

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



FILED

09/30/26

04:59 PM

R2510003

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

**AMENDED REPLY TO PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE TO
MOTION OF THE WESTERN POWER TRADING FORUM
AND THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION
FOR STAY OF ORDERING PARAGRAPH 16 OF DECISION 26-07-008**

Gregory Klatt
Douglass, Liddell & Klatt
411 E. Huntington Drive, Suite 107
Arcadia, California 91006
Telephone: (626) 802-5733
Email: klatt@energyattorney.com

Attorney for the Western Power Trading
Forum

Jan Smutny-Jones
Chief Executive Officer
Independent Energy Producers
Association
P.O. Box 1287
Sloughhouse, California 95683
Telephone: (916) 296-8584
Email: Smutny@iepa.com

September 30, 2026

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	REPLY TO PG&E	2
A.	PG&E Improperly Elevates Irreparable Harm into a Threshold Requirement.....	2
B.	PG&E’s Own Response Confirms Difficult-to-Reverse Contracting Consequences.....	2
C.	Commission Precedent Supports Preserving Contractual Flexibility During Rehearing.	3
D.	PG&E Does Not Rebut a Reasonable Possibility That Ordering Paragraph 16 Will Be Modified.	4
E.	The Balance of Harms and the Public Interest Favor a Narrow Stay.	4
III.	CONCLUSION	5

**AMENDED REPLY TO PACIFIC GAS AND ELECTRIC COMPANY’S RESPONSE TO
MOTION OF THE WESTERN POWER TRADING FORUM
AND THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION
FOR STAY OF ORDERING PARAGRAPH 16 OF DECISION 26-07-008**

In accordance with Rule 11.1(f) of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC), and with the authorization of Administrative Law Judge (ALJ) Debbie Chiv,¹ the Western Power Trading Forum (WPTF) and the Independent Energy Producers Association (IEP) (collectively, Applicants) hereby reply to the August 25, 2026 response of Pacific Gas and Electric Company (PG&E) in opposition to Applicants’ August 10, 2026 motion for a stay of Ordering Paragraph 16 of Decision (D.) 26-07-008 pending the Commission’s disposition of Applicants’ concurrently filed Application for Rehearing.²

I. INTRODUCTION

PG&E’s arguments in opposition to a stay are without merit. First, PG&E incorrectly elevates “irreparable injury” into a threshold requirement for a stay,³ a framing that Commission precedent rejects. Second, PG&E incorrectly treats the factual circumstances underlying the Commission’s grant of a stay in D.19-12-064 as mandatory showings,⁴ rather than the context for that particular order. Third, PG&E simply labels Applicants’ stated grounds for rehearing as disagreements over the Commission’s policy and evidentiary determinations,⁵ without addressing the legal and record defects specified therein. Lastly, in arguing the balance of harms, PG&E relies on the fact that Ordering Paragraph 16 is presently effective and that resource adequacy (RA) contracts are “currently being evaluated and negotiated” to argue that a stay would create uncertainty.⁶ Yet it treats the effects of those same ongoing contracting activities as too contingent for action when Applicants invoke them as harm. The effects of

¹ ALJ Chiv, Email Ruling, Sept. 8, 2026.

² A redline of Applicants’ original reply is attached hereto as Appendix A.

³ PG&E Response at 1–2.

⁴ PG&E Response at 2–3.

⁵ *Id.*

⁶ *Id.* at 3.

Ordering Paragraph 16 on current contracting cannot, however, be both too speculative to support a stay and sufficiently concrete to defeat one.

II. REPLY TO PG&E

A. PG&E Improperly Elevates Irreparable Harm into a Threshold Requirement.

PG&E repeatedly faults Applicants for not showing “concrete and irreparable harm,” an injury that “will necessarily occur,” or the “immediate and irreparable injury necessary to support extraordinary relief.”⁷ That formulation changes both the text and the role of the first factor the Commission considers in reviewing a stay request. The Commission asks whether the moving party will suffer serious or irreparable harm as one of several parts of that review—not whether it has proved concrete, immediate, and irreparable injury as an indispensable prerequisite.

