



COM/ARD/nd3 12/12/2025

**FILED**

12/12/25

03:15 PM

R2510003

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

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

**ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING**

This Scoping Memo and Ruling (Scoping Memo) sets forth the category, issues to be addressed, need for hearing, and schedule of the proceeding pursuant to Public Utilities (Pub. Util.) Code Section 1701.1 and Article 7 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure (Rules).

**1. Background**

On October 9, 2025, the Commission opened this Order Instituting Rulemaking (OIR) to continue to address forward procurement obligations applicable to load-serving entities (LSEs) beginning with the 2027 Resource Adequacy (RA) compliance year, and to consider refinements to the RA program. Rulemaking (R.) 23-10-011 served as the forum for RA decisions for the 2025 and 2026 RA compliance years. The OIR summarized the successive rulemakings that have served as the forum for adopting RA requirements and making necessary refinements to the RA program.<sup>1</sup>

---

<sup>1</sup> OIR at 1-2.

The OIR discussed potential issues to be addressed in this proceeding and invited parties to file comments on the scope, schedule, and administration of the proceeding. Comments were received on November 4, 2025 from: American Clean Power – California; Alliance for Retail Energy Markets (AReM); Ava Community Energy; California Independent System Operator Corporation (CAISO); California Community Choice Association (CalCCA); California Solar and Storage Association; California Environmental Justice Alliance; Electricite de France Power Solutions, North America; Fervo Energy Company; Leapfrog Power, Inc. (Leap); Large-scale Solar Association; Middle River Power LLC; Pacific Gas and Electric Company (PG&E); Public Advocates Office at the California Public Utilities Commission; REV Renewables, LLC; Southern California Edison Company (SCE); and The Utility Reform Network.

Reply comments were filed on November 14, 2025 by: AReM, CalCCA, California Energy Storage Alliance (CESA), Leap, PG&E, SCE, San Diego Gas & Electric Company (SDG&E), and Shell Energy North America (US), L.P. (Shell Energy).

A prehearing conference (PHC) was held on November 17, 2025 to discuss the scope of issues, need for hearing, the schedule, and other procedural matters. I appreciate the parties' comments and input about the scope and priorities in this proceeding. After considering the numerous written comments and statements at the PHC, I have determined the scope of issues and schedule of this proceeding as set forth in this Scoping Memo.

## **2. Scope of Issues**

For the 2027 and 2028 RA program years, this proceeding will focus on continued refinements of the new Slice-of-Day (SOD) RA program that is currently underway. This proceeding is divided into two tracks. Based on the

OIR, comments from parties, and statements at the PHC, the scope of the proceeding is set forth below.

## **2.1. Track 1**

Parties raised numerous topics that they believe should be considered priority issues to be addressed in Track 1. Due to the time-sensitive issues that must be addressed in Track 1, it is necessary to limit Track 1 to higher priority issues. Therefore, Track 1 will consider system and flexible capacity requirements for 2027, local capacity requirements for the next three years, and the highest-priority refinements to the RA program. Issues that are not included in Track 1 may be added to the scope of issues in a later phase of this proceeding in an amended Scoping Memo.

Track 1 is expected to conclude by the beginning of July 2026, with the caveat that if there are scheduling delays or scoped issues that cannot be addressed in a July 2026 final decision, those issues may be incorporated into a later track of this proceeding.

The issues within the scope of Track 1 are as follows:

### **1. Adoption of 2027-2029 Local Capacity Requirements.**

CAISO performs an annual Local Capacity Requirements (LCR) study, which is submitted into the RA proceeding and used to adopt local RA procurement requirements for the next three compliance years. For Track 1, this will be for the 2027-2029 RA compliance years. The draft CAISO LCR study will be submitted in April 2026 and the final LCR study will be submitted in May 2026. The schedule anticipates that the Commission will issue a decision by the beginning of July 2026 so that jurisdictional LSEs and the central procurement entities will have sufficient time to obtain the resources to meet local RA procurement requirements.

