Procurement Compliance Staff Proposal Workshop Questions

June 17, 2026

In accordance with the Mid-Term Reliability (MTR) Compliance Staff Proposal Workshop Notice issued on May 20, 2026, this communication provides parties with the workshop questions in advance of the upcoming July workshop. Parties shall submit informal responses to these questions in accordance with the direction provided here.

Please Note: The May 20, 2026, MTR Compliance Staff Proposal Workshop Notice stated that the workshop questions will be served through an ALJ Ruling. However, this communication supersedes that communication and provides the workshop questions here.

Party responses to the questions are due on **July 7, 2026, by 5:00pm Pacific Time**. Parties shall submit their responses to the questions to IRPDataRequest@cpuc.ca.gov.

Party responses to these questions are considered informal responses to aid Commission staff in preparation for the July workshop. These informal party responses will not be entered into the formal record of the Proceeding.

When responding to the questions, Parties shall identify the questions by number, as well as organize and submit their informal responses in the same order in which the topics and questions are presented.

Please contact Sheila Lee at Sheila.Lee@cpuc.ca.gov with questions regarding this matter.

QUESTIONS

Section 1. Net Cone

1.1 Should a mechanism other than Net Cost of New Entry (CONE) be used to determine the penalty for procurement non-compliance? If yes, what mechanism?

1.2 Should the penalty be proportionate to the Load Serving Entities (LSE's) load served so that its ratepayers are not disproportionately and inequitably affected? Explain.

1.3 It is proposed to replace existing language that sets the procurement penalty amount (Net CONE) -- set at the price of a battery energy storage facility-- to a specific dollar amount. Is there a reason that a specific dollar amount should not be provided to replace Net CONE? If yes, explain why?

1.4 Should application of procurement penalties be determined annually following June 1st?

Section 2. Good Faith Effort

2.1 With the implementation of the alternative compliance approach, it is proposed to sunset the "good faith effort" policy. Is there a need for a complementary policy for the existing alternative compliance approach? Why or why not?

2.2 Should "good faith effort" be defined? If yes, what should be the definition of "good faith effort". *Note: Any definition should be objective and measurable*.

2.3 With the implementation of the alternative compliance approach, please explain why the "good faith effort" policy may still be necessary. Provide an example scenario.

Section 3. Definition of "Online"

3.1 The proposed definition of online is "the resource is delivering power to the grid and contracted to deliver by the specified compliance tranche date." Other than Commercial Operations Date (COD), are there any other determinants that meet the proposed definition?

3.2 Can a resource receive a Commercial Operations for Market (COM) notice without ever receiving a COD notice? Please explain.

3.3 What modifications or upgrades can or should occur that would result in incremental capacity of a resource? Is there anything else other than physical modifications or upgrades that can result in an increase in a resource's deliverability capabilities?

3.4 When looking at how energy and storage resources can be paired, are there negative impacts to a resource having intermittent pairing with an energy resource that does not fully span the contract term of the storage? Explain.

Section 4. Capacity Factor

4.1 What engineering assessment calculation methods can be used by an LSE to demonstrate an 80% capacity factor? Explain specific calculation methods and how this would be demonstrated.
4.2 Should the 80% annual capacity factor requirement be determined by: (a) An average annual capacity factor of 80% across the entire term of the contract or (b) An annual capacity factor of 80% in at least the first year of a contract? Explain.
4.3 Should there be a different definition for capacity factor? Why?
4.4 Due to the Long Lead Time (LLT) requirement for the ratio of the actual amount of electrical power produced by a generating unit and the required continuous generation at full maximum discharge for 24 hours a day, 7 days a week, over a year, should there be a varied definition of capacity factor for LLT resources?

Section 5. Resource Delays

5.1 If a resource is delayed or contracted with a later online date and paired with a bridge or alternative compliance pathway, should the LSE get to apply the selected tranche Effective Load Carrying Capability (ELCC), or should they be required to use the later ELCC associated to the online date?
5.2 How should resource delay be defined? What evidence can be provided to prove a resource delay?
5.3 If a resource is delayed and a long-term contract is not procured, how should the ELCC for the initial tranche be applied?
5.4 Should the alternative compliance mechanism cure a deficiency gap for a resource that is contracted for a later date, or should the alternative compliance mechanism only close the gap if a resource was originally contracted for an earlier online date?
5.5 What documentation should be required to demonstrate a resource was originally intended for an earlier contract date other than an executed contract? Please explain.
5.6 If a resource is delayed, can an LSE negotiate language that requires the delivery period be extended to maintain a 10-year tenure?

Section 6. Issuance of Citations

6.1 Since citations are currently issued publicly, is there a reason that procurement citations should not include the following information: Citation Number, LSE, Date Notified, Date Issued, LSE CPUC ID, LSE Type, Specified Violation, Citation Amount, Pay Status, Appeal Status, Appeal Number? If yes, please explain.
6.2 Should citations be issued annually? Why or why not?
6.3 What timeframe should be implemented for issuance of procurement citations?

Section 7. Aligning Integrated Resource Planning (IRP), Resource Adequacy (RA), and Renewables Procurement Section (RPS)

7.1 Given that IRP, RA, and RPS have different goals and mandates, are there opportunities to align the three programs? Please explain.
7.2 What burdens need to be overcome to align IRP, RA, and RPS?
7.3 Are their stakeholder time constraints inherent in an effort to align IRP, RA, and RPS? Please explain.