

**REGULATORY UPDATE FOR JANUARY 22, 2025
(WEEK OF JANUARY 13, 2025)**

EXECUTIVE ORDERS

President Trump’s Initial Executive Orders Likely to Have Significant Impact on Energy Sector

On January 20, President Trump issued a slew of Executive Orders, a number of which are likely to have significant impacts on the energy sector. Those orders include: (1) [Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government’s Leasing and Permitting Practices for Wind Projects](#), which includes a temporary cessation of the issuance of new or renewed approvals, rights of way, permits, leases or loans for onshore or offshore wind projects pending the completion of a Comprehensive Assessment and review of federal wind leasing and permitting practices; (2) [Unleashing American Energy](#), which states it is the policy of the United States to encourage energy exploration and production on federal lands and waters, and to eliminate the “electric vehicle (EV) mandate,” and which includes a direction to federal agencies to immediately pause the disbursement of funds appropriated through the Inflation Reduction Act of 2022 or the Infrastructure Investment and Jobs Act; and (3) [Declaring a National Energy Emergency](#), which includes direction to the heads of executive departments and agencies to identify any lawful authorities available to them to facilitate the identification, leasing, siting, production, transportation, refining, and generation of domestic energy resources, including, but not limited to, on federal lands.

Stoel Rives is actively tracking the energy sector impacts of these Executive Orders, as well as other actions taken by the new administration, and will provide updates in these Alerts as appropriate.

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

Resolution (Res) E-5363 (Pacific Gas and Electric Company Central Procurement Entity 2024 Local Resource Adequacy Procurement). This Resolution approves Pacific Gas and Electric Company’s (PG&E) Central Procurement Entity (CPE) resource adequacy (RA) agreement resulting from the 2024 PG&E-CPE Local RA Request for Offer (RFO), for a new energy storage facility with a 10-year duration. The Resolution finds that the contract will help

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.

PG&E's CPE satisfy its procurement obligations towards the CPUC multi-year local RA program for the 2025, 2026, and 2027 compliance years.

Res E-5373 (Southern California Gas Company, PG&E, Southern California Edison Company, and Center for Sustainable Energy Self-Generation Incentive Program Inflation Reduction Act Tax Credit). This Resolution approves, with modification, the joint proposal by Southern California Gas Company (SoCalGas), PG&E, Southern California Edison Company (SCE), and Center for Sustainable Energy (CSE), hereafter referred to as the joint Program Administrators (PAs), Self-Generation Incentive Program (SGIP) Inflation Reduction Act (IRA) Tax Credit proposal for the new Residential Solar and Storage Equity budget (RSSE) and all other SGIP budgets. This Resolution determines how to maximize the federal cost share of SGIP project costs covered by the federal IRA.

Res E-5371 (SCE Mid-Term Reliability Energy Storage Contracts). This Resolution approves three SCE Mid-Term Reliability (MTR) energy storage contracts totaling 620 megawatts (MW) of nameplate capacity for delivery periods of 15 years. The three contracts are RA capacity with financial settlement for new in-front-of-the-meter storage projects, expected to come online June 1, 2026, April 1, 2027, and June 1, 2028, respectively. This Resolution approves the requested contracts and cost recovery in Advice Letter (AL) 5431-E.

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. PG&E contracted these resources to help meet its MTR requirements. This Resolution addresses the contracts for which PG&E seeks approval in AL 7356-E.

Voting Meeting

The CPUC held a voting meeting in San Francisco on January 16, 2025 at 11:00 a.m. P.T. The following are results for energy-related items on the [agenda](#):

Item 6. Resolution E-5327 (Portfolio Administrators Proposals for Multi-Distributed Energy Resource Integrated Demand Side Management Frameworks and Programs). This decision approves with modifications and clarifications the proposed multi-distributed energy resource integrated demand side management frameworks and programs proposed pursuant to D.23-06-055 in Tier 3 AL. The decision also requires PG&E, SCE, and Southern California Gas Company (SoCalGas) to submit subsequent ALs in accordance with applicable CPUC policies, including the program launch checklist and third-party Tier 2 AL requirements, prior to program commencement to provide further details of their plans. If the pilot program is a third-party program and falls below a \$5 million budget threshold or is less than three years in duration, the investor-owned utilities (IOU) must file a Tier 1 AL for each third-party contract. The decision also requires Bay Area Regional Energy Network, Inland Regional Energy Network, Southern California Regional Energy Network, and Tri-County Regional Energy Network to submit a Tier 2 AL in accordance with the program launch checklist should they wish to expand their programs beyond the scope described in their AL for portfolio years 2024-2027. **Withdrawn.**