### **2. Adoption of the 2027 Flexible Capacity Requirements.**

Similar to the LCR process, CAISO performs an annual

Flexible Capacity Requirements (FCR) study, which is used to adopt flexible RA requirements for the following compliance year. The final FCR study will be submitted in May 2026. The schedule anticipates that the Commission will issue a decision by the beginning of July 2026 so that jurisdictional LSEs have sufficient time to obtain the resources to meet their flexible RA procurement requirements for 2027.

- 3. Accreditation for Long-Duration Energy Storage.** Consider accreditation methodologies for long-duration energy storage (LDES). In D.25-06-048, the Commission authorized Energy Division to hold a workshop on LDES issues and outlined several issues to consider in future proposals.
- 4. Unforced Capacity Methodology.** In D.25-06-048, the Commission authorized Energy Division, in coordination with CAISO, to further develop a final Unforced Capacity Methodology framework that addressed multiple issues.
- 5. Accreditation for Solar and Wind Resources.** In D.24-12-003, the Commission authorized Energy Division to conduct an analysis comparing exceedance profiles for wind and solar resources against Strategic Energy & Risk Valuation Model weather profiles.<sup>2</sup> This analysis was presented at a November 2025 workshop, and parties may put forth proposals based on this analysis.
- 6. Transactability Issues within the SOD Framework.** In D.25-06-048, the Commission authorized Energy Division to conduct an evaluation after a full year of SOD implementation to assess the needs, benefits, and feasibility of an hourly load obligation trading mechanism. Energy Division was authorized to prepare a report on whether transactability issues exist by the 1st Quarter of 2026. The Commission will consider findings from Energy Division's evaluation.

---

<sup>2</sup> D.24-12-003 at 18.

7. **Residual Unit Commitment for RA Resources.** In D.24-06-048, the Commission determined that there was insufficient record to consider SCE's proposal to remove the zero dollar bid requirement for Residual Unit Commitment for CAISO's Extended Day-Ahead Market.<sup>3</sup> The Commission deferred consideration of the zero dollar bid requirement for Reliability Capacity Up/Reliability Capacity Down products and Imbalance Reserve products to this rulemaking.
8. **Energy Only (EO) Resources.** In D.25-06-048, the Commission considered CalCCA's proposal to count co-located EO resources as RA resources but determined that the proposal was not adequately developed, would require modifications to the CAISO tariff, and conflicted with the annual deliverability assessment process.<sup>4</sup> Parties are encouraged to submit proposals on how to address identified implementation barriers and reliability concerns.
9. Other time-sensitive issues identified by Energy Division or by parties in proposals.

## **2.2. Track 2**

Track 2 of this proceeding will consider system and flexible capacity requirements for the 2028 program year and the 2028-2030 local RA requirements. Track 2 will also consider modifications to the planning reserve (PRM) margin for the 2028 and 2029 compliance years, including consideration of the results of Energy Division's annual Loss of Load Expectation (LOLE) study.

The preliminary scope in the OIR included "[c]oordination with Integrated Resource Planning (IRP) planning, specifically on the development of the Reliable and Clean Power Procurement Program (RCPPP) and any RA program

---

<sup>3</sup> D.25-06-048 at 93.

<sup>4</sup> D.25-06-048 at 72.

refinements that promote alignment across programs.”<sup>5</sup> The OIR further noted that “[i]n R.23-10-011, the Commission issued a ruling deferring consideration of this topic until after the RCPMP proposal was considered in the IRP proceeding. Once a decision is issued on the RCPMP proposal, the RA proceeding will coordinate with the IRP proceeding as necessary.”<sup>6</sup>

We acknowledge parties’ comments about further coordination with the IRP proceeding, in addition to alignment after an RCPMP decision. With regards to coordination between the IRP and RA proceedings on the Inputs and Assumptions in an LOLE study, we clarify that Energy Division Staff currently uses the same modeling data sets to inform the Inputs and Assumptions in both the IRP and RA proceedings and confirm that coordination between the two proceedings will continue.

With respect to considering the Greenhouse Gas (GHG) emission impacts of RA resources, we note that in compliance with Senate Bill 1158, the most recent 2023 Resource Adequacy Report,<sup>7</sup> as well as the summary list of resources as provided on LSEs’ monthly RA plans,<sup>8</sup> provide visibility into each LSEs’ reliance on GHG-emitting resources in meeting RA requirements. We further note that the IRP proceeding will be the venue for considering all GHG emissions.

