Procurement Compliance Status Report with Integrated Resource Planning (IRP) Decisions (D.)21-06-035 and D.23-02-040

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California Public Utilities Commission

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Purpose and Scope

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Overview

- California Public Utilities Commission (Commission) established procurement requirements to address Mid-Term Reliability (MTR) grid needs and resource retirements through IRP proceedings Ruling (R.) 16-02-007, R.20-05-003, and R. 25-06-019.
  - A total of 41 Load Serving Entities (LSEs) were assigned procurement obligations in 2021.
  - As of June 1, 2025, 36 have active D.21-06-035 obligations and 38 have active D.23-02-040 obligations.
- All LSEs subject to D.21-06-035 and D.23-02-040 procurement obligations are required to submit timely and complete procurement compliance filings for review.
- This report summarizes Energy Division Staff's (Staff's) overall compliance assessments for procurement obligations with deadlines on or prior to June 1, 2025, and provides progress assessments for procurement obligations with deadlines on or after June 1, 2026.
- This report is broken out by LSE-type and LSE-specific compliance is not contained in this report.
- This summary does not include assessments of compliance with D.19-11-016, as the procurement required for that order was published previously.

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High Level Scope

- Staff reviewed and evaluated the following for this report:
  - IRP procurement compliance filings received by June 2, 2025 (June 2025 filings) and any previous procurement compliance filings.
  - Updates and corrections within the IRP procurement compliance filings received by December 1, 2025 (December 2025 filings).
  - Supplementary information submitted by LSEs in response to Staff requests for additional, clarifying, or missing documentation and data.
- IRP procurement compliance filings and supplementary information reviewed and evaluated include but is not limited to:
  - Milestone documentation
  - Engineering assessment documentation
  - Remediation Plan documentation
  - Documentation relating to resource operational characteristics
  - Resource Data Template (RDT) documentation

High Level Purpose

This report is intended to:

1. Evaluate IRP procurement policy outcomes and realizations
2. Inform preliminary and final compliance determinations
   - A preliminary compliance determination is provided when additional time remains for LSEs to satisfy the requirement(s).
   - A final compliance determination is provided if both the compliance deadline and any alternative compliance pathway deadlines have passed and a staff level assessment is complete.

- Staff will provide this report along with anonymized data to CAISO to be used in grid planning processes per Assembly Bill (AB) 2368 and California Public Utility Code Section (§)345; §349; §380; and §454.52.

Assessments and Compliance Determinations

- Staff assigned preliminary compliance status determinations for each Tranche and category with an online by requirement on or prior to June 1, 2025 which includes:
  - D.21-06-035 Cumulative procurement
  - Tranche 1 General procurement
  - Tranche 2 General procurement
  - Tranche 3 General procurement
  - And DCR procurement
- Staff assigned final compliance status determinations for the requirements to meet D.24-06-047 OP 16a and/or16b (OP 16) which includes:
  - LDES
  - Firm ZE
- Staff did not assign any compliance status determinations for procurement Tranches and categories with a deadline on or after June 1, 2026 which includes:
  - Tranche 4 General Procurement
  - Tranche 5 General Procurement
  - LDES
  - Firm ZE

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Regulatory Background

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Milestone Framework

D.20-12-044:

- Established the following milestone-based compliance framework
  - Milestone 1: a signed contract with a resource developer for provision of commercial technology, an interconnection agreement with a demonstrated path toward deliverability by the required online date, signed land leases or title deeds demonstrating project site control, and a project timeline. This milestone may also show intended procurement from demand response resources, as well as allowable imports.
  - Milestone 2: a showing of a "notice to proceed" or similar contractual evidence of construction commencement for new construction projects, as well as executed contracts for demand response, imports, or sales of excess resources between LSEs.
  - Milestone 3: evidence of a project being online and capable of delivering energy, or in the case of demand response, load reduction.

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Procurement Requirements and Tranche and Category Framework

D.21-06-035 Mid-term Reliability (MTR) Decision:

- Required LSEs to procure their allocated share of 11,500 megawatts (MW) of MTR Net Qualifying Capacity (NQC) by specified online dates. The decision established the following procurement targets:
  - 2,000 MW by August 1, 2023
  - An additional 6,000 MW by June 1, 2024
  - An additional 1,500 MW by June 1, 2025
  - An additional 2,000 MW of Long Lead-Time (LLT) resources by June 1, 2026
- Established resource eligibility and procurement categories:
  - Eligible resources must be new or incremental to the baseline, clean (no fossil fuels), contracted for at least ten years, and be eligible for System Resource Adequacy (RA)
  - At least 2,500 MW of capacity procured by 2025 must be from zero-emitting (ZE) for Diablo Canyon Replacement (DCR).
  - At least 2,000 MW of LLT resources must consist of equal portions of long-duration energy storage (LDES) and Firm ZE resources.
  - All other procurement falls under General procurement for purposes of this report.
- Required procurement compliance filings

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Expanded Procurement Requirements and Compliance Flexibility

D.23-02-040, Supplemental MTR Decision:

- Required an additional 4,000 MW of MTR NQC
  - 2,000 MW online by June 1, 2026
  - 2,000 MW online by June 1, 2027
- Extended the required online date for LLT resources from 2026 to 2028
- Introduced procurement flexibility mechanisms, including obligation trades, baseline swaps, baseline waivers, and the use of short-term bridge resources for delayed projects
  - Where obligation trades or baseline swaps were approved by the Commission, procurement obligations were adjusted accordingly. As a result, some obligations may differ from the original quantities adopted.
- Continued the application of the milestone-based compliance framework
- Continued to require procurement compliance filings

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IRP Procurement Orders

CPUC Orders	Total	2023 (Tranche 1)	2024 (Tranche 2)	2025 (Tranche 3)	2026 (Tranche 4)	2027 (Tranche 5)	2028 (Tranche 6)
D.21-06-035 Obligations	11,500 MW	2,000 MW by Aug 1	6,000 MW by June 1	1,500 MW by June 1[1]	n/a	n/a	2,000 MW by June 1 [2]
D.23-02-040 Obligations	4,000 MW	n/a	n/a	n/a	2,000 MW by June 1	2,000 MW by June 1	n/a
D.21-06-035 and D.23-02-040 Obligations	15,500 MW	2,000 MW by Aug 1	6,000 MW by June 1	1,500 MW by June 1	2,000 MW by June 1	2,000 MW by June 1	2,000 MW by June 1
D.21-06-035 and D.23-02-040 Actual Obligations (Post Baseline Swaps and Obligation Trades)	15,691 MW	2,001 MW by Aug 1	5,998 MW by June 1	1,690 MW by June 1 [3]	2,000 MW by June 1	2,000 MW by June 1	2,001 MW by June 1 [4]

(1) D.21-06-035 required 2,500 of the 9,500 MW required between 2023-2025 be "DCR".
(2) D.21-06-035 required 2,000 MW of LLT Procurement with 1,000 MW of long-duration energy storage and 1,000 MW of firm zero-emitting. D.23-02-040 automatically extended the procurement obligation online deadline to 2028.
(3) After adjustments from approved LSE obligation trades and baseline swaps, the actual D.21-06-035 obligation required 2,499 of the 9,689 MW required between 2023-2025 be "DCR".
(4) After adjustments from approved LSE obligation trades and baseline swaps, the actual D.21-06-035 obligation required 2,001 MW of LLT Procurement with 1,000.5 MW of long-duration energy storage and 1,000.5 MW of firm zero-emitting.

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Procurement Compliance Filing Schedule for D.21-06-035 and D.23-02-040

Year	2023	2024	2025	2026	2027	2028
Procurement Compliance Filing Schedule	February 1, August 1, and December 1	June 3 and December 2	June 2 and December 1	June 1 and December 1	June 1 and December 1	June 1 and December 1

Decision language requires submissions on the 1st of each month above, however the table above accounts for weekends and holidays.

Clarifications to LLT Resource Compliance

D.24-02-047

- OP 16 required LSEs to either: (a) submit signed contracts that meet their LLT obligation in their June 2025 filing, or (b) submit a Tier 2 Advice Letter (AL) by June 1, 2025, that includes signed or proposed LLT contracts with PUBLIC pricing and bid data. The LSE must make a claim based on either cost considerations or later online dates.
- OP 17 allowed LSEs who have signed LLT contracts by June 1, 2028, to request extensions to 2031 only if they provide evidence of further project development such as evidence of site control, an interconnection agreement, or a notice to proceed.

D.25-06-005

- Clarified the definition for LDES resources
  - Eligible LDES resources must be capable of delivering for at least 8 hours at maximum capacity (the highest power output at full continuous dispatch capability for the contracted or guaranteed capacity in the contract)
  - Prevented the derating of 4-hour lithium-ion batteries from counting towards LDES compliance.

Bridge Resources and Alternative Compliance Pathways

D.24-09-006

- Authorized short-term DCR bridge resources for up to three years beyond June 1, 2025. (Later rescinded in full by D.25-09-007).

D.25-09-007

- Removed the bridge resource pathway entirely for future compliance periods, while allowing previously executed bridge contracts to remain eligible
- Established an alternative compliance framework
  - An LSE may be considered compliant if it has executed qualifying long-term contracts, and meets its month-ahead system Resource Adequacy requirements during any delay period of no more than three years.

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Methodology and Review Approach

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Compliance Valuations and Timing

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MTR Net Qualifying Capacity (NQC) and MTR Effective Load Carrying Capability (ELCC)

- All data in this report is represented in MTR NQC.
  - MTR NQC= (contracted nameplate capacity) x MTR (ELCC)
  - The MTR NQC must apply calculation methodologies as specified in Commission memos and studies per D.21-06-035 and D.23-02-040:
    - 2021 staff memo
    - 2021 Study
    - 2023 staff memo
    - 2023 Study
- Based on IRP MTR ELCC methodology:
  - An LSE may report a project towards a later tranche even if it has an earlier online date and thus use later tranche MTR ELCC values to calculate NQC.
  - An LSE may report a project towards an earlier tranche if the resource is delayed past the original intended tranche and thus use earlier tranche MTR ELCC values to calculate MTR NQC.

D.21-06-035 and D.23-02-040 Compliance Determination Timing

Procurement Tranche and Category	Procurement Online By Deadline	D.25-09-007 Alternative Compliance Pathway Online By Deadline
General 2023	8/1/2023	8/1/2026
General 2024	6/1/2024	6/1/2027
General 2025	6/1/2025	6/1/2028
General 2026	6/1/2026	6/1/2029
General 2027	6/1/2027	6/1/2030
DCR	6/1/2023	6/1/2028
LLT Firm ZE	6/1/2028, or 6/1/2031 with an approved extension	6/1/2031
LLT LDES	6/1/2028, or 6/1/2031 with an approved extension	6/1/2031
D.21-06-035 Cumulative (excluding LLT)	6/1/2025	6/1/2028
D.21-06-035 Cumulative (including LLT)	6/1/2028, or 6/1/2031 with an approved extension	6/1/2031
D.23-02-040 Cumulative	6/1/2027	6/1/2030

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Evaluated Data Categories

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Tables

Staff evaluated the following for this report:

- Claimed MTR NQC from Long-Term (LT) Contracts Only
- Milestone 1 MTR NQC from LT Contracts Only
- Milestone 2 MTR NQC from LT Contracts Only
- Milestone 3 MTR NQC from LT Contracts Only
- MTR NQC from Bridge Resources
- Obligation Deficiency
- IRP MA Resource Adequacy Procurement Status
- D.21-06-035 and D.23-02-040 Tranche Procurement Compliance Status
- D.24-02-047 OP 16 Compliance Status
- D.21-06-035 Cumulative Procurement Compliance Status

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Claimed MTR NQC from LT Contracts Only

- The amount of MTR NQC that an LSE self-reported toward satisfaction of its procurement obligation, regardless of project development status or obligation.

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Milestone 1 MTR NQC from LT Contracts Only

- MTR NQC associated with contracts, at least ten years in length, that an LSE has claimed met initial development milestones, which may include one or more of the following forms of documentation:
  - An executed contract with a resource developer for the provision of commercial technology;
  - An interconnection agreement demonstrating a viable path toward deliverability by the required online date;
  - Executed land leases or title deeds demonstrating project site control; and/or
  - A project development or construction timeline.

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Milestone 2 MTR NQC from LT Contracts Only

- MTR NQC associated with contracts, at least ten years in length, that an LSE has claimed demonstrates further developmental progress, which may include documentation such as:
  - A notice to proceed; and/or
  - Contractual evidence authorizing the commencement of construction.

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Milestone 3 MTR NQC from LT Contracts Only

- Milestone 3 MTR NQC from LT Contracts Only
  - MTR NQC associated with contracts at least ten years in length and achieved full commercial operation by the required online date. If a long-term contract experienced or is experiencing a delay, the MTR NQC is included in Milestone 3 if the resource is now online and the delay period was or is fully closed through either bridge resource(s), MA Resource Adequacy compliance, or a combination of the two.
    - For General Tranches 2023, 2024, 2025, and DCR, all available milestone documentation, eligibility criteria, and other supporting documentation have been verified by Staff.
    - For General Tranches 2026 and 2027 and for categories LDES and Firm ZE, milestone documentation is not fully verified.
  - All long-term contracts require evidence of a project being online by the tranche deadline and proof that the project is capable of delivering energy.
  - All DCR resources and DCR bridge resources contracted for longer than 6 months also require a complete engineering assessment when the energy and storage resources are procured separately by the same LSE. The engineering assessment must demonstrate the ability of paired energy to sufficiently charge the storage resource(s), so they may discharge 5 MW daily between 5 p.m. to 10 p.m.

