2026 & 30 Draft LCR Study Results Summary of Findings

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Stakeholder Call

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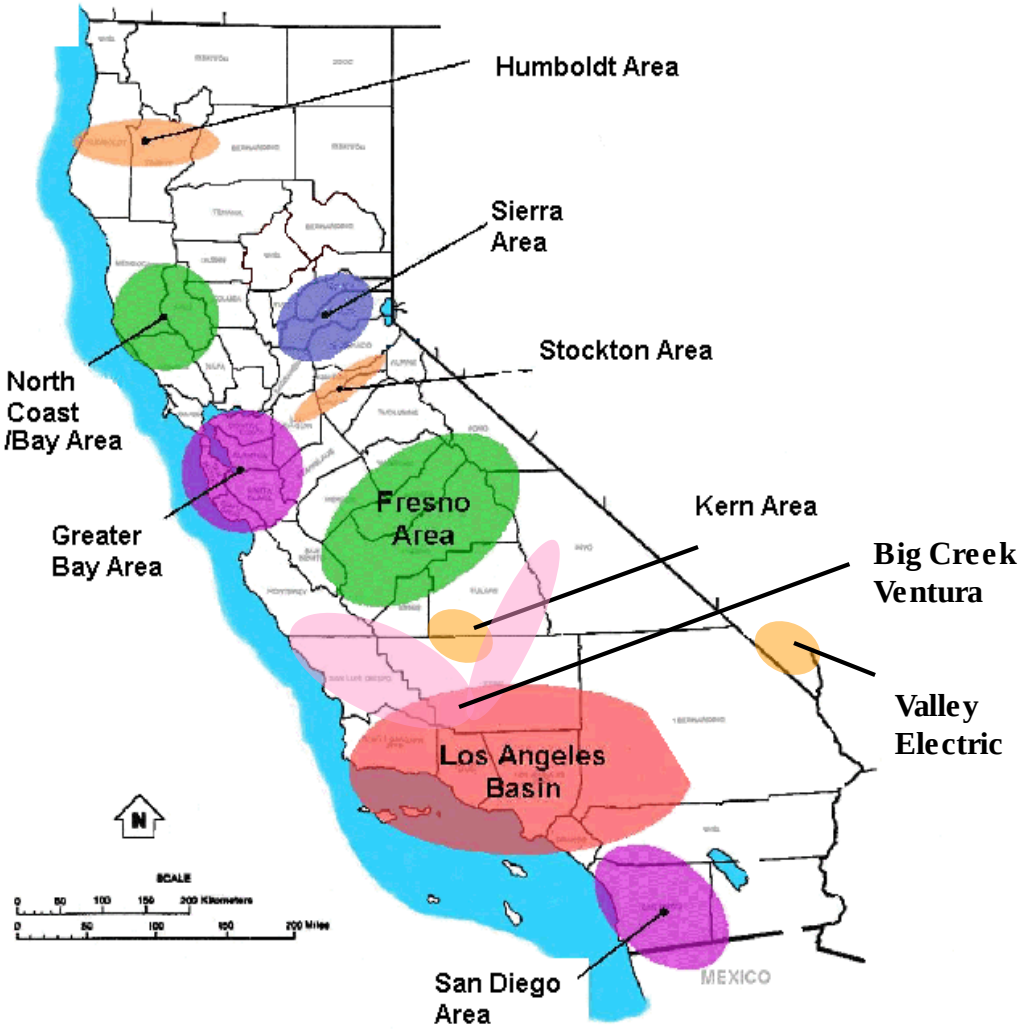
LCR Areas within CAISO



Input Assumptions, Methodology and Criteria

See October 31, 2024 stakeholder teleconference - for study assumptions, methodology and criteria. The latest information along with the 2025 LCR Manual can be found at: https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Local-capacity-requirements-process-2026.

Transmission system configuration – all-projects with EDRO up to June 1, 2026

Generation – all-generation with COD up to June 1, 2026

Load Forecast – 1 in 10 local area peak (based on latest CEC forecast)

Criteria – most stringent of all mandatory standards (NERC, WECC, ISO)

Methodology

1. Maximize Imports Capability into the local area
2. Maintain path flows
3. Maintain deliverability for deliverable units
4. Load pocket – fix definition

Major Changes from last year studies

1. **2025 NQC data.**
2. **LCR results herein use the latest CEC load forecast:**
   - **CED 2024 Reliability Scenario LSE and BAA Tables**
3. **Total 2026 LCR needed has increased by 234 MW or ~ 1.0%**
4. **2026 LCR needs decrease in**: **Humboldt, Sierra, Fresno, Big Creek/Ventura** and **San Diego/Imperial Valley** due to load forecast decrease, **North Coast/North Bay** due to load forecast decrease and higher requirements in the Ames/Pittsburg/Oakland sub-area of the Bay Area.
5. **2026 LCR needs increase in**: **Kern** and **LA Basin** due to load forecast increase, **Stockton** and **Bay Area** due to additional available resources (in lieu of deficiencies).

