

**REGULATORY UPDATE FOR SEPTEMBER 24, 2024
(WEEK OF SEPTEMBER 16, 2024)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC will host its next voting meeting in San Francisco, California on September 26, 2024 at 11:00 a.m. The following energy-related items appear on the [agenda](#):

Item 2. Resolution ALJ-391 (Order Modifying Resolution ALJ-391 And Decision 21-03-001). This Resolution would grant in part and deny in part the petitions for modification of SoCalGas and Cal Advocates and modify Resolution ALJ-391 and Decision (D.) 21-03-001 to accord with the Court of Appeal's decision. The decision found that Southern California Gas Company's (SoCalGas) First Amendment right of association would be violated by compliance with certain discovery requests of the Commission's Public Advocates Office (Cal Advocates), which the Court found were not narrowly tailored to avoid unnecessary interference with SoCalGas's protected First Amendment activities. Cal Advocates is directed to relinquish the protected information requested in Question 8 of Data Request No. CalAdvocates-SC-SCG-2019-05 and Question 1 of DR No. PubAdv-SCG-001-SCS, including any summaries, paraphrases, or notes reflecting the contents of these materials, and including the confidential declarations that Cal Advocates received when SoCalGas submitted them under seal in support of SoCalGas's December 2, 2019 motion for reconsideration/appeal, within 30 days of the effective date of this order.

Item 7. Resolution ALJ-464 (CPCN Fee Increase). This Resolution would raise the filing fee required for filing an application for a certificate of public convenience and necessity (CPCN), or for the mortgage, lease, transfer, or assignment thereof, from \$500 to \$663. The fee will increase annually based on the U.S. Bureau of Labor Statistics Consumer Price Index inflation calculator, calculated as of July 1 for each year, unless otherwise directed by the Commission. The new fee will be posted on the Commission's website by July 15 of each year and will be effective on August 1 of each year. This applies to all public utilities regulated by the Commission except for passenger stage corporations, whose filing fee for a CPCN is set at \$500.

Item 8. Resolution ALJ-463 (Shell Energy North America (US), L.P. d/b/a Shell Energy Solutions' (Shell Energy or Appellant) appeal of Citation No. E-4195-0113 by the Commission's Consumer Protection and Enforcement Division). Citation E-4195-0113 cites and fines Shell Energy \$567,132.50 for failing to procure certain of its 2020 local Resource Adequacy obligations in the Stockton local reliability area. The issues addressed in the appeal related to: (1) whether the citation correctly identified Shell Energy's deficiencies in meeting its local RA obligations, and (2) whether the citation penalty for Shell Energy's local RA deficiencies was

correctly calculated and lawfully assessed based on the five-factor test identified in D.98-12-075. This Resolution denies the appeal and closes this proceeding.

Item 9. A.23-04-005 (Application of Pacific Gas and Electric Company (PG&E) to Initiate Reasonableness Review of Merced Dairy Biomethane Pilot Project Costs). This decision finds reasonable and authorizes PG&E to recover in rates and reimburse Maas Energy Works, Inc. (MEW) \$4,848,720 above the bid amount of \$10,183,855 approved for the Merced Pipeline Dairy Digester Cluster Project. The authorized amount represents approximately 57 percent of MEW's requested overage of \$8,517,000. PG&E procured the MEW project pursuant to Senate Bill (SB) 1383 (Stats. 2016, ch. 395), which requires a comprehensive strategy to reduce statewide emissions of methane by 40 percent below 2013 levels by 2030.

Item 13. A.22-02-005, A.22-03-003, A.22-03-004, A.22-03-005, A.22-03-007, A.22-03-008, A.22-03-011, and A.22-03-012, consolidated (Application of PG&E for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan). This decision modifies the Rural Regional Energy Network (RREN) approved in D.23-06-055, which was designed to deliver energy efficiency programs to underserved rural customers, by splitting it into two regional energy networks serving different geographic areas. RREN-North will serve the North Coast and Northern Sierra regions, while RREN-Central will serve the Central Coast and San Joaquin Valley regions.