---

<sup>5</sup> OIR at 5.

<sup>6</sup> *Id.*

<sup>7</sup> 2023 Resource Adequacy Report, August 2025, available at: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/resource-adequacy-homepage/2023-resource-adequacy-reportv2.pdf>.

<sup>8</sup> 2024 Monthly RA Plans, available at: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/resource-adequacy-homepage/resource-adequacy-compliance-materials/2024-monthly-ra-plans.xlsx>.

With respect to the topic of demand response exports, the Commission addressed this issue in prior decisions.<sup>9</sup> The RA proceeding will stay coordinated with R.25-09-004, the OIR to Enhance Demand Response, as well as with CAISO on any relevant impacts.

Track 2 will also include refinements to the RA program, as identified in proposals by parties or by Energy Division. The schedule and scope for Track 2 will be established in a later Scoping Memo. Track 2 is expected to conclude by June 2027.

### **3. Need for Hearing**

In the OIR, the Commission preliminarily determined that hearings are not necessary. This Scoping Memo confirms that hearings are not necessary at this time, with the caveat that hearings may be scheduled in the future if needed.

Pursuant to Rule 11.1, any party may make a motion to request evidentiary hearings on matters within the scope of this proceeding. The Commission has discretion as to whether to grant such a request.

### **4. Schedule**

The following schedule is established for Track 1. The assigned Commissioner or Administrative Law Judges (ALJ) may modify this schedule as necessary to promote efficient management and fair resolution of this proceeding. LCR and FCR issues are shown in a separate table for clarity but will be addressed with other Track 1 issues.

The 2028 LOLE study schedule is shown in a separate table as well. The 2028 LOLE study schedule will eventually merge into the Track 2 schedule and the full Track 2 schedule will be set in a Scoping Memo issued in the Fall of 2026.

---

<sup>9</sup> See D.20-06-031 at 32; D.22-06-050 at 55.

For any approximate dates listed in the below LOLE study schedule, a future ruling will provide the specific deadline.

We adopt the following Track 1 schedule with the caveat that if the schedule is delayed by motions or other scheduling issues, some issues may be incorporated into a later track.

<b>Track 1 Schedule (Excluding FCR and LCR Issues)</b>	
Track 1 party proposals filed and served <sup>10</sup>	January 23, 2026
Energy Division Report on Transactability Issues	By February 6, 2026
Workshop on Track 1 proposals conducted by Energy Division <sup>11</sup>	February 10-11, 2026 (hybrid workshop)
Proposals on Transactability Issues filed and served	February 20, 2026
Workshop on Transactability Report/Proposals conducted by Energy Division	February 24, 2026 (remote workshop)
Opening comments on Track 1 proposals and Transactability Issues filed and served	March 6, 2026
Reply comments on Track 1 proposals and Transactability Issues filed and served <sup>12</sup>	March 20, 2026
Proposed Decision on Track 1	May 2026
Final Decision on Track 1	Early July 2026

<b>Track 1 Schedule for FCR and LCR Issues</b>	
CAISO publishes draft 2027 LCR Report	April 1, 2026
Comments on draft 2027 LCR Report filed and served	April 16, 2026
CAISO publishes final 2027 LCR Report	May 1, 2026
Comments on final 2027 LCR Report filed and served	May 8, 2026

<sup>10</sup> An Energy Division staff proposal may be added to the record before or concurrently with party proposals.

<sup>11</sup> Additional workshops on proposals may be scheduled, as needed.

<sup>12</sup> The proceeding will be submitted for the May 2026 proposed decision upon the submission of the final set of reply comments.



