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R2506019

**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
(Filed June 26, 2025)

**THE PROTECT OUR COMMUNITIES FOUNDATION
OPENING COMMENTS ON THE PROPOSED DECISION REQUIRING 2029-2032
ELECTRIC RESOURCE PROCUREMENT AND TRANSMITTING PORTFOLIOS
FOR 2026-2027 TRANSMISSION PLANNING PROCESS**

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Pursuant to Rule 14.3 of the Commission’s Rules of Practice and Procedure,¹ The Protect Our Communities Foundation (PCF) timely files these Opening Comments on the Proposed Decision Requiring 2029-2032 Electric Resource Procurement And Transmitting Portfolios For 2026-2027 Transmission Planning Process (PD).²

¹ Commission Rules of Practice and Procedure, Rule 14.3.

² R.25-06-019, Proposed Decision Requiring 2029-2032 Electric Resource Procurement And Transmitting Portfolios For 2026-2027 Transmission Planning Process (January 14, 2026).

I. INTRODUCTION

Instead of requiring additional expensive procurement, the Commission should direct Energy Division staff to meaningfully evaluate the speculation upon which the PD is based. The potential increased load evaluated by Commission staff is based on uncertainties and assumptions that may never materialize or that need not be ratepayers' burden to bear, such as data center load, impacts of tariffs, impacts of expiring federal tax credits, and the extent of future adoption of electric vehicles and building electrification. Before requiring costly utility scale resources and corresponding transmission expenditures, the Commission should require the Energy Division to analyze and report on the expected data center load in the Utilities' service areas and determine how much of that load – as well as the load from future adoption of electric vehicles and building electrification – can be met by facilitating customer-sited generation instead of requiring ratepayers to foot the bill.³

The PD must be revised because it does not comply with Public Utilities Code⁴ section 454.57(e), which requires the Commission to consider cost-effective alternatives to transmission capacity expansions before providing the CAISO with annual resource projections that can be expected to reduce the use of non-preferred resources in local capacity areas prior to 2035.⁵ Before sending resource projections to the CAISO, the Commission must first evaluate whether any additional procurement need can be met by optimizing behind-the-meter (BTM) solar plus storage (SPS) and other locally sited renewable energy resources such as virtual power plants (VPPs), community SPS, and SPS located on non-residential rooftops and parking lots.

³ Pub. Util. Code, §§ 454.52, subd. ((a)(1)(D) (“Minimize impacts on ratepayers’ bills”), 747.

⁴ All statutory references refer to the Public Utilities Code unless otherwise specified.

⁵ Pub. Util. Code, § 454.57, subd. (e)(4).

II. THE PD FAILS TO COMPLY WITH SECTION 454.57(E)(4)(B).

The PD must be revised to ensure that the Commission complies with the requirements of section 454.57, subdivision (e)(4)(B). The statute requires the Commission to consider alternatives to transmission capacity expansions *before* it provides the CAISO with annual resource projections that are expected to substantially reduce reliance on fossil fuel resources in local capacity areas by 2035.⁶ The alternatives which the Commission is required to evaluate include “energy storage resources, renewable energy resources, or zero-carbon resources that are located within the local capacity areas.”⁷

Yet the PD wholly fails to analyze cost-effective and feasible alternatives to transmission capacity expansions in local areas to reduce reliance on non-preferred resources within the next decade. The PD does not include a single finding or conclusion establishing the Commission has complied with section 454.57, subd. (e)(4)(B).

Instead, the PD blames “a lack of consensus among parties” that make it difficult to evaluate potential portfolio configurations.⁸ But the Commission’s duty under section 454.57, subdivision (e) is not optional or dependent on party consensus: the Commission remains legally obliged to consider cost-effective and feasible alternatives to transmission capacity expansions as part of the annual transmission planning process.⁹ Therefore, the Commission cannot delay consideration of resource projections for locally sited renewable resources until next year. Nor can it kick the can down the road to the resource adequacy proceeding.¹⁰ To the contrary, the Commission’s statutory duty requires the Commission to *avoid* duplicating efforts in other

⁶ Pub. Util. Code, § 454.57, subd (e)(4)(A)-(B).

