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OPENING COMMENTS OF THE UNION OF CONCERNED SCIENTISTS ON THE ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON ELECTRICITY PORTFOLIOS FOR 2026-2027 TRANSMISSION PLANNING PROCESS AND NEED FOR ADDITIONAL RELIABILITY PROCUREMENT

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I. INTRODUCTION

Pursuant to the *Administrative Law Judge's Ruling Seeking Comments on Electricity Portfolios for 2026-2027 Transmission Planning Process and Need for Additional Reliability Procurement* ("Ruling") issued September 30, 2025, the Union of Concerned Scientists ("UCS") respectfully submits these opening comments on the Ruling.

II. SUMMARY

UCS appreciates the dedication of the California Public Utilities Commission ("CPUC" or "Commission") to ensuring grid reliability through numerous reliability-oriented procurement orders over the past few years. However, the Commission's singular focus on grid reliability has resulted in too little scrutiny paid to clean energy progress.

Now, with years of historical procurement data in hand, it is abundantly clear that load serving entities ("LSEs") are not procuring enough clean energy resources to meet the goals of Integrated Resource Planning ("IRP"). A comparison of historical and contracted procurement to recent IRP Preferred System Plans ("PSPs") reveals that LSEs are procuring far too few wind resources, while procurement of solar power is roughly on track. However, in comparison to the Ruling's Recommended 2026-2027 Base Case Portfolio for the Transmission Planning Process ("TPP"), LSEs are procuring far too little of both wind and solar resources.

To address the ongoing clean energy shortfall between now and 2030, the Commission should implement stop-gap clean energy procurement requirements along with the reliability-focused stop-gap procurement requirements contemplated in the Ruling. To ensure LSEs do not fall too far behind on IRP goals and to address this issue as simply as possible, UCS specifically recommends increasing the Renewable Portfolio Standard ("RPS") requirements from 60% to 80% in 2030.

III. THE ONGOING CLEAN ENERGY SHORTFALL

UCS is pleased with the Commission's continued evaluation of grid reliability conditions, and UCS has generally supported the Commission's reliability-centric procurement orders intended to mitigate impending reliability shortfalls. Though UCS would strongly prefer to see new procurement driven by the yet-to-be-implemented Reliable and Clean Power Procurement Program ("RCPPP"), UCS supports ad-hoc procurement orders, such as the one proposed in the Ruling, as a temporary measure.

However, as the Commission has remained vigilant on the grid reliability front, the Commission has paid virtually no attention at all to progress on clean energy. There has been no explicit tracking of clean energy procurement progress in comparison to the Commission's adopted IRPs, and there has been no mandated procurement of clean energy stemming from this proceeding (aside from the very modest amount of Diablo Canyon replacement energy in Decision (D.) 21-06-035). With this lack of scrutiny, LSEs have been falling behind on clean energy procurement.

a. COMPARISON OF LSE PROCUREMENT DATA TO IRP PORTFOLIOS

To understand the extent to which LSE procurement of clean energy has kept pace with IRP goals, UCS compared historical procurement data to the build rates in various IRP portfolios. More specifically, UCS used the CPUC's latest Resource Tracking Data from August 2025 to examine historical build rates and near-term contracted procurement.[1] UCS compared this data to the annual build rates in three different IRP portfolios: the 2021 PSP,[2] the 2023 PSP,[3] and the 2026-2027 TPP Proposed Base Case ("TPP Base Case") in the Ruling. In each of the three portfolios, UCS focused on the build rates leading up to 2030/2031.

