

**REGULATORY UPDATE FOR JULY 30, 2024  
(WEEK OF JULY 22, 2024)**

**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)**

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC will hold a voting meeting in San Francisco, California on August 1, 2024 at 11:00 a.m. The following are energy-related items on the [agenda](#):

Item 3. Application (A.) 22-02-016 (Joint Application of Southern California Edison Company and San Diego Gas & Electric Company for the 2021 Nuclear Decommissioning Cost Triennial Proceeding). This decision approves Southern California Edison Company's (SCE) and San Diego Gas & Electric Company's (SDG&E) 2021 Nuclear Decommissioning Cost Triennial Proceeding costs. This decision also adopts the Settlement Agreement between the majority of active parties. Finally, this decision approves the request to deposit any future litigation proceeds from the Department of Energy (DOE) into their respective Non-Qualified Nuclear Decommissioning Trust funds to pay for the additional spent fuel management costs the utilities will incur as a result of DOE's delayed removal. This decision approves recorded costs of \$3.11 million for San Onofre Nuclear Generating Station (SONGS) 1 projects and \$606.7 million for SONGS 2 and 3 projects but disallows \$30 million of these recorded costs as a result of the Settlement Agreement. This decision also approves the 2020 SONGS 1 Decommissioning Cost Estimate (DCE) of \$225.9 million, 2020 SONGS 2 and 3 DCE of \$4,712 million, and 2019 PVNGS (Palo Verde Nuclear Generating Station) 1, 2, and 3 DCE of \$594.2 million.

Item 8. Rulemaking (R.) 13-11-005 (Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues). This decision approves the portfolio application of a new energy efficiency portfolio administrator, San Diego Regional Energy Network. Energy savings goals and funding for 2024-2027, and the 2024-2031 strategic business plan, are adopted. San Diego Community Power, which will serve as portfolio administrator on behalf of San Diego Regional Energy Network, must submit a joint cooperation memo with SDG&E.

Item 9. R.17-06-026 (Order Instituting Rulemaking to Review, Revise, and Consider Alternatives to the Power Charge Indifference Adjustment). This decision denies the Petition for Modification of Decision (D.) 23-06-006 filed by SCE on September 11, 2023. The Commission finds insufficient justification for the request to modify D.23-06-006 to specify that utilities should apply the direction in that decision to the classification and valuation of renewable energy credits generated and banked on or after January 1, 2019, and should not apply such direction to renewable energy credits generated and banked before that date.

Item 10. R.18-04-019 (Order Instituting Rulemaking to Consider Strategies and Guidance for Climate Change Adaptation). This decision adopts refinements to climate adaptation preparation guidance for investor-owned energy utilities provided in D.19-10-054 and D.20-08-046 to reflect climate science developments since 2018. It adopts the Shared Socioeconomic Pathway (SSP) greenhouse gas emissions scenario 3-7.0 as the reference scenario for energy utility use in the Climate Adaptation and Vulnerability Assessments (CAVA) ordered in D.20-08-046. It also identifies SSP 3-7.0 as the reference emissions scenario for use in proceedings other than R.18-04-019 and for long-term infrastructure planning, as relevant. SSP 3-7.0 replaces the Representative Concentration Pathway emissions scenario 8.5 required in D.19-10-054. This decision adopts the Global Warming Level approach as the basis of CAVA planning, replacing the targeted years approach adopted in D.20-08-046. It requires the energy utilities to begin applying the Global Warming Level approach starting with SCE's next CAVA submittal. It recommends that the energy utilities consider phasing in use of the Global Warming Level approach in emissions scenarios applied to forecasts and projections conducted in other proceedings, completing this transition by 2027. This decision updates the timing of utility submittal of CAVAs, requiring CAVAs to be filed one year prior to energy utility Risk Assessment and Mitigation Phase (RAMP) applications. This replaces guidance adopted in D.20-08-046, which required concurrent submittal of CAVA and RAMP documents. This decision adopts guidance regarding energy utility presentation of CAVA Adaptation Investment proposals in general rate case or standalone applications. It establishes a working group to develop and propose a lexicon of climate adaptation-related terms. This decision also eliminates requirements adopted in D.20-08-046 for energy utilities to survey existing third-party energy contract partners regarding their readiness for climate change.

