

**REGULATORY UPDATE FOR OCTOBER 8, 2024
(WEEK OF SEPTEMBER 30, 2024)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

Proposed Decisions and Resolutions

Rulemaking (R.) 13-11-005 (Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues). This decision eliminates the “Motion for Evaluation, Measurement and Verification Dispute Resolution” mechanism, which was adopted in Decision (D.) 10-04-029. The decision finds that the mechanism is redundant of existing processes and removing the mechanism will not prevent parties from having a fair opportunity to raise concerns.

Application (A.) 23-10-015 (Joint Application to Update Constituents of Concern in Standard Renewable Gas Interconnection Rule). This decision grants the Joint Application of Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), San Diego Gas & Electric Company (SDG&E), and Southwest Gas Corporation, with one exception, and denies the request to change D.14-01-0341 to permit utilities to file a Tier 2 Advice Letter instead of an application in response to future California Air Resources Board (CARB) and Office of Environmental Health Hazard Assessment updates. This decision revises these utilities’ respective Standard Renewable Gas Interconnection (SRGI) Rules to implement the CARB 2023 recommendations, adopts an interim carbon monoxide trigger level for bio-synthetic natural gas, modifies the Applicants’ current SRGI Rules to address operational issues, and directs these utilities to implement this decision with a Tier 2 Advice Letter within 45 days.

Resolution (Res) E-5358 (PG&E Vehicle Grid Integration Dynamic Rate). This Resolution approves the request from PG&E to transfer \$2.22 million out of the \$2.3 million originally requested for the proposed Exploring Export Value Pilot (Pilot #4) to support implementation of a VGI dynamic rate, pursuant to Resolution E-5192 and D.20-12-029. This Resolution rejects the \$70,000 that would have been allocated toward developing an online enrollment portal, rejects the \$10,000 contingency for developing the portal, approves the rest of the budget requested in AL 6909-E-A, approves the implementation of \$20/kilowatt (kW)-year incentive payments for the enrolled load of participating Community Choice Aggregators (CCAs), and authorizes flexibility for PG&E to manage the budget. Lastly, this Resolution disposes of the timely protest of the Public Advocates Office.

Res E-5328 (Demand-Side Distributed Energy Resource Cost-Effectiveness Analysis). This Resolution adopts certain data input updates and minor modeling adjustments for the Avoided Cost Calculator for use in Distributed Energy Resource (DER) cost-effectiveness analyses. The Avoided Cost Calculator (ACC) is used in cost-effectiveness analysis of DER programs and policies. This Resolution provides a link to the final 2024 ACC and related documentation and data files, consistent with policies adopted in D.16-06-007, D.19-05-019, D.22-05-002, and D.24-07-015. The documentation provides additional detail about this update,

including a comparison of the 2024 and 2022 ACC outputs. This Resolution describes the data and major modeling updates to the 2024 ACC.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, California on October 17, 2024 at 11:00 a.m.

Upcoming Workshops and Events

Slice-of-Day Office Hours. Pursuant to D.24-06-004, Energy Division are directed to host office hours and trainings prior to the 2025 year-ahead filing deadline to assist LSEs with the Slice-of-Day (SOD) template. The next office hours session will be held on Friday, October 11, 2024, from 2:00 to 4:00 p.m. A registration link is available [here](#).

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 remaining meetings are scheduled to occur on the following Mondays from 2:00 to 5:00 p.m.: October 21, November 18, December 16, and January 13. Additional information regarding the DER Working Group is available [here](#), and event registration details are available [here](#).

Small and Diverse Business Expo and 22nd Annual Supplier Diversity En Banc. The CPUC will host its small and diverse business expo for utilities, CCAs, and other stakeholders to engage with representatives from small and diverse businesses on October 9, 2024 from 9:00 a.m. to 1:00 p.m. in Riverside, California. On October 10, 2024, from 9:00 a.m. to 3:30 p.m., the CPUC will host its 22nd Annual Supplier Diversity En Banc to discuss the Commission's commitment to diversity and hear from interested parties on the future of supplier diversity and the impact it has had on the communities in which the utilities serve. Both events will be held at the Riverside Convention Center and will be held in-person only. Additional details are available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Penalty Proceeds and Nonrefundable Interconnection Funds. CAISO announced that it is distributing penalties collected under the Rules of Conduct for 2023, posting an informational report of penalties collected, and distributing forfeited nonrefundable interconnection study deposits for 2023. Further information is available [here](#).

Interconnection Process Enhancements 2023 Track 2. CAISO has posted revisions to the Constraint Mapping 2024 Interconnection Process Enhancements and Interconnection Area Substation Point of Interconnection documents related to Cluster 15 Interconnection facility information. Further information is available [here](#).

Final 2025 Effective Flexible Capacity. CAISO has posted the final 2025 Resource Adequacy Effective Flexible Capacity list to its website, available [here](#).