In D.19-12-064, the Commission held that a stay may rest on any one of the identified factors or any other reason relevant to the particular case.⁸ In D.21-05-034, the Commission likewise held that it need not give primary weight to serious or irreparable harm and may give weight to the factors according to the circumstances.⁹ Most directly, D.11-05-050 rejects a strict irreparable-harm prerequisite for a Commission-issued stay, explaining that the stricter *North Shuttle* standard applies to a court-issued stay, not to the Commission’s exercise of its own authority under Section 1735.¹⁰ The relevant question is therefore whether the present contracting and market consequences are sufficiently serious when considered together with the likelihood of modification, the comparative harms, and the Commission’s acknowledged need for additional data.

B. PG&E’s Own Response Confirms Difficult-to-Reverse Contracting Consequences.

Ordering Paragraph 16 applies by its terms to RA contracts executed after the Decision’s effective date. It dictates that those contracts make the resource owner

⁷ PG&E Response at 1–2.

⁸ D.19-12-064 at 1.

⁹ D.21-05-034 at 3.

¹⁰ D.11-05-050 at 2 & fn. 1 (referencing *North Shuttle Service, Inc. v. Public Utilities Comm.* (1998) 67 Cal. App. 4th 386).

ineligible for asserted IR capacity-related revenue payments and that load-serving entities (LSEs) use the CAISO's Day-Ahead Market Enhancements (DAME) Transitional Measures (DTM), or other equally effective means, to return those revenues to the showing LSE. PG&E acknowledges that contracts subject to that rule are "currently being evaluated and negotiated."¹¹ The existence of a present contracting effect is therefore not contingent.

PG&E's suggestion that parties can rely on contract provisions addressing a later regulatory change does not answer the harm Applicants identified in the Motion.¹² Such a provision cannot, however, recreate a completed solicitation, restore an offer that was never made or selected, substitute the counterparty that would have prevailed under different economics, or determine the price the parties would have negotiated without the mandatory allocation. Negotiating around the risk of reversal also imposes the transaction costs and dispute risks that PG&E says denial would avoid.

When Applicants identify current solicitations, negotiations, and pricing decisions, PG&E calls the effects contingent. When PG&E argues against a stay, it characterizes uncertainty in those same ongoing transactions as an immediate reason for Commission action.¹³ If current contracting effects are cognizable, they support Applicants' request because Ordering Paragraph 16 fixes one disputed outcome before rehearing is resolved. If they are too contingent to matter, PG&E has identified no countervailing harm from a stay.

C. Commission Precedent Supports Preserving Contractual Flexibility During Rehearing.

In opposing the requested stay, PG&E observes that the motion underlying D.19-12-064 involved existing RA contracts, approaching compliance deadlines, and potential penalties.¹⁴ However, those circumstances merely explain the particular urgency of that request. They do not establish elements that every later stay motion must reproduce. The Commission's actual order in D.19-12-064 did not condition relief on existing contracts, a compliance deadline, or a threatened penalty. After reciting its flexible

¹¹ PG&E Response at 3.

¹² PG&E Response at 1.

¹³ *Id.* at 1, 3.

¹⁴ PG&E Response at 2.

Section 1735 authority, the Commission granted the stay because there was “potential for harm to the parties” if the challenged RA requirements were modified in response to the application for rehearing.¹⁵ The same operative concern exists here.

D.11-05-050 provides an independently strong and, in important respects, closer analogy. The Commission granted a stay even though it did not expect every rehearing argument to succeed, because some allegations presented a reasonable possibility that a newly adopted General Order would need modification. It also relied on the newness of the requirements and the fact that implementation procedures had not been finalized, concluding that the final governing rule should be settled before implementation was carried out.¹⁶ Here, too, the Commission has adopted an immediate requirement for a new product while expressly contemplating later modification of the IR revenue-allocation rules after it can evaluate the relevant market data.¹⁷

D. PG&E Does Not Rebut a Reasonable Possibility That Ordering Paragraph 16 Will Be Modified.

PG&E devotes only a single paragraph to the merits. It states that Applicants merely disagree with the Commission’s policy and evidentiary determinations, that the Commission “reasonably concluded” Ordering Paragraph 16 falls within its RA authority, and that the Decision adopted a “tailored framework.”¹⁸ Those conclusions do not address the errors specified in the Application.

