

**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 ) Rulemaking 25-10-003  
Reforms and Refinements, and Establish Forward )  
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**PROPOSAL OF  
SONOMA CLEAN POWER AUTHORITY  
FOR TRACK 1 OF THE CONSIDERATION OF  
REFORMS TO THE RESOURCE ADEQUACY PROGRAM**

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**PROPOSAL OF  
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FOR TRACK 1 OF THE CONSIDERATION OF  
REFORMS TO THE RESOURCE ADEQUACY PROGRAM**

Sonoma Clean Power Authority (“SCPA”) submits a proposal below in response to the invitation for Track 1 party proposals in the *Assigned Commissioner’s Scoping Memo and Ruling* (“Ruling”), filed December 12, 2025. SCPA’s proposal is specifically responsive to the “Energy Only (EO) Resources” topic in Track 1.

**I. BACKGROUND**

SCPA is the public power provider for customers in Sonoma and Mendocino Counties, serving a population of nearly a half-million people. SCPA is the only power provider in California offering a 100%, 24/7 renewable energy product generated purely from within its service territory, and SCPA has adopted an 85% clean energy target for its overall portfolio, accounted for on an hourly basis, starting this year. SCPA sees its internal hourly-driven goals as an important step in supporting the ability to decarbonize the grid statewide and meet Senate Bill 100 goals. A key component of decarbonizing across all hours is supporting resource diversity, particularly clean firm resources. Decarbonized grids without clean firm resources

cost 40% more and require as much as a six-fold increase in solar capacity.<sup>1</sup> In response to its expected need for clean firm resources, SCPA has proactively started an initiative called the Geothermal Opportunity Zone (“GeoZone”) to leverage public-private partnership to accelerate the construction of local geothermal resources.

SCPA appreciates that the Slice-of-Day (“SOD”) Resource Adequacy (“RA”) program encourages the resource diversity needed for a decarbonized grid, by evaluating the capacity contribution of resources across all months and each hour. However, SCPA is concerned that requiring all resources that contribute to SOD in each month to be fully deliverable, except those that are co-located, is unnecessarily limiting. The California Independent System Operator’s (“CAISO”) methodology for granting Full Capacity Deliverability Status (“FCDS”) is based on peak hours during summer months,<sup>2</sup> which is neither relevant for power flow and reliability in non-summer months nor reflective of the reliability value that diverse resources can provide in concert with battery storage in a decarbonized grid. While the CAISO separately examines high-solar peak-consumption hours as a secondary system need (“SSN”) in the Transmission Planning Process, the generator-level FCDS test does not quantify the year-round or multi-hour reliability contributions of diverse resources operating in concert with storage. As the Commission’s RA framework has now shifted to 24-hour SOD sufficiency, there is a growing misalignment between peak-only deliverability and the hour-by-hour, seasonal reliability needs of a decarbonized grid —warranting enhanced coordination among

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<sup>1</sup> See findings from Baik, E., Chawla, K. P., Jenkins, J. D., Kolster, C., Patankar, N. S., Olson, A., Benson, S. M., & Long, J. C. S. (2021). What is different about different net-zero carbon electricity systems? *Energy and Climate Change*

<sup>2</sup> See page 4 of <https://www.caiso.com/documents/on-peak-deliverability-assessment-methodology.pdf>

RA accreditation, deliverability, and transmission planning studies to reflect portfolio diversity and storage interactions.

SCPA's proposal below encourages the California Public Utilities Commission ("Commission") to provide more flexibility in accrediting energy-only generation resources for SOD RA, specifically in non-summer months and for long-lead time ("LLT") generation resources.<sup>3</sup> Increasing the RA compliance value for energy-only generation resources will enable the contractability of energy-only resources by load-serving entities ("LSEs"), which is currently missing. SCPA sees this as especially important following the implementation of the CAISO's Interconnection Process Enhancements ("IPE"), which limits intake in the interconnection queue for resources seeking deliverability to only regions of the grid with existing or planned capacity.<sup>4</sup> As is readily apparent on the CAISO's interconnection heatmap,<sup>5</sup> the regions of the grid with capacity are extremely limited. Lack of capacity is particularly acute in Pacific Gas and Electric Company's ("PG&E") North of Greater Bay Area ("NGBA") region,<sup>6</sup> where SCPA is aware of at least three geothermal projects under development that could be critical to improving the state's resource diversity but can currently only progress as energy-only resources. However, these projects are not procured without RA compliance value. Beyond geothermal resources, SCPA sees flexibility in accrediting energy-

