

AGENDA

ORANGE COUNTY POWER AUTHORITY MEETING OF THE LEGISLATIVE AND REGULATORY COMMITTEE Tuesday, June 2, 2026 12:00 p.m.

This meeting will proceed as an in-person meeting at **15310 Barranca Parkway, Suite 250, Irvine, CA 92618**. In addition, as a convenience to the public, the Orange County Power Authority is also providing an option for members of the public to remotely view and participate in the meeting. Further details are below. Please note that, in the event of a technical issue causing a disruption in the remote participation option, the meeting may continue unless otherwise required by law.

Public Comments: Any member of the public may provide comments to the Committee on any agenda item by requesting to speak during Item 4, or on any matter not appearing on the agenda but within the jurisdiction of the Committee by requesting to speak during Item 5. When providing comments to the Committee, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Committee as a whole through the Chair. Comments may be provided in the following manner:

Request to Speak: To provide comments during the meeting, in-person attendees, please fill out the public speaker slip and provide it to the clerk at the beginning of the meeting. Before Items 4 and 5, the Chair or Clerk will ask members of the public to join the queue to provide public comment. The queue will remain open for a reasonable amount of time to allow members of the public sufficient time to request to speak and inform the Committee of the number of speakers. After such time, the queue will be closed and the members of the public who have joined the queue to speak will be recognized at the appropriate time may speak. To join the queue on Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. If joining the meeting using the Zoom dial-in number, you can raise your hand and join the queue by pressing *9. Members of the public will not be shown on video but will be able to speak when called upon.

Comments shall generally be limited to three minutes when speaking, provided that the Chair may equally reduce each speaker's time to accommodate a large number of speakers or a large number of agenda items.

Written Communications: If you have a written communication that you wish to be distributed to the Committee, please provide it via e-mail to comments@ocpower.org. Written communications are public records and, if received by 5:00 p.m. on the day prior to the meeting, will be distributed to the Committee prior to the meeting by either e-mail or hard-copy, posted on the Authority's website and noted, but not read, at the meeting. Communications received after the 5:00 p.m. deadline will be retained in the Authority's records.

The public may participate using the following remote options:

ZOOM WEBINAR

Please click the link below to join the webinar:

[Launch Meeting - Zoom](#)

Dial-in: 1-669-900-6833

Webinar ID: 899 7389 1511

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **PUBLIC COMMENTS ON AGENDA ITEMS**

Opportunity for members of the public to address the Committee on any items on the agenda.

5. **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Opportunity for members of the public to address the Committee on any items not on the agenda but within the jurisdiction of the Committee.

6. **COMMITTEE MEMBER ANNOUNCEMENTS**

Committee Members may briefly provide information to other members of the Committee and the public, ask questions of staff, or report on conferences, events, or activities related to Authority business. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

7. **CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

**1. MINUTES FOR THE LEGISLATIVE AND REGULATORY COMMITTEE
MEETING OF MARCH 23, 2026**

Recommended Action:

Approve as submitted.

8. **REGULAR CALENDAR**

The following items call for discussion or action by the Committee. The Committee may discuss and/or take action on any item listed below if the Committee is so inclined.

1. LEGISLATIVE UPDATE

Recommended Action:

Receive and file.

2. REGULATORY UPDATE

Recommended Action:

Receive and file.

9. **ADJOURNMENT**

Compliance with the Americans with Disabilities Act

OCPA meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact 949-263-2612. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Documents

Copies of the agenda and agenda packet are available at www.ocpower.org. Late-arriving documents related to a Committee meeting item which are distributed to a majority of the Committee prior to or during the Committee meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at clerk@ocpower.org or by mail to 15642 Sand Canyon Avenue, P.O. Box 54283, Irvine, CA 92619-4283. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. Please contact clerk@ocpower.org to arrange an appointment.



**MINUTES
REGULAR MEETING
LEGISLATIVE AND REGULATORY COMMITTEE
ORANGE COUNTY POWER AUTHORITY**

Monday, March 23, 2026

1. CALL TO ORDER

Chair Sonne called to order the Legislative and Regulatory Committee Meeting at 2:13 p.m., on Monday, March 23, 2026.

2. PLEDGE OF ALLEGIANCE

Director Treseder led the Pledge of Allegiance.

3. ROLL CALL

Present:	Chair Susan Sonne	City of Buena Park
	Director Katheleen Treseder	City of Irvine

4. PUBLIC COMMENTS ON AGENDA ITEMS

None.

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

6. DIRECTOR ANNOUNCEMENTS

None.

7. CONSENT CALENDAR

Moved by Director Treseder, seconded by Chair Sonne to approve consent calendar.

The motion carried unanimously by the following vote:

Ayes:	Chair Sonne, Director Treseder
Noes:	None
Absent:	None

**1. MINUTES FOR THE LEGISLATIVE AND REGULATORY COMMITTEE
MEETING OF DECEMBER 4, 2026**

Action Taken:

Approved as submitted.

