REGULATORY UPDATE FOR FEBRUARY 25, 2025
(WEEK OF FEBRUARY 17, 2025)

PRESIDENTIAL EXECUTIVE ORDERS

On February 18, President Trump issued the Ensuring Accountability for All Agencies Executive Order, which requires all "independent regulatory agencies," as defined by 44 USC 3502(5), including the Federal Energy Regulatory Commission and the Nuclear Regulatory Commission, to submit for review all "proposed and final significant regulatory actions" to the Office of Information and Regulatory Affairs within the Executive Office of the President before publication in the Federal Register. The Executive Order (EO) also requires the Director of the Office of Management and Budget (OMB) to establish performance standards and management objectives for independent agency heads, report periodically to the President on their performance and efficiency in attaining such standards and objectives, and review independent regulatory agencies' obligations for consistency with the President's policies and priorities. The EO further requires additional consultation with the Executive Office of the President by requiring independent regulatory agency chairmen to consult with and coordinate policies and priorities with the directors of OMB, the White House Domestic Policy Council, and the White House National Economic Council. The heads of independent regulatory agencies are directed to establish a "White House Liaison" position in their respective agencies, and submit agency strategic plans developed pursuant to the Government Performance and Results Act of 1993 to the Director of OMB for clearance prior to finalization.

On February 14, President Trump issued the Establishing the National Energy Dominance Council Executive Order, which establishes the National Energy Dominance Council (Council) within the Executive Office of the President. The Chair of the Council will be the Secretary of the Interior, and the Secretary of Energy will serve as Vice Chair. The Chair of the Council will also serve as a standing member of the National Security Council. The function of the Council, amongst other things, is to:

(i) advise the President on how best to exercise his authority to produce more energy to make America energy dominant;
(ii) advise the President on improving the processes for permitting, production, generation, distribution, regulation, transportation, and export of all forms of American energy, including critical minerals; and
(iii) provide to the President a recommended National Energy Dominance Strategy to produce more energy that includes long-range goals of enhancing private sector investments across all sectors of the energy-producing economy, focusing on innovation, and seeking to eliminate longstanding, but unnecessary, regulation.

Within 100 days of the date of the EO, the Council must recommend actions agencies can take to increase electricity capacity, facilitate approvals for energy infrastructure, approve the construction of natural gas pipelines to, or in, New England, California, Alaska, and other areas of the country deemed underserved by American natural gas, reopen closed power plants, and bring Small Modular Nuclear Reactors online. Additionally, the Council must advise the

President on identifying and ending practices that raise the cost of energy, and incentives to attract and retain private sector energy-production investments.

Stoel Rives is actively tracking the energy sector impacts of Executive Orders and other actions taken by the new administration.

You may contact a member of our team or, to learn more about the energy-related Executive Orders we are tracking, visit https://www.stoel.com/executive-orders.

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)[1]

Proposed Decisions and Resolutions

Resolution (Res) E-5376 (Commission Motion Amending the Bioenergy Renewable Auction Mechanism Program and Authorizing the Procurement and/or Extension of Eligible Contracts pursuant to Assembly Bill 2750). This Resolution extends the deadline for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) (collectively IOUs) to procure their proportionate share of 125 megawatts (MW) from eligible Bioenergy Renewable Auction Mechanism (BioRAM) facilities from December 1, 2023 to July 1, 2025. It also requires the IOUs with contracts to procure electricity generated from biomass that expire on or before December 31, 2028 to amend the contracts or seek approval for new contracts to include expiration dates at least five years later than the expiration dates in the contracts that were operative in 2022. This Resolution also prohibits the extension of a contract between an IOU and a biomass generator that is located in the Sacramento federal ozone nonattainment area, or any other federal ozone nonattainment area in California, unless the biomass generator first obtains a letter or certificate from the air district with jurisdiction over the biomass generator that states that the federal ozone nonattainment area voluntarily opted to be classified in one or more federal standards in a severe or extreme nonattainment zone and that the continued operation of the facility does not impede the air district's ability to meet its applicable requirements.

