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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

COMMENTS OF EGX ENERGY INC. ON THE ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON ASSUMPTIONS FOR THE 2027-2028 TRANSMISSION PLANNING PROCESS

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EGX Energy Inc. ("EGX") submits these comments in response to the Administrative Law Judge's Ruling Seeking Comments On Electricity Portfolios For The 2027-2028 Transmission Planning Process And Potential For Geographically Targeted Procurement ("Ruling") filed August 31, 2026.

I. INTRODUCTION

EGX appreciates the opportunity to comment on the proposed assumptions and portfolios for the 2027–2028 Transmission Planning Process ("TPP").

EGX is developing the **Pluth Ranch geothermal project in Lake County, California**, a planned 100-MW enhanced geothermal system ("EGS") project with a target commercial operation date ("COD") of 2031. Exhibit A illustrates the project's point of interconnection approximately four miles from Redbud Substation, where the 2026–2027 TPP portfolio maps 241 MW of geothermal generation. EGX has secured site control, entered into an exclusive power purchase agreement with CPUC-jurisdictional LSEs, is preparing exploration permit applications, and is advancing interconnection activities through CAISO's Cluster 16 process.

EGX also believes the Clear Lake region has significant potential for additional geothermal development. These firm, carbon-free resources could contribute to California's

reliability, resource adequacy, and decarbonization objectives, but their development will depend in part on timely identification of transmission needs.

II. QUESTION 1. MODELING ASSUMPTIONS.

EGX generally supports the Commission staff's updated RESOLVE assumptions, including revisions to resource availability, transmission availability and costs, development timelines, weather profiles, forced-outage rates, ELCC assumptions, and reliability procurement requirements.

EGX particularly supports distinguishing between **generic resource potential and resources supported by demonstrated commercial interest**. EGX recommends applying that distinction consistently to in-state geothermal and EGS resources.

A. Identifiable EGS Resources

The Ruling applies a 2034 first-available-year assumption to in-state geothermal and EGS resources that are not identifiable through interconnection-queue data or stakeholder commercial-interest information. EGX recommends retaining that assumption for genuinely generic resource potential while allowing identifiable projects with documented commercial progress to use project-specific availability dates.

Pluth Ranch is such a project. EGX recommends that the Commission evaluate **100 MW of Pluth Ranch EGS as available in 2031**, and an additional 300 MW available by 2034 consistent with the project's current development schedule and target COD. The project should be represented at its Cluster 16 point of interconnection, which is expected to be the Highlands-Cache 115 kV line. Given Pluth Ranch's unique position to satisfy California's need for clean firm capacity in the near-term, EGX encourages the Commission to work with CAISO on including any needed deliverability upgrades as in-scope for policy upgrades in the 2027-2028 TPP, to mitigate the risk of overburdening the project's interconnection cost. We also ask that

the model retains the deliverability reservation in the region, and consider augmenting it to 400 MW or more, pending other commercial interest in the region.

This treatment would allow RESOLVE and CAISO to evaluate the potential transmission implications of an identifiable in-state EGS resource without prejudging its ultimate viability, procurement, interconnection, deliverability, resource-adequacy qualification, or commercial operation.

B. Additional Evidence of Geothermal Commercial Interest

EGX believes the Clear Lake region represents one of California's most significant opportunities for future geothermal development, with the potential to **support 1GW+ of geothermal generation over the next decade.** Realizing this potential **will require sufficient line of sight to transmission solutions that address existing constraints and enable deliverability**, providing the certainty needed to continue advancing these long-lead-time geothermal resources toward commercial viability. As firm, carbon-free resources located in Northern California, these projects could contribute meaningfully to California's reliability, resource adequacy, and decarbonization objectives.

Interest in geothermal development is increasing throughout California. According to the 2025 U.S. Geothermal Market Report[1], 16 geothermal power purchase agreements totaling approximately 891 MW were executed between geothermal developers and California load-serving entities between 2022 and June 2025. The report further identifies at least 639 MW of contracted geothermal capacity associated with the Commission's 2021 procurement order for

[1] Akindipe, D., Smith, F. M., Witter, E., Pauling, H., Oh, H., Podgorny, S., Rane, J., Harmon, J., Javed, S., Simpson, J., Shlosberg, D., Holt, E., Trainor-Guitton, W., Levine, A., Schmidt, B., & Pedersen, A. (2026). *2025 U.S. Geothermal Market Report* (NLR/TP-5700-91898). National Lab of the Rockies. https://docs.nlr.gov/docs/fy26osti/91898.pdf

firm, high-capacity-factor resources and notes that the Commission's subsequent long-lead-time procurement framework is expected to support procurement of an additional 1 GW of geothermal resources between 2031 and 2037.