Item 14. R.22-11-013 (Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost Effectiveness Issues, Data Access and Use, and Equipment Performance Standards). This decision approves updates to the Avoided Cost Calculator (ACC), beginning with the 2024 ACC. The decision finds that updates to the ACC will better align the modeling of the ACC with the most recent outputs of the Integrated Resource Planning proceeding (R.20-05-003) and enable the Commission to better evaluate the cost effectiveness of demand-side resources alongside supply-side resources. This decision adopts the following updates to the ACC: (1) uses the latest adopted system plan approved in the Integrated Resource Planning proceeding as the base model for the ACC; and (2) adopts an integrated calculation approach which recognizes the interdependence and interactive effects between the generation capacity avoided costs and greenhouse gas avoided costs and models these costs in an integrated manner. Further, the decision adopts an alternative storage dispatch modeling approach to more accurately capture storage reliability value, and a refined method for calibrating and benchmarking strategic energy risk valuation prices.

Item 16. A.18-05-015 (Application of SCE for Approval of Its Clean Energy Optimization Pilot). This decision denies the Petition for Modification of D.19-04-010 filed by SCE on November 27, 2023. Consistent with Rule 16.4 of the Commission's Rules of Practice and Procedure, the Commission finds insufficient justification for the request to modify D.19-04-010 to extend and expand the Clean Energy Optimization Pilot and authorize up to an additional \$44.3 million in cap-and-trade allowance revenues for the pilot.

Item 25. A.24-05-025 (Application of SCE Regarding Energy Resource Recovery Account Trigger Mechanism). This decision approves the uncontested request by SCE to decrease its bundled service customer generation rates to address an overcollection in its Energy Resource Recovery Account (ERRA). This refund is authorized for an amount not to exceed \$724.426 million. SCE is authorized to decline to place some of the refund into rates if updated projections reasonably demonstrate that SCE will not need all the decrease to correct the current overcollection such that it returns below the ERRA Trigger Mechanism amount. SCE is granted a period of up to 12 months, beginning on October 1, 2024, to amortize this balance. Bundled service customer rates would decrease by an average of 4.9 percent during the 12-month period if the full \$724.426 million is refunded.

### **CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)**

#### **Stakeholder Initiatives: Upcoming Meetings and Deadlines**

**2024 Summer Assessment Multi-Hour Stack Model.** CAISO has posted its multi-hour stack model that was used to inform its 2024 Summer Loads and Resources Assessment, available [here](#).

**Annual Policy Initiatives Roadmap Process 2024.** CAISO has published the 2024 final discretionary policy initiatives catalog, which includes the results of the stakeholder prioritization rankings of 2024 draft catalog items, available [here](#).

**Department of Market Monitoring 2023 Special Report on Battery Storage.** CAISO Department of Market Monitoring has posted a special report on battery storage providing analysis of battery resource participation and performance in the CAISO market during 2023, available [here](#).

**Transmission Development Forum.** CAISO, in conjunction with the CPUC and the participating transmission owners, will hold its biannual public stakeholder call on July 31, 2024, to provide status updates on the transmission planning process and network upgrades identified in the generation interconnection process. Further information is available [here](#).

**2025 Annual Import Allocation Process.** CAISO has posted the remaining import capability per branch group pursuant to Step 10 of the annual import allocation process. CAISO will accept Step 11 requests for remaining import capability until August 1, 2024. Further information is available [here](#).

**Storage Bid Cost Recovery and Default Energy Bids Enhancements.** CAISO has posted the Storage Bid Cost Recovery and Default Energy Bids Enhancements issue paper and straw proposal and will hold an associated public stakeholder call on August 5, 2024. Written comments are due August 8. Further information is available [here](#).

**Resource Adequacy Modeling and Program Design.** CAISO has posted the revised discussion paper and final recommendation plan for the Resource Adequacy Modeling and

Program Design working group. Written comments are due by August 12. Further information is available [here](#).

**2025 Net Qualifying Capacity Values for Resource Adequacy Resources.** CAISO has posted the preliminary 2025 Resource Adequacy Net Qualifying Capacity (NQC) list. Scheduling coordinators are requested to review their information and submit comments by August 13, 2024 for NQC. Further information is available [here](#).

**CAISO Stakeholder Symposium.** CAISO will host its Stakeholder Symposium on October 30, 2024 in downtown Sacramento, California, along with a welcome reception on the evening of October 29. Additional information, including reception details, event registration, and sponsorship opportunities, 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 are being 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 workshops include the following (note: the [workshop schedule](#) is subject to change):

**July 30, 2024:** A workshop to explore the California Energy Demand forecast methodology was held today, July 30. Presentation topics included an overview of electricity load forecast methods, discussion of climate simulation modeling development, and the use of climate simulation and historical weather data in the demand forecast to support energy system planning and resiliency. Additional information on the workshop and related documents is available on the 2024 IEPR page, [here](#).