Application (A.) 22-06-002 (SDG&E Energy Resource Recovery Account Compliance Application for the 2021 Record Year). This decision finds that SDG&E meets the standard for compliance under the Energy Resources Recovery Account (ERRA) regulatory compliance process for the 2021 Record Year. During the 2021 Record Year, SDG&E complied with all the requirements that the Commission reviews during the ERRA compliance process. This decision also authorizes SDG&E to amortize in rates the 2021 costs recorded in the Local Generating Balancing Account, New Environmental Regulatory Balancing Account – Assembly Bill 32 electric subaccount, and Tree Mortality Non-Bypassable Charge Balancing Account. In this decision, the Commission also determines the appropriate amount of financial disallowance to

[1] Per the CPUC's Rules of Practice and Procedure Rule 14.3, comments on proposed decisions are due 20 days after issuance of the proposed decision, and reply comments are due five days thereafter. Comments on draft resolutions are due 20 days after the draft resolution appears in the CPUC's daily calendar, per Rule 14.5.

impose on SDG&E for the Public Safety Power Shutoff (PSPS) events that occurred during the 2021 Record Year. This decision directs SDG&E, using the approved methodology, to return $20,191 in PSPS Unrealized Revenues to ratepayers for the 2021 Record Year.

Voting Meeting

The CPUC held a voting meeting in Sacramento, California on February 20, 2025 at 11:00 a.m. The following are results for energy-related items on the agenda:

Item 3. Res G-3612 (SoCalGas Biomethane Contracts). This resolution addresses SoCalGas's request for approval of three biomethane procurement contracts pursuant to the Renewable Gas Standard (RGS), as established in D.22-02-025. This resolution approves with modifications SoCalGas's contract with Organic Energy Solutions (OES) and rejects both contracts with Anew Climate (Keller Canyon) and Anew Climate (Forward). The resolution finds that the OES contract meets the requirements of both the short-term and medium-term RGS targets and contributes toward the program organic waste diversion goal established in D.22-02-025 at a price that is appropriate for low-carbon, Senate Bill (SB) 1383 feedstock-compliant biomethane, in a nascent market. The resolution finds that the Anew Climate contracts do not meet the short-term procurement requirements and, as stated in D.22-02-025, "[e]ven if a gas IOU meets its volumetric short-term target, it shall not open procurement opportunities to the additional biomethane sources allowed to meet its medium-term target until it can demonstrate that it has diverted its share of the eight-million-ton organic waste diversion responsibility." The resolution finds that SoCalGas has neither met its volumetric short-term target nor demonstrated that it has diverted its share of organic waste. Therefore, for the aforementioned reasons, the OES contract is approved, and the Anew contracts are rejected. **Approved.**

Item 6. Res E-5363 (PG&E 2024 Local Resource Adequacy Procurement). This resolution approves PG&E's Central Procurement Entity (CPE) resource adequacy (RA) agreement, resulting from the 2024 PG&E-CPE Local RA Request for Offer (RFO), for a new build energy storage facility with a 10-year duration. The resolution finds that this contract will help PG&E-CPE satisfy its procurement obligations towards the multi-year local RA program for the 2025, 2026, and 2027 compliance years. **Approved.**

Item 7. Res E-5373 (SoCalGas, PG&E, SCE, and Center for Sustainable Energy Self-Generation Incentive Program Inflation Reduction Act Tax Credit). This resolution approves, with modification, the joint proposal by SoCalGas, PG&E, SCE, and Center for Sustainable Energy® (CSE) Self-Generation Incentive Program (SGIP) Inflation Reduction Act (IRA) Tax Credit proposal for the new Residential Solar and Storage Equity budget and all other SGIP budgets. This resolution determines how to maximize the federal cost share of SGIP project costs covered by the federal IRA through the adoption of several policies, including but not limited to capping the SGIP share of incentive payments at 70 percent of eligible project costs when the SGIP payment is from state funds, the system is third-party owned, or the system is nonresidential so each of these types of projects is eligible to claim an IRA tax credit of 30 percent of eligible project costs. **Approved.**