Final 2025 Net Qualifying Capacity. CAISO has posted the Final 2025 Resource Adequacy Net Qualifying Capacity list for requesting resources, available [here](#).

Interconnection Process Enhancements Track 2. CAISO has posted updated Interconnection Data to its website, in support of the Interconnection Process Enhancements 2023 Track 2 reforms pending at the Federal Energy Regulatory Commission (FERC), and specifically the zonal approach. The updated Interconnection Data is also meant to inform preparation of interconnection requests under the Cluster Study Criteria of the Interconnection Process Enhancements 2023 Track 2 Tariff language filing currently pending at FERC. Further information is available [here](#).

CAISO Board of Governors Meeting. CAISO has posted the final agenda for the CAISO Board of Governors executive session meeting on October 14, 2024, available [here](#).

Extended Day-Ahead Market (EDAM). CAISO held a public stakeholder call on October 7, 2024, to review the draft tariff language for the application of the EDAM Access Charge for the CAISO Balancing Authority Area Participation Rules initiative. Comments are due October 21, 2024. Further information is available [here](#).

Interconnection Process Enhancements Track 2. CAISO has posted the queue management Interconnection Process Enhancements 2023 Track 2 tariff revisions and will hold a call on October 10, 2024. Further information is available [here](#).

Transmission Capability Estimate Inputs. CAISO has posted updated information on the transmission capability estimate inputs for the CPUC integrated resource planning. Further information is available [here](#).

Cluster 15 Application Resubmission Window. CAISO has informed generation interconnection customers that the Cluster 15 Generation Interconnection Application Resubmission window for existing applications will be open October 1 through December 2, 2024. Further information is available [here](#).

Price Formation Enhancements. CAISO has posted the Price Formation Enhancements Discussion Paper and Stakeholder Recommendations to the initiative webpage. Written comments are due October 4, 2024. Further information is available [here](#).

2024-2025 Transmission Planning Process. CAISO has posted the 2024-2025 Transmission Planning Process preliminary reliability results to its website. The request window is open until October 15, 2024. 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](#).

Western Energy Markets Regional Issues Forum. The Western Energy Markets Regional Issues Forum has announced that it will hold a meeting at the Safe Credit Union in Sacramento, California, on October 29, 2024. Registration is requested for in-person attendees. Additional information is available [here](#).

New Initiative Congestion Revenue Rights Enhancements. CAISO has launched a new Congestion Revenue Rights Enhancements Initiative. CAISO will host a hybrid stakeholder working group meeting on November 14, 2024, with a tentative discussion paper posting on November 7, 2024. 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 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):

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.

In addition, on September 27, 2024, the CEC circulated a “Save the Date” to the IEPR listserve recipients regarding a Demand Analysis Working Group (DAWG) meeting to discuss 2024 IEPR Update Load Modifiers Draft Results. According to the email, topics of discussion at the meeting will be to discuss the draft results for the following forecast components: BTM PV and storage; additional Achievable Transportation Electrification (AATE); additional Achievable Energy Efficiency (AAEE) and Fuel Substitution (AAFS); and data centers. This is an in-person and remote (hybrid) workshop. An agenda, supporting materials, and attendance instructions will be available in advance of the meeting on the [DAWG website](#).

Electric Program Investment Charge (EPIC)

The 10th Annual [EPIC Symposium](#) will be held in Sacramento, California on October 28, 2024. The CEC is one of four EPIC administrators, alongside PG&E, SCE, and SDG&E, that fund research, development, and demonstrations of clean energy technologies and innovations, such as battery manufacturing, zero-carbon fleets, and industrial decarbonization. Registration for the Symposium is free and is now [open](#) on the CEC's website. The agenda for the Symposium is available [here](#).

SB X1-2 Pre-Rulemaking Workshop

The CEC announced it will host a workshop on November 12, 2024 from 10:00 a.m. to 12:00 p.m. to discuss the proposed rulemaking to implement provisions of the Public Resources Code in response to SB X1-2 (Stats. 2023), which amended the Petroleum Industry Information Reporting Act of 1980 (PIIRA) to include additional reporting requirements designed to collect data regarding refinery spot market transactions, inventory, and other industry information. Additional information regarding the regulations is available on Docket No. 23-OIR-03, available [here](#).

Offshore Wind Development

The CEC announced a grant funding opportunity for infrastructure projects that will support offshore wind development and develop waterfront facilities. The CEC will host a pre-application workshop to discuss the solicitation with potential applicants. The workshop is scheduled for October 16, 2024 from 10:00 a.m. to 12:00 p.m. and will be remote only. Additional information regarding the workshop and the grant opportunity is available [here](#).