MTR NQC from Bridge Resources

- MTR NQC from eligible imported energy that meets Resource Adequacy requirements and provides as a bridge resource for a period of no longer than three years.
  - Bridge resources must cover the period from the required online date for a specified tranche to the delayed resource's actual online date.
  - Specific to the DCR category, a bridge resource must have zero on-site greenhouse gas emissions, be eligible under the renewable portfolio standard program, or is from a California Air Resources Board-approved Asset Controlling Supplier.
  - Bridge resources in the DCR category may also include a contract that expired prior to June 1, 2025, and was re-contracted.
- When bridge resources are submitted for only a portion of the period in which a resource is delayed, the bridge MTR NQC value represents a prorated value.
  - For example, if a delay period lasted 5 months, and a bridge was only secured for 2 months, the MTR NQC would equate to the amount of bridge MTR NQC brought online for two-fifths of the delay period.
  - Note the delay period for bridge resources excludes months beginning September 1, 2025, because the MA Resource Adequacy pathway option opened.

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Obligation Deficiency

- The delta between the Total MTR NQC and the obligation resulting in a negative value that represents the LSE's potential deficiency for the specified obligation.

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IRP Month Ahead (MA) Resource Adequacy Procurement Status

- The procurement determinations for IRP MA Resource Adequacy in this report are not reflective of Resource Adequacy program compliance and include the following:
  - N/A: The LSE did not have any resource delays or procurement gaps, or all were prior to September 1, 2025, and therefore IRP MA Resource Adequacy Procurement Status was not applicable towards determining D.21-06-035 and D.23-02-040 Procurement Status for the specified tranche.
  - Compliant: The LSE had resource delays or procurement gaps occurring on or after September 1, 2025, and the LSE demonstrated sufficient IRP MA Resource Adequacy procurement between September 1, 2025, and April 30, 2026, for the specified tranche.
  - Partially Compliant: The LSE had resource delays or procurement gaps occurring on or after September 1, 2025, and the LSE demonstrated progress towards IRP MA Resource Adequacy procurement but did not fully satisfy each month of the IRP MA Resource Adequacy requirements between September 1, 2025, and April 30, 2026, for the specified tranche.
  - Non-Compliant: The LSE had resource delays or procurement gaps occurring on or after September 1, 2025, and the LSE did not demonstrate any IRP MA Resource Adequacy procurement between September 1, 2025, and April 30, 2026, for the specified tranche.

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D.21-06-035 and D.23-02-040 Tranche Procurement Compliance Status

- The compliance determinations for D.21-06-035 and D.23-02-040 Tranche Procurement Compliance Status are preliminary until final determinations can be made.
- The D.21-06-035 and D.23-02-040 Tranche Procurement Compliance determinations take into consideration Total MTR NQC, MTR NQC from Bridge Resources, and IRP MA Resource Adequacy Procurement Status and include the following categories:
  - N/A: The LSE did not have any obligation assigned and does not need to meet procurement obligations for the specified tranche.
  - Compliant: The LSE demonstrated sufficient procurement and supporting documentation to meet its total applicable procurement obligation for the tranche under review.
  - Partially Compliant: The LSE demonstrated progress toward meeting its procurement obligation, and may still satisfy procurement, milestone, and/or documentation requirements for the tranche under review, prior to the required deadline.
  - Non-Compliant: The LSE did not demonstrate timely progress toward meeting its procurement obligation and/or supporting documentation deadlines to meet its applicable procurement obligation for the tranche under review.

D.24-02-047 OP 16 Compliance Status

- The compliance determinations for D.24-02-047 OP 16 are final and include the following:
  - N/A: The LSE did not have any LLT obligation assigned and does not need to meet OP 16 criteria for the specified tranche.
  - Compliant: The LSE met all criteria of OP 16 that included providing LLT contract documentation for the full LLT obligation amount by June 1, 2025, and/or submitting a Tier 2 AL by June 1, 2025, for the full LLT obligation amount by requesting an extension to submit an eligible contract by June 1, 2028, and the AL was approved by the publishing day of this report.
  - Non-Compliant: The LSE did not provide LLT contract documentation and/or Tier 2 AL requests that cover the full LLT obligation to meet OP 16.

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D.21-06-035 Cumulative Procurement Compliance Status

- The compliance determinations for D.21-06-035 Cumulative Procurement Compliance Status are preliminary until final determinations can be made.
- The D.21-06-035 Cumulative Procurement Compliance determinations take into consideration Total MTR NQC from all resource Tranches and categories if the resource is online by June 1, 2025, MTR NQC from Bridge Resources, and IRP MA Resource Adequacy Procurement Status and include the following categories:
  - N/A: The LSE did not have any obligation assigned and does not need to meet procurement obligations for the specified Cumulative requirement.
  - Compliant: The LSE demonstrated sufficient procurement and supporting documentation to meet its total applicable procurement obligation for the Cumulative requirement under review.
  - Partially Compliant: The LSE demonstrated progress toward meeting its procurement obligation, and may still satisfy procurement, milestone, and/or documentation requirements for the Cumulative requirement under review, prior to the required deadline.
  - Non-Compliant: The LSE did not demonstrate timely progress toward meeting its procurement obligation and/or supporting documentation deadlines to meet its applicable procurement obligation for the Cumulative requirement under review.

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LSE Types

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LSE Type Categories

- Staff categorized compliance and procurement progress assessments into four categories (which are describes in further detail on the following slides):
  - Investor-Owned Utilities (IOUs)
  - Community Choice Aggregators (CCAs)
  - Energy Service Providers (ESPs)

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Investor-Owned Utilities (IOUs)

- IOUs are large privately owned, for-profit utilities whose stock is publicly traded, are rate regulated, and authorized to achieve an allowed rate of return for its shareholders. IOUs provide bundled generation and delivery services to customers and act as a default for procurement or a "buyer of last resort."
- Three IOUs were evaluated by Staff: Pacific Gas & Electric (PG&E), San Diego Gas & Electric (SDGE), and Southern California Edison (SCE).

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Community Choice Aggregators (CCAs)

- CCAs allow government entities such as cities, towns, and counties to become the default energy provider for customers in their jurisdictions without owning the transmission and delivery systems. CCAs provide energy procurement services to customers that opted to leave the IOUs (referred to as departing load customers), while the IOU continues to deliver the electricity through its transmission and distribution system and provide meter reading, billing, and maintenance services for CCA customers. A standalone CCA can be a single jurisdictional entity such as a city or town, or it may be a collection of cities and counties joined together as its own jurisdictional entity called a Joint Powers Agency (JPA).
- The seventeen individually operated CCAs evaluated by Staff include Ava Community Energy (AVA, formerly East Bay Community Energy, EBCE), City of Baldwin Park (COBP), Central Coast Community Energy (CCCE), Clean Energy Alliance (CEA), Clean Power Alliance of Southern California (CPASC), CleanPowerSF (CPSF), Desert Community Energy (DCE), King City Community Power (KCCP), Marin Clean Energy (MCE), Orange County Power Authority (OCPA), Peninsula Clean Energy Authority (PCEA), Pioneer Community Energy (PIONEER), Redwood Coast Energy Authority (RCEA), San Diego Community Power (SDCP), San Jose Clean Energy (SJCE), Silicon Valley Clean Energy (SVCE), Sonoma Clean Power Authority (SCPA), Valley Clean Energy Alliance (VCEA), and Western Community Energy (WCE).

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California Choice Energy Authority Community Choice Aggregators* (CalChoice CCAs)

- The CalChoice CCAs are LSEs part of a JPA CCA that jointly procure electricity on behalf of participating local governments and pool administrative, operational, and regulatory resources. CalChoice CCA membership is optional, but members can leverage economies of scale to potentially improve operations while working under size or budget constraints.
- The eight CalChoice CCAs evaluated by Staff include Apple Valley Choice Energy (AVCE), City of Pomona (POMONA), Energy for Palmdale's Independent Choice (EPIC), Lancaster Choice Energy (LCE), Pico Rivera Innovative Municipal Energy (PRIME), Rancho Mirage Energy Authority (RMEA), San Jacinto Power (SJP), and Santa Barbara Clean Energy (SBCE).

**For this public report, CCAs and CalChoice CCAs results have been combined into one category.*

Energy Service Providers (ESPs)

- ESPs are private entities that offer "Direct Access" electricity services to departing load customers. An ESP provides generation services to a retail or end-use customer within the service territory of a utility, while the IOU continues to provide delivery (transmission and distribution) services. Following the energy crisis in 2001, multiple bills established a cap on Direct Access, which was raised in 2010 and 2018, to maintain a statewide cap of roughly 28,800 GWh.
- The eleven ESPs evaluated by Staff include 3 Phases Renewables (3PR), BP Energy Retail Company (BPERC, formerly EDF Industrial Power Services, EIPS), Calpine Energy Solutions (NES), Calpine Power Authority (CPA), Commercial Energy of California (CES), Constellation New Energy (CNE), Direct Energy Business (DEB), Pilot Power Group, Inc. (PPG), Shell Energy North America (SENA), Tiger Natural Gas, Inc. (TNG), and University of California Board of Regents (UCOP).

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Cumulative Level Compliance Overview

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Compliance with D.21-06-035 Cumulative Procurement

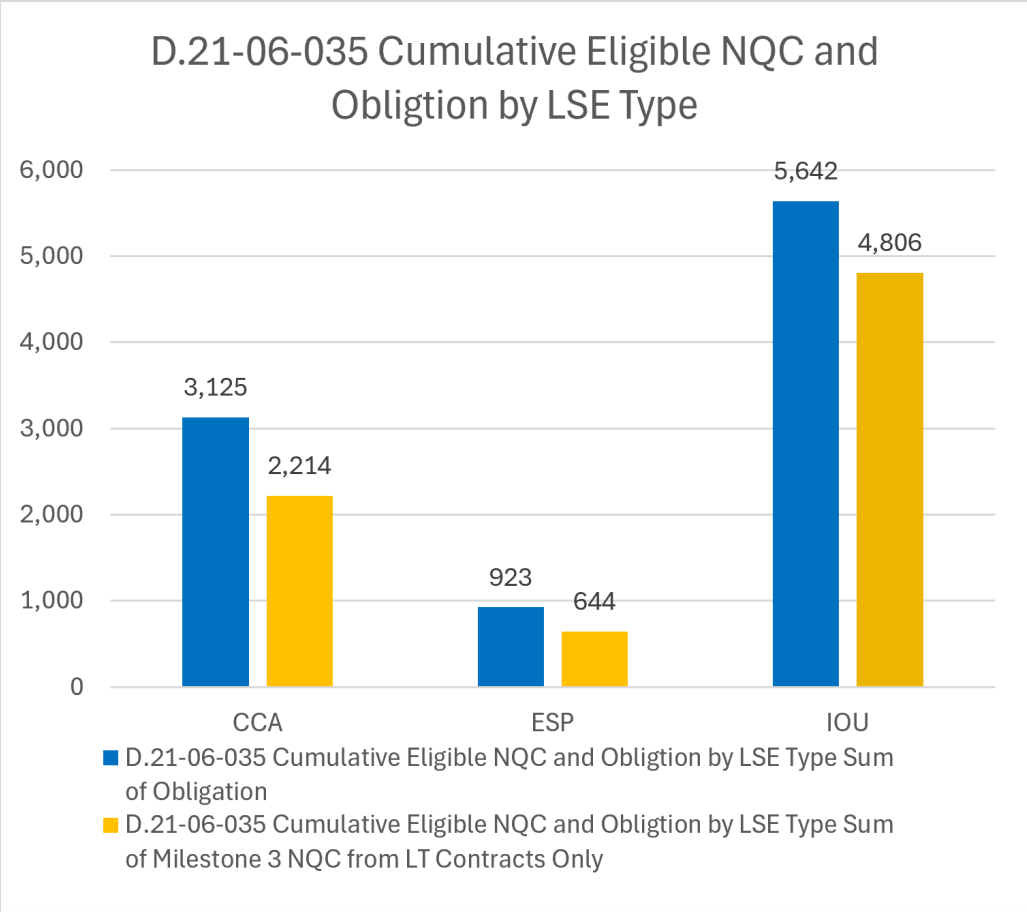
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D.21-06-035 Cumulative Procurement

- LSEs were required to bring online 9,690 MW MTR NQC for D.21-06-035 Cumulative obligations by June 1, 2025.
  - LSEs brought online 7,665 MW of eligible MTR NQC (about 79% of the obligation) for D.21-06-035 Cumulative compliance.
- Note bridge resources were an allowable compliance pathway for this Tranche as of the June 2025 filing if the bridge contract was executed by September 18, 2025. From September 2025 onward, if eligible bridge contracts were not executed, alternative compliance must be met by the requirements of D.25-09-007.
- Staff note D.21-06-035 Cumulative compliance determinations will not be final until after June 1, 2028.