Item 10. Res E-5371 (SCE Mid-Term Reliability (MTR) Energy Storage Contracts). On December 5, 2024, SCE submitted AL 5431-E seeking approval of three energy storage contracts selected as part of its MTR Phase 2 and 3 RFO efforts. The MTR contracts total 620 MW of nameplate capacity and are expected to come online June 1, 2026, April 1, 2027, and June 1, 2028. The three contracts are with Pier S Energy Storage, developed by Pier S Energy Storage, LLC, a project owned by Elevate Renewables; Overnight Storage, developed by ASHUSA Inc., a subsidiary of Atlantica North America LLC; and Euismod, developed by Aypa Power. **Approved.**

Item 14. R.08-06-024 (Petition for Modification of D.10-12-055). This decision denies the petition for modification of D.10-12-055, filed by SCE and SDG&E. The petition sought approval for a new methodology for the Fixed Price Component for the Joint IOUs' Assembly Bill (AB) 1613 contracts for 2024-2030 for excess electricity from eligible combined heat and power systems' qualifying facilities of 20 MW or less. **Signed, D.25-02-011.**

Item 15. Res E-5370 (PG&E MTR Renewable Resource Contracts). This resolution approves four MTR contracts for a total of 750 MW of solar photovoltaic (PV) nameplate capacity and 578.7 MW of battery energy storage system nameplate capacity that PG&E contracted to help meet its MTR requirements. The contracts are with Atlas North 1 and Atlas North 2 for two co-located projects being developed by 174 Power Global, LLC B and Lockhart CL ESS IA and Lockhart CL ESS IIA for two co-located projects being developed by Terra-Gen, LLC. **Approved.**

Item 18. A.24-10-021 (Central Valley Gas Storage Transfer of Control). This decision approves the application of Central Valley Gas Storage, L.L.C. (Central Valley), Caliche Development Partners II, LLC, and Caliche Development Partners III, LLC for a change in control of Central Valley from Caliche Development Partners II, LLC to Caliche Development Partners III, LLC. In addition to approving the change of control, the decision exempts the encumbrance of assets and the issuance of a corporate guaranty and securities by Central Valley from Commission pre-approval. **Signed, D.25-01-012.**

Item 19. A.23-01-005 (Petition for Modification of Decision 24-03-010). This decision grants the petition to modify D.24-03-010 filed by LS Power Grid California, LLC (LSPGC) on October 9, 2024, seeking to modify D.24-03-010 to update the audit report timing. This decision also approves and adopts, without modification, an amendment that reflects the proposed updated audit report timing to the Settlement Agreement that was approved and adopted in D.24-03-010. Specifically, the fourth full paragraph on page 4 of D.24-03-010 beginning with "(b) LSPGC can submit the audit report required by…" is modified to state "(b) LSPGC can submit the audit report required by Section VI.C every five-years, rather than annually, with the first audit report due no later than May 1st of the year after the calendar year LSPGC becomes a Participating Transmission Owner pursuant to the California Independent System Operator tariff and shall include an audit for the previous calendar year, with subsequent audits and auditor's reports due every five-years thereafter, on the condition that LSPGC makes its Federal Energy Regulatory Commission Form 1 and Form 3-Q available to California Advocates on request." **Signed, D.25-02-013.**

