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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

ADMINISTRATIVE LAW JUDGE'S RULING SETTING REQUIREMENTS FOR INDIVIDUAL INTEGRATED RESOURCE PLANS DUE JUNE 1, 2026

The scoping memo and ruling in this proceeding set the date for the filing of the next set of individual integrated resource plans (IRPs) by individual load-serving entities under the Commission's IRP purview as May 5, 2026. This ruling modifies that schedule to require the individual IRPs to be filed on June 1, 2026, along with the regularly-required procurement compliance filings, and gives direction to the load-serving entities (LSEs) for the requirements for the individual IRPs to assist LSEs in their plan development.

This ruling includes certain assumptions that are required to be used as the starting point for development of information included in individual LSEs plans. In the course of aggregating the individual filings and analyzing the resulting portfolio for the California Independent System Operator (CAISO) system, the Commission may make different or additional policy choices involving many of the elements of this ruling, prior to adopting the next Preferred System Plan (PSP) and/or making recommendations for electricity portfolios to be used in transmission planning.

1. Procedural Background

On August 4, 2025, an Administrative Law Judge's ruling (ALJ ruling) was issued allowing LSEs to submit information to update their load forecasts. Responses to the prior ALJ ruling were filed by the following LSEs: 3 Phases Renewables, Inc.; Apple Valley Choice Energy; Ava Community Energy; Bear Valley Electric Service, Inc.; VP Energy Retail Company California, LLC; Calpine Energy Solutions, LLC; Calpine PowerAmerica-CA, LLC; Central Coast Community Energy; City of Palmdale; City of Pomona; Clean Power Alliance of Southern California; CleanPower San Francisco; Constellation NewEnergy, Inc.; Direct Energy Business, LLC; King City Community Power; Lancaster Choice Energy; Marin Clean Energy; Orange County Power Authority; Pacific Gas and Electric Company (PG&E); Pico Rivera Innovative Municipal Energy; Pioneer Community Energy; Rancho Mirage Energy Authority; San Diego Gas & Electric Company (SDG&E); San Jacinto Power; San Jose Clean Energy; Santa Barbara Clean Energy; Silicon Valley Clean Energy; Sonoma Clean Power Authority; Southern California Edison Company (SCE); and Valley Clean Energy Alliance.

On September 26, 2025, PG&E, SCE, and SDG&E filed reply comments in response to the ALJ ruling.

2. Final Inputs and Assumptions for Modeling

With each IRP cycle, Commission staff make updates to the inputs and assumptions for modeling of the electricity system, in order to inform individual LSE analysis, as well as the aggregation of individual plans into a system-wide electricity portfolio. For this cycle, the inputs and assumptions are still in the process of being finalized and will be reflected in both a slide deck and a narrative document describing the final assumptions, set to be posted on the Commission's website at the following link:

https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

Commission staff will notify the service list when the final inputs and assumptions and associated materials are posted to the website.

A summary of updates to the RESOLVE capacity expansion model informing the filing requirements modeling is listed below. These updates build on those included in IRP modeling conducted to inform the 2025-2026 CAISO Transmission Planning Process (TPP) portfolio adopted in Decision (D.) 25-02-026:

- Load forecast: updated to be based on the California Energy Commission's (CEC's) 2024 Integrated Energy Policy Report (IEPR);
- Zonal topology: CAISO RESOLVE zones were disaggregated into PG&E, SCE, and SDG&E areas, with associated data updates;
- Default candidate resources: Enhanced geothermal systems (EGS) and generic long-duration energy storage (LDES) archetypes were added as default candidate resources;
- Candidate regions: Updated to align with CAISO study areas used in TPP;
- Resource costs: Updated to rely on the 2024 National Renewable Energy Laboratory (NREL) Annual Technology Baseline (ATB); Includes new capital cost assumptions for solar, onshore wind, and lithium-ion batteries, as well as new financing costs;
- Resource Potential: Updates to solar potential using 2024 U.S. Bureau of Land Management Western Solar Plan; updates to onshore wind potential using latest NREL capacity factor data; includes additional potential location-constrained storage projects;

