

**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

**OPENING COMMENTS OF THE
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ON THE
PROPOSED DECISION REQUIRING 2029-2032 ELECTRIC RESOURCE
PROCUREMENT AND TRANSMITTING PORTFOLIOS FOR 2026-2027
TRANSMISSION PLANNING PROCESS**

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I. Introduction

Pursuant to Rule 14.3 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, and the January 27, 2026 *Email Ruling Granting, In Part, Request for Extension of Filing Deadlines for Proposed Decision (Rule 11.6)*, the California Independent System Operator Corporation (CAISO) hereby submits opening comments on the January 14, 2026 *Proposed Decision Requiring 2029-2032 Electric Resource Procurement and Transmitting Portfolios for 2026-2027 Transmission Planning Process* (Proposed Decision).

The CAISO supports several of the Proposed Decision's directives. The CAISO appreciates the efforts of Energy Division staff to develop the proposed base and sensitivity portfolios and busbar mapping for study in the CAISO's 2026-2027 Transmission Planning Process (TPP).

The CAISO supports the Proposed Decision's recommended base case and Limited Wind Sensitivity portfolios for study in the CAISO's 2026-2027 TPP. The CAISO strongly supports the Proposed Decision's recommendation to order procurement of 6 GW of new effective capacity. Specifically, the CAISO supports the magnitude of the proposed procurement order to address reliability needs between 2029 and 2032. Issuing a procurement order now is both prudent and necessary to address reliability needs in the 2029-2032 timeframe. The CAISO, however, recommends the Commission adopt an alternative approach to phase in the 6 GW of new procurement to best ensure the ordered procurement covers system reliability needs

identified in Energy Division's need determination between 2029 and 2032. The Commission should require 2 GW to come online in 2029, an additional 2 GW in 2030, and an additional 2 GW in 2031. Lastly, the CAISO clarifies, and requests clarification on, recommendations in the Proposed Decision regarding deliverability reservations.

II. Discussion

A. The CAISO Supports the Energy Division's Recommended Base Case Portfolio.

The CAISO appreciates Energy Division staff's efforts to develop the proposed portfolios and busbar mapping for the CAISO's 2026-2027 TPP. The CAISO supports Energy Division's recommended base case portfolio for study in the CAISO's 2026-2027 TPP.¹ The proposed base portfolio uses the California Energy Commission's (CEC) 2024 Integrated Energy Policy Report (IEPR) forecast, which projects higher load growth compared to the 2023 IEPR forecast used to develop portfolios for the 2025-2026 TPP. As a result, the new base case shows a larger resource buildout than the portfolio used in the 2025-2026 TPP. Notably, the base case portfolio shows an increase in longer duration storage, solar, geothermal, and out-of-state wind. This growth and shift in composition of the base case portfolio is necessary to align with the higher demand forecast and meet reliability and greenhouse gas reduction targets across the study horizon. Accordingly, the CAISO supports the Energy Division's base portfolio recommendation for use in the 2026-2027 TPP.

B. The CAISO Supports the Energy Division's Recommended Limited Wind Sensitivity Portfolio.

The CAISO appreciates Energy Division staff's development of the proposed Limited Wind Sensitivity portfolio. The Commission should adopt the Limited Wind Sensitivity portfolio as a sensitivity case for the CAISO to study in the 2026-2027 TPP.² The sensitivity allows the CAISO to assess how transmission needs may evolve if future portfolios include fewer wind resources than previously anticipated. Given uncertainty surrounding in-state and out-of-state wind development, the CAISO agrees that studying a Limited Wind Sensitivity scenario is prudent at this time. The Limited Wind Sensitivity portfolio incorporates additional non-wind resources, including solar, storage, and geothermal, as identified by RESOLVE. These

¹ Proposed Decision, pp. 51-52.

² *Id.*, pp. 63-64.

alternative resources may have different transmission requirements than wind, and early study is critical to understand what transmission may be needed to support additional non-wind resources. By proactively evaluating transmission needs in the CAISO TPP, the Commission and stakeholders can gain insights into the infrastructure needed to ensure system reliability and meet state policy goals if the base portfolio composition changes in the future.