**August 8, 2024:** Senate Bill (SB) 605: Wave and Tidal Energy – 1:00 p.m. This is a remote access workshop. Attendance instructions are available in the workshop [notice](#). Further, the [draft report](#) entitled *Wave and Tidal Energy: Evaluation of Feasibility, Costs, and Benefits* has been released for public review and comment. The draft report will also be discussed during the workshop. According to the [Notice of Availability](#), written comments on the report are due to the CEC’s Docket Unit by 5:00 p.m. on August 22, 2024.

**October 2, 2024:** Use of the Forecast in Electricity System Planning – 10:00 a.m.  
[Rescheduled from August 27]

**November 7, 2024:** Electricity Forecast, Load Modifier Results – 1:00 p.m.

**December 12, 2024:** Electricity Forecast, Annual and Hourly Results – 1:00 p.m.

**January 2025 TBD:** Business meeting to consider adoption of the Electricity Demand Forecast.

**February 2025 TBD:** Business meeting to consider adoption of the 2024 IEPR Update.

### Electric Program Investment Charge (EPIC)

The 10th Annual EPIC Symposium is scheduled to be held in Sacramento, California on October 28, 2024. Additional details are forthcoming.

The CEC's EPIC 2023 Annual Report is now [available](#). The report outlines the status and progress of EPIC-funded activities for the 2023 calendar year.

### SB 100 Demand Scenarios

On August 7, 2024, CEC staff will hold a [webinar](#) from 9:00 a.m. to 11:00 a.m. to allow staff to present the demand scenarios for use in SB 100 analysis as well as the inputs and assumptions used to develop scenarios for the 2025 SB 100 Joint Agency Report. According to the webinar notice, “the demand scenarios that will be presented and discussed . . . are some of the inputs into the analysis of options to achieving the SB 100 targets of 100 percent clean electricity by 2045 for the 2025 SB 100 Joint Agency Report” and “the results of the modeling effort will be assessed in the 2025 SB 100 Joint Agency Report.” Written comments are due to the CEC Docket Unit by 5:00 p.m. on August 21, 2024.

### Offshore Wind

On July 10, 2024, the CEC [adopted](#) the Assembly Bill 525 Offshore Wind Energy [Strategic Plan](#). All three volumes of the Strategic Plan are also available in [Docket No. 17-MISC-01](#).

### Electric Vehicle (EV) Infrastructure

*CFI Program.* The CEC hosted a workshop on July 18, 2024 from 10:30 a.m. to 12:00 p.m. to provide updates on the development of applications for Round 2 funding under the U.S. Department of Transportation's Charging and Fueling Infrastructure grant program (CFI Program). The CEC states that it is currently developing two separate applications to the CFI Program. The first is a multi-state proposal to develop medium- and heavy-duty (MDHD) battery EV charging infrastructure along interstate corridors in partnership with the California, Oregon, and Washington State Departments of Transportation (referred to as the “Tristate Proposal”). The second application is for MDHD zero-emission vehicle infrastructure along drayage routes near California ports, referred to as the “Drayage Proposal.” Applications for these programs are due August 28, 2024. Additional information and workshop attendance details are available [here](#).

*Workshop on Innovative Strategies for Accelerating MDHD Site Energization in POU Service Territories.* The CEC will host a remote-only workshop on July 31 from 9 a.m. to 12 p.m. to discuss innovative strategies, such as flexible service connections and temporary power

solutions, for accelerating energization of EV charging sites located in publicly owned utility (POU) service territories. Workshop details are available [here](#).

#### CEC Business Meetings

The next CEC Business Meeting will be held on August 14, 2024. The meeting previously scheduled for July 31, 2024 has been [canceled](#).

### **CALIFORNIA AIR RESOURCES BOARD (CARB)**

#### Meetings, Workshops, and Notices

On July 31, 2024, CARB will hold a meeting of the Advanced Clean Fleets [Truck Regulation Implementation Group](#), Outreach Work Group. Registration for the meeting is available [here](#).

On August 6, 2024, CARB will host a [meeting](#) of the Public Work Group for Clean Transportation Equity and Light-Duty Vehicle Investments. More information is available [here](#).

On August 6, 2024, CARB will host a [workgroup meeting](#) on the Clean Truck and Bus Voucher Incentive Project, Clean Off-Road Equipment Voucher Incentive Project, Zero Emission Truck Loan Pilot Project, and Innovative Small E-Fleet Pilot Project and related development of policies for the 2024-25 [Funding Plan for Clean Transportation Incentives](#). Registration is available [here](#).

