

REGULATORY UPDATE FOR MARCH 11, 2025 (WEEK OF MARCH 3, 2025)

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC will hold a voting meeting in Santa Clara, California on March 13, 2025 at 11:00 a.m. PT. The following are energy related items on the <u>agenda</u>:

Item 3. Resolution (Res) E-5364 (Modifications to the Inputs and Assumptions Used in Bill Savings Estimates in Solar Disclosure Document). This Resolution updates the inputs and assumptions used in bill savings estimates provided to potential residential solar customers by solar providers to align with the net billing tariff. Following Commission adoption of this resolution and the stakeholder review process, the California Contractors State License Board will make any edits suggested by the Commission or stakeholders if they are consistent with the requirements of Business and Professions Code § 7169(c) and finalize the Solar Energy System Disclosure Document. Pursuant to Decision (D.) 23-11-068 and D.22-12-056, this disclosure document is incorporated into the required documentation necessary to interconnect residential solar and storage systems under the net energy metering and net billing tariff.

Item 4. Res E-5372 (San Diego Gas & Electric Company Utility Owned Energy Storage Contract and Related Costs). This Resolution approves San Diego Gas & Electric Company's (SDG&E) request for approval of a utility-owned energy storage contract procured to address 2025 summer reliability. The contract is a Build, Own, and Transfer contract with CED Westside Canal Battery Storage LLC (RWE AG) for 100 megawatts (MW) of nameplate capacity. This Resolution approves the requested relief in Advice Letter 4556-E.

Item 11. Rulemaking (R.) 18-07-005 (Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs). This decision denies the petition for modification of D. 23-08-049, jointly filed by Pacific Gas and Electric Company (PG&E), SDG&E, Southern California Edison Company, and Southern California Gas Company (SoCalGas), (together, the Large IOUs), on August 23, 2024. The Large IOUs requested that the Commission modify D.23-08-049 to allow them to record incremental costs to implement their payment plans in a memorandum account. The decision finds that the issues the Large IOUs raised would properly have been the subject of an

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.



application for rehearing of the decision. Specifically, that a petition for modification is appropriate when a party asserts that unanticipated events arose after the decision was issued, which is not the case here, and therefore denied the petition for modification.

Item 13. Petition 24-09-013 (Petition for Modification of General Order 167-B). This decision denies the petition of the Independent Energy Producers Association (IEPA) to open a rulemaking to amend General Order (GO) 167-B. IEPA's petition argued that the proposed workshop method is procedurally deficient, alleging that the workshops were not properly noticed as to the proposed changes presented by the Commission's Electric Safety and Reliability Branch during the workshops and that GO-167-B, Section 15.8 requires a rulemaking be opened for any amendments to GO-167-B. The Commission finds that Public Utilities Code Section 1708.5(f) grants the Commission broad authority to use notice and comment rulemaking procedures, which include the Commission's resolution process, to amend a prior Commission regulation. Regarding IEPA's allegations regarding Commission staff's workshop process, the Commission finds that this is not the appropriate venue to consider such complaints.

Item 15. Res E-5375 (PG&E and NRG Business Marketing Bilateral Contract). This Resolution denies the request of PG&E to approve the sale of 100,000 Portfolio Content Category 1 2025 delivery Renewable Energy Credits (RECs) to NRG Business Marketing, LLC via a bilateral transaction. The Commission finds that PG&E diverged from its approved Renewable Portfolio Standard (RPS) Sales Framework in its procurement and evaluation methodology.

Item 18. Application (A.) 24-08-002 (PacifiCorp Application for Approval of its 2025 Energy Cost Adjustment Clause and Greenhouse Gas-Related Forecast and Reconciliation of Costs and Revenue). This decision approves the partial settlement agreement between all parties regarding issues raised with respect to the California Greenhouse Gas Emissions Allowance program costs and Climate Credits in PacifiCorp's 2025 Energy Cost Adjustment Clause application. The decision also approves a semi-annual California Climate Credit for 2025 for residential and small business customers of \$259.36, an increase of 48.8%.

Item 20. A.21-06-021 (PG&E General Rate Case). This decision grants the unopposed "Joint Petition for Modification of D.23-11-069 for Implementation of an Agreement among PG&E, the Public Advocates Office, and The Utility Reform Network on Non-Wildfire Liability Insurance." This grant includes the Commission's approval of the "Agreement Among Pacific Gas and Electric Company, The Utility Reform Network and the Public Advocates Office at the California Public Utilities Commission to Jointly Petition to Modify D.23-11-069 on Non-Wildfire Liability Insurance." As a result, PG&E will establish the self-insurance framework stated in the agreement for a portion of its non-wildfire liability insurance coverage, thereby providing an opportunity for ratepayer savings in a few years consistent with the Commission's ongoing efforts to address utility bill affordability. The amount to be collected in rates for non-wildfire liability insurance in 2025 and 2026 remains unchanged.

