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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 AMENDED SCOPING MEMO AND RULING

This Amended Scoping Memo and Ruling (Amended Scoping Memo) Amends the previous Scoping Memo issued in this proceeding on December 12, 2025, to designate issues as Track 2 and to set a schedule for Track 2. Except as expressly set forth in this Amended Scoping Memo, the terms of the previously issued Scoping Memo remain unchanged.

1. Background

The Order Instituting Rulemaking in this proceeding summarized the procedural and substantive background of this proceeding. The Commission opened this Rulemaking 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 broader structural reforms and refinements to the RA program. A Scoping Memo was issued on December 12, 2025, that outlined the scope of issues and divided issues into Tracks 1 and 2. Issues scoped as Track 1 were addressed in Decision 26-07-008. This Scoping Memo sets forth the scope of issues and schedule for Track 2.

2. Scope

This Amended Scoping Memo designates the following issues as Track 2. Track 2 is expected to conclude by the end of June 2027.

1. **Adoption of 2028-2030 Local Capacity Requirements (LCR).** The California Independent System Operator (CAISO) performs an annual 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 2, this will be for the 2028-2030 RA compliance years. The draft CAISO LCR study will be submitted to the Commission in April 2027 and the final LCR study will be submitted in May 2027. The schedule anticipates that the Commission will issue a decision by the end of June 2027 so that jurisdictional LSEs and the central procurement entity will have sufficient time to obtain the resources to meet local RA procurement requirements.
2. **Adoption of the 2028 Flexible Capacity Requirements (FCR).** Similar to the LCR process, CAISO performs an annual FCR study, which is used to adopt flexible RA requirements for the following compliance year. The final FCR study will be submitted by May 2027. The schedule anticipates that the Commission will issue a decision by the end of June 2027 so that jurisdictional LSEs have sufficient time to obtain the resources to meet their flexible RA procurement requirements for 2028.
3. **Planning Reserve Margin (PRM) for 2028 and 2029.** The Loss of Load Expectation (LOLE) and PRM study for the 2028 RA compliance year is expected to be published in October 2026 and evaluated in Track 2 of this proceeding.
4. **Unforced Capacity (UCAP) Implementation Details.** In D.26-07-008, the Commission adopted the UCAP framework to be implemented beginning with the 2028 RA year. The Commission outlined outstanding issues to be addressed as part of the UCAP framework, including: (a) implementation of UCAP within the Slice of Day template

for energy storage resources; (b) determination of the appropriate basis for the must-offer obligation once UCAP replaces the current installed capacity-based methodology as qualifying capacity, including any necessary CAISO tariff or Business Practice Manual modifications; (c) development and application of Equivalent Forced Outage Rate during Demand rates for the energy component of storage resource values; (d) establishment of a UCAP methodology for hybrid storage resources; (e) treatment of foldback limitations during the fifth hour of the RA Measurement Hours; (f) evaluation of how UCAP values will interact with and affect the flexible RA framework; and (g) application of the four-hour discharge requirement for storage to be eligible for RA capacity.

5. **Long Duration Energy Storage (LDES) Open-Loop Pumped Storage Hydropower (PSH).** In D.26-07-008, the Commission encouraged parties to develop a method of accounting for the complexities of open-loop PSH that considers both its storage and hydro components and builds off the LDES charging sufficiency framework adopted in D.26-07-008.
6. **Energy Only (EO) Resource Charging Sufficiency.** In D.26-07-008, the Commission determined that there is insufficient data to conclude that storage resources can charge from EO capacity. The Commission deferred consideration of this issue until the Commission can consider the results of CAISO's Transmission Planning Process (TPP) study. CAISO states that the preliminary results of the TPP study will be issued in November 2026, with a final TPP to be approved in May 2027. The Commission stated that it will consider proposals to allow standalone EO resources to count towards charging sufficiency requirements in a future phase of this proceeding, following the release and evaluation of the forthcoming TPP study results. D.26-07-008 also authorized Energy Division to complete a study that applies the existing Qualifying Capacity (QC)

methodology to energy only solar and wind resources to be submitted into the proceeding.

7. **Accreditation for Solar, Wind, and Non-Dispatchable Resources.** In D.26-07-008, the Commission encouraged Energy Division and/or stakeholders to further develop a QC translation methodology to resolve the issue of over-counting solar resources in the summer and under-counting in the winter for consideration in Track 2.
8. **RA Penalty Structure.** In D.26-07-008, the Commission modified the RA penalty structure to address enforceability of the charging requirement but recognized that there is ambiguity around how the penalty point structure would apply to charging deficiencies. The Commission encouraged parties and Energy Division to submit proposals in Track 2 on how penalty points should be applied to this framework.
9. Other time-sensitive issues identified by Energy Division or by parties in proposals.

In addition to the issues identified above, and consistent with the December 2025 Scoping Memo, Track 2 may consider “coordination with Integrated Resource Planning (IRP) planning, specifically on the development of the Reliable and Clean Power Procurement Program (RCPPP) and any RA program refinements that promote alignment across programs.”¹ The December 2025 Scoping Memo recognized that “[i]n R.23-10-011, the Commission issued a ruling deferring considering 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.”²

¹ December 12, 2025 Scoping Memo.

² *Id.*

3. Schedule

The following schedule is established for Track 2. The assigned Commissioner or Administrative Law Judge (ALJ) may modify this schedule as necessary to promote the efficient management and fair resolution of this proceeding. The 2028 LOLE study schedule was initially set forth in the December 12, 2025 Scoping Memo and was modified by an ALJ ruling on March 30, 2026. The Track 2 schedule is adopted with the caveat that if the below schedule is delayed by motions or other scheduling issues, some issues may be incorporated into a future phase of the RA proceeding.

LCR and FCR issues are shown in a separate table for clarity but will be addressed with other Track 2 issues.

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.

Track 2 Schedule (Excluding FCR and LCR Issues)	
Parties file and serve Draft 2028 LOLE studies and PRM proposals*	August 14, 2026
Workshop on Energy Division and party LOLE studies	September 15, 2026 Hybrid
Parties file and serve Final 2028 LOLE studies and PRM proposals*	October 13, 2026
Opening comments on LOLE studies and PRM proposals filed and served	November 12, 2026
Reply comments on LOLE studies and PRM proposals filed and served	December 3, 2026

Parties file and serve Track 2 proposals (other than PRM proposals)*	January 15, 2027
Workshop on Track 2 proposals	Early February 2027
Opening comments on Track 2 proposals (other than PRM proposals) filed and served	February 26, 2027
Reply comments on Track 2 proposals (other than PRM proposals) filed and served	March 12, 2027
Proposed Decision on Track 2	June 2027
Track 2 Schedule for FCR and LCR Issues	
CAISO draft 2028 LCR Report filed	April 1, 2027
Comments on draft 2028 LCR Report filed	April 16, 2027
CAISO publishes final 2028 LCR Report	April 30, 2027
Comments on final 2028 LCR Report filed and served	May 7, 2027
Reply comments on final 2028 LCR Report filed and served	May 12, 2027
CAISO publishes final 2028 FCR Report	Early May 2027
Comments and reply comments on final 2028 FCR Report filed and served	Mid-May 2027

*Energy Division may submit a study or proposal before or concurrently with party proposals.

IT IS RULED that:

1. The scope and schedule of this proceeding is set forth in Section 2 and Section 3 above.

2. The assigned Commissioner or Administrative Law Judge may adjust the proceeding schedule as necessary for efficient management and fair resolution of this proceeding.

Dated August 25, 2026, at San Francisco, California.

/s/ JOHN REYNOLDS

John Reynolds
Assigned Commissioner