Item 33. R.20-05-003 (Electricity Resource Portfolios for the California Independent System Operator for 2025-2026 Transmission Planning Process). This decision recommends to the CAISO for its 2025-2026 Transmission Planning Process the analysis of two electricity portfolios: a reliability and policy-driven base case portfolio and a sensitivity portfolio. The base case portfolio recommended is based on the greenhouse gas (GHG) emissions target for the electricity sector of 25 million metric tons by 2035, includes the resources contained in the individual integrated resource plans submitted to the Commission by the load serving entities (LSEs) in November 2022, and relies on the same modeling assumptions as the adopted preferred system plan portfolio, with some relevant updates described in this decision. The portfolio achieves 99 percent clean energy serving retail load by 2035, with a portfolio of approximately 63 gigawatts of new storage and clean energy to come online between now and 2035. This decision also asks the CAISO to reserve deliverability on the transmission system for certain diverse resources that are geographically limited and take longer to develop, including geothermal, biomass, offshore wind, non-battery long duration energy storage, and a portion of the total amount of in-state/onshore and out-of-state wind. The decision also requests that the CAISO study, but not yet trigger the investment in, new transmission to support some out-of-state wind and Northern California wind (not within the CAISO Balancing Authority Area), since these resources would require extensive new transmission development that will be complex to accomplish and will require regional cooperation. The sensitivity electricity portfolio recommended is intended to help study the transmission implications of a portfolio with a greater volume of long lead-time (LLT) resources than in the base case portfolio, which relies on the resources included in the LSE plans, with amounts and types similar to those included in D.24-08-064, while also including the LSE planned resources as submitted in November 2022 only through 2030, with the capacity expansion model allowed to optimize thereafter. The decision finds that the sensitivity analysis will help the state better analyze the appropriate transmission development to support the LLT resources called for in D.24-08-064. **Signed, D.25-02-026.**

Item 34. R.25-02-XXX (Energy Resource Recovery Account and Power Charge Indifference Adjustment Policies and Processes). This order institutes a Rulemaking to consider changes to rules and processes applicable to the electric fuel and purchased power (Energy Resource Recovery Account, or ERRA) annual forecast and compliance proceedings, as well as changes to the Power Charge Indifference Adjustment (PCIA). The order states that some policy or rule changes applicable to broader procurement guidance that impact ERRA may be considered. The objectives of this proceeding are to consider and identify reasonable improvements to existing ERRA and PCIA rules, mechanisms, and processes to ensure best practices in utility forecasting and other procurement plan activities; to identify ways to mitigate and respond to rate volatility, whether resulting from market conditions or ratemaking constructs; to best ensure indifference among bundled and departed customers; and to provide policy guidance to ensure that individual utility forecast ratemaking proceedings function as efficiently and consistently as possible. **Signed, R.25-02-005.**

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Interconnection Process Enhancements. CAISO has posted the Interconnection Process Enhancements 2023 Track 3 Final Proposal to the initiative webpage. A public stakeholder call was held on February 25, 2025 to discuss this proposal, and comments are due by March 4, 2025. Further information is available here.

2024 Transmission Plan Deliverability Allocation Report. CAISO has posted the revised 2024 Transmission Plan Deliverability Allocation Report to its website, available here.

Cluster 15 Application Status. On February 12, 2025, all Cluster 15 applicants were notified via the Grid Resource Interconnection Portal of their application status and overall project score. Application statuses include: (1) technical validation; (2) auction; (3) reimbursement review; and (4) withdrawn. Further information is available here.

Storage Design and Modeling. CAISO hosted a virtual working group meeting for the Storage Design and Modeling initiative on February 20, 2025. Written comments are due March 5, 2025. Further information is available here.

Flexible Capacity Requirement Methodology. CAISO held a public stakeholder call on February 24, 2025 to discuss the Flexible Capacity Requirement Methodology for 2026 through 2028. Written comments are due March 10, 2025. Further information is available here.

2025-2026 Transmission Planning Process. CAISO will host a hybrid public stakeholder meeting on February 26, 2025, covering the 2025-2026 Transmission Planning Process draft study plan. The draft plan will be posted to the process webpage on February 19, 2025. Further information is available here.