C. The CAISO Supports the Commission’s Proposed Procurement Order but Proposes a Modified Timeline to Phase in New Procurement.

The CAISO strongly supports the Proposed Decision’s recommendation to order procurement of 6 GW of new effective capacity.³ Issuing a procurement order now is both prudent and necessary to address the identified reliability need in the 2029-2032 timeframe, and will allow LSEs and developers lead time to undertake procurement processes, permitting, interconnection, and construction activities. The Commission should view this procurement order as the minimum level of procurement needed to maintain reliability through 2032. The proposed procurement is based on current modeling assumptions and is designed to meet a baseline reliability threshold. The Energy Division’s need assessment did not include assumptions about contract failures or delays, potentially overlooking additional procurement needs. As such, the Commission should remain flexible and prepared to order additional procurement if conditions warrant.

The CAISO supports the overall magnitude and timeframe of the proposed procurement order. However, the CAISO has concerns about the modified phase-in approach for new procurement. The Proposed Decision proposes to require 2 GW by June 1, 2030 and 4 GW by June 1, 2032.⁴ Based on Energy Division’s need determination analysis, this approach could create a reliability gap in 2031.⁵ Energy Division’s needs assessment shows an incremental need of 4 GW in 2031.⁶ However, the Proposed Decision proposal only enforces 2 GW to come online by 2031. The CAISO recognizes that load serving entities (LSEs) and developers may bring on resources earlier than 2032. However, without a firm compliance obligation, LSEs and

³ Proposed Decision, p. 104.

⁴ *Id.*, p. 109.

⁵ Proposed Decision, Table 3, p. 18.

⁶ *Id.*, p. 18.

developers may not be incentivized to bring resources on earlier than 2032, creating a potential reliability gap in 2031.

To address this potential reliability gap, the CAISO recommends an alternative approach to phase in the 6 GW procurement. The Commission should require 2 GW to come online in 2029, an additional 2 GW in 2030, and an additional 2 GW in 2031. This approach will best ensure that the Commission's ordered procurement covers system reliability needs identified in Energy Division's need determination between 2029 and 2032.

D. The CAISO Provides Clarifications and Requests Additional Information on Deliverability Reservations.

1. The CAISO Clarifies the Schedule for the 2025-2026 Transmission Plan.

Table 7 of the Proposed Decision lists deliverability reservations included in the 2025-2026 Transmission Plan in Column 4.⁷ The Commission should clarify that the 2025-2026 Transmission Plan is not yet final. The CAISO plans to post the draft 2025-2026 Transmission Plan on March 31, 2026. Following a stakeholder call in April 2026, the CAISO will present the draft plan to the CAISO Board of Governors for approval in May 2026.⁸

2. The CAISO Provides Clarifications on Recommended Transmission Deliverability Reservations in the Proposed Decision.

For out-of-state wind resources, the deliverability reservations included in Table 7 do not align with deliverability reservations reflected in the CAISO's 2024-2025 Transmission Plan.⁹ Furthermore, Table 7 does not align with the out-of-state wind reservations recommended by the Commission in Decision (D.) 25-02-026.¹⁰

⁷Proposed Decision, pp. 61-62.

⁸ CAISO, *2025-2026 Transmission Planning Process Policy and Economic Preliminary Assessment and Study Updates*, November 17, 2025, Slide 7.

⁹ <https://stakeholdercenter.caiso.com/InitiativeDocuments/BoardApproved-2024-2025-TransmissionPlan.pdf>, p. 20.

¹⁰ D.25-02-026, p. 60.