The stay inquiry does not require the Commission to decide the issues raised by Applicants now or to predict that Applicants will prevail on every single claim of legal error. D.11-05-050 found the likelihood factor satisfied where some allegations created a reasonable possibility that part of the challenged rule would be modified.¹⁹

E. The Balance of Harms and the Public Interest Favor a Narrow Stay.

PG&E does not identify any reliability, market, or compliance harms that would result from the requested stay because it cannot. The CAISO would continue to procure IR in the Integrated Forward Market; RA resources would remain subject to applicable

¹⁵ D.19-12-064 at 1–2.

¹⁶ D.11-05-050 at 2–3 & fn. 1.

¹⁷ D.26-07-008 at 114–116 & OP 18.

¹⁸ PG&E Response at 2–3.

¹⁹ D.11-05-050 at 2.

day-ahead and real-time bidding, award, availability, performance, and settlement obligations; and LSE procurement obligations would remain unchanged. The stay would concern only the mandatory disposition of a disputed portion of IR revenue under future bilateral RA contracts. PG&E also identifies no quantified customer-cost harm from the stay; instead, as discussed above, its balance-of-harms argument relies on contracting uncertainty.²⁰

Rather than create uncertainty, a stay order would provide an ascertainable interim rule: Ordering Paragraph 16 would be suspended, while every other provision of D.26-07-008 would remain in effect. The CAISO Tariff would continue to govern, and counterparties could agree voluntarily to an IR revenue allocation and mutually elect the DTM.

That interim rule exposes the asymmetry PG&E fails to address. If a stay is denied and Applicants later prevail, the Commission cannot recreate completed solicitations, alternative offers, counterparty selections, negotiated prices, or market conduct. If a stay is granted and Ordering Paragraph 16 is later affirmed, the Commission can restore the requirement prospectively, while parties remain free during the interim to negotiate the same allocation voluntarily.

III. CONCLUSION

For the foregoing reasons, Applicants respectfully request that the Commission grant their motion and stay Ordering Paragraph 16 of D.26-07-008 pending disposition of the concurrently filed Application for Rehearing, or until further order of the Commission. All other provisions of D.26-07-008 would remain in effect.

Respectfully submitted,


Gregory Klatt
Douglass, Liddell & Klatt
Attorney for the Western Power Trading
Forum


Jan Smutny-Jones
Chief Executive Officer
Independent Energy Producers Association

September 30, 2026

²⁰ Motion at 7–8; PG&E Response at 3–4; CAISO Tariff §§ 11.2.1.1, 31.3.1.1, 31.3.1.6, 40.6.1(3), (5), 40.6.2.

APPENDIX A

**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

**AMENDED REPLY TO PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE TO
MOTION OF THE WESTERN POWER TRADING FORUM
AND THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION
FOR STAY OF ORDERING PARAGRAPH 16 OF DECISION 26-07-008**

Gregory Klatt
Douglass, Liddell & Klatt
411 E. Huntington Drive, Suite 107
Arcadia, California 91006
Telephone: (626) 802-5733
Email: klatt@energyattorney.com

Attorney for the Western Power Trading
Forum

Jan Smutny-Jones
Chief Executive Officer
Independent Energy Producers
Association
P.O. Box 1287
Sloughhouse, California 95683
Telephone: (916) 296-8584
Email: Smutny@iepa.com

September 11, 2026

**AMENDED REPLY TO PACIFIC GAS AND ELECTRIC COMPANY’S RESPONSE TO
MOTION OF THE WESTERN POWER TRADING FORUM
AND THE INDEPENDENT ENERGY PRODUCERS ASSOCIATION
FOR STAY OF ORDERING PARAGRAPH 16 OF DECISION 26-07-008**

In accordance with Rule 11.1(f) of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC), and with the authorization of Administrative Law Judge (ALJ) Debbie Chiv,¹ the Western Power Trading Forum (WPTF) and the Independent Energy Producers Association (IEP) (collectively, Applicants) hereby reply to the August 25, 2026 response of Pacific Gas and Electric Company (PG&E) in opposition to Applicants’ August 10, 2026 motion for a stay of Ordering Paragraph 16 of Decision (D.) 26-07-008 pending the Commission’s disposition of Applicants’ concurrently filed Application for Rehearing.²