Demand and Distributed Energy Market Integration. CAISO will host a working group call for the Demand and Distributed Energy Market Integration initiative on March 3, 2025. Further information is available here.

Gas Resource Management Working Group. CAISO has published an Issue Paper for the Gas Resource Management Working Group initiative, and hosted a stakeholder call on February 13, 2025. Written comments are due March 11, 2025. Further information is available here.

2025 Annual Interregional Coordination Meeting. CAISO will host the Annual Interregional Coordination meeting in person at its Folsom offices on March 24, 2025. Attendees may choose to participate in person at the ISO, or virtually. Further information is available here.

Western Energy Markets Regional Issues Forum. The Western Energy Markets Regional Issues Forum will take place at PacifiCorp in Portland, Oregon on April 9, 2025. Registration is requested for in-person attendees. Additional information is available here.

2025 CAISO Legal Forum. CAISO will host its Legal Forum on Thursday, April 10, 2025 at its headquarters in Folsom, California. This event provides opportunities for legal professionals from the energy industry to network, discuss current legal topics, gain Minimum Continuing Legal Education credit, and tour the CAISO control room overlook. Further information is available here.

CALIFORNIA ENERGY COMMISSION (CEC)

2024 Integrated Energy Policy Report (IEPR) Update

The CEC is working on its 2024 IEPR Update and ongoing workshops were held through December 2024 to develop the record. The policy recommendations included in the 2024 IEPR Update will be based on the record developed during the proceedings, including data and technical analyses by staff and stakeholders. According to the workshop schedule (which is subject to change), after various workshops throughout the past few months, the CEC will consider adoption of the 2024 IEPR Update at the March 17, 2025 Business Meeting.

2025 IEPR

On January 28, 2025, the CEC published a Notice requesting feedback on the Draft Scoping Order for the 2025 IEPR. According to the Notice, the proposed scope includes: advancing clean energy development; electricity and natural gas forecast; and a load-shift goal update. Comments were due to the Docket Unit by 5:00 p.m. on February 11, 2025. Additional details about the proposed scope are available in the Notice, which also includes a proposed task/event schedule (which is subject to change):

Task/Event	Estimated Date(s)
• Public workshops on specific topics	December 2024 – January 2026
• Final Scoping Order released	March 2025
• Adopt order instituting informational proceeding for 2025 IEPR	April 2025
• Release draft 2025 IEPR	November 2025
• Public and tribal engagement and consultation	December 2024 – January 2026
• Release final 2025 IEPR	February 2026
• Adopt 2025 IEPR	March 2026

On February 26, 2025, the CEC will host a remote workshop from 10:00 a.m. to 4:30 p.m. regarding California's economic and demographic landscape, which will help shape the 2025 IEPR California Energy Demand Forecast. Additional details, including remote-access instructions, are available in the workshop Notice.

Offshore Wind

The California Ports and Offshore Wind Symposium (Symposium) will take place on February 21, 2025 in person at the Port of Long Beach. Remote access via WebEx is also available. According to the Symposium agenda, topics to be discussed at the Symposium include upgrading ports to achieve offshore wind, climate, and environmental goals; developing the new offshore wind workforce in port communities; and collaborating to improve portside communities. The Symposium is free to attend and registration information is available here. For remote-access instructions and additional information regarding the Symposium, please see the Symposium Notice.

Electrification Summit

On March 11 and 12, 2025, the CEC will host the second annual Electrification Summit in Sacramento. The Summit themes include healthy buildings, clean industry, and empowered communities. Day 1 information (including the Day 1 Notice and agenda) is available here and Day 2 information (including the Day 2 Notice and agenda) is available here. Click here to register to attend the Summit.

2025 California Demand Flexibility Summit

On February 18, 2025, the CEC circulated a "Save the Date" email notification regarding the 2025 California Demand Flexibility Summit. The Summit will be held at the UC Davis Conference Center on May 22, 2025. According to the Save the Date, the Summit will provide an "opportunity to discuss the progress and challenges in achieving California's load shift goal of 7,000 megawatts by 2030." Additional information regarding the Summit will be posted as it becomes available from the CEC.