In the case of solar procurement,[4] historical annual build rates have varied between 1-3 gigawatts ("GW") as noted in the Ruling. The average historical/contracted

[1] CPUC, *Resource Tracking Data* (August 2025). Available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/summer-2021-reliability/tracking-energy-development/resource-tracking-data-august-2025-release.pdf
[2] D. 22-02-004.
[3] D. 24-02-047.
[4] Since there was no simple way to separate the solar and storage components of hybrid resources in the Resource Tracking Data, this analysis conservatively assumed that all megawatts of hybrid resources are solar. This means that the amount of solar that has been and will be procured is overstated in Figure 1.

annual build rate is just over 2 GW, which is right on par with the average annual solar build rate in the 2023 PSP. However, with recent changes to load forecasts along with other factors, the average annual solar build rate in the Ruling's TPP Base Case is much higher, at approximately 6 GW in the 2026-2031 timeframe. This serves as an indication that future PSPs will very likely require much higher annual solar build rates than previous PSPs.

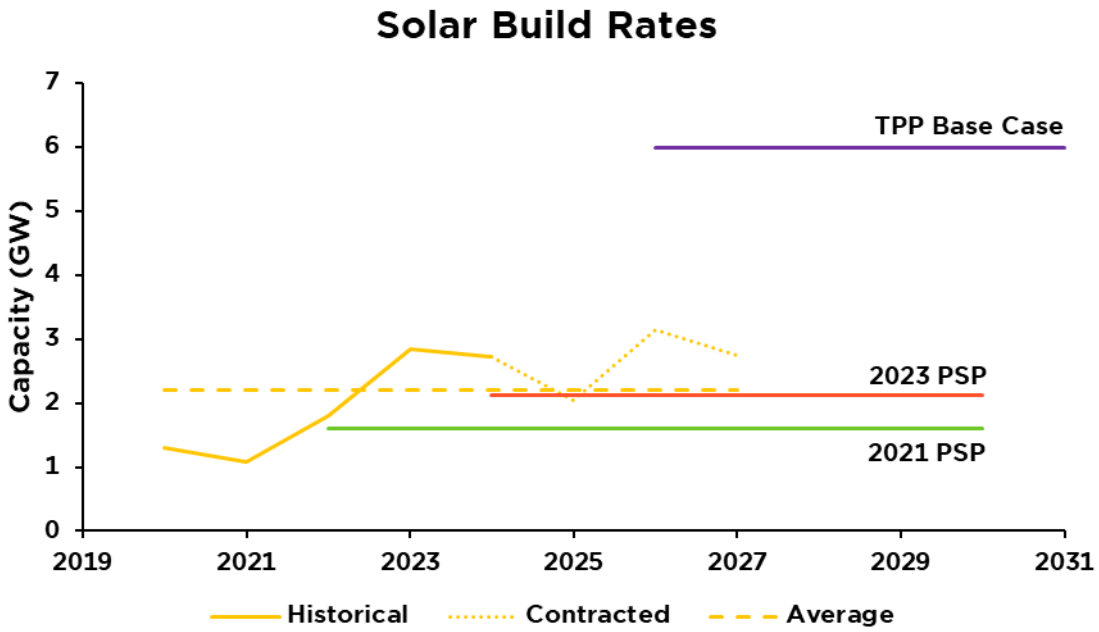

Figure 1: The average annual solar buildout has kept pace with recent PSPs, but it falls far short of the much higher build rate in the TPP Base Case. Notes: (1) Solar historical and contracted build rates conservatively assume that all hybrid capacity is solar capacity since there was no simple way to separate the storage capacity from the solar capacity. (2) The "average" solar build rate is the average of both historical and contracted data. (3) Though there was data available for contracted resources in 2028, this data was excluded because it seemed artificially low, likely due to incomplete contracting information for a year so far in the future. (4) Build rates for the 2021 PSP, 2023 PSP, and TPP Base Case are annual averages. The 2021 PSP builds 14,342 megawatts ("MW") of solar between 2022-2030,[5] with an annual average of 1,594 MW. The 2023 PSP builds 14,800 MW of solar between 2024-2030,[6] with an annual average of 2,114 MW. The TPP Base Case builds 35,900 MW of solar between 2026-2031,[7] with an annual average of 5,983 MW.