I. INTRODUCTION

PG&E’s arguments in opposition to a stay are without merit. First, PG&E incorrectly elevates “irreparable injury” into a threshold requirement for a stay,³ a framing that Commission precedent rejects. Second, PG&E incorrectly treats the factual circumstances underlying the Commission’s grant of a stay in D.19-12-064 as mandatory showings,⁴ rather than the context for that particular order. Third, PG&E simply labels Applicants’ stated grounds for rehearing as disagreements over the Commission’s policy and evidentiary determinations,⁵ without addressing the legal and record defects specified therein. Lastly, in arguing the balance of harms, PG&E relies on the fact that Ordering Paragraph 16 is presently effective and that resource adequacy (RA) contracts are “currently being evaluated and negotiated” to argue that a stay would create uncertainty.⁶ Yet it treats the effects of those same ongoing contracting activities as too contingent for action when Applicants invoke them as harm. The effects of

¹ ALJ Chiv, Email Ruling, Sept. 8, 2026.

² A redline of Applicants’ original reply is attached hereto as Appendix A.

³ PG&E Response at 1–2.

⁴ PG&E Response at 2–3.

⁵ *Id.*

⁶ *Id.* at 3.

Ordering Paragraph 16 on current contracting cannot, however, be both too speculative to support a stay and sufficiently concrete to defeat one.

~~The narrow stay that Applicants request will suspend only the mandatory allocation of a disputed Imbalance Reserve (IR) revenue stream while rehearing is pending.⁷ It will leave every other RA procurement requirement in place, along with every California Independent System Operator Corporation (CAISO) bidding, award, availability, performance, and settlement obligation. The only practical effect it will have is to allow counterparties to agree voluntarily to an IR revenue allocation while the Commission adjudicates Applicants' rehearing request. The Commission should therefore grant the requested stay of Ordering Paragraph 16.~~

II. REPLY TO PG&E

A. PG&E Improperly Elevates Irreparable Harm into a Threshold Requirement.

PG&E repeatedly faults Applicants for not showing “concrete and irreparable harm,” an injury that “will necessarily occur,” or the “immediate and irreparable injury necessary to support extraordinary relief.”⁸ That formulation changes both the text and the role of the first factor the Commission considers in reviewing a stay request. The Commission asks whether the moving party will suffer serious or irreparable harm as one of several parts of that review—not whether it has proved concrete, immediate, and irreparable injury as an indispensable prerequisite.

~~Section 1735 of the Public Utilities Code gives the Commission broad discretion to stay its own decisions.⁹~~ In D.19-12-064, the Commission held that a stay may rest on any one of the identified factors or any other reason relevant to the particular case.¹⁰ In D.21-05-034, the Commission likewise held that it need not give primary weight to serious or irreparable harm and may give weight to the factors according to the circumstances.¹¹ Most directly, D.11-05-050 rejects a strict irreparable-harm prerequisite

⁷ ~~Motion at 1–2, 7–8.~~

⁸ PG&E Response at 1–2.

⁹ ~~See, e.g., D.19-12-064 at 1; D.21-05-034 at 3; D.11-05-050 at 2.~~

¹⁰ D.19-12-064 at 1.

¹¹ D.21-05-034 at 3.

for a Commission-issued stay, explaining that the stricter *North Shuttle* standard applies to a court-issued stay, not to the Commission's exercise of its own authority under Section 1735.¹²

~~The Commission did not depart from that rule in D.21-05-034. It did describe the vague and uncertain financial allegations before it as failing the “high bar” of immediate and irreparable injury. But it did so after emphasizing that the Commission was not required to give that factor primary weight, and in circumstances where the applicant’s underlying merits challenge had already been rejected by both the Commission and the Court of Appeal.¹³ The phrase does not convert irreparable injury into a threshold test for every Commission stay request.~~

The relevant question is therefore whether the present contracting and market consequences are sufficiently serious when considered together with the likelihood of modification, the comparative harms, and the Commission's acknowledged need for additional data. ~~Applicants need not identify an imminent penalty or prove a fixed dollar loss before the Commission may preserve contractual flexibility under its Section 1735 authority.~~

B. PG&E's Own Response Confirms Difficult-to-Reverse Contracting Consequences.

Ordering Paragraph 16 applies by its terms to RA contracts executed after the Decision's effective date. It dictates that those contracts make the resource owner ineligible for asserted IR capacity-related revenue payments and that load-serving entities (LSEs) use the CAISO's Day-Ahead Market Enhancements (DAME) Transitional Measures (DTM), or other equally effective means, to return those revenues to the showing LSE. PG&E acknowledges that contracts subject to that rule are “currently being evaluated and negotiated.”¹⁴ The existence of a present contracting effect is therefore not contingent. ~~What remains uncertain is the magnitude and form of the resulting price, offer, selection, and market responses.~~

¹² D.11-05-050 at 2 & fn. 1 (referencing *North Shuttle Service, Inc. v. Public Utilities Comm.* (1998) 67 Cal. App. 4th 386).