Item 46. Res ESRB-13 (Modification of General Order 167). This Resolution adopts GO 167-C to: (1) implement the Senate Bill (SB) 1383 mandate to establish standards for the maintenance and operation of Energy Storage Systems; (2) apply SB 38 requirements for Emergency Response and Emergency Action Plans to Energy Storage System Owners; (3) require



Generating Asset Owners to coordinate with local authorities in developing their emergency plans; (4) establish Logbook Standards for Energy Storage Systems and Renewable Generating Assets and revise Logbook Standards for each Generating Asset; (5) modify Maintenance and Operation Standards for Generating Assets; (6) add provisions to enhance safety and effectiveness of Generating Assets and Energy Storage Systems operation and maintenance; (7) update procedures, references, and definitions; (8) remove obsolete references and add relevant language; and (9) update applicable industry codes, standards, and organizations. GO 167 establishes standards for electric generating facilities to ensure that they are effectively maintained and operated to ensure safe and reliable service.

Upcoming Events and Workshops

SURGE Webinar on AB 2143 (Prevailing Wage) Requirements. The Solar-Utilities Reporting, Guidance, and Education (SURGE) initiative will host a webinar on March 25, 2025, from 12:30pm-1:30pm PT via Microsoft Teams to provide information on the reporting process for solar contractors who need to comply with the prevailing wage requirements established pursuant to Assembly Bill (AB) 2143 and Public Utilities Code section 769.2. Event details and registration are available <a href="https://example.com/here-example.

High Distributed Energy Resource Proceeding Workshop on Data Tools and Cybersecurity (R.22-11-013). The CPUC will host a workshop on Monday, March 24, 2025 from 2:00pm-5:00pm PT to discuss data tools and cybersecurity issues related to distributed energy resource planning and optimization. Interested parties may attend by registering here.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Distributed Generation Deliverability Assessment. CAISO has posted the distributed generation deliverability assessment results for the 2025 cycle. Eligible distributed generation facilities that are seeking an initial or increase in deliverability status must apply for deliverability status assignment. 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.

Interconnection Process Enhancements 2023. On February 28, 2025, CAISO posted an updated track 3 final proposal to the Interconnection Process Enhancements 2023 initiative webpage to incorporate stakeholder feedback. Further information is available here.

Price Formation Enhancements. On March 13, 2025, CAISO will hold a Price Formation Enhancements Phase 2 working group call that will explore the topic of Balancing Area Authority-Level Market Power Mitigation. Further information is available here.



Federal Energy Regulatory Commission (FERC) Order No. 1920. CAISO will hold a public stakeholder call on March 13, 2025, to discuss the FERC Order No. 1920 compliance development. Further information is available here.

Extended Day-Ahead Market Congestion Revenue Allocation. CAISO will host a hybrid stakeholder workshop regarding the Extended Day-Ahead Market Congestion Revenue Allocation on March 24, 2025. CAISO will also publish an issue paper on March 17 ahead of the stakeholder meeting. Attendees may choose to participate virtually or in person. In person registration is due March 21, 2025. Further information is available here.

Market Performance and Planning Forum. CAISO has scheduled the first quarter Market Performance and Planning Forum on March 20, 2025. Further information and the agenda are available <a href="https://example.com/here/beta/he

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 CAISO, 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. Comments on the draft IEPR were due in early January 2025. According to the workshop schedule published in December 2024 (which is subject to change), potential adoption of the 2024 IEPR Update was initially scheduled for the March 17, 2025 Business Meeting. However, upon review of the March 17 meeting agenda, there is no mention of the 2024 IEPR Update. Thus, the 2024 IEPR Update remains in draft form.

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 <u>Notice</u>, 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 <u>Notice</u>, which also includes a proposed task/event schedule (which is subject to change):

| | <u>Task/Event</u> | 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 |

Electrification Summit

On March 11 and 12, 2025, the CEC will host the second annual Electrification Summit (Summit) in Sacramento. The Summit themes include healthy buildings, clean industry, and empowered communities. Day 1 information (including the <u>Day 1 Notice and agenda</u>) is available <u>here</u> and Day 2 information (including the <u>Day 2 Notice and agenda</u>) is available <u>here</u>. Click <u>here</u> 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 California Demand Flexibility 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 <u>California's load shift goal of 7,000 megawatts by 2030</u>." Registration for the California Demand Flexibility Summit is <u>now open</u>.

Tribal Energy Summit

On March 18, 2025, the CEC will host a <u>Tribal Energy Summit</u> at the California Natural Resources Agency building in Sacramento, California. Additional details regarding the summit are available in the <u>Notice</u>. This is an in-person only event. Click <u>here</u> to register to attend.