Demand-Side Grid Side (DSGS) Program Guidelines

On October 4, 2024, the CEC released proposed modifications to the DSGS Program Guidelines (Fourth Edition) for public comment in advance of the 2025 program season. In addition to other changes, the proposed modifications would refine Incentive Option 3 by increasing the minimum aggregate power rating from 100 kW to 500 kW, allowing dual participation with market-integrated demand response for exports only, and adding a day-of Energy Emergency Alert (EEA) trigger for bonus compensation, among other refinements. The proposed modifications would also create a new Incentive Option 4, the "Emergency Load Flex VPP." Additional details regarding the proposed changes are available on the [DSGS Program](#) page and a link to the draft guidelines is available here: [Docket No. 22-Renew-01](#).

Also on October 4, the CEC announced it will host a workshop on Friday, October 18, 2024 from 1:00 to 3:00 p.m. to discuss and take comments on the proposed modifications to the

DSGS Program Guidelines. The workshop will be remote only, via Zoom. A link to the workshop notice is available [here](#).

Power Source Disclosure (PSD) Program – Amended Regulations

On September 30, 2024, the CEC issued a [notice](#) formally announcing its postponement of its hearing date to consider and possibly adopt the proposed amendments to the PSD Program regulations. The CEC states that it has postponed the hearing date in light of comments received during the public meeting held on June 11, 2024, and the 45-day comment period. On October 1, 2024, the CEC issued a notice reopening the 45-day comment period and providing proposed revisions to the amended regulations. A [revised notice](#) of availability was published on October 4, 2024. A link to the proposed amendments is available [here](#), and additional information regarding the proposed amendments to the PSD regulations is available on the 21-OIR-01 docket, [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for November 13, 2024.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings, Workshops, and Notices

CARB will hold its next [Board meeting](#) on October 24, 2024. The agenda for the meeting will be available [here](#) 10 days prior to the meeting.

On October 17, 2024, CARB will hold a [One-Stop Truck Event](#) in Redding, California to provide information on CARB's clean truck and diesel regulations, compliance assistance, and funding opportunities. A One-Stop Truck Event will also be held in Imperial, California on November 20, 2024.

On November 8, 2024, CARB will hold a [public hearing](#) to consider amendments to the [Low Carbon Fuel Standard](#). Modified text of the proposed amendments and additional rulemaking documents are posted [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](#).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On September 30, in [188 FERC ¶ 61,225](#), FERC issued an order approving CAISO's proposed revisions to CAISO's Open Access Transmission Tariff (Tariff) to amend its generator interconnection procedures. In this order, FERC accepts CAISO's proposed Tariff revisions, effective October 1, 2024, as requested, subject to the Commission's action on CAISO's Order No. 2023 compliance filing. The order also directs CAISO to file informational reports for

Clusters 15 and 16. The order finds that CAISO's filing proposes reforms essential for CAISO to adapt to the recent dramatically increased levels of requests to interconnect to the CAISO-controlled grid.

On November 1, FERC will hold a Commissioner-led technical conference to discuss issues related to the co-location of large loads at generating facilities. The technical conference will take place on November 1, 2024, from 10:00 a.m. to 3:00 p.m. Eastern Time, with a lunch break. The technical conference will be held in-person at the Commission's headquarters at 888 First Street NE, Washington, D.C. 20426, in the Commission Meeting Room and will be webcast. Broadly, issues to be explored at the technical conference include whether co-located loads require the provision of wholesale transmission or ancillary services, related cost allocation issues, and potential resource adequacy, reliability, affordability, market, and customer impacts.

The initial agenda indicates that the technical conference will explore potential issues associated with the development and operation of large loads co-located at generating facilities in greater detail, such as (1) various configuration options for large loads co-located with existing or new generation; (2) whether and how large co-located loads receive wholesale market services or benefits from the transmission system, how those benefits vary by configuration, whether and how those benefits can or should be measured for the purposes of cost allocation, what challenges arise in ensuring appropriate cost allocation, and any potential for cross-subsidization; (3) what impact various co-location configurations may have on reliability and resource adequacy; (4) cost and impact of backup services for large co-located loads; (5) what impact large co-located load arrangements may have on Commission-jurisdictional markets, such as implications for energy, ancillary services, and capacity market prices; and (6) whether any necessary studies on reliability or grid impacts should be conducted by the relevant RTO/ISO or utility. Additionally, a roundtable with consumer advocates, state Public Utility Commissioners, and other state representatives will explore issues pertaining to affordability, consumer impacts, and state policy issues associated with large co-located load arrangements, including retail and wholesale issues such as financial subsidies. State policy issues may include, but are not limited to, policies that support the development of large loads as economic investments, policies restricting the development of large co-located loads, and policies regarding retail contracts and tariffs relevant to co-locating large loads. The panelists will also discuss the interaction between state and federal jurisdiction as it relates to large co-located loads. Further information is available [here](#).