2026 Summer Loads and Resources Assessment

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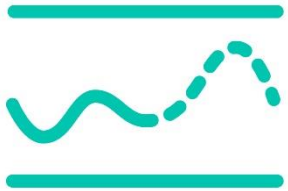
2026 Summer Outlook: resources, loads, and weather

Resource Additions

- Capacity added from September 1st, 2025, through April 1st, 2026: **2,127 MW**
- Capacity expected from April 1st through June 30th, 2026: **6,194 MW**



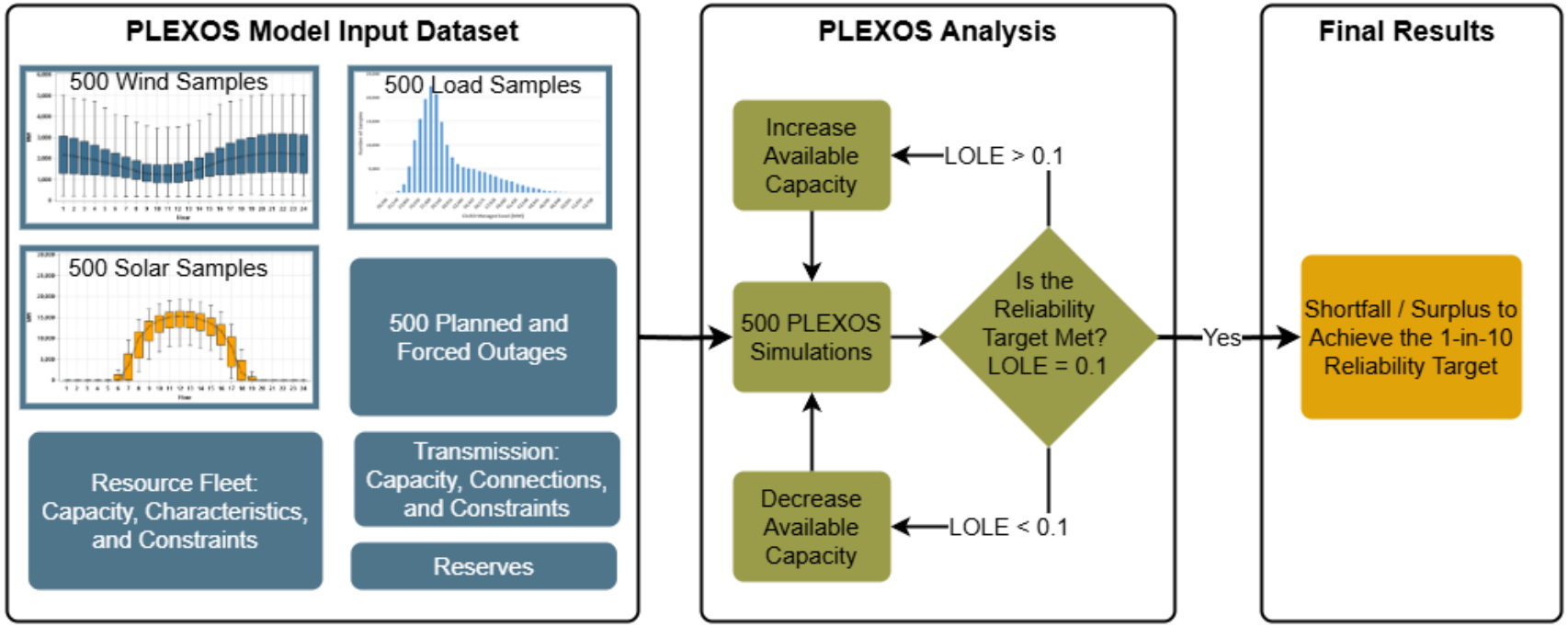
Load Forecast

- September peak load forecast: **46,844 MW**, hour ending (HE) 18 (2025 California Energy Commission Integrated Energy Policy Report)

Weather Outlook

- **Increased chances of above normal temperatures** June through August
- Guidance suggests most intense heat is more likely to occur earlier in the summer
- **Abnormally dry** conditions throughout the West

The ISO conducted a probabilistic assessment to evaluate the sufficiency of the anticipated 2026 RA-eligible fleet to meet the 1-in-10 loss of load expectation planning target