Lithium Valley Vision Informational Proceeding

On February 19, 2025, Lead CEC Commissioner Noemi Gallardo hosted a workshop to discuss potential strategies, actions, and policies in an effort to "help ensure lithium production from the Salton Sea region is competitive with global lithium supplies and prices" as well as to "facilitate expanded geothermal and lithium production in the region in a responsible and locally beneficial manner." Additional information is available here. Written comments may be submitted to the Docket Unit by 5:00 p.m. on February 27, 2025.

CEC Business Meetings

The next CEC Business Meeting is scheduled for March 17, 2025.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB will hold two public workshops conducted jointly with the California Department of Conservation Geologic Energy Management Division (CalGEM) to discuss joint rulemaking activities related to California Senate Bill 1137 (SB 1137). CARB's presentation will focus on the development of performance standards for the emissions detection systems required within the leak detection and response plans (LDRP) that operators of oil and gas production wells and production facilities located within 3,200 feet of certain populated areas (health protection zones) must submit to CalGEM for approval under the new legislation. CalGEM's presentation will focus on the process to make permanent emergency regulations regarding health protection zones for oil and gas operations.

The workshops will be held on the evenings of Wednesday, March 19, 2025 and Thursday, March 20, 2025, via remote access through Zoom.
On Wednesday, March 12 from 1:00 p.m. to 4:00 p.m., CARB will hold a public online webinar covering vehicle testing requirements for the Clean Truck Check program that began in October 2024. Register for the webinar here.

Opportunities for Public Comment

CARB has extended the public comment period for information to aid in the implementation of new climate-related disclosure laws, SB 253 and SB 261. Comments may be submitted here until March 21, 2025.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

On February 18 and 20, 2025, the MPUC held hearings to consider Xcel Energy's ("Xcel") Integrated Resource Plan ("IRP") (MPUC Docket No. 24-67) and Firm Dispatchable Resource Acquisition proceeding (MPUC Docket No. 23-212). The hearings proceed from Xcel's request that the Commission consider bock dockets at the same agenda meetings as part of a Settlement Agreement filed on October 3, 2024. The Commission received initial comments on Xcel's IRP in August 2024, and comments on the proposed Settlement in December 2024. Xcel's proposed IRP covers the 2024-2040 planning period and proposes to add 8,400 MW of wind, 1,500 MW of utility scale solar, 2,100 MW of storage, and 3,600 MW of firm peaking capacity by 2040. Additionally, Xcel's IRP proposes life and operation extensions for three Refuse Derived Fuel plants—Red Wing, Mankato, and French Island—as well as extensions of its nuclear-powered facilities—Monticello and Prairie Island Units 1 and 2. Its Firm Dispatchable docket, filed prior to its IRP, was a resource acquisition proceeding arising from Xcel's last IRP process, wherein Xcel solicited bids for up to 800 MW of firm dispatchable resource capacity. The hearings began with oral arguments from each party, followed by Commissioner questions for Xcel Energy and relevant parties (heavily featuring input from the Department of Commerce), and culminating in the MPUC's selection of various Decision Options to determine Xcel Energy's path forward.

Resources Approved. The MPUC adopted as part of settlement the mandate for Xcel to install 3,200 MW of wind, 400 MW of solar, and 600 MW of standalone storage by 2030. Additionally, the MPUC approved the settlement condition to extend the life and operation of the Monticello and Prairie Island Nuclear Generating Plants, and of Xcel's three Refuse Derived Fuel plants in Red Wing, Mankato, and French Island, Minnesota. Among its other resource requirements, the MPUC's approval directs Xcel to add 60-70 MW of incremental demand response resources.