⁷ Pub. Util. Code, § 454.57, subd (e)(4)(B).

⁸ PD, p. 74.

⁹ Pub. Util. Code, § 454.57, subd (e).

¹⁰ *See* PD, p. 34.

proceedings.¹¹ The PD should be revised to establish a process to consider alternatives to transmission capacity expansions as required by section 454.57(e)(4)(B) *before* providing resource projections to the CAISO.

III. RATEPAYERS SHOULD NOT BE BURDENED WITH THE COSTS OF ADDITIONAL PROCUREMENT WITHOUT FIRST DEVELOPING AN EVIDENTIARY BASIS FOR ANY ADDITIONAL NEED.

The PD authorizes 6,000 MW of additional procurement¹² based on assumed data center demand, the elimination of federal tax credits, lower adoption of BTM SPS, and the unknown effects of tariffs.¹³ The PD acknowledges that it lacks sufficient evidence regarding its asserted bases for requiring procurement of an additional 6,000 MW.¹⁴ The Commission should not burden ratepayers with the costs of additional procurement unless and until the Commission has first established with reliable evidence that such a need exists in the first place.

Contrary to the PD's speculative assumptions, utility analysts and economists point out that data center demand in California has been overstated.¹⁵ Many data centers are being proposed that may never materialize, and there is potential for double counting as developers may pitch the same project in multiple utility jurisdictions.¹⁶ Data centers demand forecasts

¹¹ Pub. Util. Code, § 454.52, subd. (d).

¹² PD, p. 104 (CoL 1)

¹³ PD, p. 8-9

¹⁴ PD, p. 16-17.

¹⁵ Bloomberg, *The Utilities Analyst Who Says the Data Center Demand Story Doesn't Add Up*, available at <https://www.bloomberg.com/news/audio/2026-02-02/odd-lots-the-data-center-demand-story-doesn-t-add-up-podcast> (February 2, 2026); San Francisco Chronicle, *The Bay Area is Losing the Data Center Race. Economists Say That Could Be a Good Thing* (Dec. 18, 2025), available at <https://www.sfchronicle.com/tech/article/ai-data-center-bay-area-21246492.php>; Bisnow, *Despite AI Boom, Future Of California's Data Center Market Remains 'An Open Question* (January 25, 2026), available at <https://www.bisnow.com/national/news/data-center-development/an-open-question-despite-ai-boom-californias-data-center-market-faces-uncertain-future-132887>.

¹⁶ Canary Media, *Data-center power forecasts climb to unreachable heights: Utilities expect electricity growth to reach levels that are hard to fathom — and they're using those estimates to justify costly new investments in fossil gas* (November 18, 2025), available at <https://www.canarymedia.com/articles/data-centers/data-center-power-forecasts-climb-to-unreachable-heights>.

should account for the fact that data centers will become more energy efficient in the future.¹⁷ Moreover, the Commission remains legally obliged to minimize impacts on ratepayer bills and to reduce rates to as low as possible.¹⁸ Thus, the Commission should encourage data centers to generate their own resources instead of forcing ratepayers to foot the bill. For example, Google plans to co-locate renewable energy and storage resources to directly power their data centers,¹⁹ mitigating load growth. No reason exists to burden ratepayers with the costs of procurement for data centers that are able to generate their own energy.

The Commission should also consider the extent to which data centers will be located in the Utilities' service territories in the first place. Many data center developers plan to locate outside of the Utilities' service territory because publicly owned utilities – which do not have the Utilities' financial incentives to grow rate base – have substantially lower rates.²⁰

¹⁷ International Energy Agency, What the Data Centre and AI Boom Could Mean for the Energy Sector (October 18, 2024), available at <https://www.iea.org/commentaries/what-the-data-centre-and-ai-boom-could-mean-for-the-energy-sector>.

¹⁸ Pub. Util. Code, §380, subd. (b)(5) and §747.

¹⁹ Canary Media, Google plans to build gigawatts of clean power and data centers together (December 10, 2024), available at <https://www.canarymedia.com/articles/clean-energy/google-has-a-20b-plan-to-build-data-centers-and-clean-power-together>.