- Minimum builds: Near-term minimum build constraints were added to RESOLVE to reflect recent LSE contracts incremental to the baseline;
- Baseline resources: Updated to the latest available data from CAISO, Western Energy Coordinating Council (WECC), and LSE filings (as of mid-2024);
- Planned external (non-CAISO) builds: Updated to reflect the most recent IRP reports (as of mid-2024);
- Generation profiles: updates to wind model used by staff to develop profiles; 2021 and 2022 weather years included; new generation profiles for EGS;
- Day sampling: Updated 36 RESOLVE sample days, incorporating latest load and generation profiles;
- Planning Reserve Margin (PRM) and Effective Load Carrying Capability (ELCC) inputs: Updated target PRM percentage and resource ELCCs informed by production cost modeling runs; 3 dimensional solar-storage surface with dimensions for solar, 4-hour battery, and 9-hour battery (multipliers for longer-duration storage relative to 8-hour dimension);
- Gas retention costs: updated to increase over time to the cost of repowering;
- Greenhouse gas (GHG) target: the electricity sector's near-term trajectory was updated to reflect historical GHG data up to 2022; the long-term trajectory was updated to reflect higher CAISO load share for the statewide GHG target;
- Dollar year: Costs were scaled up to a 2024 dollar year from a 2022 dollar year; and
- Inter-day sharing: Functionality was added in RESOLVE to track LDES state of charge over a chronological 8,760 hours to enable energy sharing over multi-day and/or seasonal periods.

In developing and submitting their individual IRPs, LSEs are required to use the latest inputs and assumptions summarized above and detailed in the materials to be posted to the Commission's website.

3. Representative Statewide Electricity Portfolio Modeling as Guidance for Individual Plans

In order to further inform LSE planning, using the RESOLVE modeling updates above, Commission staff ran a least-cost scenario in the model to produce an indicative portfolio of resources. For this IRP cycle, the modeled years include 2026, 2028, 2030, 2035, 2040, and 2045. The GHG emissions constraints are aligned with the statewide trajectory included in the California Air Resources Board's 2022 Scoping Plan for Achieving Carbon Neutrality, with a 25 million metric ton (MMT) limit in 2035 and a limit of 8 MMT by 2045.

The resulting least-cost portfolio of selected new resources is summarized in Table 1 below.

Table 1. RESOLVE-Selected New Resources (in Gigawatts (GW))

Resource Type	**2026**	**2028**	**2030**	**2035**	**2040**	**2045**
Natural Gas	-	-	-	-	-	-
Geothermal	0.1	0.6	2.4	3.2	3.2	3.2
Enhanced Geothermal Systems (EGS)	-	-	-	-	-	0.7
Biomass	-	-	-	-	-	-
In-State Wind	0.3	0.8	1.3	6.3	8.3	10.9
Out-of-State Wind	1.4	4.0	5.5	7.0	15.8	19.0
Offshore Wind	-	-	-	-	-	-
Solar	4.0	12.0	28.1	53.4	65.3	82.7
Li-ion Battery (4-hr)	2.3	4.4	4.4	4.4	4.4	6.8
Li-ion Battery (8-hr)	0.2	1.7	6.4	14.0	14.0	21.1
Location-Constrained Storage (12-hr)	-	-	-	-	-	-
Generic LDES (12-hr)	-	-	-	-	-	
Generic LDES (24-hr)	-	-	-	-	-	-
Generic LDES (100-hr)	-	-	-	-	-	-
Shed Demand Response	-	-	-	-	-	-

Resource Type	2026	2028	2030	2035	2040	2045
Gas Capacity Not Retained	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)

Some noteworthy aspects of the RESOLVE analysis and results include the following:

- 70 percent of the selected builds are solar and battery storage;
- Nearly the full potential of conventional geothermal, onshore wind, and location-constrained storage is built;
- A small amount of EGS is built in 2045;
- The GHG emissions target binds in all model years;
- Use of natural gas declines to meet the GHG target, but natural gas capacity is retained in case needed for capacity for reliability events through 2045;
- The PRM reliability target binds in 2026 and 2040-2045; and
- North-South transmission expansion is needed – Path 26 and Path 15 expansions are selected by RESOLVE primarily to increase import capability into Norther California.