Data Centers and Development of Super-Large Class. A significant discussion point undertaken by the MPUC related to the introduction of more data centers to Xcel's service territory, and how those customers might be treated to ensure they contribute proportionately to system costs. The MPUC determined the introduction of a new customer class, the super-large class or sub-class, would most effectively address this issue. In pursuit of that goal, the MPUC directed Xcel Energy to, by July 16, 2025, make a filing in a new docket with a proposal for development of a new rate class or sub-class and tariff for super-large data center customers. In the proposal, Xcel Energy must describe how it will ensure continued achievement of affordability, reliability, and clean energy goals and standards. Specifically, the proposal must detail the combination of existing and new renewable or thermal energy resources, transmission (both HVAC and HVDC), demand flexibility from super-large customers, demand response, and energy efficiency resources that it will use to serve the super-large class or sub-class. Xcel must also discuss how existing and future ESAs will be incorporated into a future rate case.

Additionally, the MPUC instructed the initial proposed tariff to include the following nonexclusive factors: (a) ensure assignment of all incremental costs attributable to super-large class or sub-class customers; (b) provide electricity to the super-large class or sub-class that achieves each benchmark of the state's electricity standards under Minn. Stat. 216b.1691; (c) include provisions to ensure that super-large class customers financially commit to purchasing a certain level of electricity to protect non-super-large class customers from the risk of stranded costs; (d) include provisions to ensure that all super-large class incremental costs will be recovered over the life of the service agreement; and (e) include provisions to ensure that, if the super-large class ceases operations for any reason, all remaining financial commitments will still be paid.

Next Steps. The MPUC adopted Decision Options that generally approved a modified October 3, 2024 Settlement Agreement, subject to several conditions. Now, Xcel Energy must proceed to execute on the following conditions and commitments:

- Move to the Power Purchase Agreement negotiation phase the following projects: Onward Mankato Energy Center and BESS, Invenergy Cannon Falls Energy Center, DESRI North Star Energy Storage, National Grid Renewables Development, LLC Plum Creek Wind + Storage, and Invenergy Lake Wilson Solar + Storage;
- Provide a schedule of planned investments at its nuclear plants as well as more information on its plan to remove spent fuel from Prairie Island Indian Community;
- File a pilot program by December 31, 2025, regarding options for thermal battery with Rondo Energy, or otherwise explain why such a pilot would not be reasonable;
- File, by October 3, 2025, a Distributed Capacity Procurement proposal;
- Propose a voluntary carbon-free electricity procurement program in the coming months;
- Work with the Environmental Justice Advisory Board to better understand how to prioritize and incentivize investments and economic benefits for underserved communities;
- File, by July 16, 2025, in a new docket its proposal to develop a new rate class or sub-class and tariff for super-large data center customers;

- Report annually information about the demographic composition of its Minnesota workforce; and
- Work with the Department of Commerce to (a) include a summary of the outcomes of existing energy efficiency and renewable energy adoption programs as it pertains to underrepresented groups, and (b) develop outreach to groups that historically have not participated in the IRP process.

Stoel Rives will follow up with the final order, once issued.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On February 24, 2025, FERC issued an order, 190 FERC ¶ 61,124, accepting Southwest Power Pool, Inc. (SPP)'s proposed revisions to its Open Access Transmission Tariff (Tariff) to implement changes to its Network Resource Interconnection Service (NRIS) product, effective February 1, 2025. The revisions establish an expedited process for designating a resource with NRIS as a Network Resource without requiring that resource to be evaluated in the Aggregate Study process (Expedited Designation Process). The revisions also allow SPP to study NRIS resources for deliverability during the Definitive Interconnection System Impact Study process, which would then qualify a Network Resource Deliverability amount associated with each NRIS resource for the Expedited Designation Process.

