



Item 7: City of Redding Electric Utility IRP

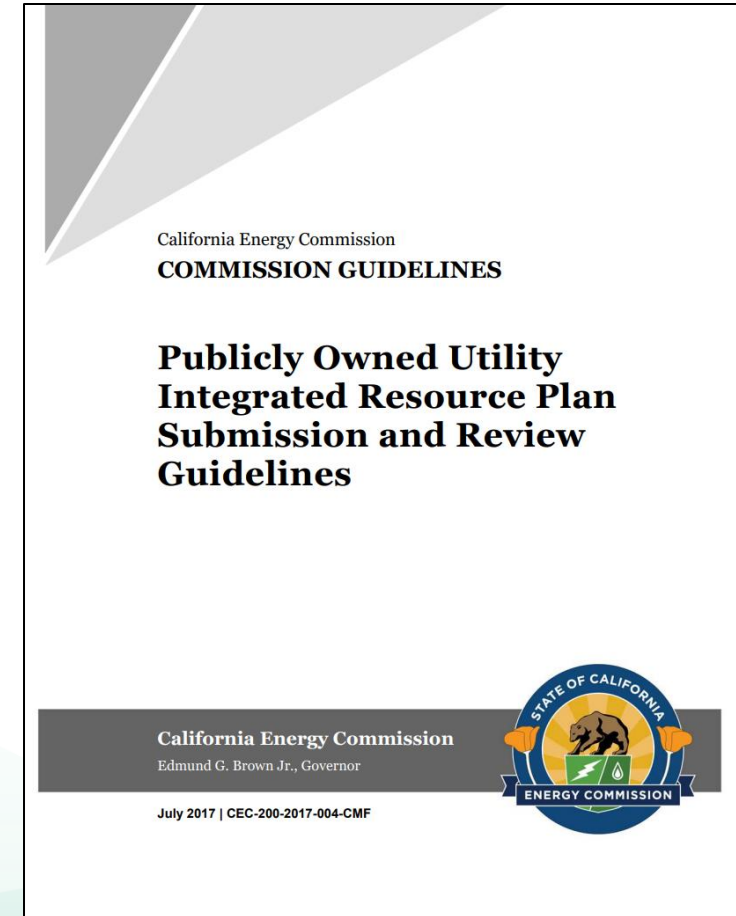
May 8, 2025 Business Meeting

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Energy Assessments Division



IRP Overview

- Comprehensive planning document describing:
 - Energy and capacity resource needs
 - Policy goals
 - Physical and operational constraints
 - Other utility priorities
- Developed and adopted by 16 largest POUs
- Submitted to CEC every five years
- CEC reviews for consistency with statutory requirements as specified in the IRP Guidelines.
- CEC determination adopted at a Business Meeting





Public Utilities Code (PUC) Section 9621

An IRP must address statutory requirements in the areas of:

