

**REGULATORY UPDATE FOR SEPTEMBER 10, 2024  
(WEEK OF SEPTEMBER 2, 2024)**

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

Proposed Decisions and Resolutions

Application (A.) 23-07-005 (Southern California Gas Company 2022-2023 Gas Cost Incentive Mechanism). This decision approves Southern California Gas Company's (SoCalGas) request for a shareholder reward of \$22,680,519 for Year 29 (2022-2023) of the company's Gas Cost Incentive Mechanism performance. The Commission's Public Advocates Office verified that SoCalGas' recorded gas costs were \$417,641,233 below the benchmark, which resulted in a reward of \$22,680,519 to SoCalGas' shareholders and a ratepayer benefit of \$394,960,714.

Resolution (Res) E-5349 (Southern California Edison Company's Modification to Various Demand Response Tariffs). This resolution authorizes certain changes to Southern California Edison Company's (SCE) Summer Discount Plan (SDP), Base Interruptible Program (BIP) and Agricultural & Pumping Interruptible (AP-I) programs, as proposed in SCE Advice Letters 5237-E and 5237-E-A. The following proposed changes are approved: changes to BIP and AP-I enrollment and retention conditions; changes to BIP and AP-I reliability cap and lottery system; and removal of event days for incentive calculations. This resolution also directs SCE to submit a Tier 2 advice letter within 30 days of the issuance of this resolution, proposing updated incentive rate levels for SDP and AP-I. The calculation of updated incentive rate levels must incorporate the use of accurate and current variables, including but not limited to a reduction of the Planning Reserve Margin adder from 9% to 0% consistent with D.23-06-02.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, California on September 12, 2024 at 11:00 a.m. The following are energy-related items on the [agenda](#):

Item 7. Rulemaking (R.) 20-08-020 (Net Energy Metering). This decision denies, with prejudice, the petition for modification of Decision 23-11-068 filed by Ivy Energy. The decision finds that the petition does not comply with Rule 16.4 of the Commission's Rules of Practice and Procedure in that the petition does not propose specific wording to carry out the requested modifications to the decision. Further, the decision finds that the petition reiterates previously dismissed proposals and arguments. The decision states that a petition for modification is not a vehicle for relitigating issues previously determined in the decision. The petition provides no new evidence to justify modification of a previously declined proposal. Finally, the petition proposes a solution that is inconsistent with the law.

Item 12. R.20-05-003 (Electric Integrated Resource Planning and Related Procurement Processes). This decision allows load-serving entities (LSEs) with Decision (D.) 21-06-035 compliance obligations in the resource category designed to replace the attributes of the Diablo Canyon Power Plant, to use short-term alternative compliance options. LSEs are authorized to use contracts with resources that either are zero-emitting (with regard to greenhouse gases

(GHGs)) or meet the state's renewable portfolio standard requirements, as bridge resources for a period of not more than three years from the compliance deadline of June 1, 2025. The use of unspecified imports, as defined by the California Air Resources Board for Cap-and-Trade Program compliance, is prohibited for this alternative compliance purpose, since the emissions characteristics of the resources cannot be determined.

Item 13. Res E-5330 (California Contractors State License Board Solar Energy System Disclosure Document Provided to Solar Customers). This resolution modifies the inputs and assumptions used to calculate the Commission-required bill savings estimates provided to potential investor-owned utility (IOU) residential solar customers by licensed contractors. 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 Decisions D.23-11-068 and D.22-12-056, this disclosure document is incorporated into the required documentation necessary to interconnect as a residential solar and storage system under the NEM and NBT tariffs.

Item 32. R.24-01-018 (Order Instituting Rulemaking to Establish Energization Timelines). This decision establishes average and maximum energization targets and timelines for Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and SCE (collectively, the large electric IOUs) in compliance with Public Utilities Code §§ 930-939. Energization activities include work associated with Electric Rules 15 and 16 and electric capacity upgrades on the electric distribution system. Electric Rules 15 and 16 are tariffs that contain the rules and processes for extending electric distribution and service equipment to energize new customer load such as new homes, businesses, and charging stations for electric vehicles. In addition to establishing new statewide energization targets for Electric Rules 15 and 16, this decision maintains the existing timelines for Electric Rules 29 and 45, and establishes statewide timelines for certain upstream capacity upgrade activities. The decision requires the large electric IOUs to plan for and prioritize energization work needed to meet the timelines established in the decision, and to report on time periods that exceed the targets. The adopted energization targets only focus on steps within the large electric IOUs' control, which can accelerate the overall energization process for customers and clarify the differences between utility and customer responsibilities. For Electric Rules 15, 16, 29, and 45, the large electric IOUs are directed to complete steps in their control for energization projects that require work associated with Electric Rule 15, 16, or both tariffs. The decision also adopts maximum targets that vary by tariff. The average and maximum tariff-based targets are intended to accelerate energization performance for all three large IOUs. Regarding upstream capacity upgrade activities, this decision adopts timelines instead of targets at this time given the complexity of this work and the lack of data submitted by large electric IOUs in this proceeding. Upstream capacity upgrades are associated with energization projects that require new infrastructure beyond the customer's project site, such as new or upgraded circuits, upgraded substations, or a wholly new substation to support the new load. The decision recommends that large electric IOUs utilize the preliminary upstream capacity timelines established in this decision to set

expectations for their workplans regarding energization projects that trigger upstream capacity upgrades.