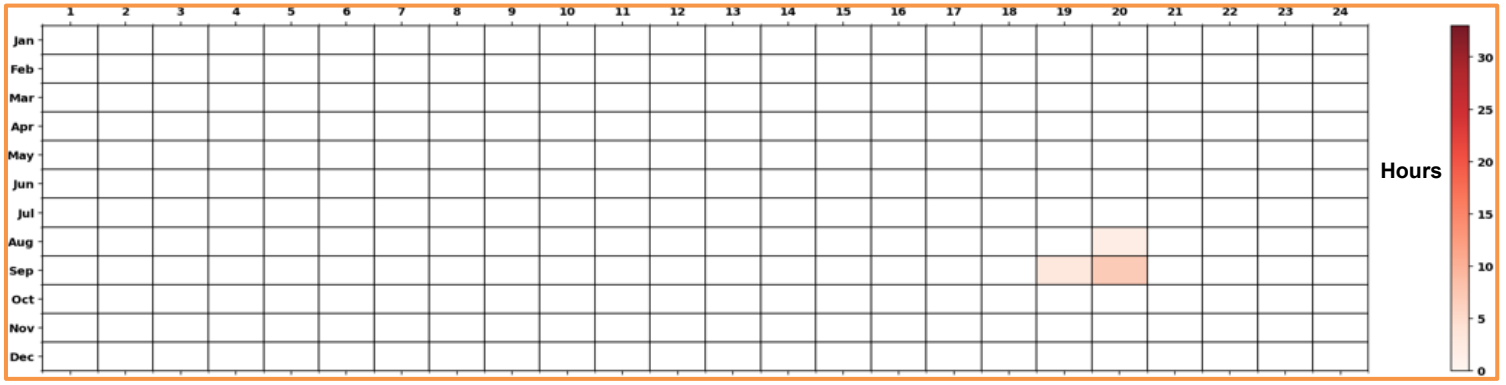
Loss of load expectation (LOLE) is a measure of the number of days per year for which the available generation capacity is insufficient to serve the demand and maintain required reserves at least once during that day. 0.1 LOLE or 1-day-in-10 LOLE equates to "1 day with an event in 10 years".

PLEXOS is an energy market simulation engine.

The ISO's probabilistic assessment concludes that the portfolio meets planning performance targets, yielding a surplus of 2,547 MW

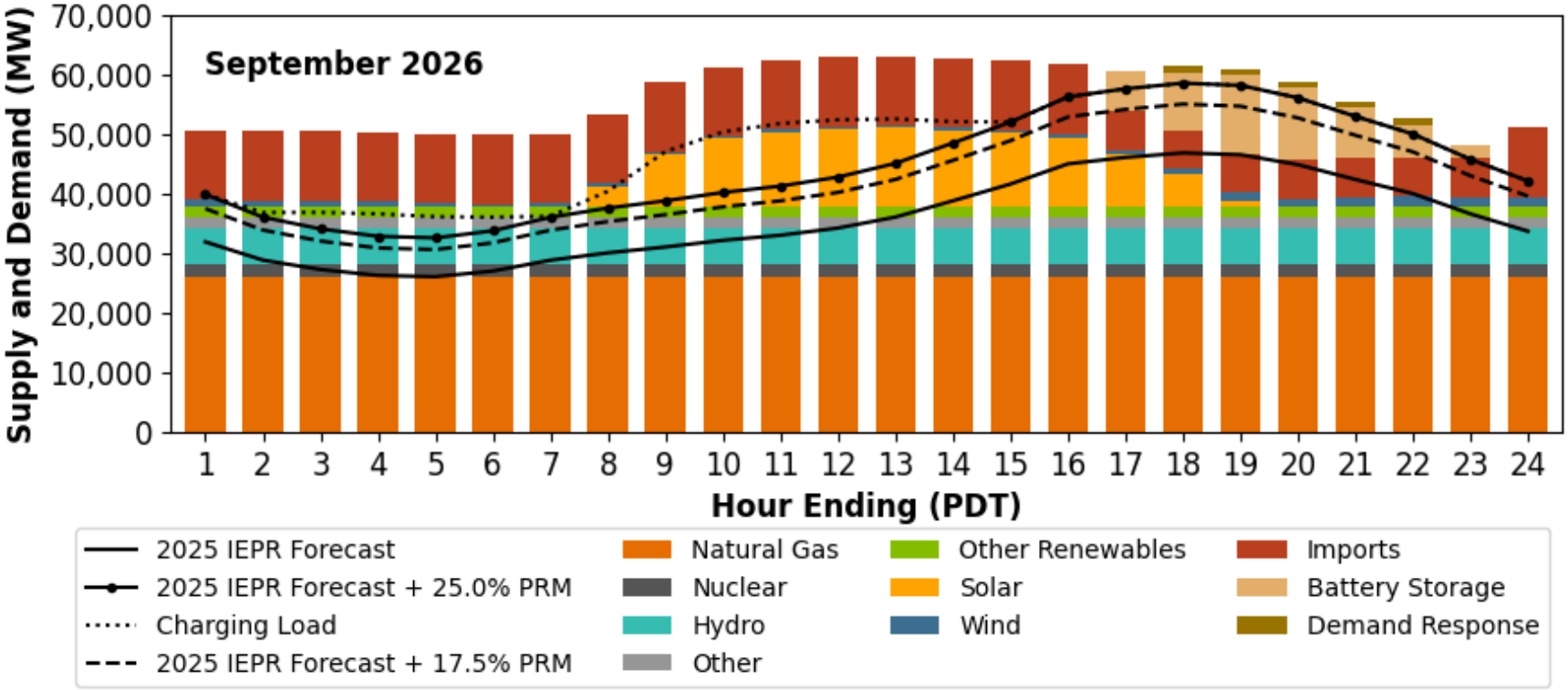
This assessment evaluates the likelihood of needing emergency measures to balance supply and demand, rather than the actual loss of firm load