[5] D.22-02-004, p. 101.
[6] D.24-02-047, p. 68.
[7] Ruling, p. 14.

In the case of wind resources, the trends are much more concerning. The average historical/contracted annual build rate is just over 400 MW, which is only that high because of more than 2 GW of wind resources scheduled to come online in 2026. This build rate lags the 2021 PSP build rate of 581 MW per year, and it falls far short of the 2023 PSP and TPP Base Case annual build rates of 1,471 MW and 1,250 MW respectively. Simply put, LSEs are collectively building far too few wind resources to meet IRP goals.

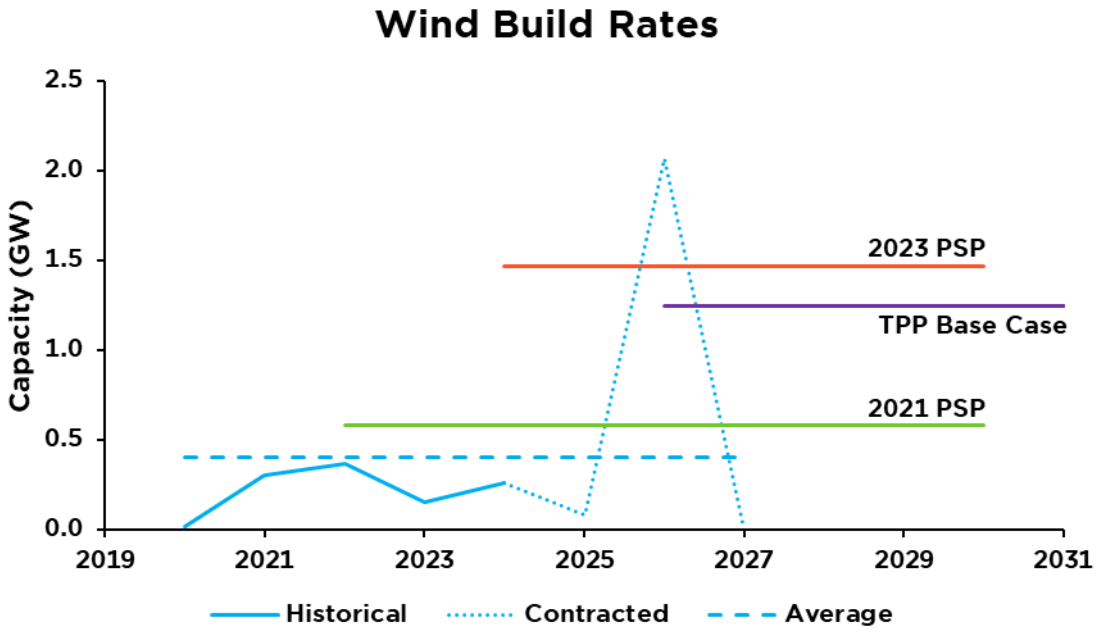

Figure 2: The average annual wind buildout lags the 2021 PSP, and it falls far short of the 2023 PSP and TPP Base Case. Notes: (1) "Wind" includes in-state wind, out-of-state wind, and offshore wind. (2) The "average" wind build rate is the average of both historical and contracted data. (3) Though there was data available for contracted resources in 2028, this data was excluded because it seemed artificially low, likely due to incomplete contracting information for a year so far in the future. (4) Build rates for the 2021 PSP, 2023 PSP, and TPP Base Case are annual averages. The 2021 PSP builds 5,226 MW of wind between 2022-2030,[8] with an annual average of 581 MW. The 2023 PSP builds 10,300 MW of wind between 2024-2030,[9] with an annual average of 1,471 MW. The TPP Base Case builds 7,500 MW of wind between 2026-2031,[10] with an annual average of 1,250 MW.

[8] D.22-02-004, p. 101.
[9] D.24-02-047, p. 68.
[10] Ruling, p. 14.