8. REGULAR CALENDAR

1. LEGISLATIVE UPDATE

Chief Executive Officer Joe Mosca presented the item and provided a summary of the bills monitored by OCPA, high-priority legislation, and the potential outcomes. He highlighted AB 1761 (Rogers) Date Disclosure; SB 1138 (Padilla) LSE RA Requirements; AB 710 (Irwin) Dynamic Rates; and AB 1787 (Shultz) Dynamic Rates. He listed the key deadlines and strategic focus of OCPA.

Action Taken:

Received and filed.

2. REGULATORY UPDATE

Regulatory Analyst Matt Chill presented the item and provided updates on regulations monitored by OCPA, including climate credits and PCIA reform, and initiatives made by the California Energy Commission. He listed the key deadlines and strategic focus of OCPA

Action Taken:

Received and filed.

9. ADJOURNMENT

With no further business to come before the Committee, Chair Sonne adjourned the March 23, 2026, Orange County Power Authority Legislative and Regulatory Committee meeting at 3:18 p.m.

Chair Sonne noted that the next Legislative and Regulatory Committee meeting will be held on Thursday, May 28, 2026, at 3:30 p.m.

Submitted by:

Rogelio Palacios, Board Secretary

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 8.1

To: Orange County Power Authority Board of Directors
From: Frank Harris, Regulatory and Legislative Manager
Matt Chill, Regulatory Analyst
Approved by: Joe Mosca, Chief Executive Officer
Subject: LEGISLATIVE UPDATE
Date: June 2, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

Orange County Power Authority (OCPA) staff track and analyze bills in the California Legislature and in the United States Congress. OCPA actively advocates on behalf of our customers and contributes to CalCCA's legislative affairs efforts.

DISCUSSION ANALYSIS

California Legislative Update

The month of May brought several key committee meetings involving CalCCA-sponsored legislation and other bills with significant potential impact on OCPA. Specific updates are discussed below.

CalCCA Sponsored Legislation

CalCCA has sponsored two bills this session. CalCCA's sponsored Resource Adequacy (RA) Transactability legislation was introduced by Senator Padilla (Senate Bill (SB) 1138. CalCCA's Power Charge Indifference Adjustment (PCIA) data disclosure legislation was introduced by Assemblymember Rogers (Assembly Bill (AB) 1761). These bills are part of our strategy to address energy affordability concerns and ultimately drive down costs for OCPA customers. No single effort or solution will solve the energy affordability challenges facing ratepayers throughout the state. Meaningfully reducing the high cost of electricity bills in California will require multiple small-to-moderate enhancements, such as those referenced in these bills.

SB 1138 (Padilla) – RA Transactability

Background: SB 1138 would require the CPUC to permit Load Serving Entities (LSEs) to trade RA obligations to each other up to 25% of their total compliance obligations. Such a modification furthers the intent of the Slice of Day RA framework to enable greater systemwide efficiency and cost savings within the RA program. On April 24, 2026, OCPA submitted a support letter for SB 1138 to the Senate Appropriations Committee.

Update: SB 1138 was referred to the Senate Appropriations Committee on April 8, 2026. At the April 27, 2026, Senate Appropriations Committee hearing, the bill was placed on the suspense file. SB 1138 was ultimately voted out of the Senate Appropriations Committee on May 14, 2026, with a 5-0 vote. On May 19, 2026, the bill was voted out of the Senate with a 30-0 vote. The bill will now move to the Assembly.

AB 1761 (Rogers) – PCIA Data Disclosure

Background: AB 1761 would require that all data used to inform the PCIA calculation and other rate elements from the CPUC and investor-owned utilities (IOUs) be made available to all LSEs and ratepayer advocates on behalf of impacted customers. On April 24, 2026, OCPA submitted a support letter for AB 1761 to the Assembly Appropriations Committee.

Update: Having passed out of the Assembly Utilities and Energy Committee on March 18, 2026, AB 1761 was referred to the Assembly Appropriations Committee on April 29, 2026. Although initially placed on the suspense file, AB 1761 was voted out of appropriations on May 14, 2026. The bill will now move back to the main floor of the Assembly for further discussion.

Additional Legislation of Interest

The legislature continues to express concern about data centers and how their expansion may affect other customers. OCPA is tracking two bills focused on data centers. AB 2383 (Zbur) and SB 886 (Padilla) are both designed to prevent potential

cost shifts. While OCPA supports this principle, there is language in each that challenges CCA autonomy. The legislature also has an interest in dynamic ratemaking. OCPA is tracking two bills referencing dynamic rates. AB 710 (Irwin) requires each electric corporation to offer optional dynamic pricing tariffs. AB 1787 (Schultz) requires large electrical corporations that request smart meter upgrades to offer customers at least one optional dynamic pricing tariff.