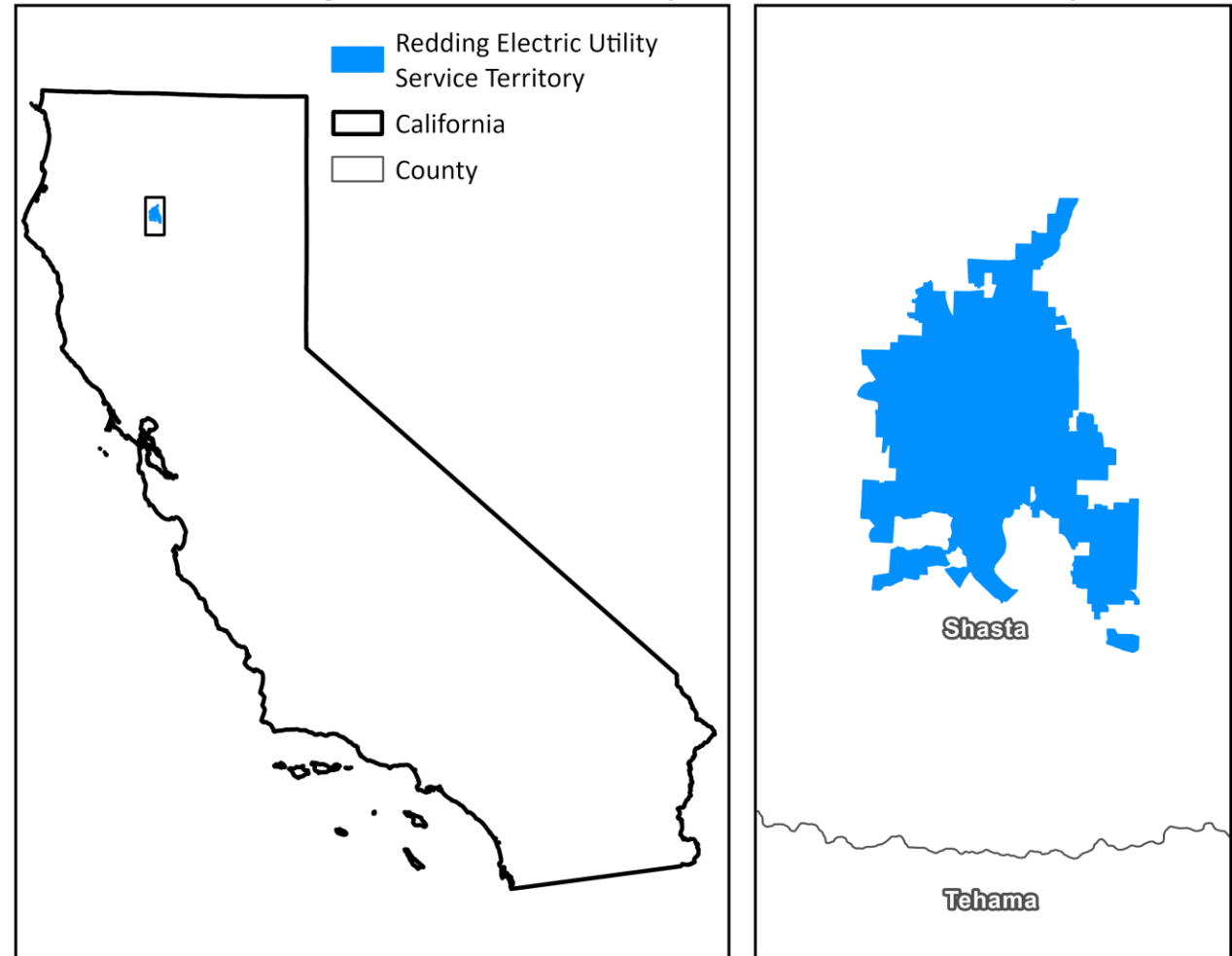
- ✓ GHG emissions targets
- ✓ Renewables Portfolio Standard
- ✓ Just and reasonable rates
- ✓ System and local reliability
- ✓ Diverse, resilient, and sustainable energy system and communities
- ✓ Localized air pollutants with priority on disadvantaged communities
- ✓ Diverse portfolio of energy resources



Redding 2024 IRP

- Redding Electric Utility (REU)
- Vertically integrated utility
- Customer base (2022):
 - ~39,000 residential
 - ~5,000 commercial
 - ~350 industrial, and
 - ~1000 other