¹³ ~~D.21-05-034 at 2-4.~~

¹⁴ PG&E Response at 3.

PG&E's suggestion that parties can rely on contract provisions addressing a later regulatory change does not answer the harm Applicants identified in the Motion.¹⁵ Such a provision ~~may govern administration of an executed agreement after a legal change. It~~ cannot, however, recreate a completed solicitation, restore an offer that was never made or selected, substitute the counterparty that would have prevailed under different economics, or determine the price the parties would have negotiated without the mandatory allocation. ~~Nor may parties simply contract around Ordering Paragraph 16 while it remains effective.~~ Negotiating around the risk of reversal also imposes the transaction costs and dispute risks that PG&E says denial would avoid.

~~PG&E thus relies on an inconsistent treatment of the same facts.~~ When Applicants identify current solicitations, negotiations, and pricing decisions, PG&E calls the effects contingent. When PG&E argues against a stay, it characterizes uncertainty in those same ongoing transactions as an immediate reason for Commission action.¹⁶ If current contracting effects are cognizable, they support Applicants' request because Ordering Paragraph 16 fixes one disputed outcome before rehearing is resolved. If they are too contingent to matter, PG&E has identified no countervailing harm from a stay. ~~Either way, PG&E identifies no reliability or operational harm.~~

C. Commission Precedent Supports Preserving Contractual Flexibility During Rehearing.

In opposing the requested stay, PG&E observes that the motion underlying D.19-12-064 involved existing RA contracts, approaching compliance deadlines, and potential penalties.¹⁷ However, those circumstances merely explain the particular urgency of that request. They do not establish elements that every later stay motion must reproduce. The Commission's actual order in D.19-12-064 did not condition relief on existing contracts, a compliance deadline, or a threatened penalty. After reciting its flexible Section 1735 authority, the Commission granted the stay because there was "potential for harm to the parties" if the challenged RA requirements were modified in response to

¹⁵ PG&E Response at 1.

¹⁶ *Id.* at 1, 3.

¹⁷ PG&E Response at 2.

the application for rehearing.¹⁸ The same operative concern exists here: ~~allowing Ordering Paragraph 16 to govern covered contracts during rehearing may cause parties to make transaction-specific decisions that a later order cannot reconstruct.~~

D.11-05-050 provides an independently strong and, in important respects, closer analogy. The Commission granted a stay even though it did not expect every rehearing argument to succeed, because some allegations presented a reasonable possibility that a newly adopted General Order would need modification. It also relied on the newness of the requirements and the fact that implementation procedures had not been finalized, concluding that the final governing rule should be settled before implementation was carried out.¹⁹ Here, too, the Commission has adopted an immediate requirement for a new product while ~~acknowledging that market-clearing price data do not yet exist, directing a minimum three-year reporting program, and~~ expressly contemplating later modification of the IR revenue-allocation rules after it can evaluate the relevant market data.²⁰ ~~Those features strengthen, rather than weaken, the case for preserving contractual flexibility until the Commission resolves the pending Application.~~

D. PG&E Does Not Rebut a Reasonable Possibility That Ordering Paragraph 16 Will Be Modified.

PG&E devotes only a single paragraph to the merits. It states that Applicants merely disagree with the Commission's policy and evidentiary determinations, that the Commission "reasonably concluded" Ordering Paragraph 16 falls within its RA authority, and that the Decision adopted a "tailored framework."²¹ Those conclusions do not address the errors specified in the Application.

~~The Application challenges Finding of Fact 22's statement that IR and Reliability Capacity may be used "interchangeably" notwithstanding record evidence that they clear through different processes and serve distinct, complementary functions.²² It challenges Finding of Fact 23, which states only that IR compensation "may include"~~

¹⁸ D.19-12-064 at 1–2.

¹⁹ D.11-05-050 at 2–3 & fn. 1.