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<sup>3</sup> SCPA's use of the term long-lead time resource aligns with the Commission's use of the term in its Integrated Resource Plan ("IRP") proceeding and reflects strategic resources that are needed and have long development cycles.

<sup>4</sup> See Section 4 of Appendix KK of CAISO Tariff at <https://www.caiso.com/documents/appendix-kk-resource-interconnection-standards-as-of-jun-25-2025.pdf>.

<sup>5</sup> See <https://www.caiso.com/poi-heatmap/>.

<sup>6</sup> PG&E's North of Greater Bay Area region is behind both the Collinsville-Tesla 500 kV constraint and the Greater Bay Area constraint -- both of which remain unaddressed in the CAISO's transmission planning process.

only resources as an opportunity to accelerate resource procurement more broadly. The state will be unable to scale from its historical solar build rate of 1 to 3 gigawatt (“GW”) per year to the 4 to 7 GW per year rate needed in the IRP<sup>7</sup> without a significant role for energy-only resources. This is particularly true given the high level of attrition this past year in Cluster 15, which has seen 31 GW of resources withdraw and is now nearly half comprised of energy-only resources.<sup>8</sup>

SCPA recognizes that its proposal below spans both this RA proceeding and the IRP proceeding. Given that the Ruling noted that “coordination between the two proceedings [IRP and RA] will continue,”<sup>9</sup> SCPA raises this overarching concern here. Also, SCPA understands that an ideal solution to the challenges discussed above would involve parallel reforms to RA rules and the deliverability process at the CAISO. However, the reforms discussed below specific to the RA proceeding have significant value in isolation. Many LSEs, including SCPA, have excess RA under CAISO accounting due to the implementation of SOD. Through the RA proceeding, the Commission has the authority to recognize the contribution of energy-only resources to system reliability and therefore their RA value.

SCPA asks the Commission to not let the “perfect be the enemy of the good” in considering the opportunities to reform SOD RA to encourage procurement of diverse resources. As noted above, there are already issues in extrapolating deliverability results beyond summer peak conditions, and all models, including the ones used for calibrating SOD,

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<sup>7</sup> See page 12 of the *Administrative Law Judge’s Ruling Seeking Comments on Electricity Portfolios for 2026-2027 Transmission Planning Process and Need for Additional Reliability Procurement*, issued on September 30, 2025 (<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M582/K082/582082526.PDF>)

<sup>8</sup> See <https://www.caiso.com/documents/cluster-15-interconnection-requests.xlsx>

<sup>9</sup> Ruling at page 6.

are imperfect at representing reliability impacts.<sup>10</sup> With this in mind, the Commission has flexibility allowing fit-for-purpose reforms in the near-term without sacrificing reliability. At this juncture, the best thing the Commission can do to meet long-term reliability needs and prepare for load growth is build the diverse resources more fully enabled by SCPA's proposal, as further discussed below.

## II. PROPOSAL

SCPA proposes that the Commission reform the SOD RA program and coordinate with the IRP proceeding to increase the compliance value of energy-only resources (with specific emphasis on LLT energy-only resources), with the goal of making them more effectively procured by LSEs. SCPA proposes the Commission make these changes while the CAISO maintains its parallel RA program as-is—which ensures that there are no near-term sacrifices to reliability. The CAISO's RA program will continue to enforce requirements such as a must-offer obligation to ensure there is sufficient capacity participating in the market to meet reliability needs. However, long term, it would also be desirable to reform the CAISO's RA program and deliverability methodology to improve alignment.