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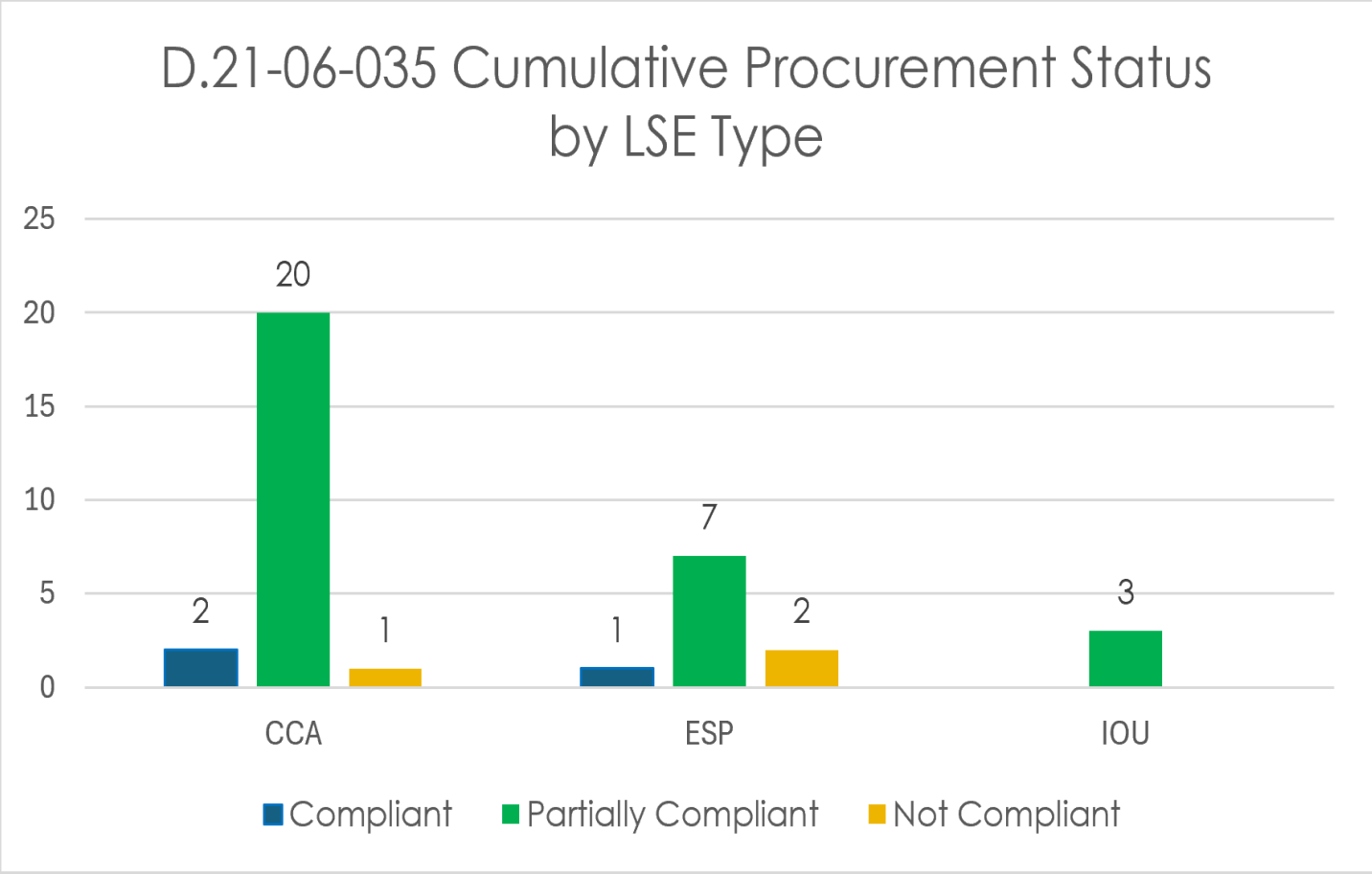
Eligible MTR NQC and Obligation by LSE Type for D.21-06-035 Cumulative Procurement



- IOUs were required to bring online 5,642 MW MTR NQC in D.21-06-035 Cumulative obligations by June 1, 2025 (about 58% of the total 9,690 MW MTR NQC expected).
  - IOUs brought online 4,806 MW of eligible MTR NQC (about 85% of the IOU obligation).
- CCAs were required to bring online 3,125 MW MTR NQC in D.21-06-035 Cumulative obligations by June 1, 2025 (about 32% of the total 9,690 MW MTR NQC expected).
  - CCAs brought online 2,214 MW of eligible MTR NQC (about 71% of the individually operated CCA obligation).
- ESPs were required to bring online 923 MW MTR NQC in D.21-06-035 Cumulative obligations by June 1, 2025 (about 10% of the total 9,690 MW MTR NQC expected).
  - ESPs brought online 644 MW of eligible MTR NQC (about 70% of the standalone ESP obligation).

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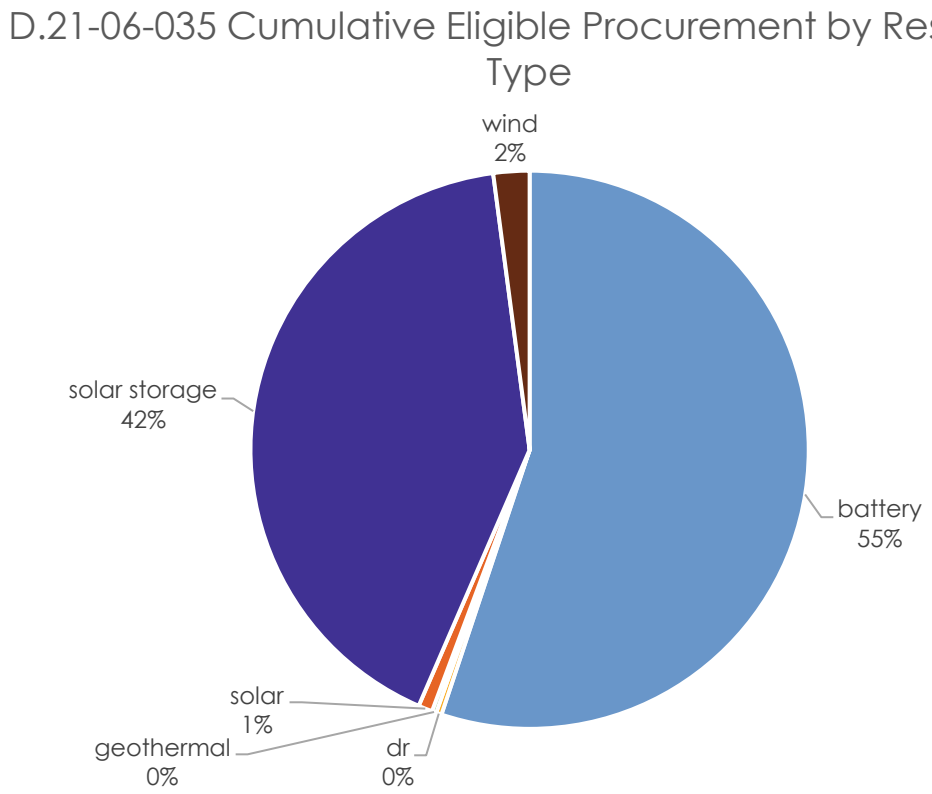
D.21-06-035 Cumulative Procurement Compliance Status by LSE Type



- For the D.21-06-035 Cumulative procurement requirement:
  - 3 out of 36 LSEs, or 8%, are considered compliant.
  - 30 out of 36, or 83%, are partially compliant.
  - 3 out of 36 LSEs, or 8%, are non-compliant.

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D.21-06-035 Cumulative Eligible Procurement by Resource Type Based on Data Submitted through the RDT



- This table displays the resource mix by technology type that make up the 7,665 MW MTR NQC of qualifying Milestone 3 MTR NQC applied towards the D.21-06-035 Cumulative obligation.
- Most of the qualifying resources come from solar generation paired with storage or from standalone batteries.

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D.21-06-035 Cumulative Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCAs	3,125	2,657	2,632	2,434	2,214	(911)
ESP	923	922	922	689	644	(292)
IOU	5,642	5,642	5,642	5,188	4,806	(835)
Grand Total	**9,690**	**9,221**	**9,196**	**8,311**	**7,665**	**(2,043)**

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Tranche and Category Level Compliance Overview

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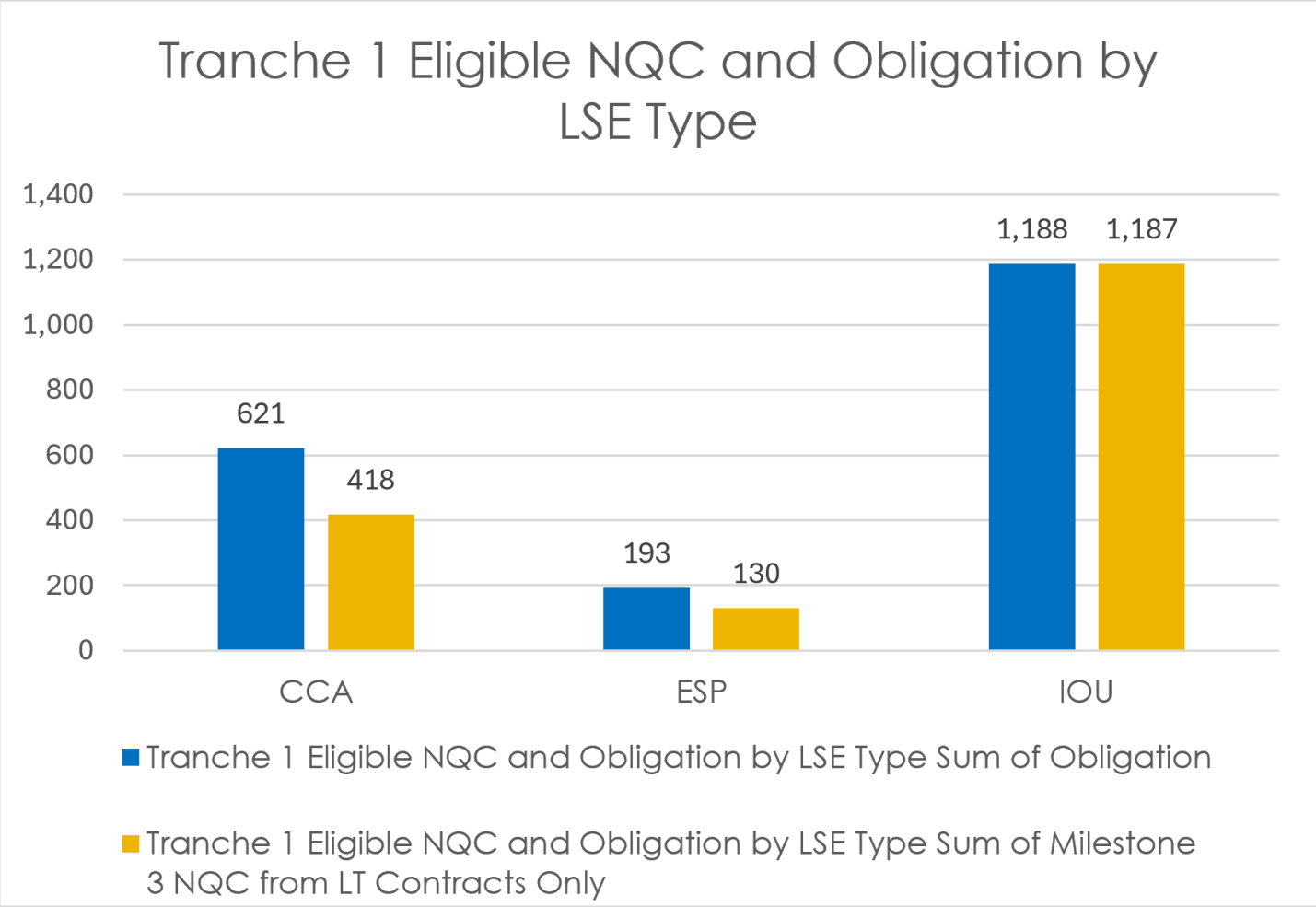
Compliance with General 2023 (Tranche 1) Procurement

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Tranche 1 Procurement

- LSEs were required to bring online 2,001 MW MTR NQC by August 1, 2023, for Tranche 1.
  - LSEs brought online 1,736 MW of eligible MTR NQC (about 87% of the obligation) for Tranche 1 compliance.
- Note bridge resources were an allowable compliance pathway for this Tranche as of the June 2025 filing if the bridge contract was executed by September 18, 2025. From September 2025 onward, if eligible bridge contracts were not executed, alternative compliance must be met by the requirements of D.25-09-007.
- Staff note that 2023 compliance determinations will not be final until after August 1, 2026.

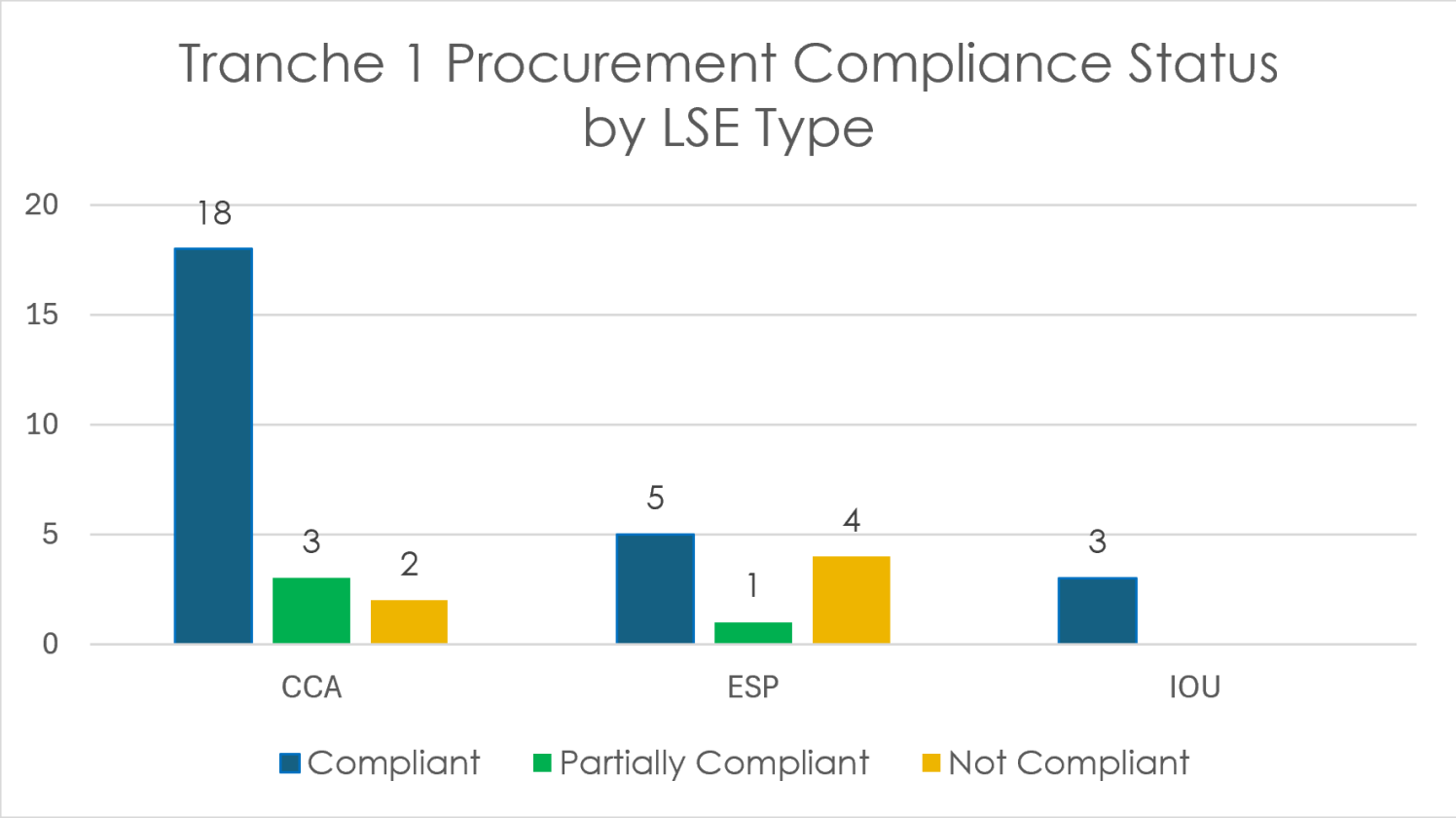
Eligible MTR NQC and Obligation by LSE Type for Tranche 1 Procurement



- The table compares the Tranche 1 obligation of 2,001 MW MTR NQC to the 1,735 MW of qualifying Milestone 3 MTR NQC by LSE type.
  - IOUs brought online 100% of the IOU obligation.
  - CCAs brought online 67% of the CCA share of obligation.
  - ESPs brought online 67% of the ESP share of obligation.