Lastly, in the case of geothermal, roughly 850 MW is projected to come online by 2028. This falls short of the goals in the 2021 PSP with 1,160 MW by 2030,[11] the 2023 PSP with 1,500 MW by 2030,[12] and the TPP Base Case with 1,200 MW by 2031.[13] However, with D.21-06-035 ordering the procurement of 1 GW of firm zero-emitting resources, it is likely that LSEs will at least come close to procuring the amount of geothermal included in recent IRP portfolios.

b. REMEDYING THE CLEAN ENERGY SHORTFALL

This analysis makes clear that LSEs are collectively falling short on clean energy procurement, particularly wind energy procurement. And the Commission should act now before LSEs fall too far behind. While UCS had been under the impression that the RCPPP would be implemented in time to ensure near-term clean energy procurement remains on track, the Ruling states that the RCPPP will likely not have its first enforceable compliance year until 2031 or 2032.[14] The Ruling also justifies the 2029-2032 reliability-focused procurement as a way to smoothly transition to the RCPPP:

> "…[I]t may be operationally challenging to incorporate a large amount of procurement need to a new program in its first year of binding operation. Thus, ordering a reasonably large tranche of procurement through the existing mechanism could help alleviate pressure on any new RCPPP structure adopted and facilitate the phase-in of the new programmatic approach, if adopted."[15]

UCS agrees with this reasoning, and using the exact same logic, the Commission should take action now by requiring additional clean energy procurement through existing mechanisms to smooth the transition to the RCPPP structure. Without stop-gap clean energy procurement requirements, the Commission runs the risk that LSEs fall even further behind on clean energy procurement. If that were to occur, the first year of the RCPPP structure may require a tremendous amount of clean energy procurement, jeopardizing the success of the new program, and more importantly, jeopardizing the achievement of California's clean energy goals.

[11] D.22-02-004, p. 101.
[12] D.24-02-047, p. 68.
[13] Ruling, p. 14.
[14] Ruling, p. 35.
[15] Ibid.

As a stop-gap measure, UCS believes the simplest way to spur additional clean energy procurement and stay on track with IRP goals is to adjust the RPS percentages. UCS specifically suggests that the Commission increase the 2030 RPS percentage from 60% to 80%, with additional details and justification provided in response to question 15 below.

IV. RESPONSES TO SELECT QUESTIONS FOR PARTIES

Question 6: *How could the Commission address the very high solar build rates through 2031, observed in both the recommended Base Case and Sensitivity portfolios, driven by increased load forecasts from the 2024 IEPR and the 2030 GHG target? Do you have recommendations for alternative sensitivities that could achieve the near-term targets while mitigating risk and reducing potential costs to ratepayers? Provide rationale for your recommendations.*

UCS agrees that the solar build rates through 2031 are very high, especially in comparison to historical build rates (see Figure 1), and they may be difficult to achieve. Nevertheless, the worst thing the Commission could do at this point is to do nothing at all to increase the rate of solar buildout. Every year that goes by where LSEs build too little solar will only exacerbate the problem in later years, increasing future required build rates and putting California's clean energy goals even further out of reach.

At this point, the most prudent path forward is for the Commission to implement stop-gap clean energy procurement requirements as discussed previously. This will help ensure that LSEs are still making significant progress towards IRP clean energy goals, even if LSEs are not quite building 6 GW of solar year after year. UCS suggests that the Commission accelerates clean energy procurement by increasing RPS requirements, as described in response to Question 15.