Item 15. A.21-12-007 (Application of PG&E in the 2021 Nuclear Decommissioning Cost Triennial Proceeding). This decision grants, in part, the petition to modify D.23-09-004, filed by PG&E. Accordingly, PG&E is authorized to defer the filing of its next Nuclear Decommissioning Triennial Proceeding Application to no later than July 1, 2027. This decision closes the proceeding.

Item 16. R.20-01-007 (Order Instituting Rulemaking (OIR) to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning). In response to a petition for modification filed jointly by the California Environmental Justice Alliance, Environmental Defense Fund, Sierra Club, Southern California Generation Coalition, and the Utility Reform Network (Petition), this decision modifies D. 22-12-021 to require gas utilities to convene a workshop within 60 days after the annual reports are submitted and to include the year 2025 in Ordering Paragraph 12. The Petition is denied in all other respects.

Item 17. R.21-03-010 (OIR to Revise General Order 156 to Include Certain Electric Service Providers and Community Choice Aggregators and Encourage Voluntary Participation by Other Non-Utility Entities Pursuant to Senate Bill 255; Consider LGBT Business Enterprise Voluntary Target Procurement Percentage Goals; Incorporate Disabled Business Enterprises; Modify the Required Reports and Audits; and Update Other Related Matters). This decision updates General Order 156, the Supplier Diversity Program, by establishing non-confidential reporting of certain information for annual reports. Covered entities will submit non-confidential workforce data that is already reported to other state and federal agencies as part of their annual filings. Covered entities will also provide a brief description of their board diversity data and any

publicly available board data in their annual report submissions. This decision makes no other changes at this time. This proceeding is closed.

Item 18. Res O-0090 (Advice Letter 6-O). This Resolution O-0090 approves Shell California Pipeline Company LLC's (Shell) request pursuant to Public Utilities Code section 455.31 for a rate increase of 10 percent on the following pipelines: (1) the LAX line, which runs from the Carson Terminal owned by Shell Oil Products US to LAX airport; and (2) the Van Nuys line, which runs from the Shell Carson Terminal to the Van Nuys Terminal in Van Nuys, California. The 10 percent increase, which was not protested by any party, is expected to increase annual revenues by approximately \$597,000 for the 12-month period commencing June 1, 2024.

Item 20. R.24-XX-XXX (Long-Term Gas Planning). This OIR is opened to continue the work of Rulemaking (R.) 20-01-007. Significant time has elapsed since that proceeding opened; several decisions were issued in that proceeding to resolve some of the scoped issues; and numerous broad and complex issues remain unresolved. Moreover, the Commission recently recognized in D.24-03-057 that there are several additional potential issues not previously scoped in R.20-01-007, which may need to be examined in resolving some of the outstanding issues. At this time, considering the extent of additional work that will be needed to address the remaining issues scoped into R.20-01-007, the Commission will close R.20-01-007 and instead take up those remaining issues, as well as potential new issues, in this instant focused successor rulemaking. Broadly, the primary purpose of gas transition planning is to facilitate decarbonization activities over time in a way that supports equity, safety, and affordability, and mitigates reliability challenges, commodity price spikes, and other potential adverse outcomes. Long-term planning work will require consideration of data and analytical needs and provide an additional tool for the Commission to assess the trajectory of developments in the gas sector over time with reference to metrics and milestones set out in scenario analyses. This rulemaking seeks to advance this much-needed long-term planning work in the gas sector while also examining and acting on opportunities for interim actions that can advance decarbonization and mitigate risks in the nearer term, while long-term planning is underway. Key objectives will be to: (a) develop and implement long-term gas transition planning approaches, methodologies, and objectives to help the Commission inform and operationalize the gas transition, including gas transition scenario analyses and estimates of potential rate and revenue requirement impacts, and consideration of ratemaking options and other actions that may be needed to maintain affordability and mitigate risks of the transition; and (b) identify and act on opportunities for interim actions that can help reduce system and ratepayer costs and facilitate decarbonization in the nearer term, while long-term planning work is underway. This may include discrete measures or actions as well as policy development to facilitate consideration of issues related to the gas transition in other Commission proceedings and, where appropriate, opportunities to leverage ratepayer and non-ratepayer funds.

