

Goleta Budget 2025 Forecast Recommendation

Recommended forecast: Average monthly revenue for 2025 of \$4.92/kw-mn. This is the P50 forecast of a TB2.6 with 86% round trip efficiency.

- In TRC terms this is the "lower bound" of trading revenue, that means it is energy arbitrage only, and does not consider any additional revenue from Ancillary Services
- The same forecast with energy arbitrage and AS would be \$6.08/kw-mn (this is what we have been presenting until now).
- We re-ran 2024 with actual fundamentals as inputs for the current version of our forecast to see how close to 2024 actual prices the forecast would get:
 - The average actual TB2.6 was \$4.10 and the forecast with actual inputs gave \$4.53, about 9% above the actual value
 - The actual 2024 market would have been a P45 value in our forecast
 - This calibration is in line with expectations of forecast quality and we do not recommend making any changes to the budget forecast for 2025 based on this analysis

Goleta 2025 Budget Forecast

- 2025 P50 forecast averages \$4.92/kw-mn, Energy Arbitrage TB2.6, 86% RTE.
- 2024 Actuals average \$4.10/kw-mn.
- Price ranges: P25-P75 \$3.50-\$6.80/kw-mn, whiskers P5-P95 \$2.50-\$8.20/kw-mn

2024 Forecast using actuals as inputs vs. Actual CAISO prices

- We used actual 2024 load, solar, natural gas, etc. and ran our internal model. The actuals were \$4.10/kw-mn, the forecast model with actual inputs gave \$4.53/kw-mn, about 9% above the actual value.
- The P-value of actuals in the forecast range was P45 forecast, with an average error of \$0.45/kw-mn.
- 8 months would have been over forecasted, 4 months would have been under forecasted.
- Recommendation: No de-biasing of the forecast. Averaging a P45 forecast, is in line with expectations of forecast error, about 9% above actuals.