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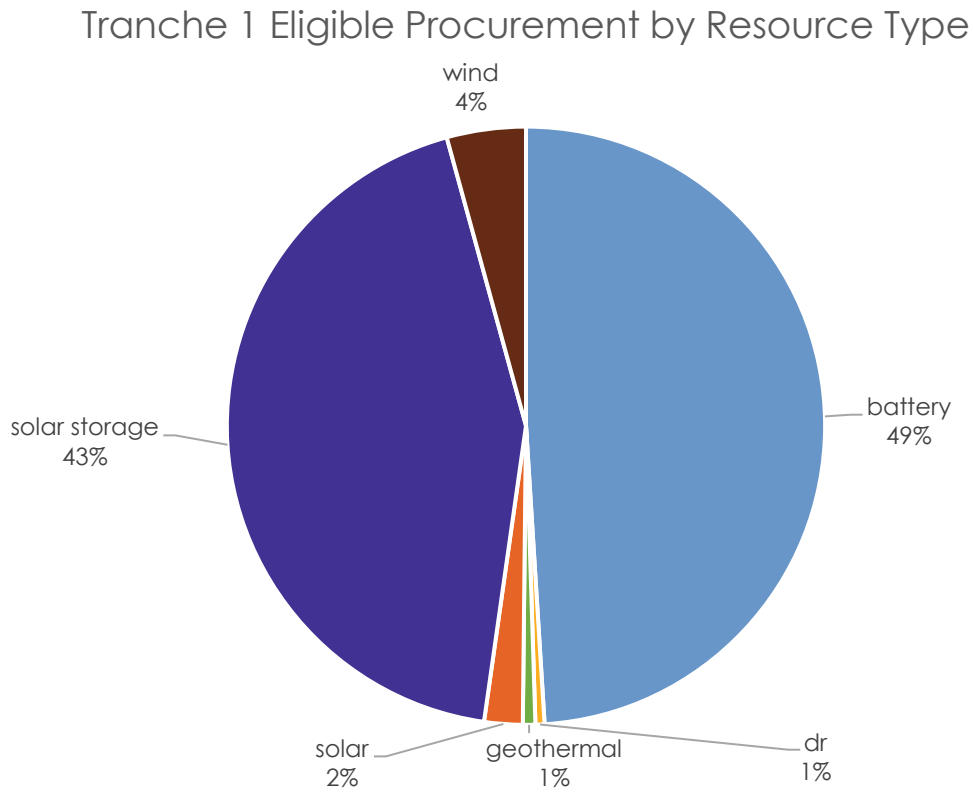
Tranche 1 Procurement Compliance Status by LSE Type



- For the Tranche 1 procurement requirement
  - 26 out of 36 LSEs, or 72%, are considered compliant.
  - 4 out of 36, or 11%, are partially compliant.
  - 6 out of 36 LSEs, or 17%, are non-compliant.

PUBLIC

Tranche 1 Eligible Procurement by Resource Type Based on Data Submitted through the RDT



- The table displays the resource mix by technology that make up the 1,736 MW MTR NQC of qualifying Milestone 3 MTR NQC applied towards the Tranche 1 obligation.
- Most of the qualifying resources come from solar generation paired with storage or from standalone batteries.

PUBLIC

Tranche 1 Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	621	541	541	541	418	(203)
ESP	193	181	181	181	130	(63)
IOU	1,188	1,188	1,188	1,188	1,187	(1)
Grand Total	**2,001**	**1,910**	**1,910**	**1,910**	**1,735**	**(266)**

Compliance with General 2024 (Tranche 2) Procurement

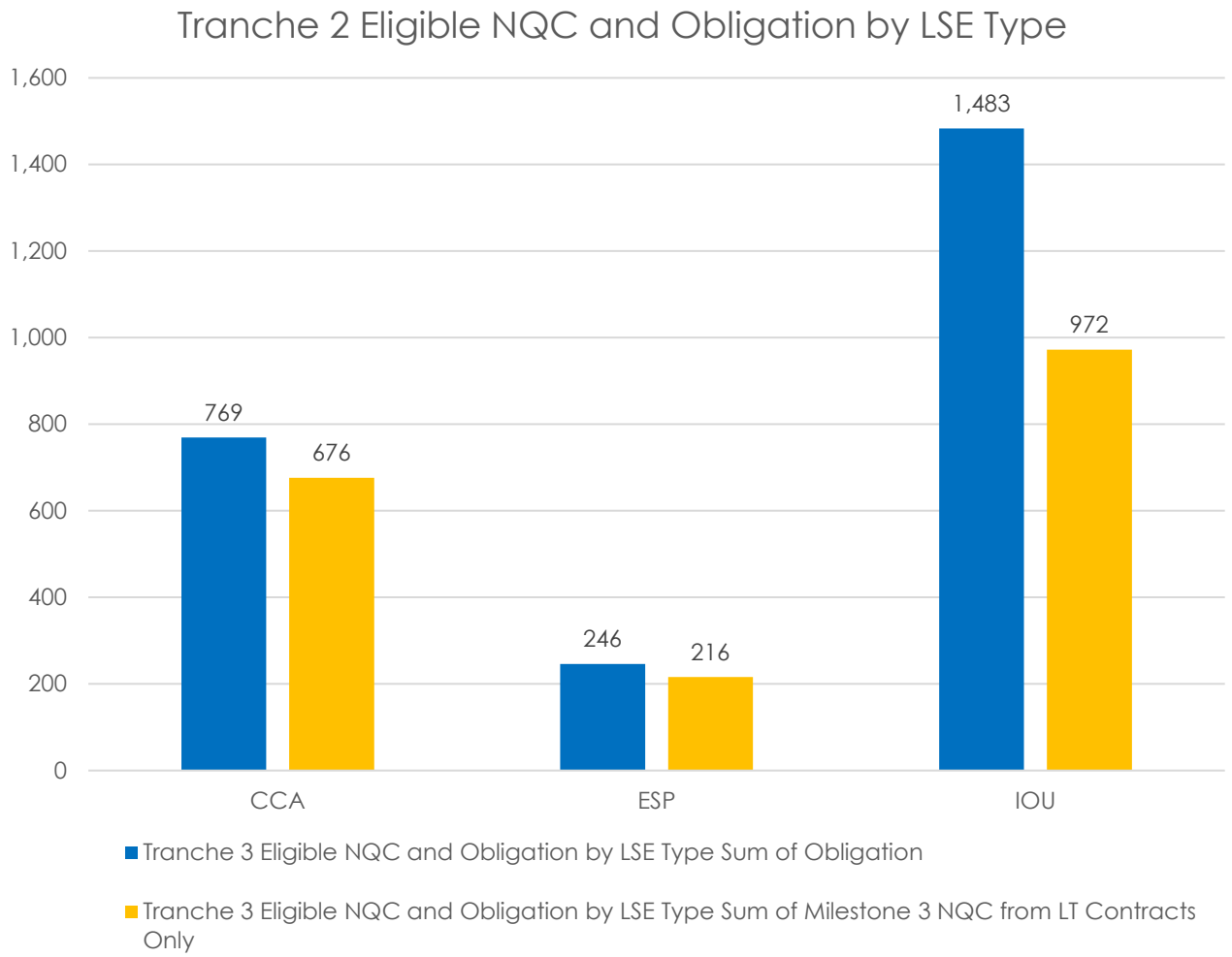
PUBLIC

Tranche 2 Procurement

- LSEs were required to bring online 5,998 MW MTR NQC by June 1, 2024, for Tranche 2.
  - LSEs brought online 3,784 MW of eligible MTR NQC (about 63% of the obligation) for Tranche 2 compliance.
- Note bridge resources were an allowable compliance pathway for this Tranche as of the June 2025 filing if the bridge contract was executed by September 18, 2025. From September 2025 onward, if eligible bridge contracts were not executed, alternative compliance must be met by the requirements of D.25-09-007.
- Staff note 2024 compliance determinations will not be final until after June 1, 2027.

PUBLIC

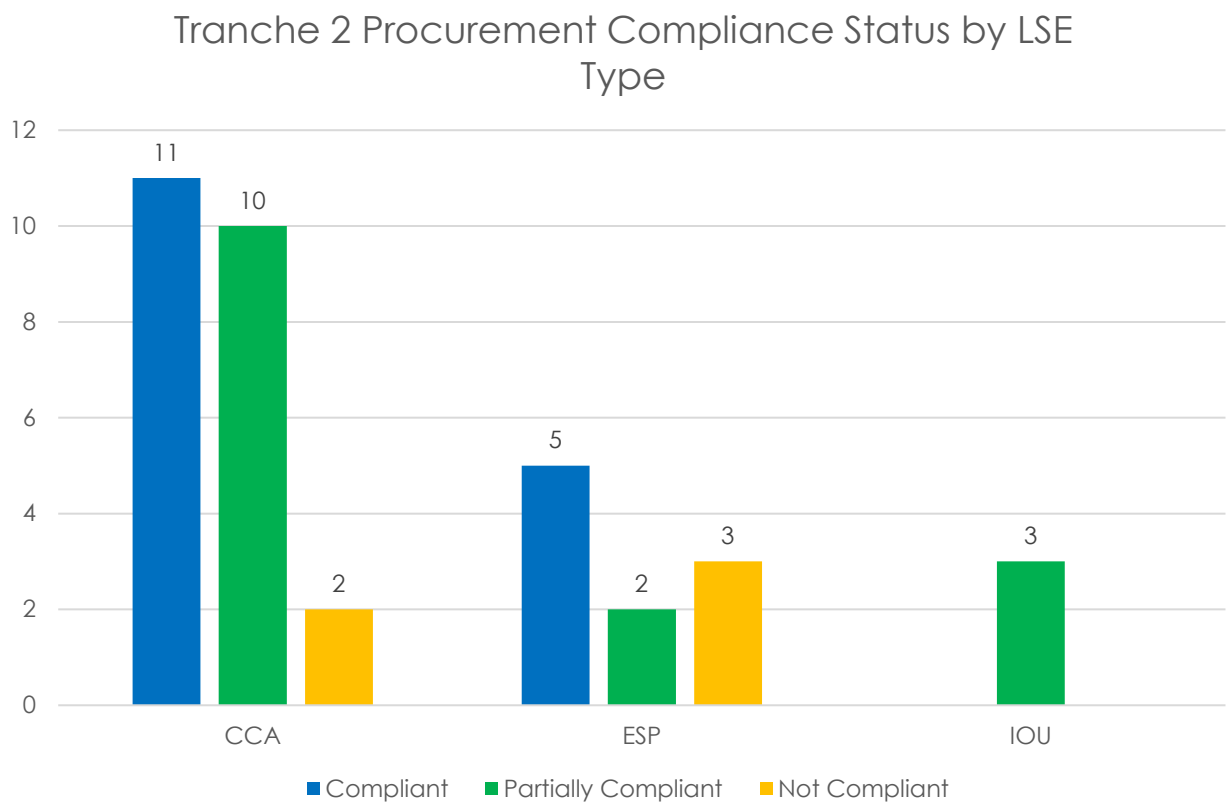
Eligible MTR NQC and Obligation by LSE Type for Tranche 2 Procurement



- The table compares the Tranche 2 obligation of 5,998 MW MTR NQC to the 3,784 MW of qualifying Milestone 3 MTR NQC by LSE type.
  - IOUs brought online 68% of the IOU obligation.
  - CCAs brought online 53% of the CCA share of obligation.
  - ESPs brought online 65% of the ESP share of obligation.