²⁰ Stanford University Bill Lane Center for the American West, Thirsty for power and water, AI-crunching data centers sprout across the West: With promises of jobs and hopes for tax breaks, server farms are reshaping local grids, plumbing, and politics. Are they a boon for communities, or a burden? (April 8, 2025), (“For data centers, the attraction of Santa Clara, an industrial city in Silicon Valley that was once a chip-making hub, is not tax breaks but cheaper power. The municipal utility, Silicon Valley Power, charges less than Pacific Gas & Electric, the large regional utility.”), available at <https://andthewest.stanford.edu/2025/thirsty-for-power-and-water-ai-crunching-data-centers-sprout-across-the-west/>; American Economic Liberties Project, Rate of Return Equals Cost of Capital: A Simple, Fair Formula to Stop Investor-Owned Utilities From Overcharging the Public (January 2025), p. 2 (“Over the last three years, IOU residential electricity rates have increased 49% more than inflation. In contrast, their publicly owned counterparts have increased 44% less than inflation. In some states, the contrast is even more stark. Investor-owned San Diego Gas & Electric’s residential rate increased by 78%, to over 45 cents per kilowatt-hour (kWh) between 2020 and 2023. Similarly sized Sacramento Municipal Utility District’s average residential rate rose less than inflation and, at less than 17 cents/kWh, is barely one-third of SDG&E’s.”), available at <https://www.economicliberties.us/wp-content/uploads/2025/01/20250102-aelp-ror-v5.pdf>.

Additionally, data centers demand forecasts should account for increased energy efficiency in the future.²¹ Although the PD concludes that “[r]educed load may substantially reduce need in all years,”²² the PD nonetheless requires ratepayers to fund additional procurement costs without accounting for the reduced load to which the PD refers. Requiring procurement of 6,000 MW²³ of almost entirely utility-scale resources without an evidentiary basis that there will actually be any increase in load would unnecessarily and unreasonably raise rates for ratepayers—which the Commission remains legally obliged to avoid.²⁴

IV. ANY ADDITIONAL PROCUREMENT NEEDS SHOULD BE MET WITH LEAST COST, LOCALLY SITED, RENEWABLE RESOURCES.

The PD should be revised because it fails to consider whether locally installed SPS, including BTM SPS, VPPs, community SPS, or SPS on warehouses and parking lots, could be installed to meet any additional procurement need. Instead of ignoring the potential of locally sited SPS,²⁵ the PD should be revised to incorporate and optimize BTM SPS and other locally sited SPS options as supply resources in the Commission’s modeling and procurement planning. Locally sited SPS provides least-cost, zero-emission resources.²⁶ In SDG&E territory alone,

²¹ Canary Media, Utilities are flying blind on data center demand. That’s a big problem.: How can utilities plan grid and power plant investments for the AI and data center boom when forecasts are so speculative? Some effective strategies are emerging. (February 25, 2025), available at <https://www.canarymedia.com/articles/utilities/utilities-are-flying-blind-on-data-center-demand-thats-a-big-problem>.

²² PD, p. 18

²³ PD, p. 104 (CoL 1).

²⁴ See, e.g., Pub. Util. Code, §§ 451, 454.51, subd. (a)-(b), 454.52, subd. (a)(1)(C)-(D), 747.

²⁵ PD, p. 9 (PD identifying “lower adoption of and lower capacity factors for behind-the-meter (BTM) solar and storage” as a basis for “significant load growth” being forecasted “relative to prior forecasts”).

²⁶ A.22-05-015/-016, Prepared Direct Testimony of Bill Powers, P.E. On Behalf of The Protect Our Communities Foundation (March 27, 2023), p. 2 (“Local SPS systems provide 100 percent clean power where the power is used, reduce congestion on the grid, and minimize the need for capital investments in new transmission projects justified on grid reliability purposes. Ample residential and commercial rooftop solar, commercial parking lot solar, and ground-mounted community solar potential exists to meet California’s remaining solar decarbonization build-out need...” (citations omitted).