The full results are included in a slide deck and a RESOLVE model package posted on the Commission's website at the following link: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

LSEs are required to submit at least one conforming portfolio for the model years listed above that meets its proportional share of the GHG targets. LSEs are also permitted to submit an additional "preferred" portfolio that may go beyond the assigned targets, if the LSE so chooses.

4. Final Individual LSE Load Forecasts and Greenhouse Gas Benchmarks

This ruling also finalizes the load forecasts and associated GHG emissions benchmarks that individual LSEs are required to use for developing their individual IRPs. LSEs are also assigned their proportional share of the GHG benchmark for the electric sector, based on their load forecast share.

In the updated forecasts received from LSEs in reply to the August 4, 2025 ALJ Ruling, many LSEs submitted forecasts that did not account for the 2024 IEPR load forecast increase from the prior year. In their reply comments, PG&E, SCE, and SDG&E pointed out that many load forecasts submitted by community choice aggregators (CCAs) did not account for increased data center load projections. The utilities asked the Commission to reject any LSE load forecast update that reduced the overall peak load and energy consumption estimates for reasons other than load migration.

The CEC assessed the updated load forecasts filed by LSEs and revised them using the 2024 IEPR load forecast as the reference case. Because the sales forecasts submitted by the LSEs, in aggregate, were lower than the CEC forecast, the CEC first evaluated planned CCA expansions and then escalated the individual LSE forecasts at the sector forecast growth rate. Then, a pro rata adjustment was applied to all utilities and CCAs so that the sum of the forecasts equals 100 percent of each service area forecast.

Electric service provider (ESP) energy load forecasts were based on each ESP's share of the sum of the direct access energy forecasts in the resource adequacy 2026 Slice of Day forecasts, applied to annual expected direct access sales, consistent with the cap on direct access.

Peak forecasts were calculated using peak-to-energy ratios derived from the 2026 resource adequacy forecasts and the adjusted energy sales forecasts. A

separate peak calculation was done for data center sales using the CEC peak-to-energy ratio for data centers specifically. Next, a calibration factor was applied on a pro-rata basis to adjust the peak forecasts to sum to 100 percent of the service area annual coincident-peak forecasts.

After these adjustments, the resulting individual LSE assignments are posted at the following link: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

The assigned load forecasts and GHG benchmarks for electric service ESPs are provided in aggregate only due to the requirements to keep their load forecasts confidential. Individual ESP load forecasts and GHG benchmarks will be disseminated separately by Commission staff as soon as possible.

5. Narrative Template

All LSEs that are required to file individual IRPs are required to use the Narrative Template posted at the following link on the Commission's website: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

All LSEs required to file a standard LSE plan must use the Narrative Template, as well as the Resource Data Template and Clean System Power calculator discussed later in this ruling. LSEs filing a non-standard plan, which include small and multi-jurisdictional utilities such as PacifiCorp, Bear Valley Electric, and Liberty Utilities (CalPeco Electric), Inc., may use this template but are not required to do so.

All LSEs must produce and submit one "conforming portfolio" that achieves GHG emissions that are equal to or less than the LSE's proportional

share of the 25 MMT by 2035 and 8 MMT by 2045 GHG target. The LSE's conforming portfolio must also use inputs and assumptions consistent with those described in Section 2 of this ruling and posted to the Commission's website along with this ruling. LSEs may also submit an additional "preferred" portfolio that represents their individual goals that may go beyond the requirements of the conforming portfolio.