²⁰ D.26-07-008 at 114–116 & OP 18.

²¹ PG&E Response at 2–3.

²² ~~Application for Rehearing at 15–16.~~

capacity-related and opportunity-cost components, without identifying the DTM remainder as compensation for an RA obligation already purchased by the LSE.²³ It also identifies missing findings concerning the separation of the bidder and settlement-risk bearer from the recipient of the DTM remainder; failure to apply Sections 1705 and 380; and a substantial question concerning state-mandated disposition of Federal Energy Regulatory Commission (FERC)-jurisdictional CAISO compensation.²⁴

The stay inquiry does not require the Commission to decide ~~those~~ the issues raised by Applicants now or to predict that Applicants will prevail on every single ~~one~~ claim of legal error. D.11-05-050 found the likelihood factor satisfied where some allegations created a reasonable possibility that part of the challenged rule would be modified.²⁵ ~~PG&E's characterization of the Application as a policy disagreement does not demonstrate the absence of that possibility—particularly where the Decision acknowledges the market evidence that remains unavailable and anticipates reconsideration of the allocation rule after further data collection.~~²⁶

E. The Balance of Harms and the Public Interest Favor a Narrow Stay.

PG&E ~~identifies no~~ does not identify any reliability, market, or compliance harms that would result from the requested stay. ~~That is~~ because it cannot. ~~The simple reality is that t~~The CAISO would continue to procure IR in the Integrated Forward Market; RA resources would remain subject to applicable day-ahead and real-time bidding, award, availability, performance, and settlement obligations; and LSE procurement obligations would remain unchanged. The stay would concern only the mandatory disposition of a disputed portion of IR revenue under future bilateral RA contracts. PG&E also identifies no quantified customer-cost harm from the stay; instead, as discussed above, its balance-of-harms argument relies on contracting uncertainty.²⁷

²³ ~~Id.~~ at 20.

²⁴ ~~Application for Rehearing at 20–28.~~

²⁵ D.11-05-050 at 2.

²⁶ ~~D.26-07-008 at 114–116 & OP 18.~~

²⁷ Motion at 7–8; PG&E Response at 3–4; CAISO Tariff §§ 11.2.1.1, 31.3.1.1, 31.3.1.6, 40.6.1(3), (5), 40.6.2.

Rather than create uncertainty, a stay order would provide an ascertainable interim rule: ~~During the stay period,~~ Ordering Paragraph 16 would be suspended, while every other provision of D.26-07-008 would remain in effect. The CAISO Tariff would continue to govern, and counterparties could agree voluntarily to an IR revenue allocation and mutually elect the DTM. ~~Moreover, Section 1735 authorizes the Commission to prescribe the terms of a stay. If the Commission considers additional transition language useful, it can specify that the stay governs contracts executed on or after the effective date of the stay order and does not prevent voluntary allocation provisions or mutual DTM elections.~~

That interim rule exposes the asymmetry PG&E fails to address. If a stay is denied and Applicants later prevail, the Commission cannot recreate completed solicitations, alternative offers, counterparty selections, negotiated prices, or market conduct. If a stay is granted and Ordering Paragraph 16 is later affirmed, the Commission can restore the requirement prospectively, while parties remain free during the interim to negotiate the same allocation voluntarily. ~~Reliability and CAISO operations would continue in either event.~~

~~Denial also would not eliminate uncertainty about the rule's ultimate validity. PG&E's own suggestion that parties negotiate provisions addressing a later regulatory change recognizes that uncertainty.²⁸ Denial would merely require every covered contract executed during rehearing to begin from the challenged mandatory allocation. A stay instead selects the more reversible interim course and preserves the Commission's ability to provide effective relief if it modifies Ordering Paragraph 16.~~

III. CONCLUSION

For the foregoing reasons, Applicants respectfully request that the Commission grant their motion and stay Ordering Paragraph 16 of D.26-07-008 pending disposition of the concurrently filed Application for Rehearing, or until further order of the Commission. All other provisions of D.26-07-008 would remain in effect.

Respectfully submitted,

²⁸ ~~PG&E Response at 1.~~



Gregory Klatt
Douglass, Liddell & Klatt

Attorney for the Western Power Trading
Forum



Jan Smutny-Jones
Chief Executive Officer

Independent Energy Producers Association

September ~~14~~30, 2026