At the February 20 Commission Open Meeting, the Commission issued 190 FERC ¶ 61,115, Order Instituting Proceeding Under Section 206 of the Federal Power Act (FPA) and Consolidating With Other Proceedings. This order consolidates the technical conference Docket No. AD24-11-000 which examined issues related to large loads co-located at generating facilities and Constellation Energy Generation's complaint against PJM in Docket No. EL25-20-000 alleging that PJM's tariff is unjust and unreasonable because it does not contain rules for interconnected generators when seeking to serve a co-located load configuration that is fully isolated from the grid.

Based on the combined records of the technical conference and the Constellation complaint proceeding, the Commission preliminarily finds that PJM's Tariff may be unjust, unreasonable, unduly discriminatory or preferential. Therefore, FERC institutes this show cause proceeding pursuant to section 206 of the FPA, and directs PJM and transmission owners, within 30 days of the date of the order, to either: (1) show cause as to why the OATT, the Amended and Restated Operating Agreement of PJM, and Reliability Assurance Agreement Among Load Serving Entities in the PJM Region (Tariff) remains just and reasonable and not unduly discriminatory or preferential without provisions addressing with sufficient clarity or consistency the rates, terms, and conditions of service that apply to co-location arrangements; or (2) explain what changes to the Tariff would remedy the identified concerns if the Commission were to determine that the Tariff has in fact become unjust and unreasonable or unduly discriminatory or preferential and, therefore, proceeds to establish a replacement Tariff.

Also, at the February 20 Commission Open Meeting, FERC issued three orders partially accepting and directing further compliance on Order Nos. 2023 and 2023-A compliance:

190 FERC ¶ 61,105 Louisville Gas & Electric Company and Kentucky Utilities Company,
190 FERC ¶ 61,106 Tri-State Generation and Transmission Association, Inc., and
190 FERC ¶ 61,096 Nevada Power Company and Sierra Pacific Power Company.

Also, at the February 20 Commission Open Meeting, FERC issued a letter order, 190 FERC ¶ 61,098, that approves the North American Electric Reliability Corporation's newly defined term "inverter-based resource" and Reliability Standards PRC-028-1 (Disturbance Monitoring and Reporting Requirements for Inverter-Based Resources), PRC-002-5 (Disturbance Monitoring and Reporting Requirements), and PRC-030-1 (Unexpected Inverter-Based Resource Event Mitigation). FERC found that they satisfy many of the Commission's directives from Order No. 901 to establish performance requirements and requirements for sharing disturbance monitoring data and post-disturbance ramp rates for bulk electric system inverter-based resources.

On February 20, FERC issued an order, 190 FERC ¶ 61,117, accepting PJM Interconnection, L.L.C.'s (PJM) proposed revisions to its Open Access Transmission Tariff (OATT) to extend the capacity must-offer requirement to all available Existing Generation Capacity Resources and update the Market Seller Offer Cap effective February 21, 2025, subject to compliance. As a result, beginning with the 2026/2027 Delivery Year, PJM proposes to revise its Tariff so that, beginning with the 2026/2027 Delivery Year, the categorical must-offer exemption will no longer apply to Intermittent, Capacity Storage, and Hybrid Resources, and only Demand Resources will remain categorically exempt from the capacity must-offer requirement. The revisions also require that all Existing Generation Capacity Resources offered into the RPM Auction offer the full annual Accredited UCAP of the resource. Additionally, beginning with the 2026/2027 Delivery Year, the resource-specific offer cap floor will be equal to the greater of: (1) gross Avoidable Cost Rate (ACR) less projected net energy and ancillary service (EAS) revenues (i.e., net ACR); or (2) Capacity Performance Quantifiable Risk (CPQR) costs without any offset for projected net EAS revenues (i.e., just CPQR costs). The existing rules for calculating CPQR are unchanged. Finally, the revised OATT allows sellers to submit resource-specific, segmented offer caps. PJM explained that each subsequent segmented offer cap must be higher than the prior segments; however, such language was not explicit in the OATT. Therefore, FERC directed PJM to submit a compliance filing to include that requirement in the OATT.