Fact Sheet
Ruling Seeking Comments on Electricity Portfolios for the 2027-2028 Transmission Planning Process and Potential for Geographically-Targeted Procurement

August 31, 2026

Overview of the Ruling

On August 31, 2026, the CPUC issued a Ruling seeking comment on draft electricity portfolios to inform the 2027-2028 California Independent System Operator (CAISO) Transmission Planning Process (TPP) and the potential for geographically-targeted procurement in the West Los Angeles Basin to alleviate transmission constraints. This Ruling is issued under the Integrated Resource Planning (IRP) Rulemaking (R.) 25-06-019. The process for development and vetting of draft resource portfolios for the 2027-2028 TPP has included stakeholder workshops and is expected to culminate in February 2027, after taking further stakeholder feedback, with a CPUC Decision adopting the portfolios and transmitting them to the CAISO. The purpose of this Ruling is to facilitate analysis and stakeholder feedback of the transmission needed to cost-effectively and reliably achieve an 8 million metric ton (MMT) greenhouse gas (GHG) emissions level by 2045.

This year's Ruling is seeking comment on several matters:

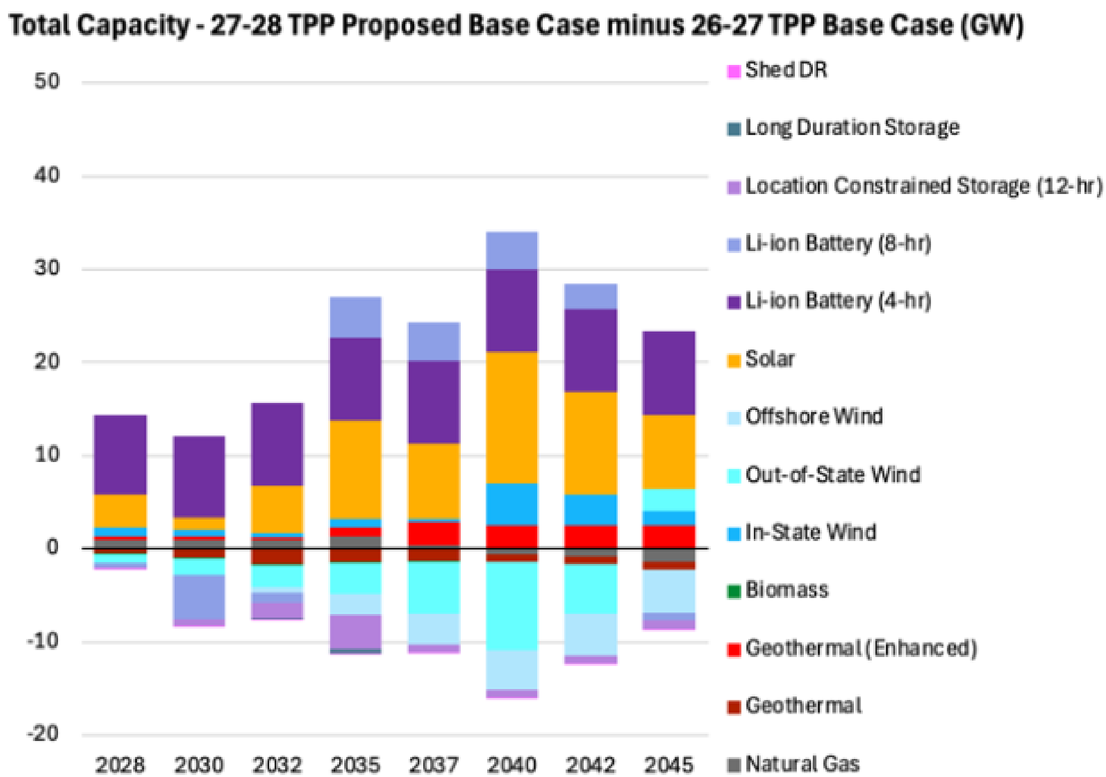
1. Proposed electricity resource portfolios for use in CAISO's 2027-2028 TPP;

2. A CAISO proposal to address a new constraint that surfaced following the cancellation of the Serrano-Del Amo-Mesa transmission upgrade with geographically-targeted storage procurement in the West Los Angeles Basin;

3. Potential GHG emissions targets for next year's Preferred System Plan (PSP), to develop the record on the assumed emissions path to allow for more flexibility in adjusting to new transmission planning process timelines.

27-28 TPP Electric Resource Portfolios

This Ruling considers one draft recommended base case portfolio and two draft informational only base case portfolios in the interest of supporting discussion around the recommended portfolio. It also includes two potential draft sensitivity portfolios with a recommendation to study a sensitivity case containing limited out-of-state resources. In both the recommended draft base case and sensitivity portfolios, two major modeling parameters that have been in place for several cycles have been changed:



1. The interim 2030 and 2035 GHG targets have been modified to save $2 billion in portfolio resource costs for ratepayers while still planning for an 8 MMT target by 2045: The previous 2030 and 2035 interim GHG targets (30 MMT by 2030, 25 MMT by 2035) drove solar and storage build rates through 2035 that were more than double historical rates, resulting in a portfolio with higher resource costs. The proposed 27-28 TPP base case portfolios reduce costs by modifying the GHG trajectory (38 MMT by 2030, 30 MMT by 2035) in alignment with the 2022 CARB Scoping Plan while still achieving long-term GHG goals.

2. Offshore wind (OSW) is not forced into the draft base case, leading to a resource portfolio with 0 GW of OSW: This change is made given uncertainty around timing, cost, lack of indication of load-serving entity (LSE) interest, and other barriers, including Federal actions, related to the development of OSW. The Ruling acknowledges the implications of this, particularly for development of previously authorized transmission projects and asks for party input.

Serrano-Del Amo-Mesa and Potential Geographically-Targeted Procurement in the LA Basin

As part of the 2025-2026 TPP, CAISO canceled the Los Angeles (LA) Basin Serrano-Del Amo-Mesa policy-driven transmission project, due primarily to cost overruns. In its place, CAISO identified a group of potential alternatives; one of those is a request that the Commission require LSEs to procure 2,900 MW of storage at specific substations in the Western LA Basin by the second quarter of 2032.

The Ruling asks stakeholders to comment on the following issues:

- Whether and how much storage should be required to be procured;
- Which LSEs should be responsible for soliciting and paying for procurement; and
- How cost recovery should be handled.

Additionally, the Ruling asks stakeholders to weigh in more broadly on geographically-targeted procurement in IRP, creating an opportunity to build record for future procurement.

Potential GHG Emissions Targets for 2027 Preferred System Plan (PSP)

In 2027, Commission staff will vet portfolios for the PSP, for recommendations for CAISO's transmission planning, and for CAISO's FERC Order 1920 response. Unlike the 2023 PSP process, in which the Commission asked for party input on emissions targets during portfolio development, the Commission may need to determine an emissions trajectory in advance so staff can complete work to meet CAISO's deadlines. This Ruling asks parties about the emissions targets to which the Commission should plan in developing the PSP.

References

- **CPUC Ruling:** Portfolio Ruling
- **CPUC IRP Website**: Integrated Resource Plan and Long Term Procurement Plan (IRP-LTPP)
- **Relevant CPUC 2026-2027 TPP modeling and mapping materials**: Assumptions for the 2027-2028 TPP
- **2022 MOU**: ISO CEC and CPUC Memorandum of Understanding - Dec 2022
- **CARB 2022 Scoping Plan:** CARB 2022 Scoping Plan