2026 Draft LCR Needs

	August Qualifying Capacity				Capacity Available at Peak	2026 LCR Need
Local Area Name	**QF/ Muni (MW)**	**Non-Solar (MW)**	**Solar (MW)**	**Total (MW)**	**Total (MW)**	**Capacity Needed**
Humboldt	0	174	0	**174**	**174**	**136**
North Coast/ North Bay	135	893	0	**1028**	**1028**	**848**
Sierra	1236	707	0	**1943**	**1943**	**1354***
Stockton	130	613	15	**758**	**743**	**756***
Greater Bay	596	7902	8	**8506**	**8498**	**7558***
Greater Fresno	205	3194	440	**3839**	**3399**	**2100***
Kern	12	377	71	**460**	**389**	**452***
Big Creek/ Ventura	448	4258	400	**5106**	**5106**	**1369**
LA Basin	1266	9508	29	**10803**	**10803**	**5812**
San Diego/ Imperial Valley	3	5893	243	**6139**	**6139**	**2631**
Total	**4031**	**33519**	**1206**	**38756**	**38222**	**23016**

Major Changes from last year studies

1. **Total 2030 LCR need has increased by 4,674 MW or ~21.2%**
2. **2030 LCR needs decrease in**: **North Coast/North Bay** due to new transmission projects.
3. **2030 LCR needs increase in**: **Bay Area, Sierra, Fresno, Kern, LA Basin** and **San Diego/Imperial Valley** due to load forecast increase, **Humboldt** due to new normally open tie, **Stockton** due to the drop in "deficiency MWs" being replaced by actual new resources (including increased solar) with lower effectiveness factors, **Big Creek/Ventura** due to load distribution change.

Role and Purpose of sub-area LCR needs:

- Provide detail local procurement information
- Need to be satisfied in order to minimize ISO back-stop
- Sum of the parts may not equal the overall need

2030 Draft LCR Needs

	August Qualifying Capacity				Capacity Available at Peak	2030 LCR Need
Local Area Name	**QF/ Muni (MW)**	**Non-Solar (MW)**	**Solar (MW)**	**Total (MW)**	**Total (MW)**	**Capacity Needed**
Humboldt	0	174	0	**174**	**174**	**174***
North Coast/ North Bay	135	893	0	**1028**	**1028**	**606**
Sierra	1236	707	0	**1943**	**1943**	**1911***
Stockton	107	659	14	**780**	**766**	**780***
Greater Bay	596	7902	8	**8506**	**8498**	**8308***
Greater Fresno	205	3194	440	**3839**	**3399**	**2603***
Kern	12	377	71	**460**	**389**	**346***
Big Creek/ Ventura	448	4258	400	**5106**	**5106**	**1381**
LA Basin	1266	9508	29	**10803**	**10803**	**7269**
San Diego/ Imperial Valley	3	6616	243	**6862**	**6862**	**3305**
Total	**4008**	**34288**	**1205**	**39501**	**38968**	**26683**

Near-Term LCR Study Schedule

CPUC and the ISO have determined overall timeline

- Criteria, methodology and assumptions meeting Oct. 31, 2024
- Submit comments by November 14, 2024
- Base case development started in December 2024
- Receive base cases from PTOs January 2025
- Publish base cases January 15, 2025 – comments by Jan 29th
- Receive and incorporate CEC load forecast February 1-4th
- Draft study completed by March 4, 2025
- ISO Stakeholder meeting March 6, 2025 – comments by the 20th
- ISO receives new operating procedures March 20, 2025
- Validate op. proc. – publish draft final report April 3, 2025
- ISO Stakeholder call April 10, 2025 – comments by the 21st
- Final 2026 LCR report May 1, 2025

2025 ISO Procurement Schedule

Per ISO Tariff and BPM - overall timeline

- Final LCR Report May 1, 2025
- LSE self-guided local allocation; May-June, 2025
- Receive new CEC coincident load forecast June 30, 2025
- ISO or CPUC to send out final local allocation; middle of July, 2025
- For any current RMR resource; LSEs to submit showings by 9/1/2025
- ISO to decide on retaining units under RMR by October 1, 2025
- Final LSE showings TBD – Usually last week of October, 2025
- ISO to send a market notice out stating deficiencies in procurement – about 3 weeks after final showing - about November 21, 2025
- ISO receives additional showing (30 days after market notice)
- ISO to enter back-stop procurement for local reasons (if needed)