The Narrative Template also includes requirements for LSEs to describe their approach to addressing impacts on disadvantaged communities and minimizing local air emissions, in addition to GHG emissions, as well as the potential cost and rate impacts on their customers.

Finally, the Narrative Template includes requirements for LSEs to describe their action plan, including procurement activities, to achieve their planned portfolios, as well as any lessons learned from prior IRP cycles and procurement activities.

6. Clean System Power Calculator and Resource Data Template

In addition to the Narrative Template, LSEs are also required to submit a Clean System Power (CSP) Calculator and a Resource Data Template (RDT). The CSP tool is used by LSEs to estimate the GHG and criteria pollutant emissions associated with their resource portfolios. The CSP submission is used to demonstrate compliance with the LSE's specific GHG emissions allocation. The CSP tool estimates both emissions from an LSE's resource portfolio, as well as emissions from CAISO system power relied upon by the LSE.

The CSP calculator has been updated to reflect the following modeling years: 2028, 2030, 2035, 2040, and 2045. In addition, the following factors have been updated:

- Load forecast, based on the 2024 IEPR;

- Resource profiles, based on production cost modeling in the SERVM model;
- Demand profiles, based on SERVM modeling;
- Commercial and industrial profiles, based on the NREL California commercial and industrial profile;
- Emissions profiles, based on SERVM modeling; and
- LSE demand allocation and emissions benchmarks (as discussed earlier in Section 4 of this ruling).

In addition to the CSP calculator, each LSE must also submit an RDT. The RDT has been updated by Commission staff to account for the latest resources online and reflects changes since staff released a version for LSEs to use for their December 2025 IRP Compliance Filings. The final versions of both the CSP and the RDT tools are posted on the Commission's website at the following link: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

7. Considerations Related to Long Lead-Time Resources

While this ruling does not require LSEs to include a portfolio that takes into consideration the long lead-time (LLT) resources identified by the Commission in Decision 24-08-064, Commission staff have prepared a methodology that may be used to allocate any LLT resources procured under that decision's framework to individual LSEs. The methodology, along with indicative individual allocations using the maximum amounts considered in D.24-08-064, is posted on the Commission's website at the following link: https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-

power-procurement/long-term-procurement-planning/2024-26-irp-cycle-events-and-materials

Staff will provide ESP indicative allocations separately due to their confidential nature. The purpose of these indicative allocations is to give LSEs an idea of how the Commission will allocate any centrally procured resources, if procurement is successful, in the outer years of the planning horizon.

8. Individual IRP Filing Timing

Due to the timing of this ruling and the need to finalize inputs and assumptions subsequent to this ruling, the deadline for the filing of individual IRPs by LSEs is being modified. Individual IRPs will be due on June 1, 2026, and will be due alongside the regularly-schedule procurement compliance filing that is also due on that date. LSEs may make one combined filing with all requisite information needed for the individual IRPs as well as the compliance filing (including, especially, RDT information).

As indicated in the Scoping Memo, any party may file and serve comments in response to any individual IRP filed by any LSE. The deadline for these initial comments/responses will be moved to July 15, 2026.

IT IS RULED that:

1. All load serving entities subject to the Commission's integrated resource planning purview under Section 454.52 of the Public Utilities Code shall file and serve an individual integrated resource plan following all of the requirements summarized in this ruling and its associated materials by no later than June 1, 2026.

2. All load serving entities subject to the Commission's integrated resource planning purview under Section 454.52 of the Public Utilities Code may include their required procurement data updates for June 1, 2026 combined with their

integrated resource plan filing due on the same date, as further described in the materials posted to the Commission's web site along with this ruling.

3. Any party may file and serve comments in response to any individual integrated resource plan filed by a load serving entity, by no later than July 15, 2026.

Dated January 16, 2026, at San Francisco, California.

/s/ JULIE A. FITCH
Julie A. Fitch
Administrative Law Judge