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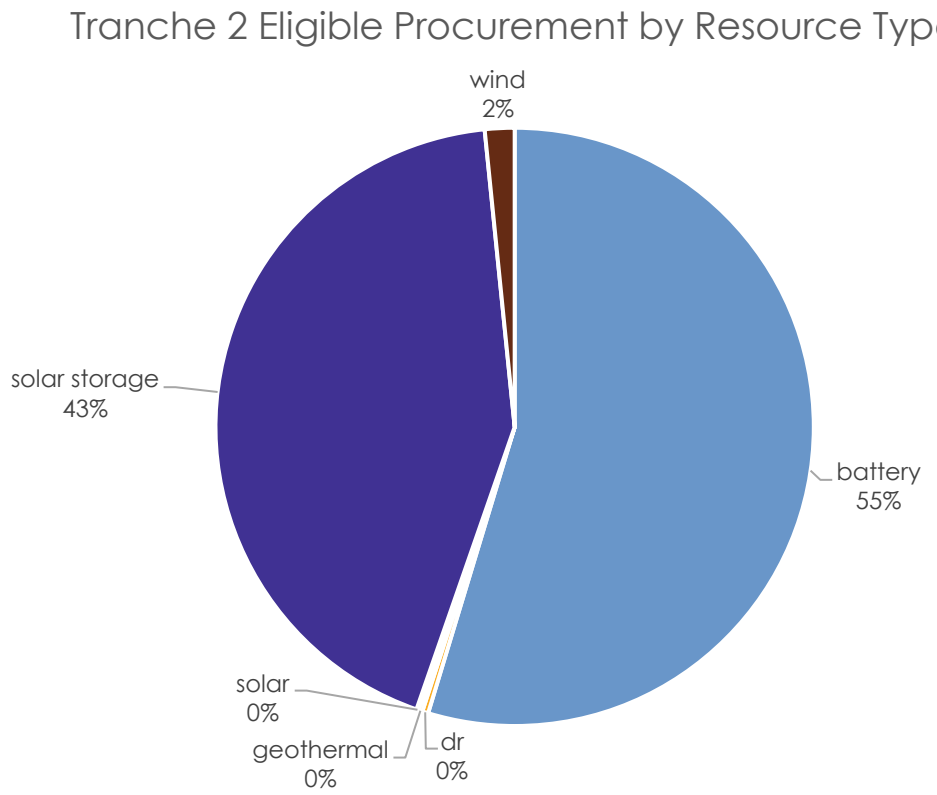
Tranche 2 Procurement Compliance Status by LSE Type



- For the Tranche 2 procurement requirement
  - 6 out of 36 LSEs, or 17%, are considered compliant.
  - 25 out of 36, or 69%, are partially compliant.
  - 5 out of 36 LSEs, or 15%, are non-compliant.

PUBLIC

Tranche 2 Eligible Procurement by Resource Type Based on Data Submitted through the RDT



- The table displays the resource mix by technology that make up the 3,784 MW MTR NQC of qualifying Milestone 3 MTR NQC applied towards the Tranche 2 obligation.
- Most of the qualifying resources come from solar generation paired with storage or from standalone batteries.

PUBLIC

Tranche 2 Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	1,855	1,579	1,579	1,414	985	(870)
ESP	580	544	544	394	376	(204)
IOU	3,563	3,563	3,563	3,399	2,423	(1,140)
Grand Total	**5,998**	**5,685**	**5,685**	**5,207**	**3,784**	**(2,214)**

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Compliance with General 2025 (Tranche 3) Procurement

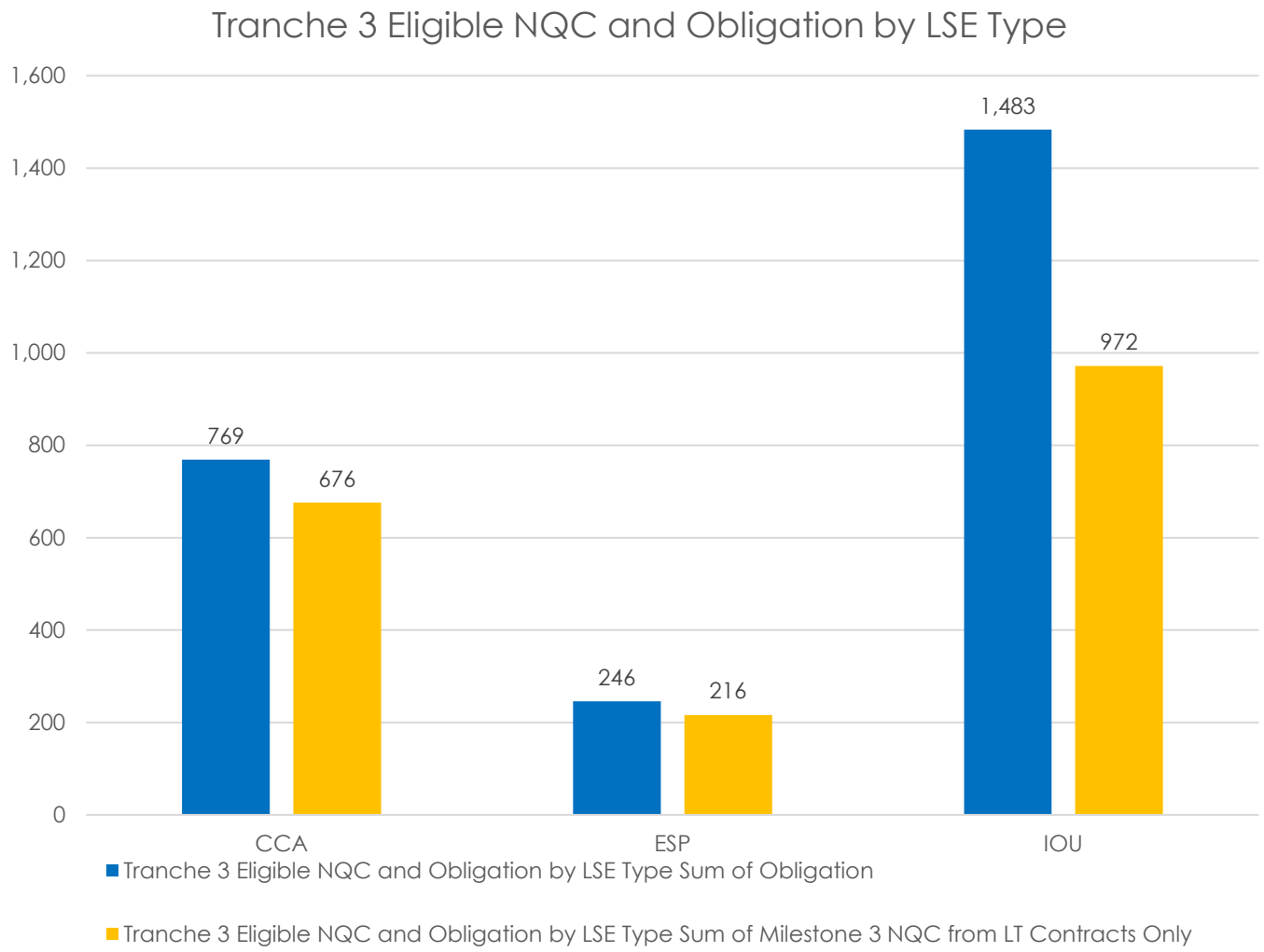
PUBLIC

Tranche 3 Procurement

- LSEs were required to bring online 1,690 MW MTR NQC by June 1, 2025, for Tranche 3.
  - LSEs brought online 987 MW of eligible MTR NQC (about 58% of the obligation) for Tranche 3 compliance.
- Note bridge resources were an allowable compliance pathway for this Tranche as of the June 2025 filing if the bridge contract was executed by September 18, 2025. From September 2025 onward, if eligible bridge contracts were not executed, alternative compliance must be met by the requirements of D.25-09-007.
- Staff note 2025 compliance determinations will not be final until after June 1, 2028.

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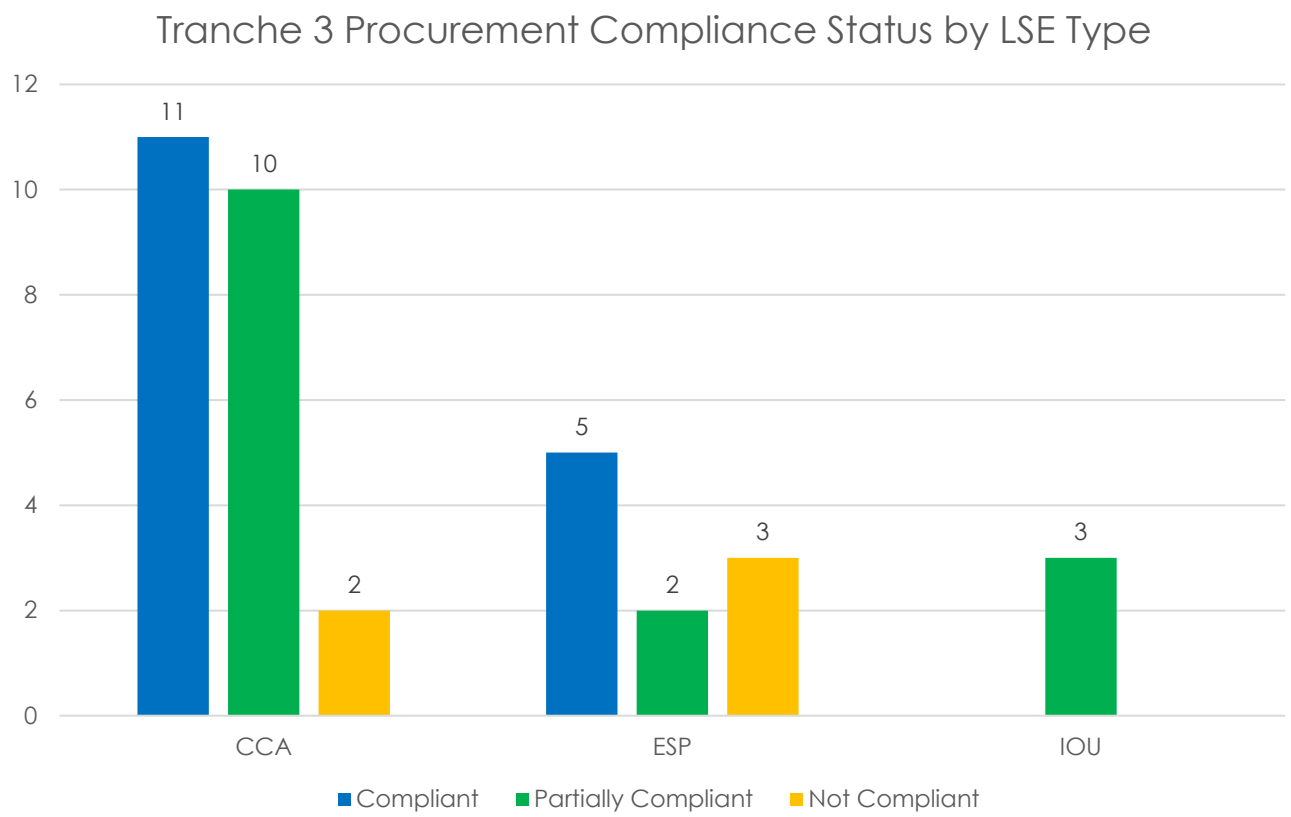
Eligible MTR NQC and Obligation by LSE Type for Tranche 3 Procurement



- The table compares the Tranche 3 obligation of 1,690 MW MTR NQC to the 987 MW of qualifying Milestone 3 MTR NQC by LSE type.
  - IOUs brought online 66% of the IOU obligation.
  - CCAs brought online 50% of the CCA share of obligation.
  - ESPs brought online 50% of the ESP share of obligation.

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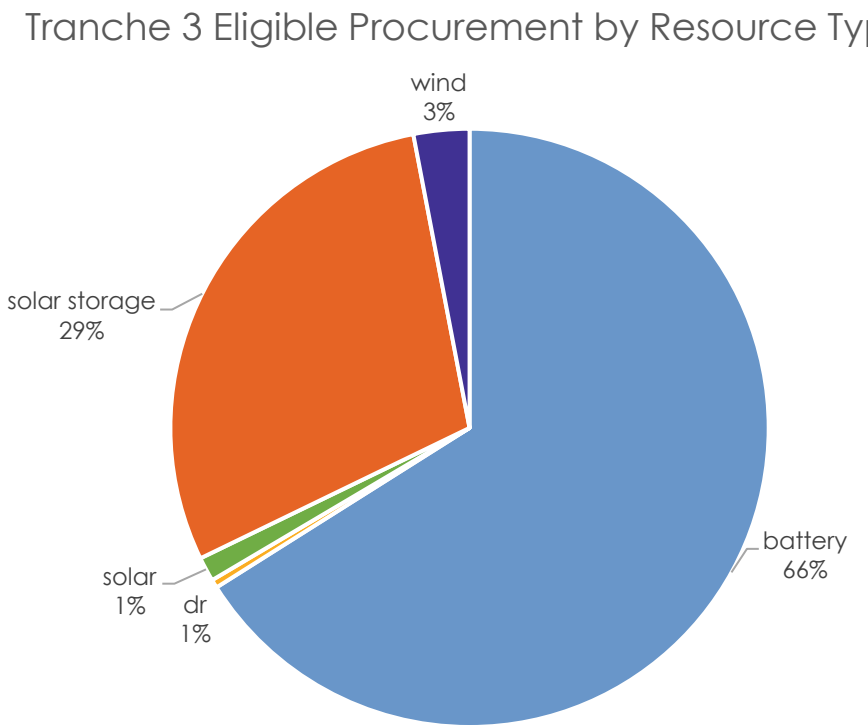
Tranche 3 Procurement Compliance Status by LSE Type



- For the Tranche 3 procurement requirement
  - 14 out of 36 LSEs, or 39%, are considered compliant.
  - 16 out of 36, or 44%, are partially compliant.
  - 6 out of 36 LSEs, or 17%, are non-compliant.

PUBLIC

Tranche 3 Eligible Procurement by Resource Type Based on Data Submitted through the RDT



- The table displays the resource mix by technology that make up the 1,690 MW MTR NQC of qualifying Milestone 3 MTR NQC applied towards the Tranche 3 obligation.
- Most of the qualifying resources come from solar generation paired with storage or from standalone batteries.