AB 2383 (Zbur) – Data Center Ratemaking

Background: AB 2383 would give the CPUC jurisdiction over rates charged to large-load customers of LSEs, including OCPA customers. The bill intends to incorporate consumer protections against cost shifting onto non-large-load customers. While OCPA firmly supports this core principle and is open to incorporating related language into statute, OCPA opposes any legislation that would shift ratemaking authority from our board to the CPUC. OCPA submitted an “oppose unless amended” letter to the Assembly Appropriations Committee, and directly to Assemblymembers Tri Ta and Diane Dixon. In this letter, OCPA requested that the bill's author work with CalCCA on amendments to restrict CPUC jurisdiction over ratemaking to the IOUs alone.

Update: This bill was heard in the Assembly Utilities and Energy Committee on April 9, 2026, and passed on a 16-1 vote. Assemblymember Tri Ta voted no on this bill. Following further discussion and amendments, the bill was referred to the Assembly Appropriations Committee on April 14, 2026. The bill was passed out of the Appropriations Committee on May 14, 2026, without OCPA's requested changes.

On May 15, 2026, CalCCA spoke with Assemblymember Zbur's office. The Assemblymember then sent CalCCA new amendments that include language specifying that the CPUC's ratemaking authority applies solely to the IOUs. CalCCA continues to work with the Assemblymember's office to address additional issues. Once these issues are addressed and amended language protecting CCA autonomy is incorporated into the bill, OCPA will withdraw its “oppose unless amended” letter.

SB 886 (Padilla) – Data Center Ratemaking and Generation Sources

Background: SB 886 also addresses concerns about cost shifting from large energy users to non-large energy users. OCPA supports this principle. However, the bill also stipulates that large energy users prefund a contract of at least 15 years in duration through their LSE and provide dispatchable reliability assets within their LSE's service territory. While neither CalCCA nor OCPA has taken a position on this bill, OCPA holds as a core principle that our governing board shall have authority over our overall rate structures and customer contracting terms. This bill directs the LSEs to use a specific contract type to preclude the potential of a cost shift.

Update: This bill has moved out of the Senate Appropriations Committee. CalCCA continues to work with the author to address the disagreeable language.

AB 710 (Irwin) – Dynamic Rates

Background: This bill directs the CPUC to require each electrical corporation to offer optional dynamic pricing tariffs and deploy Automatic Metering Infrastructure (AMI) for all customers, pending a feasibility analysis.

Update: On January 26, 2026, AB 710 passed through the Assembly with a 61-2 vote. The bill was referred to the Senate Committee on Energy, Utilities, and Communications on May 5, 2026.

AB 1787 (Schultz) – Dynamic Rates

Background: This bill would require large electrical corporations that request smart meter (AMI) and billing system upgrades to offer customers at least one optional dynamic-rate tariff, including both bundled and unbundled customers.

Update: On March 18, 2026, AB 1787 passed through the Assembly Utilities and Energy Committee with amendments, with a 13-0 vote. Amendments from the Assembly Utilities and Energy Committee were released on March 19, 2026, and emphasized the need to equip customers with tools and information to take advantage of the dynamic rate. These amendments also mention the need for adequate protections and safeguards for customers. These are additions that OCPA supports. On May 14, 2026, the bill passed out of the Assembly Appropriations Committee and is awaiting its third reading on the Assembly floor.

FISCAL IMPACT

None.

ATTACHMENT(S)

None.

ORANGE COUNTY POWER AUTHORITY

Staff Report – Item 8.2

To: Orange County Power Authority Board of Directors
From: Matt Chill, Regulatory Analyst
Frank Harris, Regulatory and Legislative Manager
Approved by: Joe Mosca, Chief Executive Officer
Subject: REGULATORY UPDATE
Date: June 2, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community
- ☐ Prioritize Fiscal Sustainability & Affordability
- ☐ Design & Deploy Community-Aligned Customer Programs
- ☐ Energize Our Community with Renewable Energy
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers
- ☐ Not Applicable

RECOMMENDED ACTION(S)

Receive and file.

BACKGROUND

Orange County Power Authority (OCPA) staff actively participate in several proceedings at the California Public Utilities Commission (CPUC), the California Energy Commission (CEC), the California Air Resources Board (CARB), the California Independent System Operator (CAISO), and the Federal Energy Regulatory Commission (FERC). This report includes a summary of high-priority proceedings.

DISCUSSION / ANALYSIS

CPUC Updates

Power Charge Indifference Adjustment Proceeding – Rulemaking 25-02-005

Background: On February 11, 2025, the CPUC issued an Order Instituting Rulemaking (OIR) to initiate a new proceeding related to the Power Charge Indifference Adjustment (PCIA). The OIR was filed as Rulemaking (R.) 25-02-005. There are three tracks to R.25-02-005.

Track 1:

Track 1 was an expedited track focused on potential modifications to the Resource Adequacy (RA) Market Price Benchmark (MPB). The CPUC issued Decision (D.) 25-06-049 on June 26, 2025. Among other details, the decision adopts a single RA MPB using three years of transaction data for the forecast calculation and four years of transaction data for the final calculation.