### 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 16, 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](#).

*Energy Division Office Hours on Slice of Day (SOD) Templates.* On Thursday, September 12, from 2:00 to 4:00 p.m., Energy Division staff will host office hours and trainings to assist LSEs with the SOD templates and respond to any questions or issues encountered. The content of the meeting will be driven by stakeholder input and questions or topics are encouraged to be submitted in advance to the Resource Adequacy staff inbox. The webinar for the office hours can be accessed [here](#) and additional information regarding SOD implementation is available [here](#) on the Commission's Resource Adequacy page.

*Disadvantaged Communities Advisory Group (DAC-AG) Meeting.* On September 20, 2024, DAC-AG will hold a public meeting, in-person, at 1pm in the CPUC Courtyard Room located at 505 Van Ness Avenue in San Francisco, California. The meeting can also be joined remotely via WebEx. A meeting agenda and access details are available [here](#).

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

### Stakeholder Initiatives: Upcoming Meetings and Deadlines

**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](#).

**Storage Bid Cost Recovery and Default Energy Bids Enhancements.** CAISO has posted the Storage Bid Cost Recovery and Default Energy Bids Enhancements revised straw proposal and will host the associated public stakeholder call on September 11, 2024. Written comments are due September 23, 2024. Further information is available [here](#).

**Interconnection Process Enhancements Track 3.** CAISO will accept comments on the August 28, 2024 and September 4, 2024 working group meetings for Track 3A of the Interconnection Process Enhancements 2023 initiative until end of day September 18, 2024. Further information is available [here](#).

**Market Performance and Planning Forum.** CAISO will hold its quarterly Market Performance and Planning Forum on September 18, 2024. Attendees may choose to participate in person or virtually. If you plan to attend the meeting in person, registration is due by September 13, 2024. Further information is available [here](#).

**Hybrid Resource Interconnection Standards.** CAISO will host the hybrid annual Resource Interconnection Standards Fair on September 17, 2024. The objective of the forum is to provide stakeholders with an opportunity to learn more about CAISO's interconnection process and recent changes affecting Cluster 15. If you plan to attend the meeting in person, registration is due by September 13, 2024. Further information is available [here](#).

**Greenhouse Gas Coordination.** CAISO will host a hybrid Greenhouse Gas Coordination working group meeting on September 19, 2024. If you plan to attend the meeting in person, registration is due September 13, 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](#).

**Resource Adequacy Modeling and Program Design.** CAISO invites stakeholders to participate in a survey regarding the effectiveness of its working group process and its overall contribution to the Resource Adequacy Modeling and Program Design Discussion Paper and Recommendation Plan. Surveys are due by Friday, 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](#).

## **CALIFORNIA ENERGY COMMISSION (CEC)**

### **Emergency Rulemaking – Proposed Amendments to Opt-In Regulations**

The CEC has proposed [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), if the CEC approves the emergency regulations during the September 11, 2024 Business Meeting, the CEC intends to submit them to the Office of Administrative Law (OAL) on September 12, 2024. If submission to OAL occurs as contemplated in the NOPA, “OAL will have [ten] 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.” (Emphasis added and in original.)

The CEC will consider adoption of the emergency regulations at the September 11, 2024 CEC Business Meeting ([agenda item 6](#)).

### **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

On August 28, 2024, the CEC announced the launch of 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](#).

Also on August 28, the CEC issued a news release announcing that California has surpassed 150,000 public and shared private chargers installations statewide. This includes 137,648 Level 2 chargers and 14,708 fast chargers, and the CEC estimates that more than 500,000 private chargers are installed in residences.

### CEC Business Meetings

The next CEC Business Meeting is scheduled for September 11, 2024. The meeting agenda is available [here](#). Of note, Item 13 on the Consent Agenda – if approved – would authorize nine funding agreements for a total amount of approximately \$33 million in National Electric Vehicle Infrastructure (NEVI) Formula Program funding to develop electric vehicle fast charging stations along designated fuel corridors within California. Additional information on the CEC's NEVI awards and program materials is available [here](#).

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

### Meetings, Workshops, and Notices

CARB is holding a series of [roundtable meetings](#) to help incorporate environmental justice into research priorities for CARB's 5-Year Strategic Research Plan. Upcoming meetings will be held at the following dates and locations. More information is available [here](#).

