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**February 19 Workshop on Draft Modeling Results for the 2025  
Senate Bill (SB) 100 Joint Agency Report**

*Additional submitted attachment is included below.*



March 23, 2025

California Energy Commission  
715 P St  
Sacramento, CA 95814

**RE: February 19 Workshop on Draft Modeling Results for the 2025 Senate Bill (SB) 100 Joint Agency Report**

The Sacramento Municipal Utility District (SMUD) appreciates the opportunity to provide comments on the February 19, 2026, workshop on the 2025 Senate Bill (SB) 100 Joint Agency Report Draft Results. SMUD is a local publicly owned electric utility (POU) serving approximately 673,000 customer meters, or a population of about 1.5 million, in Sacramento County and small adjoining portions of Yolo and Placer Counties. SMUD has established an ambitious goal of removing all greenhouse gas (GHG) emissions from its power supply by 2030, working within the guardrails of ensuring reliable and affordable electric service. SMUD's 2030 Zero Carbon Plan provides a flexible roadmap for this goal, including expanding proven clean technology, investing in electrification and demand flexibility, repurposing natural gas generation, and maximizing community benefits.

SMUD thanks the Joint Agencies for their significant efforts to develop and model the scenarios presented at the February 19 workshop, which illustrates different technical pathways for achieving the SB 100 policy. However, as the scope of the modeling is limited, the Joint Agencies should use caution in drawing conclusions and developing recommendations from these results. SMUD offers the following specific comments on the February 19 workshop:

- The Joint Agencies should provide an opportunity for public input on the draft 2025 SB 100 report before it is finalized and submitted to the Legislature.
- Flexible strategies are needed to accelerate progress toward the state's clean energy and decarbonization goals while maintaining reliable, affordable electricity.
- SMUD appreciates the inclusion of carbon capture and sequestration (CCS) within modeling scenarios.
- The Joint Agencies should consider using 2025 dollars as the basis for cost estimates.

**The Joint Agencies should provide an opportunity for public input on the draft 2025 SB 100 report before it is finalized and submitted to the Legislature.**

The Joint Agencies are tasked with submitting a report to the Legislature at least once every four years that reviews the SB 100 policy for, among other things, maintaining safety, environmental and public safety protection, affordability, and system and local reliability.”<sup>1</sup> The Legislature recognized the importance of public review and consultation, specifically directing the report to be issued “as part of a public process.”<sup>2</sup> During the development of the inaugural 2021 SB 100 report, and through the accompanying public process, the Joint Agencies posted a draft report for public comment and dedicated a workshop to reviewing the draft. Nearly 50 written comments were filed in response, showing the significant public interest in and engagement on the report itself.

SMUD was therefore surprised and disappointed to learn that the Joint Agencies do not plan to issue a draft of the 2025 SB 100 report for public comment or hold any further workshops. This approach is inconsistent with the statutory directive and would diverge from past precedent and the expectations set earlier in the 2025 SB 100 process.<sup>3</sup> While SMUD appreciates the helpful overview of draft modeling presented at the February 19 workshop, these technical results alone are not sufficient to support the policy review and assessments that SB 100 requires. SMUD therefore strongly urges the Joint Agencies to release a draft of the 2025 SB 100 report for public input and hold a workshop prior to finalization and submission to the Legislature.

**Flexible strategies are needed to accelerate clean energy and GHG reduction progress while maintaining reliable, affordable electricity.**

California has established ambitious goals for clean electricity and broader economywide decarbonization. These goals are deeply intertwined, as the chief strategy for achieving carbon neutrality by 2045 relies on clean electricity to displace fossil fuel end-uses in buildings, transportation, and industry. However, decarbonization through fuel-switching will succeed only if the electricity needed to power other sectors of the economy is affordable and reliable. SMUD therefore urges the Joint Agencies to prioritize affordable, reliable electricity throughout the clean energy transition, both to protect California homes and businesses that rely on electricity and to advance progress toward the state’s carbon neutrality goal.

The Joint Agencies must also recognize that during this transition, electricity reliability and affordability face significant challenges. Electric utilities like SMUD must navigate myriad headwinds, including: uncertainty in future load growth from large load

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<sup>1</sup> California Public Utilities Code (PUC) § 454.53 (d)(2)(A)

<sup>2</sup> PUC § 454.53 (d)(2)

<sup>3</sup> During prior Joint Agency workshops, the timeline included a workshop on the draft report and recommendations. See, for example, CEC, *SB 100 Analytical Framework Workshop*, October 31, 2023, at slide 50, and CEC, *Presentation for SB 100 Inputs and Assumptions Workshop*, February 16, 2024, at slide 8.

customers and electrification; significant price increases for clean energy resources due in part to higher demand, loss of tax credits, and project siting challenges; increasingly challenging and complex operational conditions; and upward pressures on rates from higher project costs, reliability investments, wildfire mitigation and insurance costs, and inflation and supply chain pressures.

Despite these challenges, for years, SMUD has been actively engaged in industry-leading efforts to decarbonize our grid while maintaining reliability and affordability. Among other things, SMUD has contracted for roughly 1,000 MW of renewable and storage projects that are expected to come online over the next five years and is scaling up load flexibility initiatives, virtual power plants, and managed charging. To help mitigate cost increases and reduce GHG emissions, SMUD anticipates joining the Extended Day Ahead Market (EDAM) in 2027, which will build on the successes of the Western Energy Imbalance Market. With respect to reliability and emissions reductions, SMUD recently completed a project to allow its highly efficient combined cycle Cosumnes Power Plant to run at a lower minimum capacity while keeping both gas turbines online – enabling this key reliability asset to better complement intermittent renewable energy, use less fuel, reduce ratepayer costs, and decrease GHG emissions by approximately 25 percent. SMUD is also evaluating carbon capture and sequestration as a promising technology for delivering significant, near-term emissions reductions for thermal reliability assets. Taken together, these investments and initiatives will increase renewable energy in SMUD’s portfolio, decrease reliance on natural gas, support electricity reliability, and mitigate rate impacts for its customers.