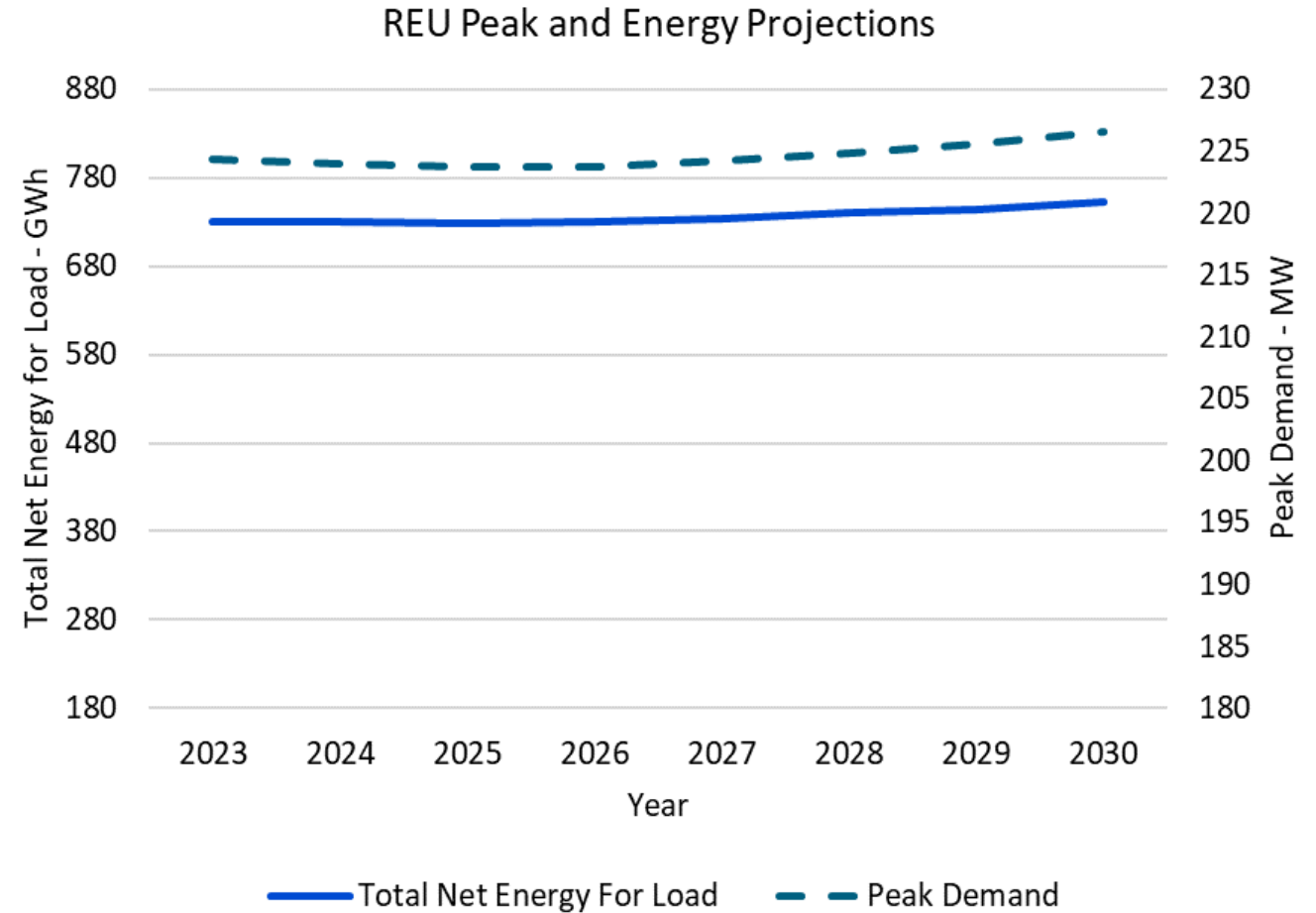
Redding Electric Utility Service Territory