On August 7, 2024, CARB will host the third virtual workshop of the [Commercial Harbor Craft Regulation Technical Working Group](#), related to the assessment of the commercial availability of lower-emitting combustion engines and zero-emission technology for harbor craft. More information on the workshop, and a pre-workshop survey, is available [here](#).

On August 16, 2024, CARB will host a public meeting of the [Scientific Review Panel on Toxic Air Contaminants](#). The meeting notice, agenda, and link to registration are available [here](#). Written comments on the Panel's review of the [Cancer Inhalation Unit Risk Factor for Isoprene](#) may be submitted [here](#) on or before August 14, 2024.

On August 20, 2024, CARB will hold an evening community meeting on [clean transportation projects](#), including plans for funding projects and updates on incentive implementation. Registration for the meeting will be available [here](#).

On November 8, 2024, the CARB will hold a [public hearing](#) to consider amendments to the [Low Carbon Fuel Standard](#). The language of the proposed amendments and other rulemaking documents are available [here](#).

The [California Volkswagen Mitigation Trust](#) is accepting applications for funds on a first-come, first-served basis for combustion freight and marine and zero-emission class 8 trucks. Applications for funding are available [here](#).

### Opportunities for Public Comment

CARB is accepting public comment on its proposed updates to the [Cap-and-Trade Program](#), presented at the July 10, 2024 [public workshop](#). Comments may be provided [here](#) until July 31, 2024.

CARB is accepting public comment on the [Cancer Inhalation Unit Risk Factor for Isoprene](#) under review by the [Scientific Review Panel on Toxic Air Contaminants](#). Comments may be submitted [here](#) on or before August 14, 2024, or orally at the related August 16, 2024 [meeting](#).

### MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

On August 1, 2024, the MPUC will hold its weekly agenda meeting covering two significant topics. First, the MPUC will hear oral arguments regarding Minnesota Power's application for a certificate of need and route permit for its roughly \$1 billion investment to upgrade and expand the capacity of its HVDC transmission line. Second, the MPUC will hear oral arguments on the various petitions for reconsideration from community solar garden (CSG) developers filed in response to the MPUC's May 2024 order modifying the bill credit rate for certain CSGs from the applicable retail rate to the value of solar rate. Decisions during the hearing will be reached on each agenda item with written orders to follow. The full agenda can be found [here](#).

Last week the MPUC approved CenterPoint Energy's Natural Gas Innovation Plan, granting CenterPoint the ability to spend up to \$106 million on natural gas decarbonization projects, including a new hydrogen blending facility. The Agenda and Briefing Papers are available [here](#) and [here](#), and coverage in the StarTribune is available [here](#).

### FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On July 25, 2024, in [188 FERC ¶ 61,072](#), FERC issued an order granting PG&E's request for transmission incentives related to support work it will undertake in conjunction with four transmission projects identified in CAISO's 2021-2022 transmission plan. PG&E requests authorization to: (1) include 100% of prudently incurred Construction Work in Progress for the support work in rate base; and (2) recover 100% of prudently incurred costs of the support work if that work is abandoned for reasons beyond PG&E's control.

On July 16 at the Southwest Power Pool (SPP) [Markets and Operations Policy Committee Meeting](#), SPP voted to approve a waiver to delay the start of the Phase 1 2024 Definitive Interconnection System Impact Study (DISIS) and a waiver to delay opening the 2025 DISIS allowing for interim provisional service. As a result, the start of Phase 1 of the 2024 DISIS will begin at the completion of the first planned Phase 2 Restudy of the 2023 DISIS. Additionally, the start of the open season of the subsequent DISIS to begin at the earlier of (1) April 1, 2026, or (2) at the completion of Decision Point 2 of the 2024 DISIS, and will close October 31, 2026. Finally, SPP approved an interim waiver for provisional service for Large Generator Interconnection Agreements (LGIAs) to become GIAs in the subsequent DISIS.

On July 19, the DC Circuit Court of Appeals upheld a 2022 decision by FERC related to affected system upgrades identified for and charged to Tenaska's Clear Creek Wind Project, which became operational in 2020 using provisional interconnection service. The Tenaska project was eventually tagged with \$102 million in upgrades after restudies were complete and the project had been built. The Court of Appeals determined that FERC's decision aligned with cost causation principles because the upgrades were necessary to resolve operational issues that would not have existed in the project's absence.

Senators Joe Manchin (I-W.Va.) and John Barrasso (R-Wyo.) have introduced legislation that would reform FERC's "backstop permitting authority" and expand the agency's power to approve the permitting of new transmission facilities. The legislation is titled the Energy Permitting Reform Act of 2024, and its scope reaches the permitting needed for electric, gas, and other resources.