SMUD’s multifaceted approach to reliable, affordable decarbonization recognizes both the opportunities presented by emerging technologies and the realistic bounds of what exists today, and SMUD encourages the Joint Agencies to do the same. While zero-carbon technologies will continue to emerge and evolve, and while SMUD is actively investigating and eagerly anticipating their evolution, the fact remains that there are limited resources today that offer the reliability and resilience that thermal power plants provide to our grid.<sup>4</sup> This includes ensuring firm, dispatchable generation is available to serve load every hour of the year, including during extended periods of low solar generation---such as the roughly two-month period from November 2025 to January 2026 when the Sacramento region was blanketed by fog ---which is only expected to become more important over time as system peaks shift to the winter. SMUD agrees with the comments made by California Air Resources Board Deputy Executive Officer Rajinder Sahota during the February 19 workshop highlighting the importance of addressing the cumulative impacts of pollution and recognizing that individual gas plants may be needed to decarbonize other sources of pollution impacting a community.<sup>5</sup> The Joint Agencies should keep this perspective in mind when evaluating

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<sup>4</sup> SMUD additionally notes that the scope of the Joint Agencies’ reliability modeling is limited and cannot provide the full picture of reliability impacts associated with each scenario. See CEC, [Presentations – Workshop on 2025 Joint Agency Report Draft Results](#), held February 19, 2026, at slide 50.

<sup>5</sup> See CEC, [Hybrid Workshop on 2025 SB 100 Joint Agency Report Draft Results – Zoom](#), held February 19, 2026, at hour 2:00:45.

different SB 100 scenarios and their tradeoffs – particularly during the transition period, while firm zero-carbon technologies are limited.

To be clear, it is possible---and critically important---to advance clean energy and emissions reduction progress in a manner that protects electricity reliability and affordability. However, this requires a flexible, all-of-the-above strategy that prioritizes increasing investments in renewable energy and distributed energy resources, greater regional coordination, and rethinking the role of thermal power plants until new firm zero-carbon technologies evolve.

To that end, the Joint Agencies should take a holistic view of the SB 100 policy and its place within the state’s broader climate goals. Importantly, while the scope of the Joint Agencies’ emissions and health modeling was limited specifically to the electricity sector changes,<sup>6</sup> the Joint Agencies must acknowledge that the sector will play an outsize role in decarbonizing vehicles and buildings, if there are policies in place that support reliable, affordable electricity that encourages fuel switching.

**SMUD appreciates the inclusion of Carbon Capture and Sequestration within the Joint Agencies’ modeling scenarios.**

As presented at the February 19 workshop, two modeling scenarios---the Reference Scenario and the 15 GW Carbon Capture Scenario---include CCS as a resource option. SMUD appreciates the inclusion of CCS within the Reference Scenario, as SMUD is exploring opportunities to retrofit thermal power plants with CCS. One project that SMUD is actively exploring is poised to dramatically reduce GHG emissions in California while providing significant local reliability benefits within SMUD’s balancing authority area. SMUD particularly appreciates the inclusion of the 15 GW Carbon Capture scenario, which studies the impact of additional deployments of CCS technology on existing thermal power plants and illustrates how firm resources can reduce the need for, and costs associated with, significant overbuild.

**The Joint Agencies should base cost estimates in 2025 dollars.**

During the February 19 workshop, California Energy Commission staff explained that annualized cost estimates for different scenarios are based on 2021 dollars.<sup>7</sup> However, discounting costs to 2021 dollars may obscure the dramatic cost increases that occurred since 2021 due to hyperinflation. For greater transparency and ease of understanding, SMUD recommends that the Joint Agencies instead base costs on today’s dollars (2025 dollars).

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<sup>6</sup> See CEC, [Presentations – Workshop on 2025 Joint Agency Report Draft Results](#), held February 19, 2026, at slide 12 and slide 67.

<sup>7</sup> See CEC, [Hybrid Workshop on 2025 SB 100 Joint Agency Report Draft Results – Zoom](#), held February 19, 2026, at hour 1:24:18.

## Conclusion

SMUD thanks the Joint Agencies for their work modeling SB 100 scenarios but reiterates the critical importance of releasing a draft report for meaningful stakeholder review and engagement before the report is finalized and submitted to the Legislature. SMUD additionally recommends the report expressly recognizes the importance of maintaining reliable, affordable electricity throughout the clean energy transition, and supports the embrace of flexible policies and approaches that will continue to drive progress as new technologies evolve and new challenges are presented. SMUD looks forward to continued collaboration with the Joint Agencies on implementation of this important policy.

/s/

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KATHARINE LARSON  
Regulatory Program Manager  
Government Affairs  
Sacramento Municipal Utility District  
P.O. Box 15830, MS B404  
Sacramento, CA 95852-0830

/s/

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MARISSA O'CONNOR  
Senior Attorney  
Government Affairs  
Sacramento Municipal Utility District  
P.O. Box 15830, MS B406  
Sacramento, CA 95852-0830

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cc: Corporate Files (LEG 2026-0039)