Question 14: *If the Commission orders procurement in the IRP proceeding between 2028-2032, should it be for generic capacity, or should there also be an energy component (due, in part, to the declining ELCCs of battery storage)? Why or why not? Do the resource adequacy Slice of Day requirements adequately address this issue? Why or why not?*

As discussed previously, LSEs are falling behind on clean energy procurement, and UCS believes the Commission should take action to ensure significant progress is made on clean energy procurement through 2030. Increasing RPS requirements as described in response to Question 15 would result in a clean energy buildout that serves to alleviate any energy adequacy concerns that may accompany a reliability-only procurement order. As implied by the question, adding clean energy generation to the system can increase reliability not only through the

individual reliability contributions of specific resources, but also by increasing the reliability contributions of other resource types (i.e., energy storage) through interactive portfolio effects. To put it more plainly, having an abundance of clean energy on the grid would prevent the reliability contribution of energy storage (i.e., its marginal effective load carrying capability) from declining as rapidly. Though this is not the main reason why the Commission should pursue an accelerated buildout of clean energy, such a buildout would help to alleviate reliability concerns, particularly around energy adequacy.

Question 15: *If energy resources are needed for 2028-2032, should the RPS program be used for procurement of additional energy resources, rather than ordering procurement in the IRP context? Provide your rationale.*

Yes, as discussed previously, it is clear that LSEs are collectively falling behind on clean energy procurement, and it is necessary to accelerate this procurement to meet IRP goals by 2030. UCS believes that adjusting RPS program requirements is the simplest and fairest way to spur an accelerated buildout of clean energy. It is the simplest because the Commission can use the existing RPS program and merely adjust the percentage requirements to mandate the necessary clean energy buildout, and it is the fairest because it does not penalize or require additional action from LSEs that have already gone above and beyond to secure more RPS resources than required.

The question is, how should the RPS percentage-of-retail-sales requirements be adjusted to maintain adequate progress towards IRP goals? UCS suggests using the RPS percentages achieved by the portfolios examined in the 2023 PSP, the most recently adopted PSP. Figure 3 shows the RPS percentages achieved by the 25 MMT and 30 MMT portfolios examined in the 2023 PSP analysis.[16] The figure shows that the 25 MMT portfolio, which was adopted by the Commission as the 2023 PSP, achieves nearly 90% of retail sales met with RPS resources in 2030. The 30 MMT portfolio achieves just over 80% in 2030. By 2028, both portfolios also achieve an RPS of approximately 80%.

[16] CPUC, *2023 Proposed PSP & 2024-2025 TPP: Resolve Modeling Results with updated slides* (November 2, 2023), slide 48. ("2023 PSP Slides") Available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/integrated-resource-plan-and-long-term-procurement-plan-irp-ltpp/2023-irp-cycle-events-and-materials/2023-proposed-psp-and-2024-2025-tpp-resolve-analysis-slide-deck_final-v2.pdf