Item 17. R.13-11-005 (Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues). This decision resolves all outstanding matters and closes the proceeding. This decision addresses a pending motion related to energy efficiency in multifamily housing, and a pending motion about a discovery dispute related to the statewide program administrator for the market transformation framework. The Commission will address future energy efficiency policies, programs, evaluation, measurement and verification, and related matters in a successor proceeding. **Signed, D.25-01-006.**

Item 24. Application 23-01-013 (PG&E Tariff Enabling Core Natural Gas Use for Large Back-Up Generation). This decision grants with modifications new PG&E tariff G-NR2 enabling customers to use core natural gas for 500+ kW generation for back-up power during power outages and while awaiting electrical energization completion. The decision precludes the use of back-up generators for self-generation of electricity because the tariff is intended to reduce use of large diesel back-up generators, improving air quality and noise concerns. The tariff is approved for a five-year test period and PG&E must submit annual reports regarding the tariff's implementation and use for Commission consideration. **Held to January 30, 2025.**

Item 50. R.21-10-001 (Safety Culture Assessments for Large IOUs). This decision adopts a Safety Culture Assessment Framework for PG&E, San Diego Gas & Electric (SDG&E), SCE, and SoCalGas. This framework includes two components: (1) a Comprehensive Assessment of each IOU's safety culture, conducted once every four years; and (2) an annual Self-Evaluation in the three intervening years to monitor improvement. The Comprehensive Assessments will be conducted by a third-party independent evaluator. The Self-Evaluations will be conducted by the individual utility. This decision also adopts a Utility Safety Culture Working Group to foster collaboration and enhance safety culture improvement efforts. **Signed, D.25-01-031.**

Upcoming Workshops and Events

Distributed Energy Resource (DER) Working Group Workshops. As part of Track 2 of the Commission's R.22-11-013 to consider DER Program Cost-Effectiveness Issues, Data Access and Use, and Equipment Performance Standards, the Commission is hosting a series of workshops from August 2024 through January 2025 to convene stakeholders and assess data needs, use cases, and desired delivery tools. This may include examination of data privacy and confidentiality rules, cybersecurity issues, and other issues. These meetings will culminate in a draft and final report with recommendations for the CPUC to consider. The final meeting is scheduled for January 27 from 2:00 to 5:00 p.m. P.T. This meeting will address customer usage data and privacy. Additional information regarding the DER Working Group is available [here](#), and event registration details are available [here](#).

Resource Adequacy Track 3 Revised Loss of Load Expectation (LOLE) Study. On January 23, 2025, Energy Division staff will host a workshop to review the revised LOLE Study and to discuss price mitigation proposals. The workshop will be held both remotely and in-person, at 505 Van Ness Avenue in the Courtyard Room. Remote attendees can access the event [here](#), via Webex (password: LOLE).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Subscriber Participating Transmission Owner. CAISO has posted the straw proposal for the Subscriber Participating Transmission Owner Market Scheduling Options initiative, and will host a public stakeholder call on January 27, 2025 to discuss this proposal. Written comments are due February 10, 2025. Further information is available [here](#).

2026 and 2030 Local Capacity Technical Study. CAISO has posted the draft base cases for use in the 2026 and 2030 Local Capacity Technical Studies and are available for stakeholder review and comment by January 30, 2025. Further information is available [here](#).

Storage Design and Modeling. CAISO will host a hybrid working group meeting for the Storage Design and Modeling initiative on January 23, 2025. Further information is available [here](#).

Transmission Development Forum. CAISO, the CPUC, and the participating transmission owners will hold their biannual public stakeholder call on January 29, 2025, to provide status updates on the transmission planning process and network upgrades identified in the generation interconnection process. Further information is available [here](#).

Interconnection Process Enhancements 2023. CAISO posted the Interconnection Process Enhancements 2023 Track 3 Draft Final Proposal to the initiative webpage on January 9, 2025, and held a stakeholder call on January 15, 2025 to discuss this proposal. Related information is available in the [meeting notice](#). Written comments are due by January 29, 2025. Further information is available [here](#).

2025 Annual Policy Initiatives Catalog and Roadmap Development Process. CAISO will begin the 2025 Annual Policy Initiatives Catalog and Roadmap development process, and will host a stakeholder call on January 30, 2025. Further 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](#).

Greenhouse Gas Coordination. CAISO has published an Issue Paper for its GHG Coordination working group, and held a working group meeting on January 21, 2025. Written comments are due February 11, 2025. Further information is available [here](#).