Loss of load hours across 500 samples, Base portfolio



This probabilistic assessment does not consider coincident extreme events such as west-wide heatwave events coincident with major wildfire impacting large amounts of supply.

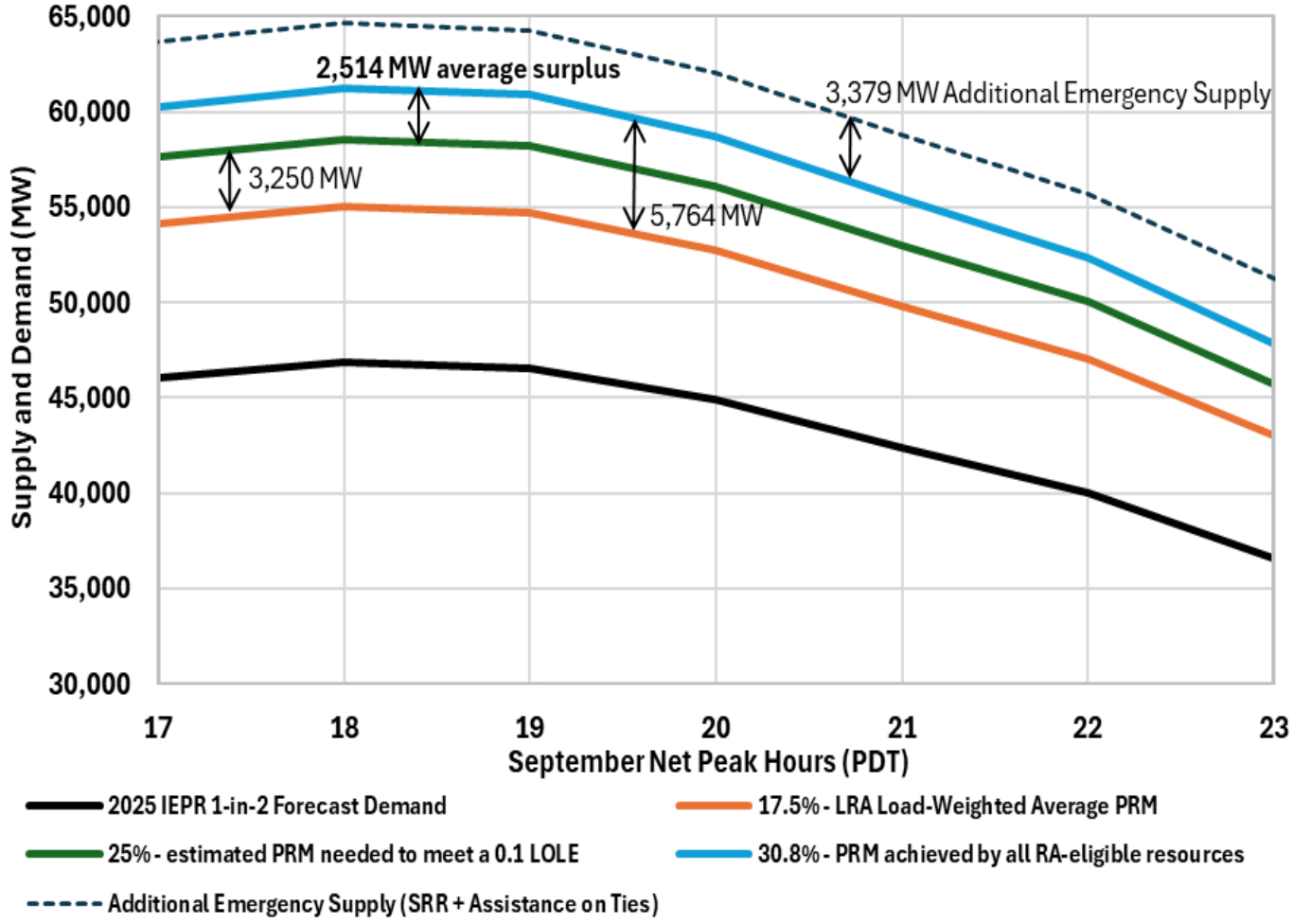
The ISO's multi-hour stack analysis also indicates a reasonable margin above the planning reserve margin required to achieve a 0.1 loss of load