SCPA's proposal involves two components, described below:

### *a. Reduce LSE RA obligation for energy-only LLT generation under contract*

SCPA is particularly concerned about the constraints that deliverability requirements impose on the viability of LLT resource development. Many LLT resources, such as the three geothermal resources described in Section I, above, are only viable in locations with a unique

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<sup>10</sup> An example of this is the need for Path 26 upgrades identified in the latest CAISO transmission plan. Deliverability is summer-focused and is constraining resource development in Northern California because of power flow constraints from north to south. However, the CAISO is seeing long-term issues in power flow in the opposite direction in non-summer months that necessitates a Path 26 upgrade. More resources in Northern California could alleviate this need and have reliability value, but that value is not captured in deliverability or deliverability-based modeling.

combination of traits. As a result, they are unable to relocate to areas with available grid capacity. The grid reliability value of LLT resources is largely associated with the diversity they add to the state’s resource mix and specifically their contribution in the winter—which is not captured in the CAISO’s assessment of deliverability during peak summer hours. This disconnect between deliverability and grid value was identified as a critical barrier specifically for geothermal resources in a Clean Air Task Force 2025 report on impediments and opportunities for development in California.<sup>11</sup>

As a solution, SCPA proposes that the RA program grant LSEs a reduction in their SOD RA obligation for energy-only LLT resources under contract. This reform will encourage LLT resources outside areas with available capacity to enter the CAISO’s interconnection process as soon as this fall, with confidence that their projects will be valued by LSEs and ultimately procured.

In the IRP proceeding, the Commission should also extend eligibility for procurement orders to energy-only generation LLT resources. This could be done in parallel with action taken in this proceeding, which represents an extension of the trajectory of decisions in the IRP proceeding that allowed resources without Maximum Import Capability (“MIC”) to count<sup>12</sup> and the recent IRP proposed decision to count co-located energy-only resources.<sup>13</sup>

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<sup>11</sup> See p. 9 of <https://cdn.catf.us/wp-content/uploads/2025/06/23162128/california-geothermal-report.pdf>.

<sup>12</sup> See Ordering Paragraph 12 of Decision 23-02-040 available at <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M502/K956/502956567.PDF>.

<sup>13</sup> See p. 27 of the Proposed Decision of Administrative Law Judge Fitch, issued on January 14, 2026 in R.25-06-019 (available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M595/K083/595083681.PDF>).

SCPA’s proposal is limited to generation resources. This is so because SCPA sees a continuing need to prioritize storage siting (including long-duration energy storage) in areas that have deliverability—and storage is generally more locationally flexible.

SCPA believes it is unlikely that this proposed reform will lead to reliability issues, especially while the CAISO RA program is maintained as-is. Indeed, a larger than expected development of LLT resources—even if energy-only—would have outsized system reliability and resource diversity benefits that are not captured in the current deliverability methodology. However, if necessary, SCPA proposes that any incremental reliability needs caused by a LLT energy-only LSE credit be socialized across all LSEs through adjustments to the monthly Planning Reserve Margin (“PRM”). SCPA believes this is fair given that LLT resource development will ultimately provide grid benefits that are shared by all LSEs. In assessing the need for a PRM adjustment, if any, SCPA recommends the Commission take a more sophisticated view of reliability that examines the contribution of energy-only LLT resources in concert with energy storage for each month, instead of categorically dismissing the reliability benefit of energy-only resources.

Ultimately, it may be prudent to convert energy-only LLT resources to deliverable LLT resources. The CAISO has proposed restoring a pathway by which operating energy-only resources may seek deliverability in the CAISO’s IPE 5.0 proposal released in December 2025.<sup>14</sup> Although the CAISO’s current proposal limits energy-only deliverability requests to situations that do not trigger upgrades, the IRP proceeding could consider policy-driven upgrades that support energy-only conversions. SCPA sees this as a step towards a “connect

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<sup>14</sup> See p. 12 of <https://stakeholdercenter.caiso.com/InitiativeDocuments/Final-Proposal-Interconnection-Process-Enhancements-5-0-Dec-12-25.pdf>

and manage” approach to interconnection, which prioritizes resource build-out and has been a key driver for Texas outpacing California in renewable deployment.<sup>15</sup>

