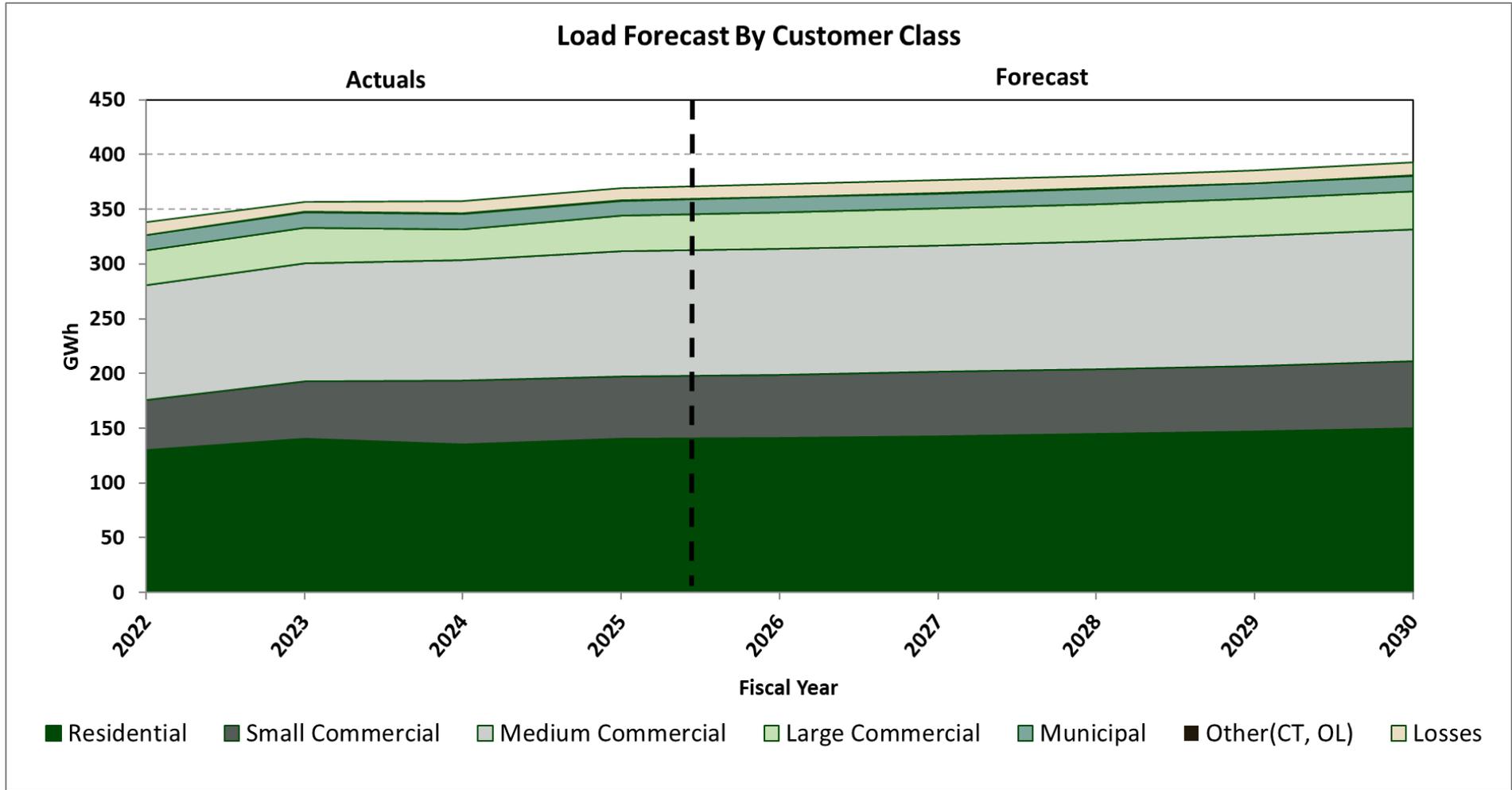
RESULTS

Load Forecast

FY 2027 Forecast Scenarios

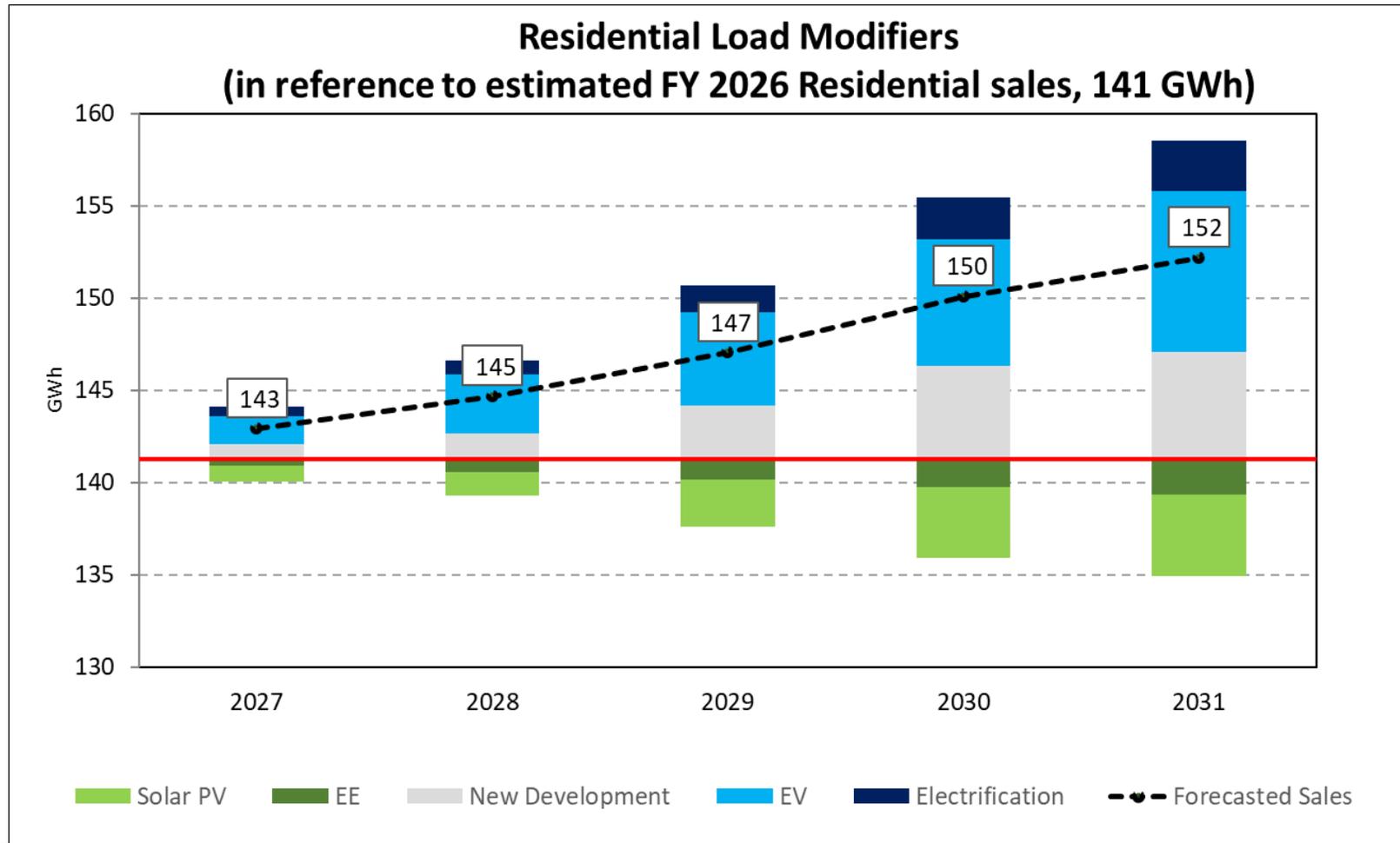


Customer Class Breakdown



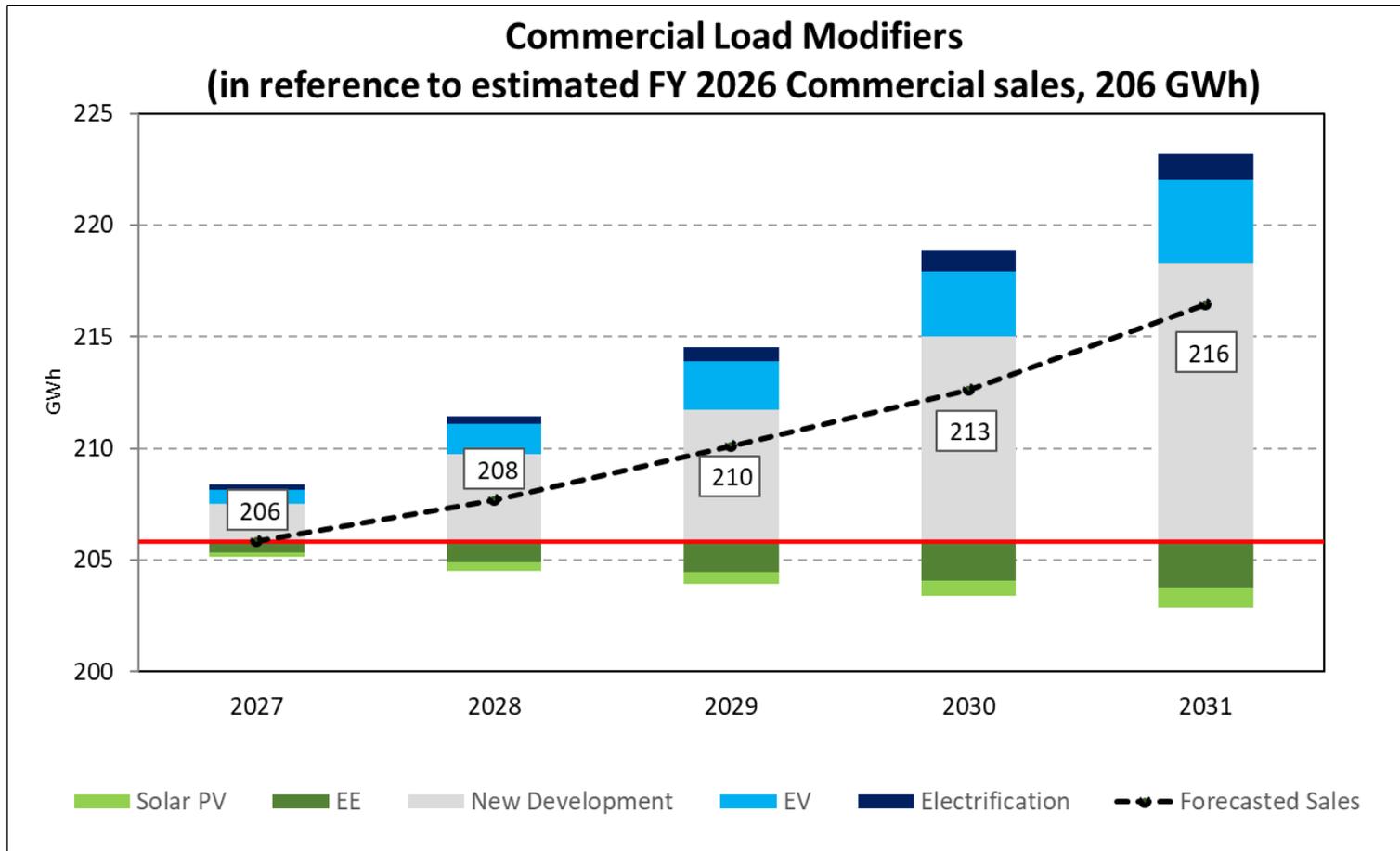
Residential Sales Forecast

Five-Year Residential Sales: Most Likely Scenario



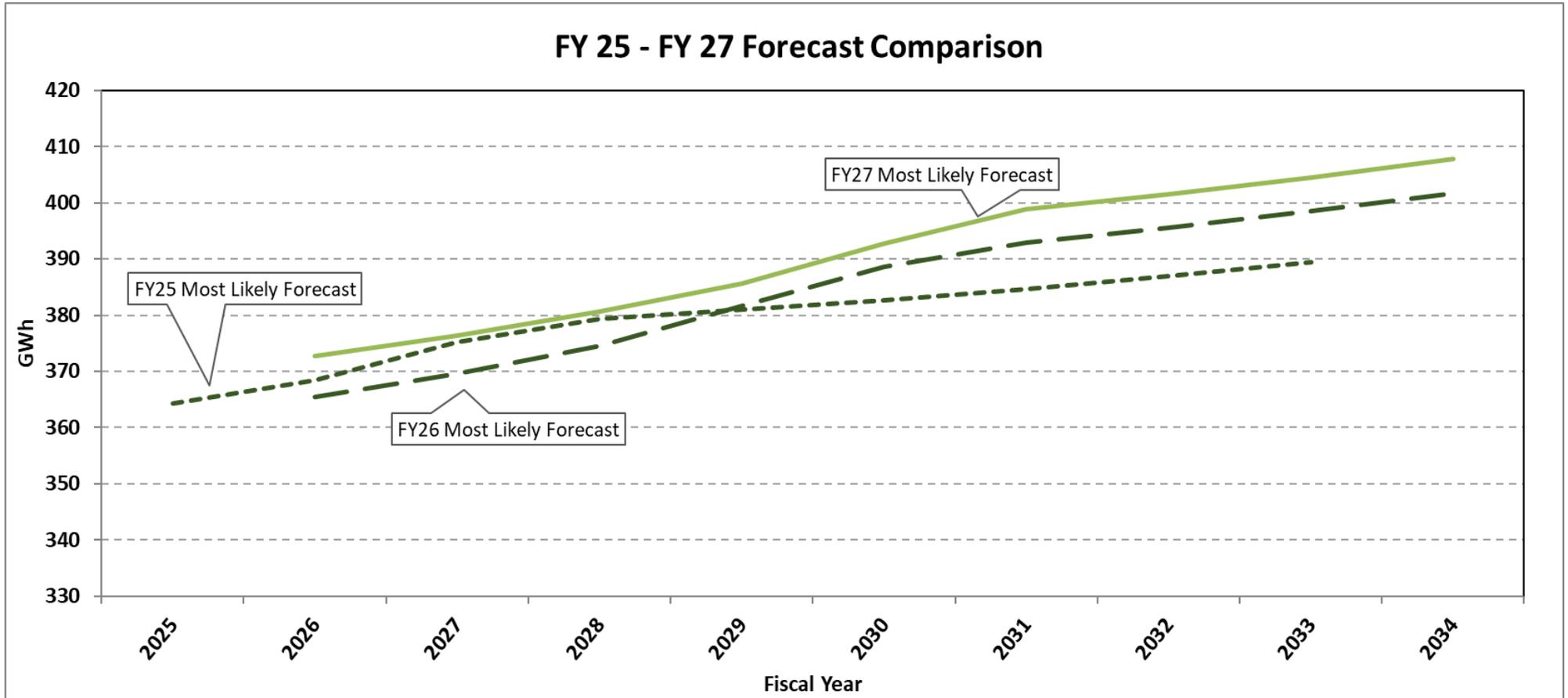
Commercial Sales Forecast

Five-Year Commercial Sales: Most Likely Scenario



COMPARISON TO PRIOR YEARS

Load Forecast Comparison to Prior Years



Forecast Error: Prior Year Forecasts

- Forecast Load v. Actual Load
 - FY 2022 larger margin, related to Covid-19

Fiscal Year	Forecast Load (GWh)	Actual Load (GWh)	% Difference
2022	354	338	-4.34%
2023	348	357	2.37%
2024	351	358	1.86%
2025	364	369	1.37%
2026 (YTD)	366 (185)	(188)	1.61%
2027	376	-	-

Key Takeaways

- The FY 2027 forecast remains similar to the prior year's forecast but with a higher starting point following recent actuals.
- Year-over-year growth averages 1 percent over the 10-year forecast window.

Next Steps

- Staff recommends accepting Alameda Municipal Power's FY 2027 Load Forecast
- Staff will use the Load Forecast for:
 - Pro forma, 10-Year: March 16
 - FY 2027 Budget/Rates: April 20
 - Northern California Power Agency (NCPA) Monthly Pre-billing for FY 2027

Questions?

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