rooftop and parking lot solar potential has been estimated at 27,500 GWh to 35,000 GWh.²⁷ VPPs cost-effectively provide numerous benefits, which include reducing peak demand, reducing energy bills, and improving grid reliability.²⁸ BTM SPS could prove especially useful for meeting data center load, quickly providing on-site generation without burdening ratepayers with the additional procurement and delivery costs that would otherwise be necessary.²⁹

The PD states that the procurement requirement will not include a local procurement requirement, but that the Commission will “encourage” LSEs to pursue procurement in local areas.³⁰ However, the Commission is *legally mandated to require* LSEs to procure least-cost resources³¹ like local area resources that do not require expensive transmission expenditures to deliver power from remote locations to urban centers where the power is used. The Commission cannot expect the Utilities to seek out these least cost solutions on their own. The Utilities are financially incented to prioritize and advocate for remote, utility-scale generation projects, which require new transmission lines and transmission line upgrades, because these capital projects maximize shareholder returns.³² Far from being too expensive,³³ the local procurement

²⁷ A.22-05-015, -016, Prepared Direct Testimony of Bill Powers, P.E. On Behalf of The Protect Our Communities Foundation (March 27, 2023), p. 11.

²⁸ U.S. Department of Energy, Pathways to Commercial Liftoff: Virtual Power Plants 2025 Update (January 2025), p. 10-14.

²⁹ Utility Dive, Energy Meets Urgency: Solving the Data Center Power Problem with Solar (September 4, 2025), available at <https://www.utilitydive.com/news/data-center-power-problem-solar/758809/> (“Behind-the-meter solar installations, designed to power data centers directly rather than feed the grid, can be constructed in just a few months once permits are in hand. Battery storage adds flexibility and resilience, especially when designed to smooth out demand or provide backup during peak hours. And because these systems often avoid long interconnection queues, the timeline from development to operation is shorter than nearly any other power source.”).

³⁰ PD, p. 34.

³¹ See, e.g., Pub. Util. Code, § 454.51, subd. (b).

³² A.25-03-010, Direct Testimony of Mark E. Ellis on Behalf of Sierra Club and The Protect Our Communities Foundation Errata (September 8, 2022), p. 20, 22-24, available at <https://docs.cpuc.ca.gov/PublishedDocs/SupDoc/A2503010/8368/574980310.pdf>.

³³ PD, p. 34.

requirement would actually be more affordable when the full costs of remote, utility scale projects are considered – including the costs of delivering the power to users from far away.

V. CONCLUSION

The PD must be revised to conduct an additional analysis to consider whether additional procurement in fact is necessary and to consider alternatives to expensive utility-scale resources and their associated transmission lines. Ratepayers should not be saddled with the costs of additional procurement before the Commission has developed an evidentiary basis that such procurement is necessary and before the Commission has considered how any such need can be met *without* forcing ratepayers to foot the bill.

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February 6, 2026

Findings of Fact

1. Commission staff conducted an analysis of electric reliability needs between 2028 and 2032 with SERVVM, using an updated 2024 IEPR load forecast, and updated list of resources procured to meet MTR and Supplemental MTR requirements, and in response to comments on the RCPPP proposal and the ACP-CA Motion to Amend the Scoping Memo in R.20-05-003. [SERVVM does not optimize BTM resources.](#)

2. Several things have changed since the Commission last ordered IRP procurement in D.23-02-040 (as modified by D.24-02-047): (1) the CEC's 2024 IEPR demand forecast projects significant load growth in 2028-2032; (2) Federal tax credit benefits are being rapidly phased out over the next few years; and (3) other Federal actions have been taken imposing tariffs and limiting or delaying renewables siting on Federal lands.

~~3. Commission staff SERVVM analysis results in an estimated need for a cumulative total of 6,267 MW of perfect capacity to be online by June 1, 2032. The Commission will not adopt additional procurement requirements without first considering how to meet potential procurement needs with locally sited renewable resources.~~

4. The proposed aggregate average of 1,500 MW of procurement per year is in line with prior procurement orders and LSEs have been on notice that in R.20-05-003 an ongoing procurement requirement as part of RCPPP may be imposed by the Commission, [but the evidence does not support additional procurement now.](#)

~~5. It is likely that there are still some renewables projects without contracts that can take advantage of expiring Federal tax credits, in order to provide cost savings to ratepayers.~~

~~6. Requiring procurement by 2030 and 2032 is far enough in the future that it should mitigate potential negative market impacts. The Commission does not have sufficient information that additional procurement is required.~~

7. DCPD is likely to remain online at least through 2030.

8. Based on the [incomplete and speculative](#) Commission staff analysis presented in the September 30, 2025 ALJ Ruling, there is likely to be a reliability shortfall of approximately 6,000 MW by 2032 based on current load forecasts and expected resources online.