PUBLIC

Tranche 3 Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	649	453	430	396	324	(325)
ESP	150	141	141	118	75	(75)
IOU	891	891	891	600	589	(302)
Grand Total	**1,690**	**1,485**	**1,462**	**1,115**	**988**	**(702)**

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Compliance with DCR Procurement

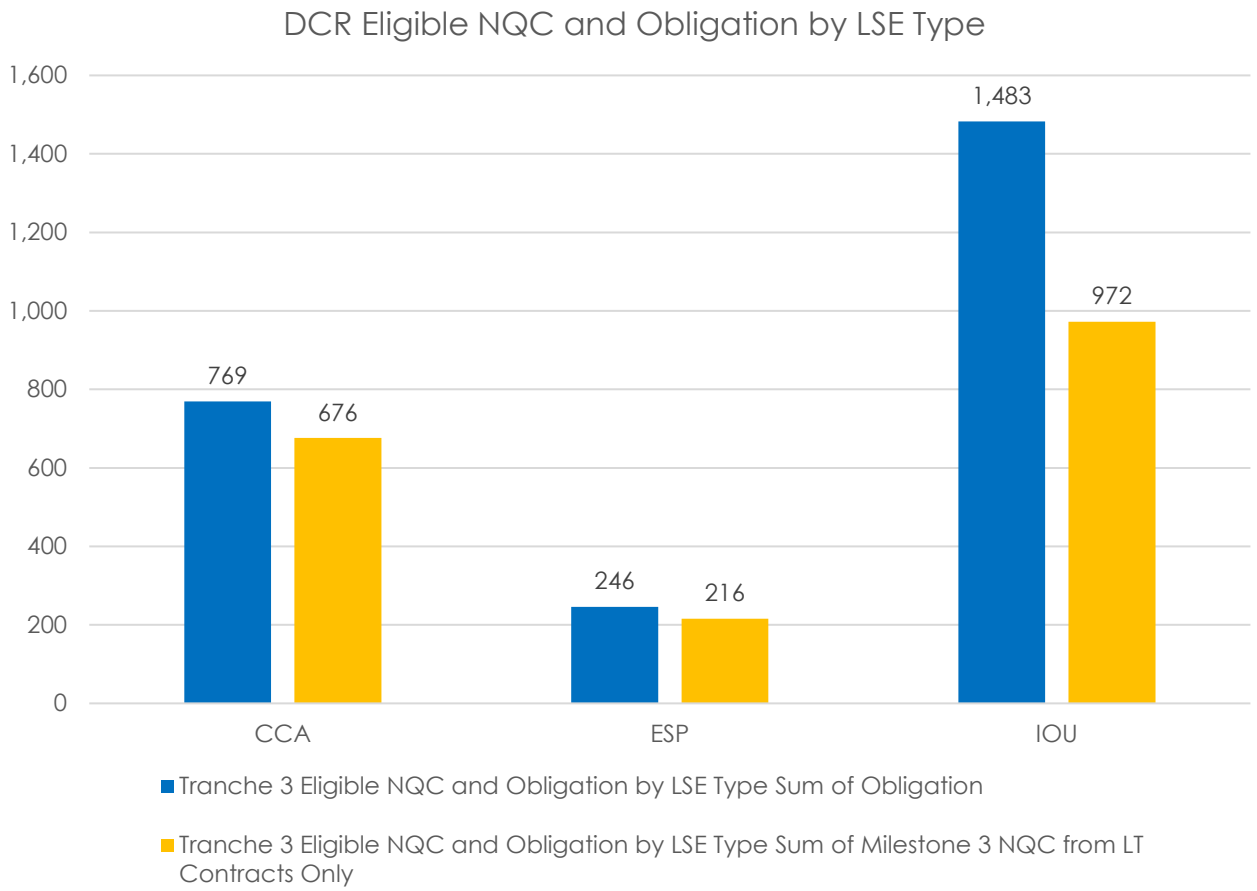
PUBLIC

DCR Procurement

- LSEs were required to bring online 2,499 MW MTR NQC by June 1, 2025, for DCR.
  - LSEs brought online 1,864 MW of eligible MTR NQC (about 75% of the obligation) for DCR compliance.
- Note bridge resources were an allowable compliance pathway for this Tranche as of the June 2025 filing if the bridge contract was executed by September 18, 2025. From September 2025 onward, if eligible bridge contracts were not executed, alternative compliance must be met by the requirements of D.25-09-007.
- Staff note DCR compliance determinations will not be final until after June 1, 2028.

PUBLIC

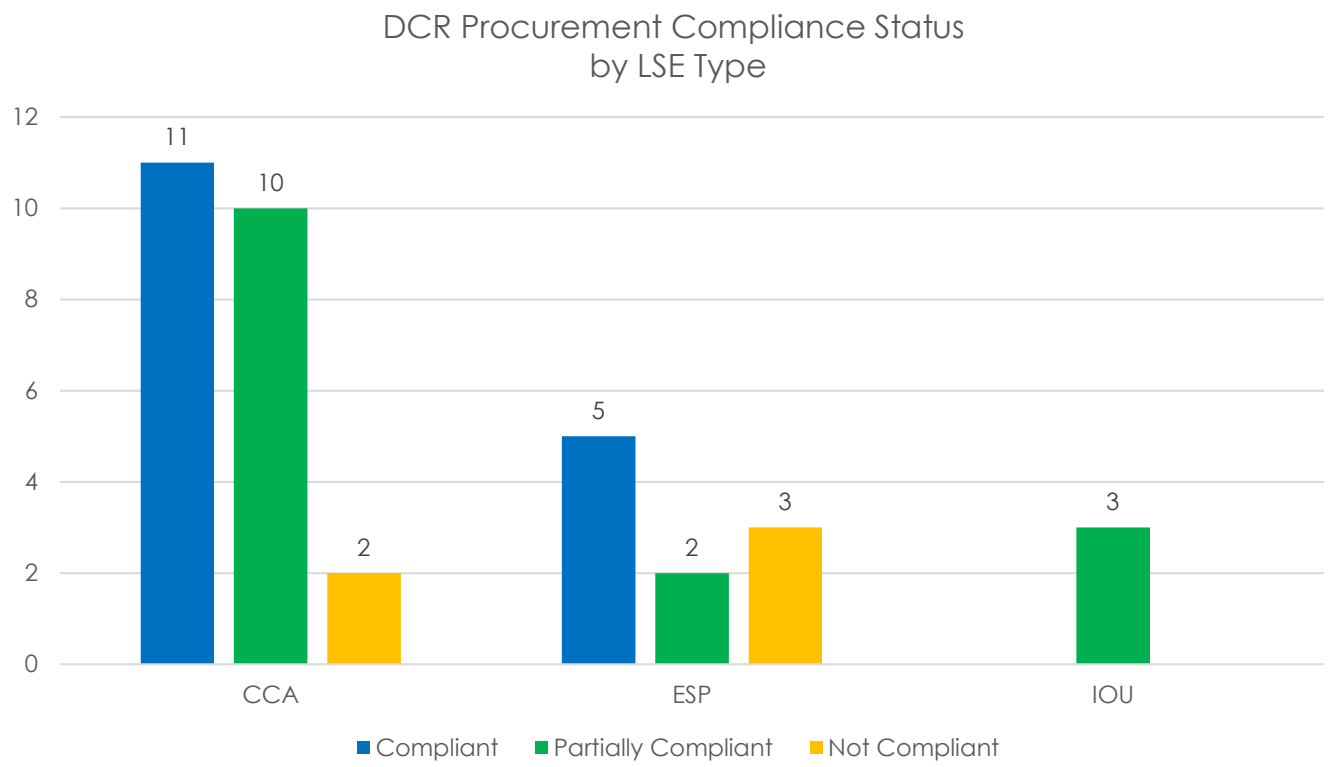
Eligible MTR NQC and Obligation by LSE Type for DCR Procurement



- The table compares the DCR obligation of 2,499 MW MTR NQC to the 1,864 MW of qualifying Milestone 3 MTR NQC by LSE type.
  - IOUs brought online 66% of the IOU obligation.
  - CCAs brought online 88% of the CCA share of obligation.
  - ESPs brought online 88% of the ESP share of obligation.

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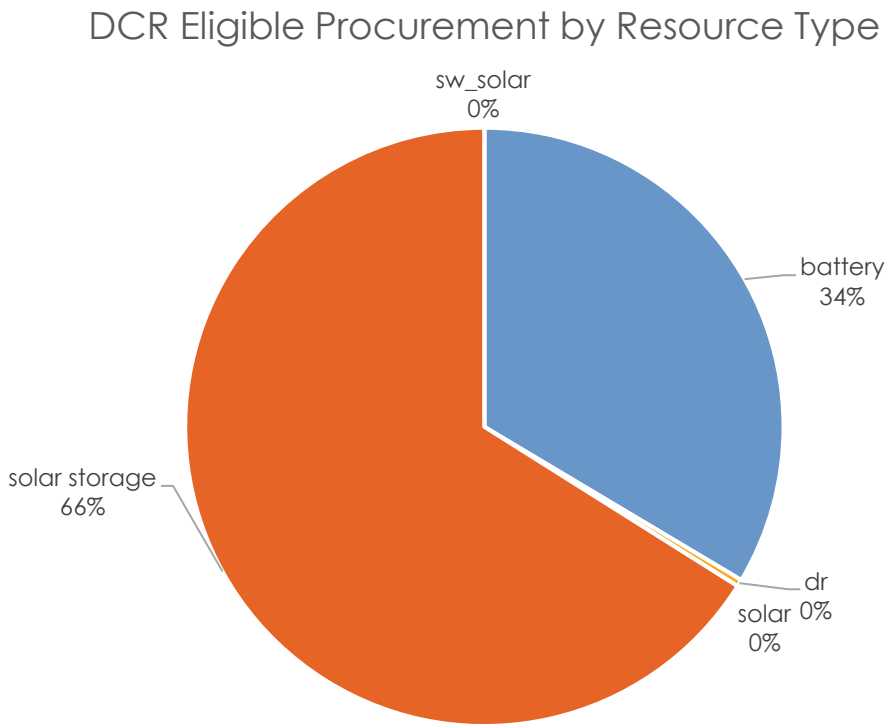
DCR Procurement Compliance Status by LSE Type



- For the DCR procurement requirement
  - 16 out of 36 LSEs, or 44%, are considered compliant.
  - 15 out of 36, or 42%, are partially compliant.
  - 5 out of 36 LSEs, or 14%, are non-compliant.

PUBLIC

DCR Eligible Procurement by Resource Type Based on Data Submitted through the RDT



- The table displays the resource mix by technology that make up the 1,864 MW MTR NQC of qualifying Milestone 3 MTR NQC applied towards the DCR obligation.
- Most of the qualifying resources come from solar generation paired with storage.

PUBLIC

DCR Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	769	679	679	678	676	(93)
ESP	246	231	231	229	216	(30)
IOU	1,483	1,483	1,483	1,223	972	(511)
Grand Total	**2,498**	**2,393**	**2,393**	**2,130**	**1,864**	**(634)**

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D.24-02-047 OP 16 Compliance Overview

PUBLIC

LLT LDES Compliance with D.24-02-047 OP 16

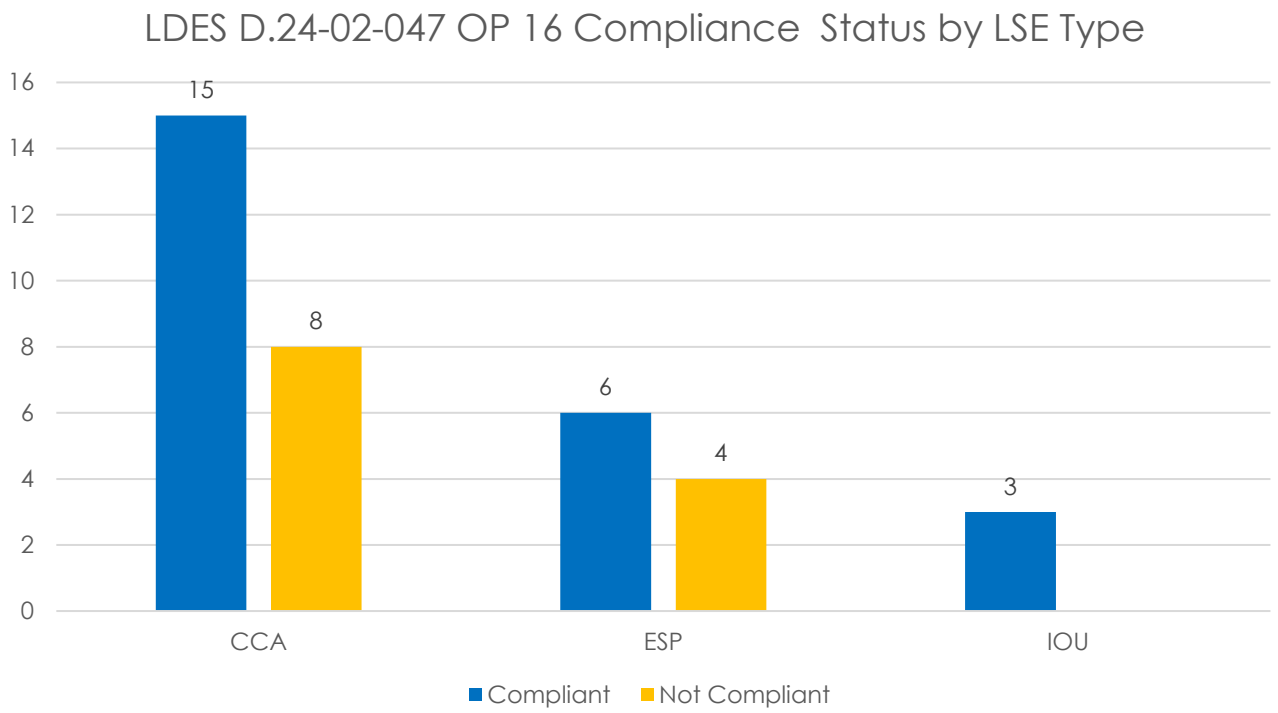
PUBLIC

LLT LDES Compliance with D.24-02-047 OP 16

- LSEs were required to meet D.24-02-047 OP 16 by June 1, 2025, for LDES resources by either submitting LDES contract(s), a Tier 2 AL requesting an extension to submit LDES contract(s) by June 1, 2025, or a combination of the two for the entire D.21-06-035 LDES obligation amount.
- Staff note LDES D.24-02-047 OP 16 compliance determinations are final as of June 1, 2025.

PUBLIC

LDES D.24-02-047 OP 16 Compliance Status by LSE Type



- For compliance with D.24-02-047 OP 16 for the LLT LDES category
  - 24 out of 36 LSEs, or 67%, are considered compliant.
  - 12 out of 36 LSEs, or 33%, are non-compliant.