Cluster 15 Interconnection Long Lead-Time (LLT) Resource Points Clarification. CAISO has clarified that long duration storage is not eligible to receive system need points as a LLT resource in Cluster 15 , available [here](#).

Price Formation Enhancements. CAISO will hold a Price Formation Enhancements Phase 2 working group call on January 22, 2025. This session will explore the topic of scarcity pricing. 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. Upcoming IEPR events include the following (note: the [workshop schedule](#) is subject to change):

January 24, 2025: IEPR Commissioner Hybrid [Workshop](#) on Regional Electricity Markets and Coordination.

March 17, 2025: Business meeting to consider adoption of the 2024 IEPR Update.

On January 9, 2025, the CEC published a [Notice of Availability](#) regarding the [California Energy Demand Forecast Update 2024-2040](#), including a notice of possible adoption of the same.

Offshore Wind

The [California Ports and Offshore Wind Symposium](#) (Symposium) will take place on February 21, 2025 at the Port of Long Beach. 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](#).

Demand Side Grid Support (DSGS) Program Guidelines

On January 14, 2025, the CEC issued a draft Fourth Edition with proposed changes (redlined version is available [here](#)) to the DSGS Program Guidelines, which establish the rules for the program, including eligibility requirements, participation process, and incentive options. The DSGS Program was created pursuant to Assembly Bill (AB) 205 (Ting, Chapter 61, Statutes of 2022) and expanded by Assembly Bill 209 (Ting, Chapter 251, Statutes of 2022). The DSGS Program is part of the State's Strategic Reliability Reserve and provides incentives to reduce

customer net-energy load during extreme events with upfront capacity commitments and per-unit reductions in net load.

Zero Emissions Vehicles (ZEVs)

On January 14, 2025, the CEC issued a request for information (RFI) in docket 22-EVI-04 to better understand the impact of vandalism on charging reliability and to improve convenience for EV drivers. The CEC seeks information from EV charging station operators and other interested organizations, stakeholders, and interested members of the public on the severity, extent, and frequency of vandalism events that render charging ports inoperable. The CEC is also seeking information on measures and practices that have proved effective at reducing vandalism. The goal of the RFI is to identify and work to prevent or address factors, such as vandalism, that can reduce charger reliability and the public's confidence in a convenient, reliable, and safe charging network for their EVs. The RFI, which is available [here](#), poses a detailed set of questions for stakeholder input. Responses to the RFI may be submitted through Monday, February 17, 2025 by e-filing to the 22-EVI-04 [docket](#).

On January 15, 2025, the CEC extended the deadline from January 24 to February 7 for stakeholder comment on an RFI relating to medium- and heavy-duty ZEVs to better define “public” charging and refueling infrastructure for CEC funding opportunities. CEC Staff seek information regarding the current state of the MDHD market to establish eligibility criteria for upcoming funding opportunities, and this RFI poses specific questions relating to reservation systems used for fleets and the trucking industry, protocols for sites with first-come-first-served chargers that also allow charging reservations, standardized communication protocols, and other issues relating to public use and public benefit at MDHD charging stations. Additional information relating to the RFI and detailed questions is available [here](#). Comments on the RFI may be submitted through February 7, 2025, on the docket 19-TRAN-02.

Also on January 15, the CEC released a notice of availability and request for comments regarding the Draft 2024 ZEV Infrastructure Plan (ZIP). Staff will host a workshop to present on the Draft ZIP on January 29, 2025 from 9:00 a.m. to 12:00 p.m. Access details and additional information, including a link to the ZIP proposal, are available [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for February 12, 2025.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

On January 23, 2025, CARB will hold its next [Board meeting](#). The agenda is available [here](#).

CARB and the CEC are holding a series of evening community meetings on the state's [Transportation Fuels Transition Plan](#). The [first meeting](#) will take place in Richmond, California,

on January 29, 2025. The [second meeting](#) will be held in Bakersfield, California on February 4, 2025. On February 5, 2024, the [third meeting](#) will be held in Wilmington, California. The agencies plan to host a virtual workshop on the Plan in Spring 2025.

On January 30, 2025, CARB will hold a meeting of the Advanced Clean Fleets' [Truck Regulation Implementation Group](#) on outreach. More information and registration are available [here](#).

On February 10, 2025, CARB will hold a meeting of the Advanced Clean Fleets' [Truck Regulation Implementation Group](#) on infrastructure. More information and registration are available [here](#).

On February 13, 2025, the Scientific Review Panel on Toxic Air Contaminants will hold a public meeting. More information is available [here](#).

Notices

CARB is issuing regular updates on Advanced Clean Fleets, with the latest available [here](#). Subscribe here to receive the "Advanced Clean Fleets Flash" [here](#).

