## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations.

Rulemaking 25-10-003 (Filed October 9, 2025)

## OPENING COMMENTS OF THE UTILITY REFORM NETWORK ON THE ORDER INSTITUTING RULEMAKING



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## OPENING COMMENTS OF THE UTILITY REFORM NETWORK ON THE ORDER INSTITUTING RULEMAKING

Pursuant to Ordering Paragraph 5 of the Order Instituting Rulemaking (OIR), The Utility Reform Network (TURN) hereby submits these opening comments on the preliminary determinations of category and scope of issues identified in the order. The OIR asks parties to identify and prioritize up to five issues relating to refinements of Resource Adequacy (RA) program elements that should be addressed in this proceeding.¹ TURN offers one refinement for inclusion in this OIR.

Public Utilities Code §380(b) directs the Commission to align RA requirements, to the extent possible, with the state's goals for clean energy, lower air pollution and reducing greenhouse gas emissions.<sup>2</sup> Despite this statutory requirement, the Commission has yet to explore or adopt any methods for evaluating, measuring or attributing the air pollution or Greenhouse Gas (GHG) emissions impacts of RA sources used to satisfy compliance obligations. The Commission should evaluate refinements to the RA program that would address this gap.

TURN is deeply concerned by the disconnect in emissions accounting protocols that allows a Load Serving Entity (LSE) to make low or zero carbon showings for their energy supply portfolios for purposes of Integrated Resource Planning compliance or the Power Source Disclosure Program while relying heavily, or exclusively, on fossil generation for RA compliance. Under the current accounting protocols, two LSEs with equivalent energy portfolios but vastly different RA portfolios (one relying exclusively on fossil capacity, the other relying entirely on zero GHG capacity) would receive

<sup>1</sup> OIR, page 5, Preliminary Scope Item #10

<sup>&</sup>lt;sup>2</sup> Cal. Pub. Util. Code §380(b)("In establishing resource adequacy requirements, the commission shall ensure the reliability of electrical service in California while advancing, to the extent possible, the state's goals for clean energy, reducing air pollution, and reducing emissions of greenhouse gases.")

identical GHG attribution for compliance and disclosure purposes. The Commission should consider approaches to emissions accounting that create alignment between the IRP and RA programs and promote coordinated efforts to solve for GHG reductions in both contexts.

The draft Reliable and Clean Power Procurement Program (RCPPP) outlines two possible options for addressing Reliability Procurement Needs (RPN). Both options would allow this need to be satisfied by the purchase of stand-alone capacity attributes conveyed through unbundled tags. These transactions would neither assign nor track GHG emissions from reliability resources. The failure to identify and track these emissions represents a major gap in the GHG emissions accounting framework that should be addressed in this proceeding.

LSEs should be assigned a share of GHG emissions attributable to the reliability resources for which they contract to meet RA obligations. This approach would incentivize the procurement of low and zero GHG reliability resources to meet any RPN and RA requirements. Absent any GHG attribution, LSEs would have zero incentive to minimize reliance on fossil generation to meet reliability obligations. The Commission should recognize that the GHG impact of LSE procurement extends to both capacity and energy purchases. Excluding capacity purchases would arbitrarily ignore a major source of GHG emissions that can be affected by LSE procurement practices.

TURN previously urged the Commission to require a calculation of GHG emissions from RA-eligible imports and argued that, to the extent that no specific units can be identified, the Commission should consider appropriate methods of emissions attribution consistent with the ongoing evolution of accounting protocols.<sup>3</sup> The OIR

<sup>&</sup>lt;sup>3</sup> R.19-11-019, TURN Track 3B2 comments, January 15, 2021, pages 4-5; R.21-10-002, TURN Opening comments on OIR, November 1, 2021.

should assess methods for ensuring eligible imports that otherwise count as an RA resource also meet environmental goals.

TURN appreciates the opportunity to file these opening comments.

Respectfully submitted,

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