

**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 Reforms and
Refinements, and Establish Forward
Resource Adequacy Procurement
Obligations.

Rulemaking 25-10-003

**COMMENTS OF THE WESTERN POWER TRADING FORUM
ON PROPOSED INPUTS AND ASSUMPTIONS
FOR LOSS OF LOAD EXPECTATION STUDY**

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In accordance with the revised comment schedule set forth in the March 30, 2026 ruling of Administrative Law Judge Debbie Chiv, the Western Power Trading Forum (WPTF) hereby submits these comments on Energy Division staff's *Proposed Inputs & Assumptions: SERVM 2026 Data Updates in Support of Resource Adequacy (RA) and Integrated Resource Planning (IRP)* dated April 9, 2026 (Draft I&A).

I. INTRODUCTION

WPTF appreciates the opportunity to comment on the Draft I&A for the Loss-of-Load Expectation (LOLE) study to be performed in this proceeding to inform the Commission's updating of the Planning Reserve Margin (PRM) for the 2028 and 2029 compliance years of the Resource Adequacy program. WPTF offers targeted comments on one specific aspect of the Draft I&A: the assumption underlying reliability in regions external to the California Independent System Operator (CAISO).

II. COMMENTS

A. WPTF's Concerns and Recommendations with Respect to Staff's Optimistic Assumption for External Region Reliability

Section 3.7 of the Draft I&A, which addresses External Region Calibration, states that staff will assume that external regions “are planning to maintain their reliability level within industry standards [0.1 days/year LOLE] to limit leaning of one region upon another and not significantly alter current transfer patterns between regions.”¹ The Draft I&A notes further that, based on experience with the prior Baseline Generating List, “staff expects no calibration will be necessary until at least 2030.”² As a result, the LOLE model will largely take the July 2024 WECC Anchor Data Set (ADS) and available external IRP data as-is for 2028, without adding perfect capacity or other resources to enforce the 0.1 LOLE standard externally.

While WPTF understands the rationale behind this modeling assumption (to produce realistic import/export patterns without excessive complexity), this simplification is in tension with emerging, utility-specific evidence showing material, near-term resource adequacy shortfalls in the Pacific Northwest (PNW). Specifically, in its final report on a reliability study commissioned by Puget Sound Energy, Seattle City Light, Idaho Power, and others, Energy and Environmental Economics, Inc. (E3) concluded that the Greater Northwest region faces an effective capacity shortfall of 5,046 MW in 2028 under a 0.1 LOLE standard (using the RECAP probabilistic model with ~2,500 weather/hydro scenarios).³ This shortfall begins as early as 2026 and grows rapidly due

¹ Draft I&A at 28.

² *Id.*

³ E3, *Resource Adequacy and the Energy Transition in the Pacific Northwest: Final Report* (E3 Report), Apr. 8, 2026, at 13 (accessed at: [E3-NW-RA-Final-Report_040826.pdf](#)).

to accelerated load growth (from building and transportation electrification, as well as new data centers) and thermal generation retirements. E3's study employed a methodology broadly comparable to SERVM, including Effective Load Carrying Capability (ELCC) accreditation, multi-day winter hydro-dry events, and a 9% PRM calibrated to the 0.1 LOLE target.⁴

This analysis, drawing on the most recent Pacific Northwest Utilities Conference Committee (PNUCC)-aligned load forecasts and utility IRP data, indicates that the 2024-vintage WECC ADS baseline used in SERVM may overstate external self-sufficiency in 2028. The discrepancy is particularly relevant because the Draft I&A also carves out a specified portion of Northwest (BPAT-region) hydro as a firm, greenhouse gas (GHG)-free import to CAISO. If PNW resources are already facing an effective shortfall of ~5 GW under the same reliability standard, the modeled availability and firmness of those hydro volumes—and more generally, the pattern of imports during CAISO stress hours—may be overly optimistic.

WPTF is concerned that overstating external reliability could understate CAISO's Total Reliability Need (TRN) and the resulting PRM, produce import patterns that do not reflect the increasing simultaneity of stress events across the Western Interconnection, and undermine the goal of "limiting leaning" if multiple regions are in fact competing for the same limited surplus capacity. Given that the 2028 LOLE study will directly inform RA obligations and procurement targets that drive market behavior and investment decisions, WPTF believes it is important to ground the external-region assumptions in

⁴ *Id.* at 13 and 25.

the best available near-term evidence rather than relying solely on the prior-cycle finding that calibration was not needed until 2030.

In light of the foregoing, WPTF recommends that Energy Division staff take the following actions:

1. Reconcile the SERVVM external-region baseline (particularly for PNW balancing areas) with the latest utility IRP data and the findings of the April 2026 E3 Northwest RA Study, including an explicit comparison of modeled LOLE for key external regions in the 2028 study year.
2. Publish, as part of the final study materials, the resulting LOLE (and/or EUE) metrics for the modeled external regions under the no-calibration baseline. This transparency would allow stakeholders to better understand the import assumptions.
3. Include at least one sensitivity case in the 2028 LOLE study that reduces external surplus capacity (or raises external LOLE) consistent with the E3 findings, to illustrate the impact on CAISO TRN/PRM, import availability, and specified hydro imports.

As even a modest sensitivity would provide valuable information on the robustness of the proposed PRM, WPTF views the addition of the aforesaid sensitivity case as the minimum acceptable response to WPTF's concerns.

III. CONCLUSION

WPTF appreciates the significant work that goes into updating SERVVM inputs and assumptions each cycle and stands ready to discuss these points or provide additional data references. We believe addressing this issue constructively, per WPTF's recommendations in these comments, will strengthen the defensibility and policy relevance of the 2028 LOLE results for both RA and broader Western coordination efforts. WPTF thanks the Commission and Energy Division staff for your consideration of these comments.

Respectfully submitted,

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