On July 28th, 2025, the California Community Choice Association (CalCCA) filed an Application for Rehearing (AFR) on Track 1 of the proceeding. CalCCA's AFR focused on CCAs' opposition on the CPUC's MPB calculation methodology for the 2025 Energy Resource Recovery Account (ERRA) True Up, asserting that this amounted to illegal retroactive ratemaking. On October 31, 2025, the CPUC issued D.25-10-061, denying CalCCA's AFR of D.25-06-049.

On December 1, 2025, CalCCA requested that the Court grant the Petition for Review of D.25-06-049 and reverse the Decision on the grounds that (1) the Decision violated the prohibition against retroactive ratemaking; and (2) the Decision's retroactive application to 2025 rates was not supported by adequate findings or substantial evidence in the record.¹

Track 2

On February 3, 2026, the CPUC filed a Scoping Ruling that established the issues to be resolved within Track 2 of the proceeding. Specifically, the Commission will determine whether the proposal to value Pre-2019 Banked Renewable Energy Credits (RECs) at a non-zero amount is consistent with applicable law and Commission precedent. If the CPUC finds as such, it will also determine how any such value should be determined and allocated consistent with indifference principles for all customers.

¹ See <https://cal-cca.org/wp-content/uploads/2025/12/Petition-for-Writ-of-Review-with-the-California-Court-of-Appeal.pdf>.

Update: On March 27, 2026, the CPUC released a Staff Report and Proposals on Pre-2019 Banked RECs.² This staff report does not draw a conclusion regarding the balance of indifference between departed and bundled load. The CPUC acknowledges the merits and challenges to the arguments of both CalCCA and the Investor-Owned Utilities (IOUs). The CPUC Offers four Proposals for Valuing Pre-2019 Banked RECs:

1. Load-Share Weighted RPS MPB
2. Department of Energy (DOE) REC Value
3. 50/50 Split
4. Adjusted Weighting Mechanism

On April 24, 2026, the CPUC issued a ruling updating the remainder of the schedule for Track 2 of the proceeding.³ Key dates are listed below:

- May 12, 2026: Testimony on the staff report is due.
- May 26, 2026: Deadline to Present Settlement or Motion to Request Hearings.
- June 2, 2026: Evidentiary Hearing if needed
- June 16, 2026: Opening Briefs
- June 25, 2026: Reply Briefs
- August 17, 2026: Proposed Decision (PD)
- September 17, 2026: Commission Decision

On May 12, 2026, CalCCA submitted Testimony on the CPUC's Staff Report. OCPA contributed to the development of the arguments raised in this Testimony. CalCCA reaffirmed its prior stance that the CPUC should value pre-2019 banked RECs at the RPS MPB to maintain indifference principles between bundled and unbundled customers. CalCCA notably stated that if the CPUC chooses not to value pre-2019 banked RECs at the RPS MPB, it should alternatively value these RECs with 90% weighting at the RPS MPB and 10% weighted to a metric that aligns with the value of a Power Content Category (PCC) -3 REC.⁴ CalCCA also stated that it did not support any of the four CPUC-proposed methodologies for determining the value of pre-2019 banked RECs because none of the proposals attempted to quantify the value of a pre-2019 banked REC; instead, they sought a compromise between IOU and CCA positions.

Track 3

² See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=603533506>.

³ See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=605750799>.

⁴ This aligns with The California Public Advocates Office's (Cal Advocates') comments in its Testimony of Track 2 from March 23, 2026, which argue that the full RPS MPB is likely an overvaluation of pre-2019 banked RECs because these share some characteristics with PCC 3 RECs in that they are unbundled from energy and do not contribute to a Load Serving Entities' Power Content Label.

On March 27, 2026, CalCCA submitted comments about issues within scope and data access needs for Track 3. CalCCA's primary argument is that it is essential that CCAs have equal access to data as the IOU to ensure that all parties submitting recommendations to enhance the PCIA are on equal footing to submit meaningful proposals.⁵

CalCCA submitted reply comments on Track 3 on April 10, 2026. CalCCA's comments pushed back against the IOUs' opening comments, which argued a need to start Track 3 with an expedited phase that covers restricting against negative PCIA values and implementing a similar methodology update to the RPS MPB that was done in 2025 to the RA MPB. CalCCA asserted that the point of Track 3 was to be broader; starting with two issues that are important solely from the IOU perspective is not a fair approach.

On May 7, 2026, the CPUC provided a procedural update to parties, noting that Track 3 workshops are expected to be held on June 8, June 9, and June 15, 2026. The CPUC released a subsequent ruling on May 13, 2026, setting the topics for these workshops, as follows:

- June 8, 2026 – A high-level discussion of principles and approaches for achieving indifference.
- June 9, 2026 – Discussion of issues proposed to be included in the scope, with an objective of informing specific scheduling and scoping considerations regarding those issues.
- June 15, 2026 – Data access and confidentiality issues, as well as to conclude discussion of any remaining items from days one and two.