3. The CAISO seeks clarification on Recommended Transmission Deliverability Reservations for Geothermal.

For geothermal resources, the Commission’s recommended reservation of 1,639 MW in D.25-02-026 for the 2025-2026 TPP¹¹ covers the entire geothermal portfolio, which includes both in-state and out-of-state geothermal. However, in the proposed 2026-2027 TPP portfolio, the Commission recommends a deliverability reservation of 2,265 MW, which only includes in-state geothermal. The CAISO requests clarification from the Commission regarding the amount of deliverability reservation recommended. The CAISO also requests the Commission consider including the recommended out-of-state deliverability reservation amount for geothermal resources from the previous 2025-2026 TPP in the 2026-2027 TPP deliverability reservation recommendation, to ensure the deliverability reservation recommendation for out-of-state geothermal is consistent across planning cycles.

4. The CAISO Seeks Clarification on Planning for Out-of-State Wind Resources from New Mexico and Wyoming.

The Commission proposes the CAISO plan for 7 GW of out-of-state wind, which includes 2,936 MW from New Mexico, in the base case portfolio.¹² The CAISO notes that the 2,936 MW from New Mexico is incremental to the 1.5 GW already mapped in the baseline.¹³

The Proposed Decision further states:

For out-of-state wind and offshore wind, we request that the amount of deliverability for these resources be reserved based on last year’s final reservations made by the CAISO, rather than the amounts selected this year in the base case. This is mainly to preserve some optionality for other resources to achieve deliverability in the event that not all of the out-of-state and offshore wind resources materialize.¹⁴

¹¹ *Id.*, p. 58.

¹² Compact Dashboard for the PD 26-27 TPP Base Case, January 16, 2026, “Out-of-CAISO Summary Tab”: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/integrated-resource-plan-and-long-term-procurement-plan-irp-ltpp/2024-2026-irp-cycle-events-and-materials/assumptions-for-the-2026-2027-tpp/compact-dashboard-for-the-pd-26-27-tpp-base-case.xlsx>

¹³ *Id.*

¹⁴ Proposed Decision, p. 61.

The CAISO requests clarification on whether the Commission recommends that the CAISO plan *and* reserve deliverability for the additional 1,500 MW of New Mexico wind, or whether the Commission recommends the CAISO plan for the additional New Mexico wind in transmission planning *without* reserving deliverability.

The CAISO also requests clarification regarding out-of-state wind from Wyoming. Of the 3,000 MW of wind from Wyoming that is scheduled to come online by 2036 included in the base case portfolio, the CAISO has planned and reserved deliverability for 1,500 MW.¹⁵ The CAISO requests clarification on whether the Commission recommends that the CAISO plan *and* reserve deliverability for the additional 1,500 MW of Wyoming wind or whether the Commission recommends the CAISO plan for the additional Wyoming wind in transmission planning *without* reserving deliverability.

5. The CAISO Seeks Clarification on Planning for Out-of-State Geothermal Resources Mapped to Malin Substation.

The proposed base case resource portfolio includes 5.1 GW of geothermal resources,¹⁶ of which 2.1 GW is mapped to the Malin substation. According to the busbar mapping for the Proposed Decision, of the 2.1 GW mapped to Malin, Energy Division assumed 0.8 GW will be on existing transmission, and the remaining 1.3 GW will require new transmission. To use existing transmission, the CAISO would need to ensure that there is sufficient Remaining Import Capability at the California-Oregon Interface.

The CAISO requests the Commission clarify whether it proposes the CAISO plan internal CAISO transmission upgrades to accommodate the 1.3 GW of geothermal resources that will require new transmission. Additionally, the CAISO seeks clarification on whether the Commission recommends the CAISO plan for transmission upgrades *and* reserve deliverability for geothermal resources or whether the Commission recommends the CAISO plan for transmission upgrades only *without* reserving deliverability.

¹⁵ <https://stakeholdercenter.caiso.com/InitiativeDocuments/BoardApproved-2024-2025-TransmissionPlan.pdf>, p. 20.

¹⁶ Includes 3.4 GW of Geothermal and 1.7 GW of Enhanced Geothermal (Table 6 of the Proposed Decision - <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M595/K083/595083681.PDF>).

III. Conclusion

The CAISO appreciates the opportunity to provide opening comments on the Proposed Decision.

Respectfully submitted,

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