Moving towards a “connect and manage” model is prudent given California’s challenge to increase the build rate of resources and would be particularly useful in encouraging the development of LLT resources. Under SCPA’s proposal, an energy-only LLT resource that receives deliverability would be counted under normal SOD RA rules and the LSE would no longer receive the reduction in their RA obligation that is specific to energy-only LLT resources. Any uplift that the energy-only credit may cause to the PRM would be relieved, allowing the benefits of any policy-driven upgrades to be socialized. Effectively, the process described above enables SCPA’s proposal to offer flexibility as a “bridge” to accelerate near-term LLT resource deployment until the needed scope of upgrades and deliverable resources are determined for long-term grid needs. This type of innovative approach is in the same spirit as the Commission’s recent proposed decision to offer flexibility for load interconnection for customers facing distribution capacity constraints.<sup>16</sup>

***b. Remove deliverability requirement in non-summer months for generation resources***

Although the CAISO’s deliverability methodology results are important in determining a resource’s contribution to system reliability in summer months, its relevancy in non-summer months is limited. Accordingly, SCPA proposes that the Commission allow energy-only generation resources to contribute to SOD RA in the non-summer months of November through May. As with SCPA’s LLT proposal, described above, extending eligibility for

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<sup>15</sup> See <https://pv-magazine-usa.com/2026/01/07/ercot-outperformed-on-interconnection-in-2024-likely-due-to-connect-and-manage/>

<sup>16</sup> See the Proposed Decision of Commissioner Alice Reynolds in R.24-01-018 (available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M591/K699/591699367.PDF#DER>).

energy-only generation resources to seven months of the year will improve the ability of LSEs to contract with diverse resources. There are over 18 GW of energy-only generation resources in the CAISO's Cluster 15 interconnection request queue, including much-needed wind projects, that will be difficult for LSEs to procure without RA value. Extending RA eligibility will be especially valuable to LSEs with significant battery storage that struggle counting storage for SOD RA due to charging sufficiency requirements in months with reduced solar output. Because many LSEs have excess battery storage capacity in the non-summer months that cannot be charged under SOD RA rules, but contribute to the CAISO RA, the CAISO RA program can be left as-is and this proposed reform will still be impactful. Leaving the CAISO RA program as-is also provides assurances that extending energy-only eligibility does not lead to reliability issues. To be clear, SCPA does not propose that energy-only LLT generation resources benefit from both a reduced obligation and non-summer deliverability—SCPA's proposal would either be implemented in isolation or apply only to non-LLT energy-only generation resources.

SCPA recommends a similar approach to handling incremental reliability needs and energy-only conversions to deliverability. As with SCPA's LLT proposal, SCPA believes any adjustments to the PRM should be justified by more sophisticated power flow modeling that reflects the role energy-only generation can play in concert with energy storage in meeting grid reliability needs. There are also likely opportunities to meet future grid reliability needs by converting non-LLT energy-only generation resources to deliverable, which should be supported through policy upgrades identified in the IRP proceeding.

Although SCPA's proposal asks the Commission to make SOD RA reforms now, without waiting for CAISO changes, there is a long-term opportunity to improve coordination with the CAISO and update the deliverability methodology to better reflect the reliability needs

of the evolving grid. Changes to the CAISO deliverability methodology could be as simple as creating a summer and non-summer deliverability assessment or could be as sophisticated as assessing deliverability for each SOD month and hour. Given the rapid change in grid dynamics and expected shift to a winter peak, SCPA believes changes to the deliverability methodology are inevitable. SCPA asks the Commission to not wait for these changes to happen, but instead to take leadership in applying innovative reforms that address bottlenecks to developing diverse resources that are needed for affordably decarbonizing California's grid.

### III. CONCLUSION

SCPA thanks the Commission for considering opportunities for reforms to the RA program and soliciting party proposals on energy-only resources in Track 1. SCPA looks forward to discussing its proposal with the Commission and stakeholders.

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Respectfully submitted,

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