[Resource Adequacy - R.25-10-003](#)

Background: R.25-10-003 continues the CPUC's oversight of the RA program. The rulemaking establishes forward RA procurement obligations for load-serving entities (LSEs) beginning with the 2027 compliance year and considers structural reforms to the program. R.25-10-003 is the successor to R.23-10-011, which addressed these topics over the past two years.

This rulemaking will address the 2027 and 2028 RA compliance years, local RA obligations for the 2027-2029 and 2028-2030 compliance years, and further refinements to the Slice of Day (SOD) program.

⁵ Note that one of CalCCA's sponsored bills, Assembly Bill 1761 (Rogers), would require that all data used to inform the PCIA calculation and other rate elements from the CPUC and investor-owned utilities (IOUs) be made available to all LSEs and ratepayer advocates on behalf of impacted customers.

Track 1 of the proceeding will consider:

1. Adoption of Local Capacity Requirements for 2027-29 compliance years
2. Adoption of Flexible Capacity Requirements for 2027
3. Accreditation for Long-Duration Energy Storage (LDES)
4. Unforced Capacity (UCAP)⁶
5. Accreditation for Solar and Wind Resources
6. Transactability Issues within the Slice of Day Framework
7. Residual Unit Commitment (RUC) for RA Resources
8. Energy Only (EO) Resources⁷

CalCCA's Track 1 Proposals recommend the CPUC:

1. Coordinate with the CEC to separate data center loads from the forecast used to set RA requirements and instead base associated RA requirements on actual data center load interconnection information;
2. Account for the reliability value that can be provided by energy only co-located resources under the SOD framework;
3. Clarify the intended use of local RA central procurement entity (CPE) data request results⁸ to ensure consistency; and
4. Publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform their procurement processes.

The CPUC's Report on Transactability indicated it did not believe the value of transactability justified the effort to implement it. Despite this disappointing result, CalCCA filed its proposal for RA Slice-of-Day (SOD) Transactability on March 3, 2026. CalCCA pushed back on the CPUC's Transactability Report. CalCCA was the only party to file a proposal.⁹

A final decision on Track 1 is anticipated by early July 2026, and Track 2 is expected to conclude by June 2027.

Update: N/A

⁶ This is a new metric being developed that considers outage potential for different resources that could be used for Slice of Day (SOD) accreditation and potentially other aspects of the RA program and more broadly throughout CPUC operations.

⁷ This pertains to CalCCA's prior proposal to count co-located EO resources as RA resources.

⁸ The CPUC collects data from all LSEs in SCE and PG&E territory on existing Local RA contracts and shares an anonymized version of the data to the CPE to inform existing contracts and how much Local RA is still needed.

⁹ Note that one of CalCCA's sponsored bills, Senate Bill (SB) 1138 (Padilla), would require the CPUC to permit LSEs to trade RA obligations with each other.

Integrated Resource Planning – R.25-06-019

Background: The Integrated Resource Planning (IRP) process requires the CPUC to identify a resource portfolio to ensure a reliable electric supply while also achieving the clean energy and environmental goals of SB 350 and SB 100. This OIR, issued on July 2, 2025, supersedes R.20-05-003 as the primary venue for CPUC oversight of the IRP process.

R.20-05-003 remains open for purposes of considering a staff proposal on the Reliable and Clean Power Procurement Program (RCPPP) framework, as proposed in the April 25, 2025, Administrative Law Judge's Ruling. Future work or further development and implementation of RCPPP, if adopted, R.25-06-019.

On February 26, 2026, the CPUC issued D.26-02-057, approving a procurement order for 6,000 megawatts (MW) of clean capacity for LSEs statewide. OCPA is now required to procure 25 MW of capacity in each of 2030, 2031, and 2032, for a total of 75 MW. Out of the 75 MW, OCPA must procure at least 19 MW of clean, firm resources and/or LDES.¹⁰

Update: On April 6, 2026, the Alliance for Retail Energy Markets, Coalition of California Large Energy Users, the Regents of the University of California, and Shell Energy North America (US) filed an AFR of D.26-02-057. They filed the application on the grounds that the procurement order does not comply with California law. Specifically, they argue that D.26-02-057 disregards the California Public Utilities Code requirement that allocation must be based on "contribution of the load-serving entity's load and resource portfolio to the electrical system conditions that created the need for the procurement."¹¹ Since there is a cap for electric service providers (ESPs), these parties assert that they should not be allocated capacity within the recent procurement order.

On April 21, 2026, after meeting with OCPA and other members, CalCCA responded to the AFR, arguing that the CPUC should reject it because:

1. The procurement order was issued and allocated to all LSEs due to a system reliability need, not due to projected load growth.
2. Adjustments to procurement order allocation methodology will take time. There is a compressed timeline for LSEs to meet ordered procurement, and the CPUC should not currently spend this time deliberating it. As such, CalCCA asserts that adjustments to the procurement order should occur within the IRP procurement track, RCPPP, when it is launched.