The [F-Gas Reduction Incentive Program](#) is accepting applications until January 31, 2025 to receive funding to install climate-friendly refrigerant technologies at commercial and industrial facilities. CARB has recently [amended](#) the Program's [Funding Guidelines](#) to expand applicant eligibility. Applications and more information are available [here](#).

Opportunities for Public Comment

CARB has issued a public [solicitation](#) for information to aid in the implementation of new climate-related disclosure laws, Senate Bill (SB) 253 and SB 261. Comments may be submitted [here](#) until February 14, 2025.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

On Thursday, January 23, 2025, the MPUC will hold its weekly agenda meeting, in relevant part considering: (1) with regard to the application of Minnesota Power and Great River Electric for a Certificate of Need and Route Permit for a 180-mile double-circuit 345-kV transmission line (MPUC Docket Nos. CN-22-416 and TL-22-415), whether to adopt the Administrative Law Judge's findings of fact and conclusions of law, whether to find the Environmental Assessment and record developed at public hearing adequately addresses issues noted in its scoping decision, and whether it should grant the Certificate of Need and Route Permit for the project, and (2) whether to approve changes to Xcel Energy's Community Solar Garden program, particularly related to the Low and Middle Income Standard Contracts agreed to by Xcel and stakeholders (MPUC Docket No. CI-23-335). The MPUC's agenda is [here](#). Additionally, on January 22, 2025, the first prehearing conference will be held in Xcel's 2025-2026 electric rate case (MPUC Docket No. 24-320).

On Tuesday, January 21, 2025, the Minnesota Court of Appeals rendered its decision regarding Xcel Energy’s 2022-2023 rate case, wherein it concluded: (1) Xcel Energy had not demonstrated a basis to overturn the MPUC’s denial of its forecasted expenses for insurance premiums and the MPUC’s determination of lower insurance-premium expenses, (2) the MPUC’s findings that led to the exclusion of Xcel Energy’s prepaid pension asset from rate base were insufficient and necessitated revisiting, and (3) the MPUC’s decision to set a lower executive compensation amount based on the governor’s salary was arbitrary and capricious, necessitating reversal and remand for further explanation. The opinion is [here](#).

Of additional note, Xcel Energy’s \$7.7 million sale of land surrounding its retiring Sherco coal plant in April 2024, for which it did not hold a competitive bidding process, has drawn scrutiny as the land was flipped by the awarded developer and sold to Amazon for \$73.5 million. The original deal was approved by the MPUC, which claims it did not know the intent of developers upon approval of the sale. While noting the original sale price was based on appraisals and market conditions at the time, Xcel Energy cited increased demand for data center sites as a primary factor for the subsequent spike in land value. Consumer advocates, among other parties, are critical of the turn of events, particularly considering Xcel’s current request to raise its electric rates by 13.2% over 2025 and 2026, which will result in significant rate increases for consumers.

PACIFIC NORTHWEST

On January 8, 2025, the Oregon Public Utility Commission (OPUC) issued an order in Docket No. UM 2349 approving Idaho Power Company’s (Idaho Power) revised interconnection procedures, as modified by certain OPUC Staff recommendations. The revised procedures address how Qualifying Facilities interconnect with Idaho Power’s electrical system within the state of Oregon and transition the process for large generator (20 MW and above) to a “first-ready, first-served” cluster study approach in line with FERC Order No. 2023.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

At the January 16, 2025, Commission Open Meeting, in [190 FERC ¶ 61,030 \(2025\)](#), FERC issued an order accepting Southwest Power Pool, Inc.’s (SPP) proposed tariff to implement a centralized day-ahead and real-time unit commitment and dispatch market in the Western Interconnection (Markets+ Tariff), subject to SPP submitting a compliance filing within 30 days of the date of the order. The order also directs SPP to submit an informational filing notifying the Commission of the actual effective date of the proposed Markets+ Tariff and informational reports every six months during the implementation period as well as every six months for a period of three years after the Markets+ Tariff effective date.

Also at the January 16, 2025, Commission Open Meeting, in [190 FERC ¶ 61,018 \(2025\)](#), FERC issued an order addressing SPP’s proposed changes to its tariff to implement an Effective Load Carrying Capability methodology for wind, solar, and storage resources; a performance-based accreditation (PBA) methodology for conventional resources; and a fuel assurance

incentive related to the proposed PBA methodology. The order accepts and suspends the proposed tariff revisions. Additionally, the order consolidates Docket Nos. ER24-1317-000 and ER24-2953-000 and establishes paper hearing procedures to allow parties to provide additional comment on the now-consolidated proceeding.