~~9. The MTR and Supplemental MTR orders specified that eligible new resources must be either zero-emitting or otherwise eligible under the RPS program. Repowered resources were eligible on the basis of any incremental capacity added during repowering, but not for the full capacity of the resource. Incremental capacity from modifications or upgrades to resources on the baseline line is also eligible, but only for the capacity above and beyond the baseline amount. [Locally sited renewable resources are eligible for procurement.](#)~~

10. D.23-02-040, Ordering Paragraph 13, allowed LSEs to undertake baseline swaps, for eligible resources under the MTR and Supplemental MTR orders.

11. Energy storage, especially battery storage, has made up a large proportion of the resources procured to meet MTR and Supplemental MTR requirements, both due to its declining costs, its modularity, and its fast average development timelines.
12. Individual ESP energy and peak load forecasts are maintained confidentially by the Commission due to the cap on direct access load and competitiveness implications.
13. LSEs are eligible to count excess procurement in response to D.21-06-035 toward D.23-02-040 requirements.
14. D.21-06-035 and D.23-02-040 (as modified by D.24-02-047) required new resources used to satisfy their requirements be under contracts of at least ten years in length.
15. Resource accreditation under the MTR and Supplemental MTR decisions was on the basis of marginal ELCCs produced by Commission staff.
16. D.25-09-007 generally allowed LSEs a grace period of up to three years, if they can show long-term contracts to satisfy MTR and Supplemental MTR requirements, and are otherwise in compliance with resource adequacy requirements during the period of delay.
17. LSEs with procurement obligations under D.21-06-035 and D.23-02-040 (as modified by D.24-02-047) are subject to non-compliance penalties set as the net CONE level. Under those decisions, the Commission may also order backstop procurement to be conducted if LSEs are deficient in their obligations.
18. With each annual TPP cycle, Commission staff make updates to inputs and assumptions, which can include resource cost assumptions, import assumptions, transmission constraints, and/or other updates. This year's updates include changed assumptions related to Federal action on tax credits, tariffs, and renewables siting on Federal lands. Other updates include resource potential for solar, wind, and near-field EGS, transmission cost adders for out-of-CAISO wind and geothermal resources in Northeast California and Imperial Valley, full representation of deep EGS on CAISO transmission deliverability constraints, retention costs of existing thermal units, and corrections to offshore wind hourly generation profiles.
19. The base case portfolio being recommended in this decision builds upon and, without considering transmission alternatives, is an unreasonable middle ground between the previous TPP base case portfolio and sensitivity portfolio included in D.25-02-026.
20. The base case portfolio recommended in this decision is consistent with the precedent of building on recently-adopted portfolios to move the base case incrementally toward the state's clean energy goals, but it does not minimize impacts on ratepayer bills and additional GHG reductions can be achieved with locally sited renewable resources.
21. The base case portfolio recommended in this decision meets our adopted GHG and reliability targets, but not at the least cost.

22. The CAISO's selection reports for the two transmission projects needed to support offshore wind development on the North Coast (the Humboldt projects) contain several types of cost containment measures for ratepayer protection as proposed by CalGrid, the approved project sponsor for both projects.

23. If transmission deliverability is not reserved by the CAISO for the LLT and other diverse resources in the portfolio, it is possible that transmission may not be available by the time the diverse resources are developed and ready to come online, but the Commission has yet to consider alternatives to transmission.

24. Both the recommended base case and sensitivity portfolios for this year's TPP contain solar build rates that are several multiples of any recent year's accomplished development.