Recent federal activity provides additional evidence that geothermal development and resource-confirmation activity in California remains active. In September 2026, DOE selected 21 geothermal projects for up to $99 million in first-budget-period funding, including four California projects involving exploration drilling and resource characterization in the Brawley Known Geothermal Resource Area, South Brawley/New River, Sierra Army Depot, and Pisgah Crater.[2] California has also allocated $20 million in state funding for geothermal exploratory wells through a 50/50 cost-sharing program, with private-sector matching bringing total available funding to $40 million.[3] These selections do not establish future generation capacity, commercial-operation dates, deliverability, or resource-adequacy value. They do, however, demonstrate that exploration drilling, resource characterization, and third-party funding are active indicators of geothermal development that may precede advanced interconnection-queue milestones.

In addition, BLM announced a California geothermal lease sale covering approximately 40,000 acres across 19 parcels, including parcels in Lake and Sonoma Counties.[4] Lease offerings likewise do not establish future power generation. They provide, however, relevant regional evidence of continuing geothermal exploration interest.

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[2] DOE GTO. (2026, September 21). Pilots and Demonstrations: Next-Generation Field Tests and Drilling for New Resources. Geothermal Technologies Office. https://www.energy.gov/hgeo/geothermal/pilots-and-demonstrations-next-generation-field-tests-and-drilling-new-resources

[3] Sonoma Clean Power. (2026, September 21). *Sonoma Clean Power-Led Coalition Secures $20 Million in State Funding to Advance California's Geothermal Energy Future* [Press release]. Sonoma Clean Power. https://sonomacleanpower.org/uploads/documents/SCP-Geothermal-Coalition-20M-Press-Release.pdf

[4] BLM California Communications. (2026, September 11). BLM to Hold California Geothermal Lease Sale to Strengthen U.S. Energy Security and Boost Domestic Supply. https://www.blm.gov/press-release/blm-hold-california-geothermal-lease-sale-strengthen-us-energy-security-and-boost

EGX therefore recommends that the Commission consider federal geothermal leasing, permitting, exploration, and resource-characterization activity as supplemental evidence of commercial interest, alongside interconnection-queue information and project-specific developer submissions.

C. Recommended assumptions

EGX recommends the following specific changes:

Modeling Element	Current Assumption	EGX Recommendation	Data Source
In-state geothermal/ EGS first availability	2034 for projects not identifiable through queue or commercial-interest data	Retain 2034 for genuinely generic resource potential, but allow identifiable projects with documented commercial milestones to use project-specific availability dates. **Model Pluth Ranch as 100 MW available in 2031, with an additional 300 MW online in 2034.**	Developer-submitted information; CAISO interconnection data; permitting records
Redbud geothermal	241 MW represented in 2026–2027 TPP	Evaluate the existing 241 MW representation including the additional 100 MW of Pluth Ranch EGS by 2031, 300 MW of Pluth Ranch EGS by 2034, and an additional 400 MW, depending on other commercial interest in the appropriate Redbud-area representation.	2026–2027 TPP portfolio and busbar-mapping materials
Commercial interest	Queue and stakeholder commercial-interest information	Consider site control, permitting, interconnection activity, defined capacity, development schedule, target COD, and relevant federal leasing/exploration activity as supplemental indicators of commercial interest.	CAISO, CPUC, CEC, BLM, and developer-submitted nonconfidential information
EGS transmission planning	Generic resource/transmission assumptions	Evaluate local and regional transmission constraints and potential upgrade needs associated with identifiable EGS development.	CAISO TPP cases, Cluster 16 information, transmission capability estimates

In summary, EGX supports the updated modeling assumptions but recommends a targeted refinement for **identifiable in-state EGS resources**: retain 2034 for generic potential while evaluating projects with demonstrated commercial progress according to their project-specific schedules. For Pluth Ranch, EGX recommends **100 MW available in 2031 and 300**

MW available in 2034 and in geographically appropriate Redbud-area representation, including an additional 400 MW, depending on other commercial interest.

III. QUESTION 2. RECOMMENDED BASE CASE

EGX supports the recommended Base Case for the 2027–2028 TPP.

EGX supports staff's three principal refinements to the initial portfolio: the more achievable intermediate GHG trajectory of 38 MMT in 2030 and 30 MMT in 2035; removal of uncertain offshore-wind capacity from the Base Case; and earlier availability of generic in-state wind and geothermal resources under a seven-year development timeline.

These changes appropriately reduce the near-term solar and storage build rates identified by staff while retaining California's long-term GHG trajectory.