2023-2030 Demand

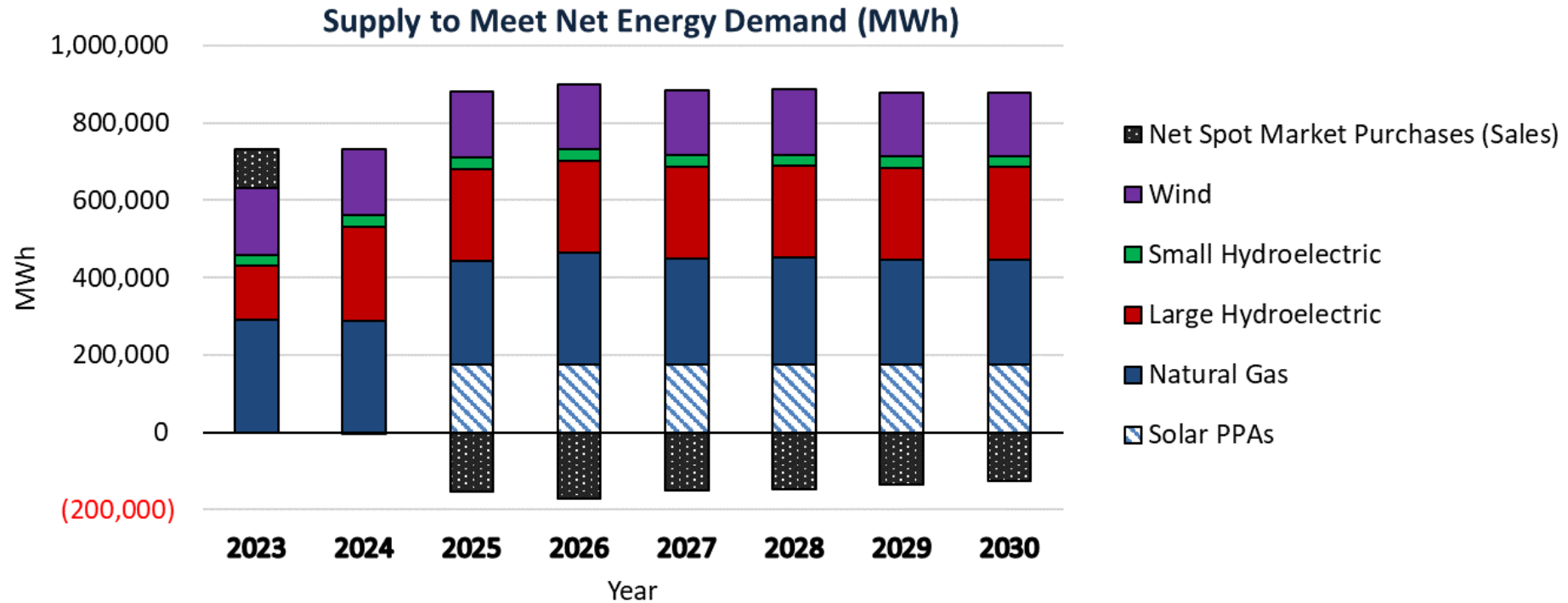
- Peak demand is relatively flat
- Net energy for load increases slightly
- Factors affecting load forecast:
 - BTM solar
 - Net migration and economic outlook
 - Efficiency gains of household appliances
- Increase in peak demand after the year 2030