25. Locally sited resources will be considered to comply with Public Utilities Code section 454.57(e)(4)(B).

~~25.~~ 26. Consistent with prior experience, there is not sufficient time to adopt many busbar mapping methodology improvements proposed by parties in this year's TPP cycle, but much input from past years was included this year, and new comments this year will be carefully considered for next year's busbar mapping improvements.

~~26.~~ 27. Based on the results of SERVM production cost modeling, the recommended base case portfolio for the 2026-2027 TPP meets the Commission's reliability standard of less than 0.1 LOLE in 2036 and 2041, and has GHG emissions results that are within the CARB Scoping Plan range for the electricity sector.

Conclusions of Law

1. Based on the staff reliability analysis summarized in the September 30, 2025 ALJ Ruling, the Commission should not require additional resources. Instead, the Commission should comply with its legal obligation to consider transmission alternatives, minimize impacts on ratepayer bills, and to reduce rates to as low as possible. ~~approximately 6,000 MW NQC of new resource procurement through 2032.~~

2. Requiring procurement ~~in 2030 should allow LSEs to take advantage of any remaining projects that are able to qualify for expiring Federal tax credits, if they provide cost savings of utility scale resources would increase costs~~ to ratepayers which we are required to minimize.

3. ~~Considering r~~ Requiring more of the locally sited resource procurement at a later date, in 2032, should mitigate potential negative market effects and help secure reasonable costs to ratepayers.

4. The Commission should not require LSEs to procure 2,000 MW NQC of total new procurement to be online by June 1, 2030.

5. The Commission should not require LSEs to procure 4,000 MW NQC of total additional new procurement by June 1, 2032.

6. The Commission should not maintain resource eligibility rules for the procurement ordered in this decision consistent with MTR and Supplemental MTR requirements, which means that resources must be zero-emitting or RPS-eligible, repowering or modifications/upgrades are eligible only for the incremental capacity (if any) that was added during repowering or modification/upgrade, and baseline swaps, baseline waivers, and obligation swaps should be allowed.

~~7. Energy-only contracts should be eligible to be counted toward the procurement required in this decision, in the limited situation where there are generation and storage projects that are co-located, the storage is fully deliverable, and the multiple resource IDs have the same point of interconnection on the CAISO system.~~

~~8. The Commission should avoid over-reliance on storage resources by imposing a cap such that no more than 50 percent of the capacity otherwise eligible to be procured in response to this decision may come from storage. Thus, at least half of the procurement will be from generation resources that are otherwise eligible.~~

~~9. Imposing a local procurement requirement for the capacity required by this decision is likely to increase decrease costs and make procurement more difficult easier. Therefore, the Commission should not require a specific amount of local procurement, though LSEs are encouraged to pursue procurement in local areas where it makes sense for their portfolios.~~

~~10. The Commission should maintain the principle that each LSE is responsible for procuring electricity resources to serve its own load where possible, unless there is a compelling reason to order centralized procurement for logistical or cost reasons.~~

~~11. Responsibility for the 6,000 MW NQC of new resource procurement required in this decision should be allocated to LSEs on the basis of each LSE's share of the managed peak on the electric system as of resource adequacy program year 2026, and weighted by the 2026 energy load forecasts for IOUs and CCAs from the CEC's adopted 2024 IEPR.~~

~~12. Individual LSE allocation of procurement responsibility should be as given in Attachment A. The ESP allocations should be calculated by dividing the individual ESP's year-ahead adjusted peak resource adequacy forecast for 2026 (for month 9) by the total/aggregate year-ahead adjusted peak resource adequacy forecasts for 2026 (for month 9) for all Commission-jurisdictional LSEs.~~

13. Commission staff should transmit individual ESP allocations confidentially within two weeks after this decision is adopted.

~~14. This decision should keep compliance and enforcement as similar as possible to MTR and Supplemental MTR requirements, and also keep the requirements as simple as possible.~~

~~15. LSEs should be eligible to count any excess procurement undertaken to meet D.21-06-035 or D.23-02-040 requirements toward the requirements of this decision, if the resources otherwise qualify under the terms of this decision.~~

16. LSEs should not be required to bring online a total of 2,000 MW NQC by June 1, 2030 and a total of an additional 4,000 MWNQC total by June 1, 2032.