As discussed in Question 1, EGX supports the Commission's **evaluation of 100 MW of Pluth Ranch EGS as available in 2031, with an additional 300MW online in 2034**. This would test whether an identifiable in-state clean-firm resource with a defined development schedule affects the near-term resource portfolio or transmission requirements.

EGX also supports continued evaluation of geothermal resources as an important component of California's long-term resource portfolio. Geothermal and EGS resources provide firm, carbon-free generation and should remain available for consideration as projects become commercially viable.

EGX encourages the Commission to continue evaluating whether current assumptions regarding geothermal availability fully reflect the pace of commercial activity occurring in California and throughout the western U.S., as discussed in EGX's response to Question 1. EGX also recommends sensitivity testing of the assumed availability of large quantities of out-of-state EGS resources, including the 2 GW of Utah EGS assumed to be available in 2032 in conjunction with the proposed High West transmission project. Given the dependence of this assumption on

both resource development and new transmission infrastructure that has not yet been approved, sensitivity analysis would help assess the robustness of the portfolio to changes in the timing or availability of either component.

Finally, transmission infrastructure remains an important enabler of future geothermal development. As the Commission evaluates future resource portfolios, transmission assumptions should preserve optionality for geothermal development in resource-rich regions such as Clear Lake and other emerging geothermal areas. Maintaining this optionality will help ensure that future transmission planning reflects the range of clean-firm resources that may become available to support California's reliability and decarbonization objectives.

IV. QUESTION 7. RECOMMENDED SENSITIVITY PORTFOLIO

EGX supports the recommended **Limited Out-of-State Resources sensitivity** because it tests the transmission implications of greater reliance on in-state resources if future transmission development needed to access out-of-state supply does not materialize.

EGX also recommends that the Commission evaluate an **Accelerated In-State Geothermal and EGS Availability Sensitivity**, either separately or in combination with the Limited Out-of-State Resources sensitivity. Unlike many solar and storage projects, geothermal resources must be developed where commercially viable subsurface resources exist. As a result, transmission availability and upstream network upgrades can have an outsized influence on geothermal project viability and deployment timing.

The sensitivity should test a plausible alternative in which in-state geothermal and EGS resources are available earlier and at higher levels than assumed in the Base Case, based on current evidence of increased policy support, public investment, private capital, commercial contracting, leasing activity, and project-development activity.

The sensitivity should:

- retain the Base Case assumptions for load, GHG targets, reliability requirements, DCPP status, offshore wind, and other technologies;
- vary the **timing, quantity, and geographic location** of in-state geothermal and EGS resources;
- use the Commission's established resource-to-busbar methodology to geographically represent incremental resources; and
- evaluate resulting transmission constraints, congestion, deliverability requirements, and potential upgrades.

The sensitivity should not assume development at any particular location solely because of preliminary exploration activity or a federal lease. Rather, project-specific commercial-interest, permitting, interconnection, resource, and development information should inform the geographic representation, where possible.

This analysis would allow the Commission to test whether a more robust in-state geothermal and EGS development pathway changes the transmission needs identified under the Base Case. It would also provide useful information regarding the transmission implications of California's location-constrained clean-firm resources. Because geothermal resources are location constrained, mapping capacity only to broad regions or downstream buses may fail to reveal upstream transmission limitations that could prevent otherwise credible projects from advancing.

The geographic distribution of geothermal opportunities in California is valuable for risk-management in California resource planning and, thus, is relevant to transmission planning. Geothermal development is inherently tied to the location of the underlying resource, and existing transmission infrastructure in Northern California has limited capacity to support significant new geothermal development. As geothermal expands across Northern CA,

transmission constraints could become increasingly important factors in determining which resources can be developed and when. For the development of these Long Lead Time resources to progress, there must be line-of-sight to transmission solutions that can provide the transfer capability and deliverability necessary to bring them to market. Maintaining progress on already-approved transmission projects in this region, including the California Gateway Connector Projects (referred to in the ruling as "the two Humboldt transmission projects"), is therefore important to reinforcing Northern California's transmission system and enabling the development of these firm geothermal resources.

If the Commission elects to transmit only one sensitivity portfolio, EGX recommends incorporating the accelerated in-state geothermal and EGS assumptions into the **Limited Out-of-State Resources sensitivity**. This would test two related planning conditions: reduced access to future out-of-state supply and greater availability of in-state clean-firm resources.

V. CONCLUSION

EGX thanks the Commission for the opportunity to submit these comments on the proposed busbar mapping for the 2025-26 TPP and for the Commission's consideration of the matters discussed herein.

Dated: September 28, 2026 Respectfully submitted,

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