PUBLIC

LLT Firm ZE Compliance with D.24-02-047 OP 16

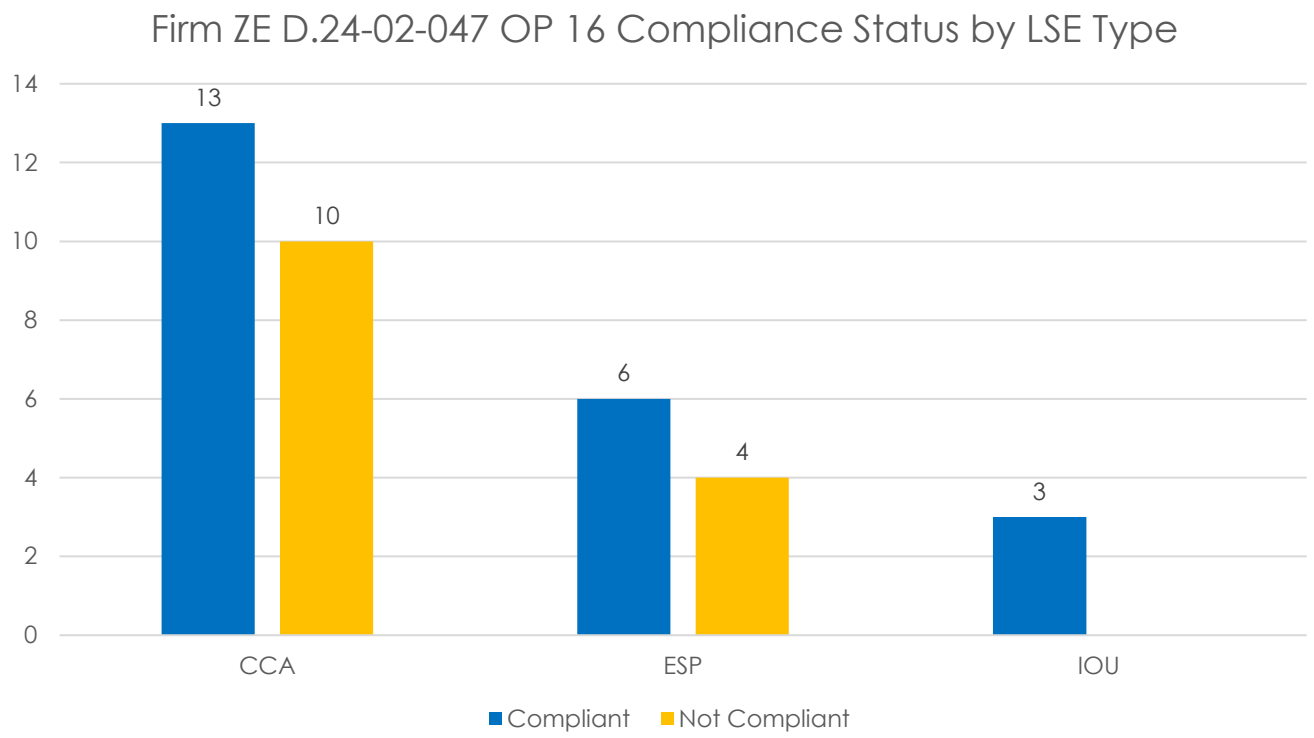
PUBLIC

LLT Firm ZE Compliance with D.24-02-047 OP 16

- LSEs were required to meet D.24-02-047 OP 16 by June 1, 2025, for Firm ZE resources by either submitting Firm ZE contract(s), a Tier 2 AL requesting an extension to submit Firm ZE contract(s) by June 1, 2025, or a combination of the two for the entire D.21-06-035 LDES obligation amount.
- Staff note Firm ZE D.24-02-047 OP 16 compliance determinations are final as of June 1, 2025.

PUBLIC

Firm ZE D.24-02-047 OP 16 Compliance Status by LSE Type



- For compliance with D.24-02-047 OP 16 for the LLT Firm ZE category
  - 22 out of 36 LSEs, or 61%, are considered compliant.
  - 14 out of 36 LSEs, or 39%, are non-compliant.

PUBLIC

Overview of Procurement Progress Towards Future Tranches and Categories

PUBLIC

Procurement Progress Towards General 2026 (Tranche 4) Procurement

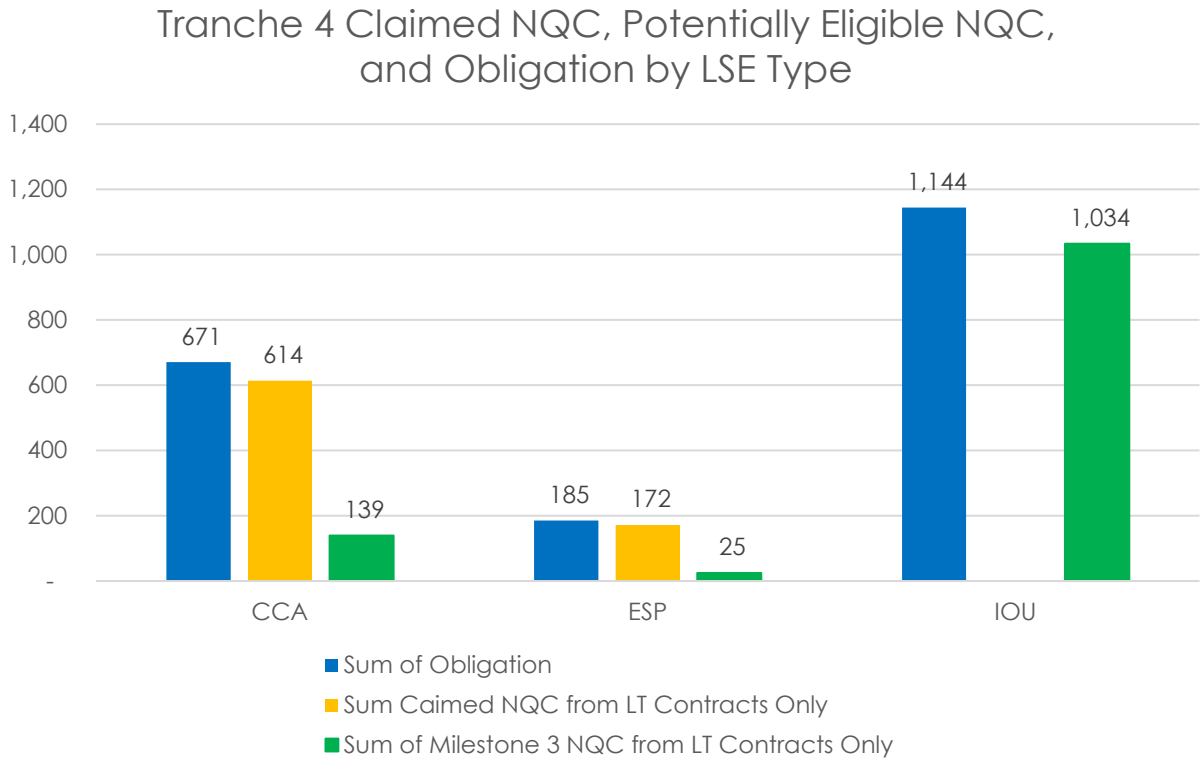
PUBLIC

Tranche 4 Procurement

- LSEs were required to bring online 2,000 MW MTR NQC by June 1, 2026, for Tranche 4.
- For Tranche 4 compliance:
  - LSEs stated they brought online 164 MW MTR NQC (about 8% of the obligation).
  - LSEs have estimated attainment of 1,820 MW MTR NQC (about 91% of the obligation).
- Bridge resources are not an allowable alternative compliance pathway for this Tranche. Any alternative compliance must be met by the requirements of D.25-09-007.
- Staff note compliance determinations will not be final until after June 1, 2029.
- Note LSEs are allowed to shift their General 2026 obligation deadline to June 1, 2028, if LLT obligations are met early.

PUBLIC

Claimed MTR NQC, Potentially Eligible MTR NQC, and Obligation by LSE Type for Tranche 4 Procurement



- The table compares the Tranche 4 obligation of 2,000 MW MTR NQC to the 164 MW of potentially eligible Milestone 3 MTR NQC, as well as the 1,820 MW MTR NQC anticipated online by LSE type.
  - IOUs stated they brought online 0% and expect to bring online 91% of the IOU obligation.
  - CCAs stated they brought online 21% and expect to bring online 90% of the CCA share of obligation.
  - ESPs stated they brought online 14% and expect to bring online 93% of the ESP share of obligation.

PUBLIC

Tranche 4 Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	671	614	515	295	139	(532)
ESP	185	172	172	71	25	(160)
IOU	1,144	1,034	1,034	499	-	(1,144)
Grand Total	**2,000**	**1,820**	**1,722**	**865**	**164**	**(1,836)**

PUBLIC

Procurement Progress Towards General 2027 (Tranche 5) Procurement

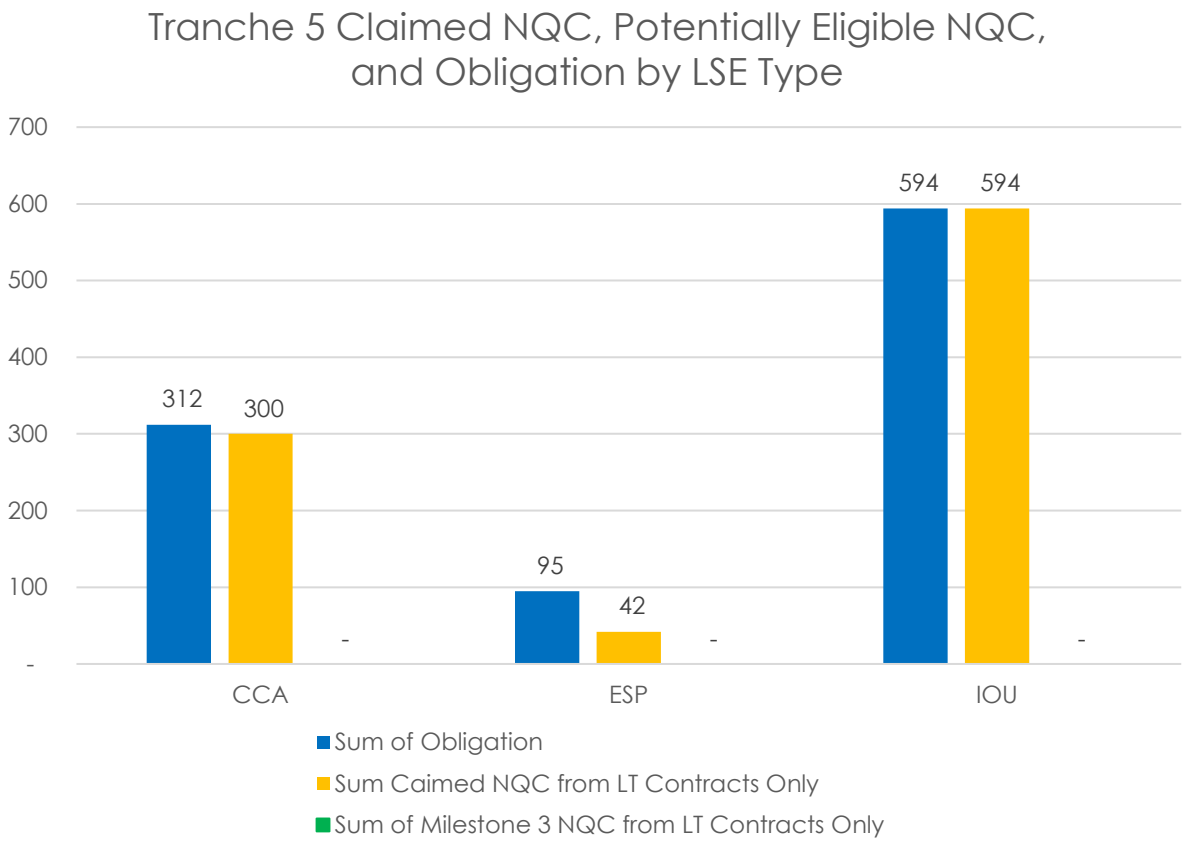
PUBLIC

Tranche 5 Procurement

- LSEs were required to bring online 2,000 MW MTR NQC by June 1, 2027, for Tranche 5.
- For Tranche 5 compliance:
  - LSEs stated they brought online 64 MW MTR NQC (about 3% of the obligation).
  - LSEs anticipate bringing online 1,818 MW MTR NQC (about 91% of the obligation).
- Bridge resources are not an allowable alternative compliance pathway for this Tranche. Any alternative compliance must be met by the requirements of D.25-09-007.
- Staff note compliance determinations will not be final until after June 1, 2030.
- Note LSEs are allowed to shift their General 2027 obligation deadline to June 1, 2028, if LLT obligations are met early.

PUBLIC

Claimed MTR NQC, Potentially Eligible MTR NQC, and Obligation by LSE Type for Tranche 5 Procurement



- The table compares the Tranche 5 obligation of 2,000 MW MTR NQC to the 64 MW of potentially eligible Milestone 3 MTR NQC, as well as the 1,818 MW MTR NQC anticipated online by LSE type.
  - IOUs stated they brought online 5% and expect to bring online 98% of the IOU obligation.
  - CCAs stated they brought online 83% and expect to bring online 88% of the CCA share of obligation.
  - ESPs stated they brought online 0% and expect to bring online 70% of the ESP share of obligation.