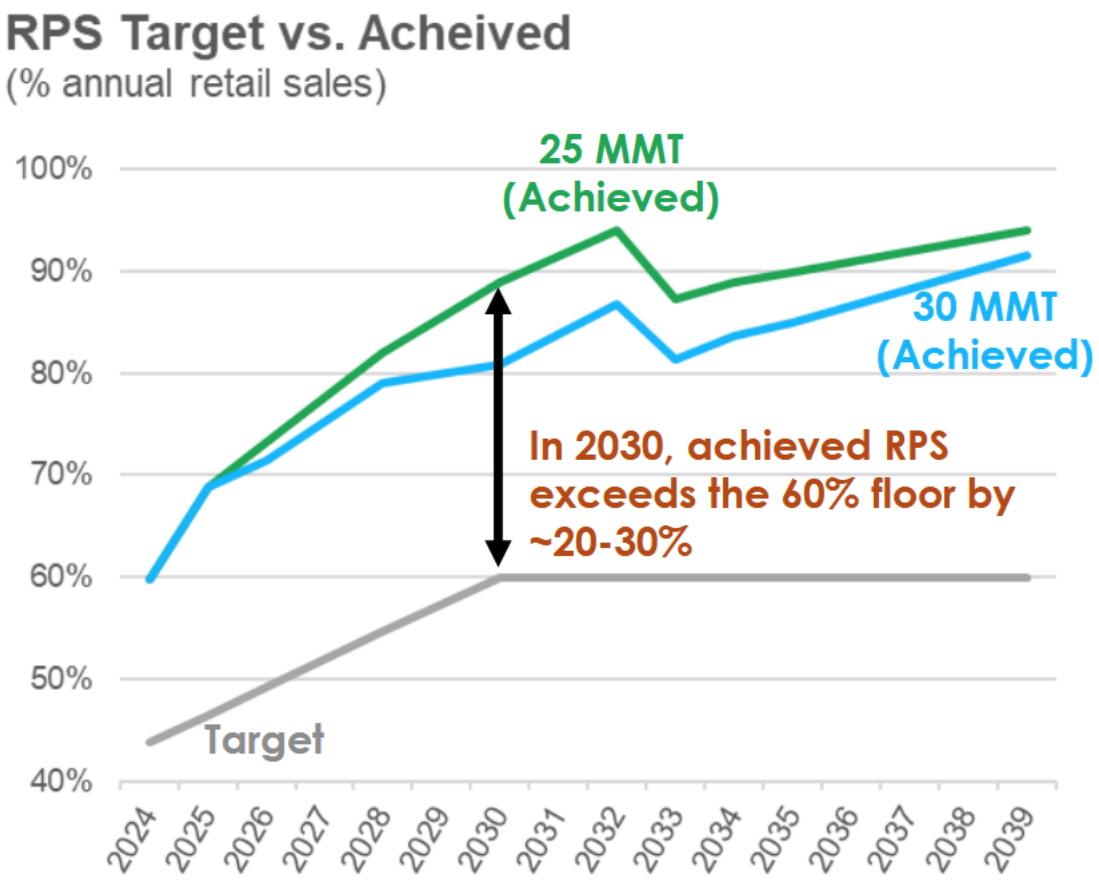

Figure 3: Both the 25 MMT and 30 MMT portfolios in the 2023 PSP achieve approximately an 80% RPS by 2028 and maintain, if not exceed, that level in subsequent years. Source: 2023 PSP Slides, slide 48.

With this information in hand, UCS recommends ramping up the RPS requirements to reach 60% by 2028, 70% by 2029, and 80% by 2030, as shown in Table 1. UCS recommends this approach for the following reasons. First, ramping up the RPS levels starting in 2028 gives LSEs time to adjust to the higher requirements and does not change anything about the current compliance period. Second, a maximum RPS percentage of 80% (despite the fact the adopted 2023 PSP achieves a 90% RPS in 2030) leaves wiggle room in the event that increased load forecasts, the loss of federal clean energy tax credits, and/or other factors lead the Commission to choose a less ambitious emissions reduction target in the next PSP decision, along with a lower RPS percentage achieved in 2030. Third, by itself, this increase in RPS requirements will not ensure that LSEs achieve the clean energy goals in the 2023 PSP; however, it will provide a crucial bridge until RCPPP implementation is complete and guard against the possibility that LSEs fall too far behind on clean energy procurement.

	Compliance Period 5			Compliance Period 6		
Year	2025	2026	2027	2028	2029	2030
% of Retail Sales (current)	47.0%	49.2%	52.0%	54.6%	57.2%	60.0%
% of Retail Sales (UCS recommendation)	47.0%	49.2%	52.0%	60.0%	70.0%	80.0%

Table 1: The current RPS compliance schedule[17] reaches 60% of retail sales by 2030. UCS recommends adjusting the schedule to reach 80% by 2030.

V. CONCLUSION

UCS urges the Commission to accelerate clean energy procurement by increasing RPS requirements. UCS thanks the Commission for its consideration of these comments.

Respectfully submitted,

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[17] CPUC, *Renewables Portfolio Standard Program: Program and Compliance Information for New California Load-Serving Entities* (2024), slide 9. Available at: https://www.cpuc.ca.gov/-/media/cpuc-website/industries-and-topics/documents/energy/rps/2024/rps-onboarding-for-new-ca-retail-sellers-2024.pdf