¹⁰ These must be energy storage resources that can discharge for at least eight hours continuously.

¹¹ CA Pub Util Code § 397(a)(1)

3. The rehearing parties improperly use the rehearing of this procurement order decision as a vehicle to advance a separate policy objective of reevaluating the cap on ESPs.

Direct Access Rulemaking - R.19-03-009

Background: The Commission opened this OIR in 2019 to implement SB 237 (Hertzberg), which increases the number of gigawatt-hours (GWh) allowed under Direct Access (DA) arrangements for non-residential customers. The bill also directs the CPUC to provide recommendations to the Legislature on whether and how it should resume the DA program for all interested non-residential customers, among other issues. The statute asserts that all existing customers who are on DA as of January 1, 2019, remain authorized to participate in DA. Except for the express authorization for increased DA transactions under SB 237, the previously enacted suspension of DA transactions remained in effect.

On June 3, 2019, the CPUC issued D.19-05-043, establishing the process for apportioning the additional 4,000 GWh of DA among the IOUs. Also pursuant to SB 237 (Hertzberg), on June 29, 2021, the CPUC issued D.21-06-033, recommending no further expansion of the DA program beyond the 4,000 GWh ordered in D.19-05-043. Update: The Alliance for Retail Energy Markets, California Coalition of Large Energy Users, Direct Access Customer Coalition, Regents of the University of California, Shell Energy North America (US), and Western Power Trading Forum (The Joint Parties) submitted a Petition for Modification (PFM) of D.21-06-033.¹²

The Joint Parties requested that the Commission modify the DA Decision to lift the cap on DA customers, given the recent procurement order which allocated capacity to them. CalCCA filed a response to the PFM on May 6, 2026, which recommends that the CPUC reject the PFM because:

1. The CPUC's prior decision fulfilled its obligations via statute, and there is no legal basis or role in making additional recommendations.
2. Clean energy sales and resource development related drivers of the DA cap have not materially changed; and
3. Claims that DA service is "ideal" for large load customers have not been adequately supported.

OCPA collaborated with CalCCA to develop the comments opposing this PFM and will continue to track this proceeding.

¹² See <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K025/604025685.PDF>.

Climate Credit – R.25-07-013

Background: This OIR was opened on July 24, 2025, to improve the California Climate Credit (Climate Credit). The Climate Credit has historically provided residential and small business customers with semi-annual bill credits using a portion of revenues from the California Cap-and-Trade Program. In 2025, residential customers received, on average, ~\$120 from the credit, dispersed in April and October. In 2026, the annual credit amount is anticipated to be closer to \$70. The CPUC opened the proceeding to further address affordability and support the California Industry Assistance, which is intended to prevent businesses from relocating to other states without emissions-compliance programs.

OCPA aims to support modifications to the Climate Credit that are competitively neutral, including eligibility criteria and customer messaging, while ensuring that existing customers continue receiving the Climate Credit.

On March 19, 2026, the CPUC issued D.26-03-013, pausing the delivery of the residential climate credit until the Commission determines when in 2026 these credits should be distributed. Both the April and October residential credits were paused.

Update: OCPA published a blog post on April 23, 2026, informing its customers of the changes to the Climate Credit in 2026.

On April 30, 2026, the CPUC issued D.26-04-036, which:

- Requires the IOUs to distribute the residential credit in August and September due to these being two of the highest bill months for typical customers throughout California; and
- Requires the IOUs to update messaging on their websites with this info and are mandated to put messaging on-bill during these months, listing the amount of savings and attributing those savings to the Climate Credit and the Cap-and-Invest Program.

On May 18, 2026, the CPUC held a workshop on Phase 1B of the proceeding to address further wholesale changes to Climate Credit for 2027 and beyond. CalCCA attended this workshop on behalf of OCPA and all CCAs. CalCCA asserted that the schedule was ambitious, and it might be preferable to narrow it to a handful of proposals (~4-5) so they can be evaluated in greater depth to determine potential impacts. OCPA will continue to advocate for enhancing the Climate Credit with a focus on affordability for our customers and on maintaining the existing approach of providing the Climate Credit to all OCPA ratepayers.

Renewable Market Adjusting Tariff & Community Renewable Energy Tariff – Application 22-05-022

Background: The Renewable Market Adjusting Tariff (ReMAT) is a feed-in tariff program that allows small Renewable Portfolio Standard (RPS) eligible generators less than 3 MW to sell renewable electricity to IOUs. ReMAT utilizes fixed-price contracts with standard terms and conditions and market-based prices adjusted annually via CPUC resolution. Electricity generated through the ReMAT program may count towards an IOU's RPS requirements.