PUBLIC

Tranche 5 Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	671	563	496	85	8	(663)
ESP	185	130	130	46	-	(185)
IOU	1,144	1,126	1,102	612	56	(1,088)
Grand Total	**2,000**	**1,818**	**1,728**	**743**	**64**	**(1,936)**

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Procurement Progress Towards LLT LDES Procurement

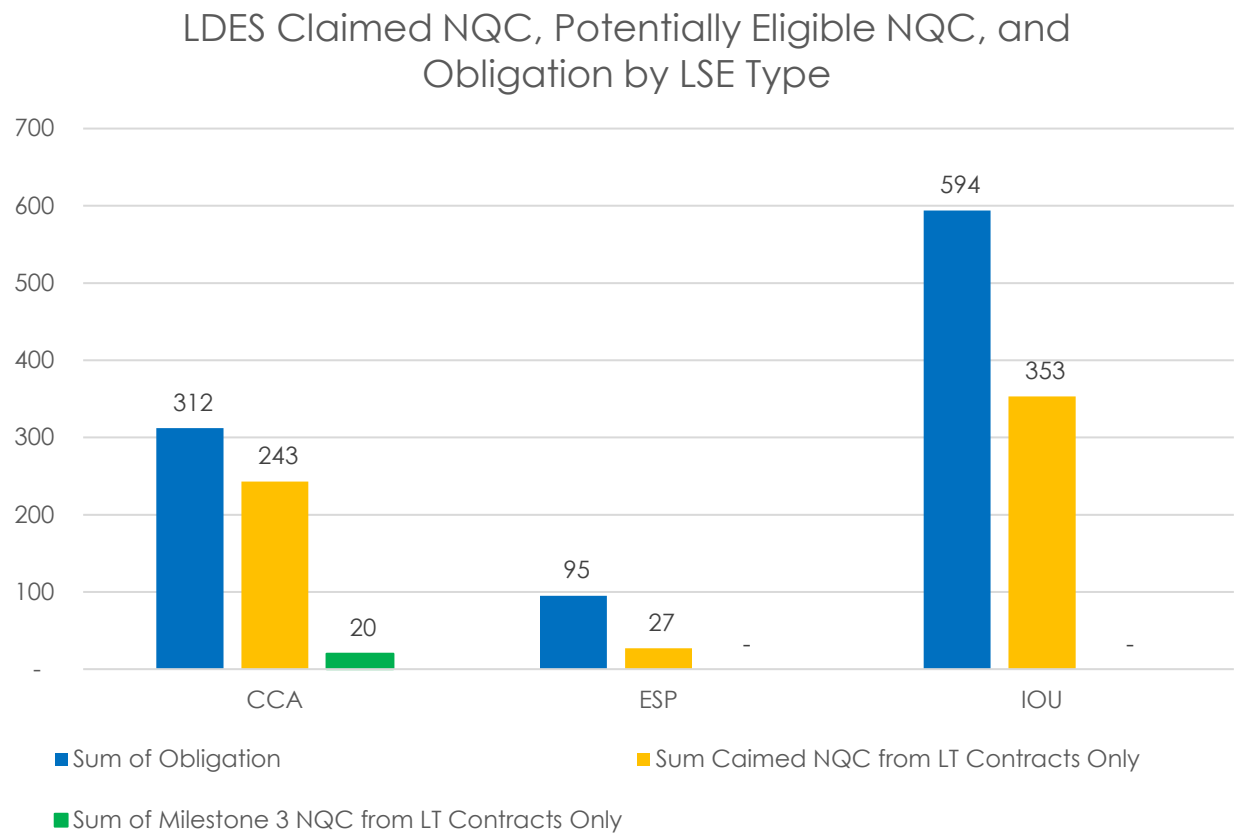
PUBLIC

LLT LDES Procurement

- LSEs were required to bring online 1,000 MW MTR NQC by June 1, 2028 (with some exceptions to bring resources online by June 1, 2031, per D.24-02-047 OP 17 approval) for LDES.
- For LLT LDES compliance:
  - LSEs stated they brought online 0 MW MTR NQC (0% of the obligation).
  - LSEs anticipate counting 955 MW MTR NQC (about 95% of the obligation).
- Bridge resources are not an allowable alternative compliance pathway for this Tranche. Any alternative compliance must be met by the requirements of D.25-09-007.
- Staff note compliance determinations will not be final until after June 1, 2031.

PUBLIC

Claimed MTR NQC, Potentially Eligible MTR NQC, and Obligation by LSE Type for LLT LDES Procurement



- The table compares the LLT LDES obligation of 1,000 MW MTR NQC to the 0 MW of potentially eligible Milestone 3 MTR NQC, as well as the 955 MW MTR NQC anticipated online by LSE type.
  - IOUs stated they brought online 0% and expect to bring online 100% of the IOU obligation.
  - Individually operated CCAs stated they brought online 0% and expect to bring online 96% of the CCA share of obligation.
  - ESPs stated they brought online 0% and expect to bring online 65% of the ESP share of obligation.

PUBLIC

LLT LDES Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	312	300	300	68	-	(312)
ESP	95	62	22	-	-	(95)
IOU	594	594	553	-	-	(594)
Grand Total	**1,001**	**955**	**874**	**68**	**-**	**(1,001)**

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Procurement Progress Towards LLT Firm ZE Procurement

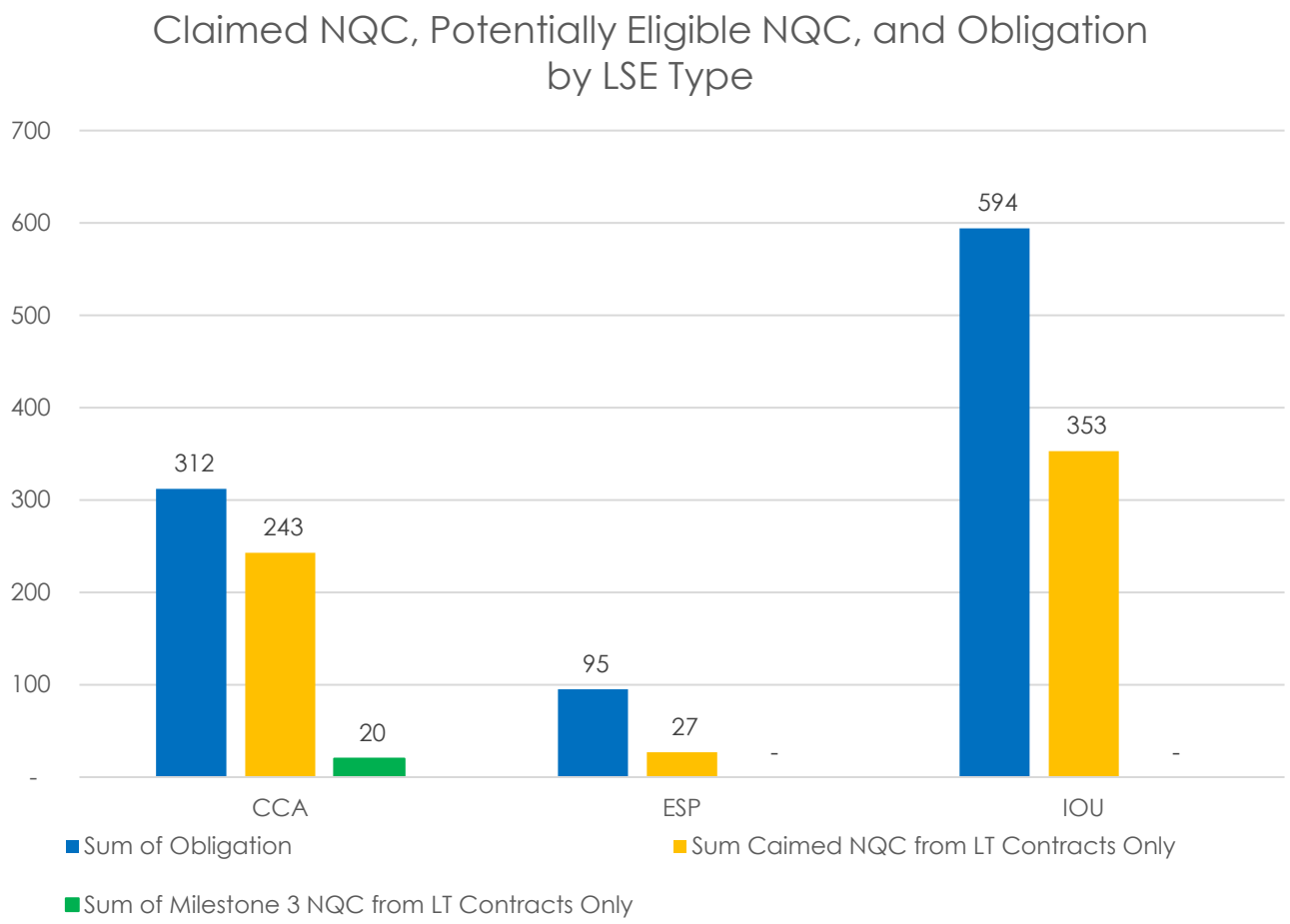
PUBLIC

LLT Firm ZE Procurement

- LSEs were required to bring online 1,000 MW MTR NQC by June 1, 2028 (with some exceptions to bring resources online by June 1, 2031, per D.24-02-047 OP 17 approval) for Firm ZE.
- For LLT Firm ZE compliance:
  - LSEs stated they brought online 20 MW MTR NQC (2% of the obligation).
  - LSEs anticipate counting 672 MW MTR NQC (about 67% of the obligation).
- Bridge resources are not an allowable alternative compliance pathway for this Tranche. Any alternative compliance must be met by the requirements of D.25-09-007.
- Staff note compliance determinations will not be final until after June 1, 2031.

PUBLIC

Claimed MTR NQC, Potentially Eligible MTR NQC, and Obligation by LSE Type for LLT Firm ZE Procurement



- The table compares the LLT Firm ZE obligation of 1,000 MW MTR NQC to the 20 MW of potentially eligible Milestone 3 MTR NQC, as well as the 672 MW MTR NQC anticipated online by LSE type.
  - IOUs stated they brought online 0% and expect to bring online 59% of the IOU obligation.
  - CCAs stated they brought online 6% and expect to bring online 78% of the CCA share of obligation.
  - ESPs stated they brought online 0% and expect to bring online 81% of the ESP share of obligation.

PUBLIC

LLT Firm ZE Procurement Summary

LSE Type	Obligation	Claimed MTR NQC from LT Contracts Only	Milestone 1 MTR NQC from LT Contracts Only	Milestone 2 MTR NQC form LT Contracts Only	Milestone 3 MTR NQC from LT Contracts Only	Obligation Deficiency (-)
CCA	312	243	243	45	20	(292)
ESP	95	77	37	-	-	(95)
IOU	594	353	353	353	-	(594)
Grand Total	**1,001**	**672**	**632**	**398**	**20**	**(981)**

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Compliance Findings

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High Level Compliance Findings

- LSEs tend to demonstrate higher compliance rates with the D.21-06-035 Cumulative procurement because the June 1, 2025, deadline allows additional delayed resources to qualify without the need for alternative compliance pathways.
  - Consequently, an LSE may show progressively less compliance for each Tranche as fewer delayed resources remain eligible across each tranche.
  - As a result, an LSE may be compliant on a Cumulative level while remaining non-compliant or only partially compliant at the Tranche or category level.
- IOUs demonstrated the greatest progress toward satisfying Cumulative procurement obligations, followed by CCAs, then ESPs.
- Within the DCR procurement category, CCAs demonstrated the greatest success in procuring eligible DCR MTR NQC, followed by ESPs, IOUs, then CCAs.
- At the Tranche level, LSEs were generally most successful in meeting Tranche 1 procurement requirements.
  - Because LSEs are expected to satisfy earlier Tranche obligations before later Tranches, higher compliance with Tranche 1 is expected.
- Additionally, while most LSEs are able to achieve a Partially Compliant status, achieving a fully Compliant status is less common. LSEs that reach a fully Compliant status rely less on alternative compliance pathways than LSEs that only achieve a Partially Compliant status.

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Resource Delays

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Impacts of Continued Resource Delays

- Staff observed several recurring resource delay factors contributing to LSEs missing Cumulative or Tranche and category level procurement compliance targets.
- Delays vary by project, development stage, and include both internal and external constraints.
- These factors can continue to impact compliance due to the following:
  - Increased dependence on bridge procurement and other remediation strategies
  - Postponed milestone achievements
  - Longer lead times
  - Delayed construction schedules
  - Shifted or failed COD schedules
  - Failed contractual executions

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Factors Contributing to Resource Delays

Factor	Examples
Interconnection, Transmission, and Deliverability	• Long CAISO interconnection queue timelines • Pending transmission upgrades • Limitations or uncertainty regarding receiving or transferring of Full Capacity Deliverability Status (FCDS) • Modifications to Large Generator Interconnection Agreements (LGIAs) • Delayed transmission study timelines
Permitting, Environmental and Land-Use	• Extended timelines associated with county, Bureau of Land Management, building and construction, or drilling permitting • Delayed agency responses from fire department approvals and testing or environmental review processes.
Supply Chain and Manufacturing	• Battery manufacturing delays • Limited equipment availability • Shipping disruptions • Increased import fees • Regional and international manufacturing power shortages • Commodity price volatility • Material shortages • Lingering market impacts from the Covid-19 pandemic
Financing and Commercial Negotiations	• Evolving contractual negotiations and amendments • Securing financing • Increased capital costs • Changes to project economics • Delayed contract execution that falls after a compliance deadline • Limited solicitation outreach
Force Majeure and Extraordinary Circumstances	• Natural disasters such as wildfires, flooding, storms, and extreme heat events • Extraordinary circumstances that contributed to a resource delay or failing to remain online
Regulatory and Policy Uncertainty	• Anticipated policy changes • Modifications to federal incentives or tariffs • Potential Tranche allocation resource eligibility ambiguity • Implementation of new alternative compliance pathways

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Links

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References to Prior Compliance Reports

- Prior Compliance Status Reports related to D.21-06-035 and D.23-02-040 Orders:
  - California Public Utilities Commission (CPUC) Staff Review of Load-Serving Entities' (LSEs') Compliance with the Mid-Term Reliability (MTR, D.21-06-035) and Supplemental MTR (SMTR, D.23-02-040) Decisions, 7/10/2025
  - Procurement in Compliance with D.19-11-016 and Mid Term Reliability (D.21-06-035) per December 1, 2023, 10/9/2024
  - Procurement in Compliance with D.19-11-016 and Mid Term Reliability (D.21-06-035) per August 1, 2023, 4/22/2024
  - Procurement in Compliance with D.19-11-016 and Mid Term Reliability (D.21-06-035) per February 1, 2023, 11/2/2023

For more information:

Please visit
IRP Procurement Track

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irpdatarequest@cpuc.ca.gov