



Fact Sheet

CPUC Proposed Decision on Electric Resource Procurement and Transmission Planning

R.25-06-019
January 2026

On January 14, 2026, the California Public Utilities Commission (CPUC) issued a Proposed Decision in its Integrated Resource Planning (IRP) proceeding that builds on ongoing efforts to supply clean, reliable electricity to all Californians, while keeping costs as low as possible for customers, and to plan for the least-cost infrastructure needed to support the electricity system.

The proposal focuses on two main areas:

1. **Power Supply – Procuring new storage and clean energy resources** for 2029-2032
2. **Power Delivery – Planning future incremental transmission system upgrades** to deliver electricity to where it's needed

1. New Electricity Resources (Power Supply)

What is being proposed?

The CPUC proposal requires that electricity providers (investor-owned utilities, electric service providers, and community choice aggregators) subject to CPUC jurisdiction procure additional clean energy supply to maintain reliability of the system consistent with forecasted demand growth. The Proposed Decision requires that each electricity provider execute contracts to cover their proportional load share of the following quantities:

- 2,000 megawatts (MWs) of net qualifying capacity (NQC) for 2029-30 by June 2030
- An additional 4,000 MWs NQC for 2031-32 by June 2032

What kinds of resources count?

- All procurement must come from clean energy-generating resources, such as solar, wind, or geothermal, or from energy storage technologies, such as batteries
- Electricity providers cannot procure generation from fossil fuel power plants to meet their obligations

How does this benefit customers?

- Customers of the electricity providers will be served with the new clean energy generation and storage resources
- The procurement will help to maintain a reliable grid, including during heat waves or other periods of high electricity demand
- Planning ahead helps avoid the need to resort to emergency actions, which are often more expensive
- Building new clean energy power plants continues to reduce the usage of existing fossil fuel power plants
- The CPUC aims to keep costs as low as feasible for ratepayers and this procurement order encourages electricity providers to continue procuring the most cost-competitive resources that provide the best value to communities

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2. Planning Transmission Lines (Power Delivery)

Why transmission planning matters:

California has a large need for power and transmission that allows the power to be efficiently and cost-effectively shared among all ratepayers. As a part of its planning role, the CPUC analyzes portfolios of new generation and storage resources and transmits those portfolios to the California Independent System Operator (CAISO). The CAISO then studies whether transmission upgrades are needed to deliver generation to meet system needs.

The proposed base 2026–2027 transmission planning portfolio looks 15 years ahead and assumes:

- All existing and in-development generation and storage come online within the planning horizon
- Includes additional clean resources identified through previous IRP cycles and from electricity providers' plans
- Adds flexibility for offshore wind planning:
 - 1) assumes that the Central Coast resources will come online between 2032 and 2036
 - 2) recommends to the CAISO that they allow the potential in-service dates for the Humboldt transmission projects to extend out by up to two years to June 1, 2036, with the generation coming online by 2041
- Plans for future electricity demand as forecasted by the California Energy Commission in the Integrated Energy Policy Report (IEPR)

What does this achieve?

- Meets California's electricity system reliability standard
- Charts the path for California to achieve its electric sector greenhouse gas emission reductions and clean energy goals
- Allows the CAISO to plan transmission at the lowest feasible cost because clean energy and storage resources are planned for in places where they provide the greatest value to the system and can minimize costs for ratepayers

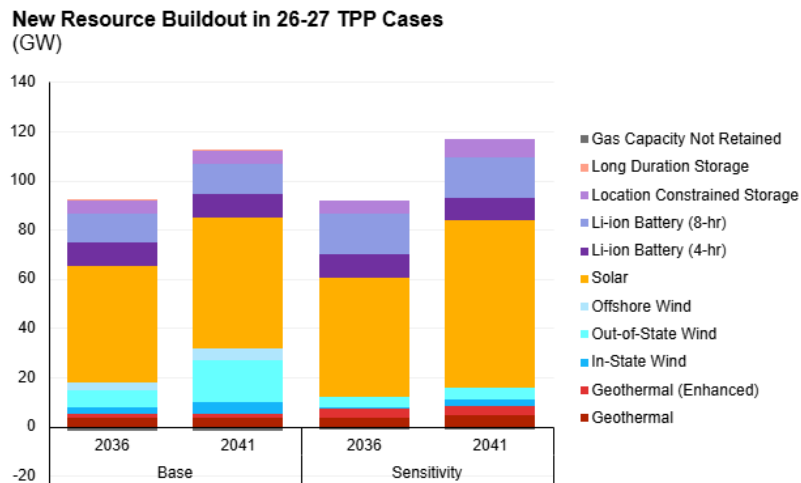
A Sensitivity Scenario: the Limited Wind Development Sensitivity:

The proposal also asks CAISO to study an alternative, higher cost scenario:

- Includes less land-based wind power developed than expected in the base case and in previous transmission planning portfolios
- Assumes no offshore wind
- Limits the ability of the model to select out-of-state wind power

Wind development could slow due to factors outside California's control (such as federal policy changes). This scenario presents an opportunity to identify transmission development that could be needed under this higher cost scenario.

The cumulative buildout of new resources included in the two cases (i.e., proposed 2026-2027 base portfolio and limited wind development sensitivity) is shown below:



Next Steps

- The Proposed Decision is open for comment.
- The Proposed Decision be available for a vote on the CPUC's Feb. 26, 2026 Voting Meeting agenda.

More Information

- [CPUC Proposed Decision](#)
- [Electricity Provider Shares of Procurement](#)
- [Proceeding Docket Card](#)
- [CPUC Integrated Resource Planning Webpage](#)
- [Relevant 2026-2027 Transmission Planning Process Modeling and Mapping Materials](#)
- [2022 Memorandum of Understanding Between CPUC, CEC, and CAISO](#)