#### BEFORE THE PUBLIC UTILITIES COMMISSION

#### OF THE

### **STATE OF CALIFORNIA**



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Order Instituting Rulemaking to Continue Oversight of Electric Integrated Resource Planning and Procurement Processes. **Rulemaking 25-06-019** 

(Filed June 26, 2025)

# NOTICE OF EX PARTE COMMUNICATION OF CALIFORNIA RESOURCES CORPORATION

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Counsel for California Resources Corporation

December 5, 2025

# OF THE STATE OF CALIFORNIA

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## NOTICE OF EX PARTE COMMUNICATION OF CALIFORNIA RESOURCES CORPORATION

California Resources Corporation (CRC) hereby gives notice pursuant to Rule 8.4(a) of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission") of the following communication.

**DATE, TIME, AND LOCATION OF COMMUNICATION**: December 2, 2025 from 4:00 p.m. to 4:32 p.m., via webex: Meeting with President Alice Busching Reynolds and Commissioner John Reynolds's offices.

WHO INITIATED COMMUNICATION: Nora Sheriff, counsel for CRC.

NAMES AND TITLES OF NON-CPUC PERSONS PRESENT: Nora Sheriff, counsel for CRC;

Chris Gould, Executive Vice President and Chief Sustainability Officer, Jason Marshall, Vice

President of Regulatory Affairs, and Katherine L. Tyler, Assistant General Counsel for CRC.

NAMES AND TITLES OF CPUC PERSON PRESENT: Sarah Goldmuntz, Energy Advisor to

President Reynolds, Khalil Johnson, Energy and Water Advisor to President Reynolds; and Adam

Buchholz, Advisor and Chief of Staff (Interim) to Commissioner John Reynolds.

and Mr. Buchholz for their time and focus on this proceeding. Ms. Sheriff noted that the

Transmission Planning Process (TPP) base case and busbar mapping do not take into

consideration the potential for natural gas power generation with carbon capture and sequestration (NGCCS), but they should. Further, should the Commission order additional reliability procurement in R.25-06-019, NGCCS should be eligible for that procurement as a clean firm resource.

Mr. Gould explained that the time is right to do this now, because CRC will begin sequestering carbon at its CTV I Class VI site at Elk Hill Fields in Q1 2026. He said that the California Air Resources Board (CARB) Scoping Plan (2022) had CCS in place in the future for power and cement because at that point (2022 and earlier), no one had permitted CCS sites in California. Over the last few years, however, Carbon Terravault has been permitting 300 million tonnes of CCS in the Central Valley in California. That amount of sequestration capacity provides above 10 million tonnes per annum of carbon emissions reductions. Carbon Terravault 1 in Bakersfield, which is fully permitted and under construction now, will capture over 1.5 million tonnes per annum, and it is planned to capture emissions from the CRC Elk Hills Power Plant. This site's Environmental Protection Agency Class VI permit is in hand and it is final; the site will begin injecting CO2 in Q1 2026. So CCS is not a 2040 solution; it is a 2026 solution.

Mr. Gould stated that the rest of the Carbon Terravault permits will be issued next year and early 2027, and that the geology in California is world class. A Stanford study shows that there is enough carbon storage capacity in California to store the entire economy-wide emissions for a thousand years. He noted that CRC is focused on retrofitting the existing natural gas fleet in California where it makes sense, so not all of the existing gas fleet. The two examples Mr. Gould reviewed were Elk Hills and La Paloma; he explained that adding CCS to

those two plants, representing 1.1 GW already interconnected and already built, would only need installing the CCS and running a 10-mile CO2 pipeline.

Mr. Gould explained that the problem with natural gas power plants has been carbon emissions, and that we can solve that now and get in front of the emissions reductions needed, while providing clean firm power. Moreover, the evidence shows that when you put CCS on a gas plant, it not only captures the carbon emissions, but also reduces the criteria pollutants: NOX, SOX, and PM. Mr. Gould said this would allow more renewables to be built. He also explained that CCS can also be partnered with fuel cells to build more of those load-following resources, and that that electrochemical process produces no criteria pollutants. NGCCS is a cost effective solution to repurpose existing power generation with existing interconnections, using existing transmission lines. Mr. Gould referenced studies which show that NGCCS is one of the cheapest and most affordable ways to decarbonize.

Ms. Sheriff stated the NGCCS is a viable resource that is available now, and can accelerate the State's emissions reductions, reduce criteria pollutants, and promote affordability. She encouraged the Commission to take a least regrets approach and include NGCCS now. She thanked the advisors for their time.

### WRITTEN MATERIALS PROVIDED: None.

Respectfully submitted,

Buchalter, A Professional Corporation

By:

Nora Sheriff

Counsel for California Resources Corporation

Yora Sheriff

December 5, 2025