<b>Track 1 Schedule for FCR and LCR Issues</b>	
Reply comments on final 2027 LCR Report filed and served	May 13, 2026
CAISO publishes final 2027 FCR Report	Early May 2026
Comments and reply comments on final 2027 FCR Report filed and served	Mid-May 2026

<b>2028 LOLE Study Schedule</b>	
Energy Division publishes Draft Inputs & Assumptions for 2028 LOLE study	March 30, 2026
Workshop on Draft Inputs & Assumptions	April 8, 2026 (remote workshop)
Comments on Draft Inputs & Assumptions filed and served	April 17, 2026
Energy Division publishes Final Inputs & Assumptions for 2028 LOLE study. Parties may file and serve alternative Inputs & Assumptions documents	Early June 2026
Energy Division and parties file and serve Draft 2028 LOLE studies and PRM proposals	August 2026
Workshop on Energy Division and party LOLE studies	Mid-September 2026
Energy Division and parties file and serve Final 2028 LOLE studies and PRM proposals	October 2026
Opening comments on LOLE studies and PRM proposals filed and served	TBD
Reply comments on LOLE studies and PRM proposals filed and served	TBD

Due to the complexity and number of issues in this proceeding, it is the Commission's intent to complete this proceeding within 24 months from the date this proceeding was initiated. This deadline may be extended by order of this Commission.

If there are workshops in this proceeding, notice of such workshops will be posted on the Commission's Daily Calendar to inform the public that a decision-maker or an advisor may be present at the workshop. Parties shall check the Daily Calendar regularly for such notices.

**5. Alternative Dispute Resolution Program and Settlements**

The Commission's Alternative Dispute Resolution (ADR) Program offers mediation, facilitation, or early neutral evaluation, and uses ALJs who are trained as neutrals. At the parties' request, the assigned ALJs can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website at:

<http://www.cpuc.ca.gov/adr>.

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Commission's Rules of Practice and Procedure and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

**6. Category of Proceeding and Ex Parte Restrictions**

In the OIR, the Commission preliminarily determined that the category of the proceeding is ratesetting. This Scoping Memo confirms the categorization. Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

**7. Public Outreach**

Pursuant to Pub. Util. Code Section 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter

by noticing it in the Commission's monthly newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website.

Pursuant to Pub. Util. Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

In addition, the Commission served the OIR on the service list for R.23-10-011, the predecessor proceeding.

## **8. Intervenor Compensation**

Intervenor Compensation is permitted in this proceeding. Pursuant to Pub. Util. Code Section 1804(a)(1), any party that intends to seek an award of intervenor compensation must file and serve a notice of intent to claim intervenor compensation by December 17, 2025, within 30 days after the PHC.

## **9. Response to Public Comments**

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

## **10. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the

electronic filing procedures should contact the Commission's Public Advisor at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an email to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

#### **11. Receiving Electronic Service from the Commission**

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add "@cpuc.ca.gov" to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

#### **12. Filing, Service, and Service List**

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJs. Persons may become a party pursuant to Rule 1.4.6.

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail whenever possible, transmitted no later than 5:00 p.m. on the date scheduled for service to occur. Rule 1.10 requires service on the ALJs of both an electronic and a paper copy of filed or served documents. However, the ALJs in this proceeding require electronic service only. Parties should not send hard copies of documents to the ALJs unless specifically requested to do so.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so. Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov) to request addition to the “Information Only” category of the official service list pursuant to Rule 1.9(f).

### **13. Discovery**

Discovery may be conducted by the parties consistent with Article 10 of the Commission’s Rules of Practice and Procedure. Any party issuing or responding to a discovery request shall serve a copy of the request or response simultaneously on all parties. Electronic service under Rule 1.10 is sufficient, except Rule 1.10(e) does not apply to the service of discovery and discovery shall not be served on the ALJs. Deadlines for responses may be determined by the parties. Motions to compel or limit discovery shall comply with Rule 11.3.

### **14. Assignment of Proceeding**

Alice Reynolds is the assigned Commissioner and Debbie Chiv and Paula Gruendling are the assigned ALJs for the proceeding.

**IT IS RULED** that:

1. The scope and schedule of this proceeding is set forth in Section 2 and Section 4 above.
2. The assigned Commissioner or Administrative Law Judges may adjust the proceeding schedule as necessary for efficient management and fair resolution of this proceeding.
3. Evidentiary hearings are not needed at this time.

4. The category of the proceeding is ratesetting.
5. *Ex parte* communications in this proceeding shall be reported according to Article 8 of the California Public Utilities Commission's Rules of Practice and Procedure.

Dated December 12, 2025, at San Francisco, California.

/s/ ALICE REYNOLDS

Alice Reynolds  
Assigned Commissioner