A planning reserve margin of **25 percent is required to meet a 0.1 LOLE**, calculated by first subtracting the surplus capacity of 2,547 MW (as determined in the probabilistic study) from all available resources.

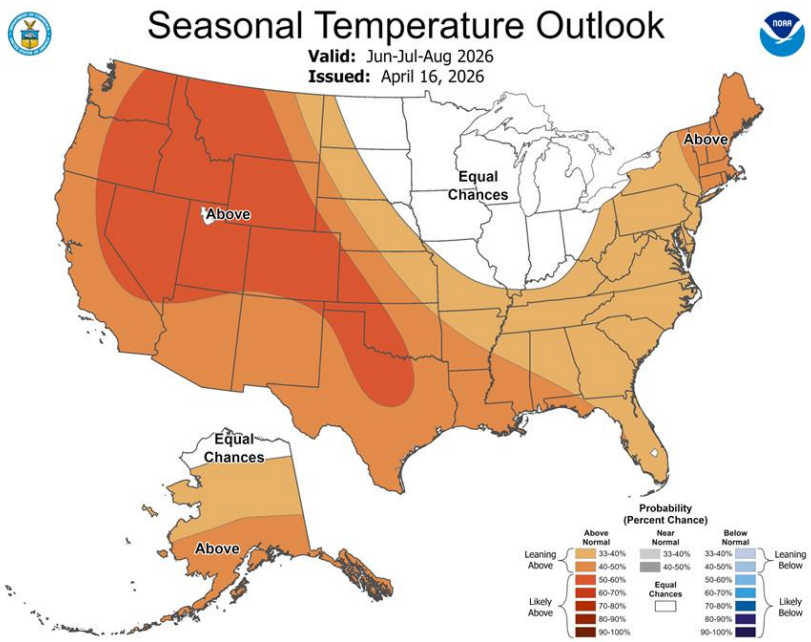
The **load-weighted average planning reserve margin** across all load serving entities for the 2026 resource adequacy year, which reflects Local Regulatory Authority established requirements, is **17.5 percent**.

The 0.1 loss of load expectation translated to a planning reserve margin of 25% applied to the 1-in-2 2025 IEPR demand forecast for 2026



Weather forecast guidance shows an increased chance of above normal temperatures across interior CA

- June – August 2026:
  - Strong warm anomalies favored across the northern and central western U.S., including the Great Basin, Rockies, Pacific Northwest
  - Above normal coastal sea surface temperatures increase the likelihood of a warmer coastal summer
- Late Fall 2026:
  - Forecasts continue to show above-normal temperature potential across the west



State reliability reserves and coordination with neighbors support reliability during extreme events

- Abnormally dry conditions, wildfires, and the potential for widespread heat events continue to pose risks to the ISO grid
- To safeguard against these extremes, strategic reserves and state emergency programs have been mobilized and remain available in 2026