Update: In a Proposed Decision (PD) filed on April 7, 2026, the CPUC stated an intention to create a new Community Renewable Energy tariff.¹³ Once a final decision is issued, the IOUs will need to inform the CPUC of their proposed Community Renewable Energy tariffs and an implementation plan.

CCAs may notify the Commission of their intent to participate in the program and may begin participating at any time. CCAs can also end program participation at any time by notifying the Commission. OCPA plans to monitor the development of the Community Renewable Energy program and will decide whether to seek participation when there is greater clarity on the program's composition.

The PD was included on the May 14, 2026, CPUC Voting meeting agenda, but was held to the June 11, 2026, CPUC Voting meeting for further review by CPUC President Reynolds.

[CEC Updates](#)

Load Management Standards (23-LMS-01)

Background: The CEC's Load Management Standards (LMS) have four primary requirements:

1. The California Energy Commission (CEC), large utilities and community choice aggregators maintain the accuracy of existing and future time-varying rates in the publicly available and machine-readable Market Informed Demand Automation Server (MIDAS) rate database.
2. Large utilities and CCAs develop a standard rate-information access tool to support third-party services.
3. Large utilities and CCAs develop and submit locational rates that change at least hourly to reflect marginal wholesale costs.

¹³ See <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=604536932>.

4. Large utilities and CCAs integrate information about new time-varying rates and automation technologies into existing customer education and outreach programs.

Update: OCPA submitted its updated LMS Report on March 13, 2026. This report provided the CEC with an update on OCPA's progress in developing and implementing a dynamic rate. OCPA's dynamic rate will initially be released as a pilot for commercial and industrial customers, as these customer groups are likely to be better equipped to save on their bills through this pilot via automation and/or dedicated energy managers who routinely monitor electricity consumption. Pilot participants will also be provided with risk-free access, such that their bills will not exceed what they would have under OCPA's standard time-of-use (TOU) rate.

OCPA's LMS Plan Update was approved at the CEC's May 13, 2026, Business Meeting. As a result, OCPA's first annual LMS compliance report will be due on May 13, 2027.

[CARB Updates](#)

[Cap and Investment Program](#)

Background: CARB introduced the RPS Adjustment into regulation for the Cap and Investment Program in 2010. The RPS Adjustment reduces the compliance obligations for the Cap and Investment program for PCC-2 RECs based on the quantity of MWh procured from eligible renewable energy resources that were not directly delivered to California. PCC-2 RECs are bundled RPS products where the renewable energy itself isn't directly scheduled into a California balancing authority but is instead "firmed and shaped" by pairing it with an equivalent quantity of substitute (typically non-renewable) energy that is delivered into a California balancing authority.

Update: On April 14, 2026, CARB released an amended regulation to the RPS adjustment that would effectively accelerate sunseting the provision from the end of 2030 to the end of 2026. Such an amendment would render PCC-2 RECs uneconomic and would likely drive up the costs of RPS compliance for LSEs from 2027 to 2030. OCPA contributed to the comments CalCCA submitted requesting an exception for contracts executed prior to the issuance of the proposed sunseting of the RPS Adjustment. Many LSEs signed contracts for PCC-2 RECs with the understanding that the RPS Adjustment would remain in place, so it is reasonable to allow these contracts to use the RPS Adjustment as originally planned. On May 28, 2026, CARB will hold a public hearing to consider the regulation change.

CAISO Updates

Market Design and Infrastructure Catalogs

Background: These are the new processes the CAISO is using to determine if the CAISO should adopt new initiatives. The infrastructure catalog will consider initiatives related to transmission planning and interconnection. The market design catalog will consider initiatives in market design, RA, and other related topics.

Update: On May 15, 2026, CalCCA submitted comments in response to CAISO questions related to potential policy initiatives that should be prioritized in 2026. CalCCA asserted that the CAISO should explore enhancements necessary to make Energy Only resources fully deliverable when upgrades are required.

Transmission Planning Process (TPP)

Background: Each year, the ISO conducts its transmission planning process to identify potential system limitations and opportunities for system reinforcements that improve reliability and efficiency. The core work product of the transmission planning process is the ISO Transmission Plan, which provides an evaluation of the ISO control grid, examines conventional grid reliability requirements and projects, summarizes key collaborative activities, and provides details on key study areas and associated findings.

Update: On May 19, 2026, the CAISO Board of Governors approved its Revised 2025-2026 Transmission Plan.¹⁴ The plan identifies \$6.7 billion in investments across 38 transmission projects with lead times of 8 to 10 years. The transmission investments and expansion presented in the plan are based on the additional transmission needed to:

- Reduce congestion that can sometimes block the availability of lower-cost power,
- Accommodate the additional load forecast by the Energy Commission of 15 GW by 2035 and 20 GW by 2040, and
- Accommodate additional capacity needs forecast by the CPUC of 74 GW by 2035 and 107 GW by 2040.