~~17. Contracts used to satisfy the capacity procurement requirements in this decision should be required to be at least ten years in length and must begin deliveries by the required online date for each tranche.~~

~~18. Resources used to satisfy the new resource procurement requirements in this decision should be accredited on the basis of marginal ELCCs, to be calculated by Commission staff and published by no later than July 31, 2026 for the 2030 requirements and by no later than December 31, 2027 for the 2032 requirements.~~

~~19. Because this order requires only two tranches of procurement two years apart, the Commission should not apply the three-year delay provisions of D.25-09-007 to the procurement required by this decision. Each set of new resources for 2030 and 2032 should be assessed for compliance on the required online dates of June 1, 2030 and June 1, 2032.~~

~~20. LSEs who do not comply with the procurement required by this decision should be subject to penalties based on the net CONE for any resource amounts not online by the deadlines. LSEs should also be subject to the potential for backstop procurement, if ordered by the Commission, with cost responsibility allocated to the customers of the non-compliant LSE whose procurement must be backstopped, in the same manner as for procurement required by D.21-06-035 and D.23-02-040.~~

21. LSEs should continue to be required to make semi-annual procurement compliance filings on June 1 and December 1 of each year through 2032, unless otherwise modified by the Commission in the future.

22. The Commission should update the TPP inputs and assumptions as recommended by Commission staff in the ALJ Ruling and as articulated in this decision.

23. The Commission should take parties' comments on the inputs and assumptions for this TPP into account when revising the inputs and assumptions for next year's TPP portfolios, to the extent feasible.

24. Commission staff should update the assumptions for next year's TPP based on the actual procurement accomplished by LSEs in response to MTR and Supplemental MTR requirements prior to the next TPP portfolios (for 2027-2028) being evaluated.

25. The base case portfolio described in this decision, which incorporates MTR resources and approximately half of the LLT resources found needed in D.24-08-064, with the offshore wind resources' online dates extended by four to six years, is unreasonable and should not be adopted as the recommendation for the CAISO 2026-2027 TPP.

26. The Commission should not recommend that the CAISO allow the potential in-service dates for the Humboldt transmission projects to extend by two years to June 1, 2036, in order to have

transmission available for when North Coast offshore wind generation projects are anticipated to begin coming online.

27. It is unreasonable to ask the CAISO to continue to reserve deliverability for in-state geothermal, LDES, out-of-state wind, and offshore wind resources in the amounts given in Table 7 of this decision.

28. It is unreasonable to ask the CAISO to study a sensitivity portfolio in the 2026-2027 TPP that includes a worst-case scenario for all types of wind development, because the loss of critical wind resources could have a material impact on transmission needs for the resources that would be substituted for the wind when the Commission has not yet considered alternatives to transmission as required by Public Utilities Code section 454.57(e)(4)(b).

29. The recommended sensitivity portfolio is more expensive than the base case, but and we are not recommending it for study by the CAISO ~~because it is a useful portfolio to analyze for potential transmission planning needs.~~

30. The Commission may not transmit resource projections to CAISO without first considering alternatives to transmission in accordance with Public Utilities Code section 454.57(e)(4)(B).

30. To address the potential challenges associated with the high annual build rates for solar resources necessary to reach either the base case or the sensitivity portfolio amounts by 2041, the Commission should consider evaluating, for the 2027-2028 TPP sensitivity portfolio and/or a PSP sensitivity portfolio, a locally sited SPS scenario. ~~that could impact solar build rates.~~

31. It is reasonable to update the busbar mapping methodology for next year's TPP cycle to incorporate the items further discussed in Section 3.5 of this decision, including but not limited to, updating of the commercial interest criteria.

32. It is unreasonable to update the busbar mapping for this year's TPP to incorporate the items further discussed in Section 3.6 of this decision, including but not limited to accounting for otherwise unaccounted-for TPD and remapping solar resources from SDG&E Arizona to PG&E and SCE areas.

~~33. The PCM results for reliability and GHG emissions for the recommended base case portfolio presented in Tables 9 and 10 in this decision are in a reasonable range to request that the CAISO study the portfolio further.~~