- September 11, 2024 – Los Angeles
- September 12, 2024 – Lamont
- September 18, 2024 – East Palo Alto
- September 23, 2024 – Richmond



On September 12, 2024, CARB and the Assembly Bill (AB) 32 [Environmental Justice Advisory Committee](#) (EJAC) will hold a joint meeting. Topics for discussion will include the Low Carbon Fuel Standard, the Cap-and-Trade Program, and recommendations from EJAC on Carbon Capture, Use and Storage and Direct Air Capture. The meeting agenda and link to attend are available [here](#).

On September 17, 2024, CARB will hold a kick-off meeting on the new California [Statewide Mobile Monitoring Initiative](#). The Initiative will collect data on criteria pollutants, toxic air pollutants, and GHGs. More information on the virtual meeting is available [here](#).

On September 17, 2024, CARB will hold a community meeting to discuss plans for funding [clean transportation](#) projects and provide updates on implementation of incentives and other CARB initiatives. More information and registration for the meeting are available [here](#).

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

On September 24, 2024, CARB will hold a [workshop](#) on targeted amendments to the [Advanced Clean Fleets](#) regulation to implement the requirements of [AB 1594](#) (Garcia 2023). Registration and additional information are available [here](#).

On September 26, 2024, CARB will hold a [Board meeting](#). The agenda for the meeting will be available [here](#) ten 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 November 8, 2024, the 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.

### **PACIFIC NORTHWEST**

On September 3, Bonneville Power (Bonneville) issued its decision to move forward with the new transmission service request (TSR) data exhibit requirement that is meant to validate new transmission service requests for their inclusion in transmission cluster studies for 2025 and beyond. The move comes after Bonneville reportedly experienced unprecedented levels of transmission service requests. Bonneville pulled back its initial proposal such that it will only re-examine the data exhibits for TSRs that could be eligible for the 2025 cluster study, as opposed to looking back further in time. Bonneville also revised the “POD Requirement” to account for TSRs that would deliver to an adjoining system and take transmission service there. Bonneville will now undertake efforts to re-examine TSRs that are subject to the new requirements and provide impacted customers with a period to cure any deficiency.

### **FEDERAL ENERGY REGULATORY COMMISSION (FERC)**

On September 10, FERC held Day 1 of the Innovations and Efficiencies in Generator Interconnection staff-led workshop. Topics at the workshop covered: Innovations Panel 1: Integrated Transmission Planning and Generator Interconnection; Innovations Panel 2: Exploring Different Approaches to Processing and Studying Generator Interconnection Requests; Innovations Panel 3: Prioritizing Certain Generator Interconnection Requests. Discussions at the workshop focused on consideration of holistic approaches to better align transmission planning, resource adequacy, and generator interconnection, as well as cost allocation methodologies, and prioritization of certain interconnection requests through fast-track processes and the selection criteria for such interconnection requests. Panelists at the workshop also discussed how elements of the ERCOT “connect and manage” approach could be incorporated into FERC pro forma generator interconnection procedures and agreements. The agenda and further information is available [here](#).

On September 11, 2024, from approximately 9:00 a.m. to 5:00 p.m. EST, FERC will hold Day 2 of the Innovations and Efficiencies in Generator Interconnection staff-led workshop. Topics at the workshop include: Efficiencies Panel 1: Further Efficiencies in the Generator Interconnection Process; Efficiencies Panel 2: Automation and Advanced Computing Technologies; and Efficiencies Panel 3: Post-Generator Interconnection Agreement Construction Phase. FERC has indicated that it will accept post-workshop comments pursuant to a forthcoming notice in Docket No. AD24-9-000. The agenda and webcast information is available [here](#).



On August 28, CAISO [announced](#) it signed an implementation agreement with the South Dakota and Wyoming electric utility subsidiaries of Black Hills Corp. for future participation in the CAISO's Western Energy Imbalance Market.

On August 20, in [188 FERC ¶ 61,132](#), FERC issued an order denying without prejudice Basin Electric Power Cooperative's (Basin) proposed revisions to its Rate Schedule A to add three Crypto Block Chain Rate Schedules (Crypto Rate Schedules) and a Large Load Rate Schedule. Basin also proposed clarifying revisions to Rate Schedule A necessary to incorporate the new rate schedules, including revisions to two rate schedules that Basin stated are non-jurisdictional. FERC found that, among other things, Basin did not meet its burden to demonstrate that its proposal to treat all Crypto Loads differently from other loads of similar size is just and reasonable and not unduly discriminatory or preferential. Specifically, Basin did not provide adequate evidence to support its assertion that all Crypto Loads pose a greater stranded asset risk than other loads of similar size. Additionally, FERC found that Basin did not meet its burden to demonstrate that its proposed use of the Southwest Power Pool (SPP) cost of new entry, as a proxy for the market value of capacity in the SPP region, was just and reasonable as proposed to be used in the calculation of the planning reserve charge in both the Crypto and Large Load Rate Schedules.

On August 16, 2024, in AD24-11-000, FERC announced that it will hold a Commissioner-led Technical Conference Regarding Large Loads Co-Located at Generating Facilities on November 1, 2024 from 10:00 a.m. to 3:00 p.m. EST. The issues to be explored at the technical conference may 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.