RPS Annual Reports

The CEC issued a notice for certified facilities subject to the annual reporting obligation to report generation and fuel use data to submit their reports by April 2025. Additional details regarding the reporting requirements are available here.

Demand Side Grid Support (DSGS) Program Guidelines

On March 6, 2025, the CEC issued a notice of consideration to adopt the DSGS program guidelines, Fourth Edition, at the March 17, 2025 business meeting. The DSGS program is part of the state's Strategic Reliability Reserve established under AB 205 and is designed to support grid reliability by providing incentives to reduce customer net load during extreme events. The First Edition of the guidelines were adopted on August 10, 2022, and were updated on July 27, 2023 (Second Edition) and on March 8, 2024 (Third Edition). This Fourth Edition includes refinements in response to staff and stakeholder input, and a redlined version is available here and on the docket 22-RENEW-01.

New Proceeding on Non-Energy Benefits and Social Costs

The CEC has opened a proceeding to determine methodologies to integrate non-energy impacts (benefits and social costs) into the CEC's planning, processes, and decision making. The CEC will host a scoping workshop on Thursday, March 13, 2025 to seek public input on the proposed scope of non-energy benefits for consideration. The workshop will be held remote from 10:00am-4:30pm PT and access information is available here.

Zero Emissions Vehicles

The CEC will host a workshop to obtain public input regarding a potential upcoming solicitation that would aim to demonstrate electric vehicle charging solutions that integrate direct current-coupled solar microgrids and connect to the electric grid through flexible service agreements. The workshop will be held on Tuesday, March 18, 2025 from 1:00p.m.-3:40p.m. PT and will be held remote only. The workshop will be held via Zoom (Webinar ID 817 1404 7709 and passcode "microgrid").

CEC Business Meetings

The next CEC Business Meeting is scheduled for March 17, 2025. The meeting agenda and backup materials are available here.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Low Carbon Fuel Standard (LCFS) Regulation Update

On February 25, 2025, CARB received a document from the Office of Administrative Law (OAL) detailing requested non-substantive revisions to the text of the LCFS regulation amendments. The LCFS regulation sets a declining carbon intensity target for transportation fuels used in California. Staff has 120 days to make these changes and re-submit the regulation



for OAL approval. The current regulation remains in effect as CARB staff work to address the feedback from OAL.

Meetings and Workshops

On Wednesday, March 12 from 1:00p.m. to 4:00p.m. PT, 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.

CARB will hold a <u>public meeting</u> on March 13, 2025 from 1:00p.m. to 5:00p.m. PT for the AB 32 Environmental Justice Advisory Committee (EJAC). EJAC was created under AB 32, the California Global Warming Solutions Act of 2006, to help advise the board in developing the Climate Change Scoping Plan (Scoping Plan) and on pertinent issues related to AB 32. The California Global Warming Solutions Act of 2006 calls for CARB to convene the EJAC, to advise the board in developing the Scoping Plan, and any other pertinent matter in implementing AB 32.

On March 19, 2025, the California Environmental Protection Agency and CARB will hold an in-person public workshop to help inform major elements of California's Comprehensive Climate Action Plan. The Comprehensive Climate Action Plan is a key deliverable under U.S. EPA's Climate Pollution Reduction Grants Program and will describe approaches to achieve the state's existing near- and long-term climate targets. Below is information on timing and location:

Date: March 19, 2025

Time: 5:00p.m. – 6:30p.m. PT (arrive at 4:50p.m. to sign in)

Location: 375 Beale St.

San Francisco, CA 94105

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 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 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 <u>workshops</u> will be held on the evenings of Wednesday, March 19, 2025 and Thursday, March 20, 2025, via remote access through Zoom.



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)

At its March 6, 2025, agenda meeting, the MPUC considered Xcel Energy's petition for approval of a General Time-of-Use Service Tariff (Docket No. E002/M-20-86) as well as its petition for approval of a Residential Time-of-Use Rate Design (Docket No. E002/M-23-524). Additionally, the MPUC will consider the application of Enbridge Solar, LLC, for a site permit for its 130 MW Plummer Solar Project (Docket No. IP7103/GS-22-451).

On March 3, 2025, Minnesota Power filed its 2025-2039 Integrated Resource Plan, which plans to add 400 MW of wind projects by 2035, expand energy storage resources by 100 MW by 2035, maximize and expand customer-focused programs (i.e., energy efficiency and demand response), and add approximately 1,000 MW of natural gas capacity (Docket No. E015/RP-25-127).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On February 24, 2025, FERC issued an order, 190 FERC 161,124, accepting Southwest Power Pool, Inc. (SPP)'s proposed revisions to its Open Access Transmission 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.