Source: CEC analysis of REU's 2024 IRP



Redding: Energy Supply

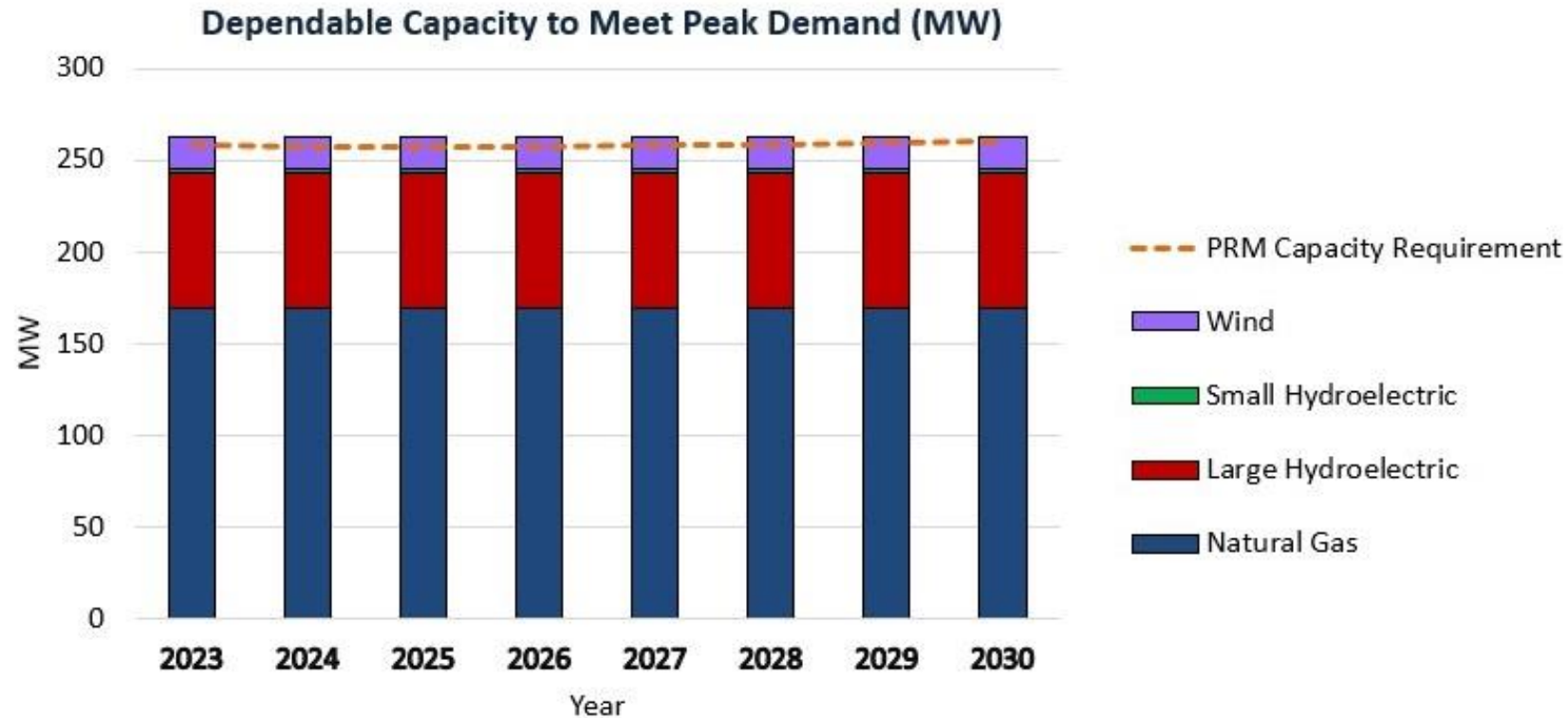


Source: CEC analysis of REU's 2024 IRP

- Purchases from spot market in 2023 converts to sales in 2025
- Solar PPAs online in 2025
- Natural gas from Redding Power Plant
- Increase in solar and 8-hour battery storage in 2031 and beyond



Redding: Dependable Capacity



Source: CEC analysis of REU's 2024 IRP

- Natural gas from Redding Power Plant to meet peak demand
- Wind helps meet peak demand for horizon up to 2030
 - Contract from Big Horn expires in 2031
- Battery storage expected to provide incremental support beyond 2030 horizon



POU IRP Take-Aways

Vision for the Future:

- Net-Zero Carbon 2045 scenario as preferred plan
 - Reliability and affordability
 - Meets renewable energy mandates and GHG goals by 2045
 - Costs align with current portfolio
- Procurement of solar and 8-hour batteries in later years

Challenges Ahead:

- Decisions about resource contracts after 2030



CEC Staff Determination

REU's IRP is consistent with PUC 9621 statutory requirements in the areas of:

- ✓ GHG emissions targets
- ✓ Renewables Portfolio Standard
- ✓ Just and reasonable rates
- ✓ System and local reliability
- ✓ Diverse, resilient, and sustainable energy system and communities
- ✓ Localized air pollutants with priority on disadvantaged communities
- ✓ Diverse portfolio of energy resources



Staff Recommendation:
Approve order adopting staff's determination that the City of Redding Electric Utility's IRP filing is consistent with Requirements of Public Utilities Code Section 9621.