Extended Day-Ahead Market

Background: The Extended Day-Ahead Market (EDAM) initiative will develop an approach to extend participation in the day-ahead market to the Western Energy Imbalance Market (WEIM) entities in a framework similar to the existing WEIM approach

¹⁴ See https://www.caiso.com/about/news/news-releases/iso-board-of-governors-approves-2025-2026-transmission-plan?utm_source=linkedin&utm_medium=social&utm_campaign=news_release_iso_board_approves_2025_2026_transmission_plan_may_2026.

for the real-time market, rather than requiring full integration into the California ISO balancing area. EDAM will improve market efficiency by integrating renewable resources using day-ahead unit commitment and scheduling across a larger area.

Since its 2014 launch, the Western Energy Imbalance Market (WEIM) has balanced electricity supply and demand every five minutes using the lowest-cost energy across a large, interconnected footprint. By expanding regional coordination into the day-ahead timeframe, when most electricity deliveries are planned, EDAM will enable larger-scale and regionally coordinated day-ahead planning. This allows operators to make more optimized resource commitments and transmission usage across major supply and load centers, better preparing the system to meet real-time needs and improve both efficiency and reliability.

The Southwest Power Pool's (SPP) Markets+, which is scheduled to go live in October 2027, is an alternative to EDAM. To date, Arizona Public Service, Bonneville Power Administration, Chelan County PUD, Grant County PUD, Powerex, Salt River Project, Tacoma Power, and Tucson Electric Power have committed to SPP's Markets+.

Update: On May 1, 2026, the CAISO and PacifiCorp successfully launched the EDAM. Through EDAM, millions of electricity consumers will benefit from coordinated day-ahead operations across the region. EDAM is also positioned for steady expansion. Portland General Electric has signed an implementation agreement and is scheduled to begin participating in October. Other utilities have agreed to join EDAM in 2027, namely LADWP, BANC (including SMUD), the Public Service Company of New Mexico, and the Turlock Irrigation District. NV Energy and Imperial Irrigation District are slated to join in 2028.

CAISO Capacity Reports

Background: The CAISO performs annual studies to determine the minimum local resource capacity required in each local area to meet established reliability criteria. As part of this study process, the CAISO obtains input from stakeholders on the study's criteria, methodology, and assumptions. The CAISO also gathers feedback on the study's results. Based on these results, LSEs receive a proportional allocation of the minimum required local resource capacity. LSEs submit resource adequacy plans to show that they have procured the necessary capacity.

Additionally, every year, the CAISO conducts annual technical studies to determine the flexible capacity needs of its balancing authority area (BAA) for up to three years. Through this report, the CAISO calculates the overall flexible capacity needed for the entire BAA. Notably, this report does not break out the needs of individual LSEs.

Update: On May 1, 2026, the CAISO filed its Local Capacity Technical Report.¹⁵ This report notes that there is a Local Capacity Requirement (LCR) of 23,618 megawatts (MW) statewide in 2027, representing a 2.6% increase over the 2026 LCR. Unlike Flexible Capacity Requirements for RA, LCR is procured centrally by Southern California Edison (SCE), so this inclusion in the staff report is primarily for informational purposes.

On May 13, 2026, the CAISO filed its Flexible Capacity Needs Assessment and Final 2027 Availability Assessment Hours.¹⁶ This report shows that the calculated flexible capacity needed from the “base flexibility” category is 42% of the total installed or available flexible capacity in the summer months (May-September) and 27% of the total flexible capacity for the non-summer months (October-April). The “peak flexibility” categories are stable for both seasons, with summer 2027 at 53% and winter at 68% of total flexibility.

[FERC Updates](#)

[Large Loads: Advanced Notice of Proposed Rulemaking](#)

Background: On October 23, 2025, the Secretary of Energy released an Advanced Notice of Proposed Rulemaking (ANOPR) related to large loads. The ANOPR directed the Commission to consider “potential reforms to ensure the timely and orderly interconnection of large loads to the transmission system.” There are concerns that this rulemaking could encroach on areas that have traditionally fallen within the states’ primary jurisdiction. Historically, FERC has declined to assert jurisdiction over interconnections, which, along with retail service terms, cost allocation, and resource planning for load growth, have long been within the purview of state regulators under Section 201(b) of the Federal Power Act.

Update: FERC noted that it will act on this docket by the end of June 2026, as stated in a Commission Order issued on April 16, 2026. FERC does not intend this anticipated decision to discourage public utilities from making separate filings to address large load issues. OCPA will continue to monitor this ANOPR in case there are impacts upon the organization and its operations.

¹⁵ See https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Local-capacity-requirements-process-2027?_gl=1*1rvwail*_ga*NjgzNDQ4NTM3LjE3Nzg1Mjg0MzI.*_ga_NDS4B4M2WP*czE3Nzk1NDkxMjgkbzEyJGcxJHQxNzc5NTUwNTA3JGo0NCRsMCRoMA.

¹⁶ See <https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Flexible-capacity-needs-assessment-2027>.

FISCAL IMPACT

None.

ATTACHMENT(S)

None.