Upcoming Workshops and Events

Distributed Energy Resources (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.: September 30, 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

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

Points of Interconnection Heatmap. On September 20, 2024, CAISO issued the Points of Interconnection Heatmap, as part of FERC Order No. 2023. Further information is 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 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](#).

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](#).

Resource Adequacy Modeling and Program Design. CAISO will hold a Resource Adequacy Modeling and Program Design hybrid working group meeting on October 8, 2024. In-person registration is due September 27, 2024. 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 and will hold the associated public stakeholder call on September 30, 2024. 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](#).

CALIFORNIA ENERGY COMMISSION (CEC)

Emergency Rulemaking – Amendments to Opt-In Regulations

On September 11, 2024, the CEC adopted [emergency amendments](#) to the opt-in regulations to provide for “reimbursement of local agencies for review of applications for certification of nonfossil-fueled powerplants, energy storage facilities, and related facilities.” The CEC determined that the “adoption of the emergency regulations implementing a reimbursement process for local agencies is not a project under CEQA and thus CEQA does not apply.” See the CEC’s California Environmental Quality Act Compliance Memorandum regarding the proposed emergency rulemaking [here](#). According to the CEC’s revised [Notice of Proposed Emergency Action](#) (NOPA), the CEC indicated its intent to submit it to the Office of Administrative Law (OAL) on September 12, 2024, which is confirmed on OAL’s [website](#). According to the NOPA, “OAL will have [10] calendar days within which to review and decide on the proposed emergency rulemaking action.” The NOPA also states that “[c]omments must be submitted in writing to both CEC and OAL by September 17, 2024 if the CEC submits the proposed emergency rulemaking action for OAL review on September 12, 2024 as intended.”

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):

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](#) 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](#).

Zero Emissions Vehicles

ZEV School Bus Grants

The CEC has opened a new statewide funding program, in partnership with the California Air Resources Board, to distribute \$500 million to school districts and other educational entities for replacing aging school buses with zero-emission vehicles. Grant applications will be accepted through September 30, 2024. More information regarding the Zero Emission School Bus and Infrastructure program is available [here](#).

NEVI Funding

On September 11, 2024, the CEC announced that it has awarded over \$32 million in federal funds, in partnership with the California Department of Transportation, for EV fast charging along the state's major transportation corridors. The funding will support the installation of over 500 EV chargers.

Clean Transportation Program Advisory Committee Meeting

The CEC will host a meeting of the Advisory Committee for the Clean Transportation Program Investment Plan on October 1, 2024 from 9:00 a.m. to 1:00 p.m. The meeting will be

held both in person and with remote access. A preliminary agenda and meeting access information are available [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for October 3, 2024. The meeting agenda and backup materials are available [here](#).

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 September 27, 2024, CARB will hold a public workshop to discuss proposed [amendments](#) to the off-road diesel engine emissions standards (Tier 5). Registration and additional information are available [here](#).

On September 30, 2024, CARB will hold the fourth session of the [Advanced Clean Fleets Truck Regulation Implementation Group](#) meeting on border communities. Registration and additional information are available [here](#).

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](#).

Opportunities for Public Comment

The revised draft [Environmental Impact Analysis](#) for the proposed amendments to the Low Carbon Fuel Standard Regulation is available for [public comment](#). Comments may be submitted [here](#) by September 30, 2024.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On November 1, FERC will hold a Commissioner-led technical conference to discuss generic 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](#).