

**REGULATORY UPDATE FOR APRIL 1, 2025  
(WEEK OF MARCH 24, 2025)**

**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)<sup>1</sup>**

Proposed Decisions and Resolutions

Rulemaking (R.) 19-01-011 (Order Instituting Rulemaking Regarding Building Decarbonization). This decision resolves the Phase 4 Track A issues identified in the Assigned Commissioner’s Phase 4 Scoping Memo and Ruling issued on July 1, 2024, and implementation issues relating to Assembly Bill 157. Specifically, this decision: 1) authorizes up to \$5 million annually through the end of 2029 for California’s electric utilities to provide electric service line upsizing to qualified under-resourced customers pursuing full electrification of their home or business; 2) adopts measures to help prevent unnecessary electric service line upsizing, including expanding the existing electric utility safety evaluation processes to authorize non-isolating devices that interface with utility metering equipment; 3) clarifies and modifies various aspects of Decision (D.) 23-12-037, including extending the energization deadline for mixed-fuel new construction projects to receive electric line extension subsidies; 4) requires, starting in 2026, all annual reports ordered pursuant to decisions in this proceeding to be submitted on April 15 of each year via an Advice Letter and made available on the utility’s website; and 5) authorizes augmentation of the Technology and Equipment for Clean Heating Initiative budget by an additional \$40 million using funding from the Aliso Canyon Recovery Account, directed for use in Southern California Gas Company (SoCalGas) service territory.

Voting Meeting

The CPUC will hold a voting meeting in San Francisco, California on April 3, 2025 at 11:00 am PT. The following are energy-related items on the [agenda](#):

Item 7. Application (A.) 22-06-001 (San Diego Gas & Electric Company’s 2021 Energy Resource Recovery Account Compliance Application). This decision finds that San Diego Gas & Electric Company (SDG&E) meets the standard for compliance under the Energy Resources Recovery Account (ERRA) regulatory compliance process for the 2021 Record Year. During the 2021 Record Year, SDG&E complied with all the requirements that the Commission reviews during the ERRA compliance process. This decision also authorizes SDG&E to amortize in rates the 2021 costs recorded in the Local Generating Balancing Account, New Environmental Regulatory Balancing Account – Assembly Bill 32 electric subaccount, and Tree Mortality Non-Bypassable Charge Balancing Account. In this decision, the Commission also determines the appropriate amount of financial disallowance to impose on SDG&E for the Public Safety Power Shutoff (PSPS) events that occurred during the 2021 Record Year. Decision 21-06-014

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<sup>1</sup> 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.

determined that SDG&E is disallowed from retroactively collecting revenues that SDG&E did not collect, but could have collected, revenues from ratepayers during PSPS events (PSPS Unrealized Revenues). Decision 23-06-054 approved a methodology for calculating the appropriate amount of disallowed PSPS Unrealized Revenues. This decision finds that, using the approved methodology, SDG&E will return \$20,191 in PSPS Unrealized Revenues to ratepayers for the 2021 Record Year.

Item 8. Resolution (Res) 5376 (Bioenergy Renewable Auction Mechanism Program and Procurement of Eligible Contracts Pursuant to Assembly Bill 2750). This Resolution extends the deadline for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and SDG&E (collectively, IOUs) to procure their proportionate share of 125 megawatts (MW) from eligible Bioenergy Renewable Auction Mechanism facilities from December 1, 2023 to July 1, 2025. It also requires the IOUs with contracts to procure electricity generated from biomass that expire on or before December 31, 2028, to amend the contracts or seek approval for new contracts to include expiration dates at least five years later than the expiration dates in the contracts that were operative in 2022. This Resolution also prohibits the extension of a contract between an IOU and a biomass generator that is located in the Sacramento federal ozone nonattainment area, or any other federal ozone nonattainment area in California, unless the biomass generator first obtains a letter or certificate from the air district with jurisdiction over the biomass generator that states that the federal ozone nonattainment area voluntarily opted to be classified in one or more federal standards in a severe or extreme nonattainment zone and that the continued operation of the facility does not impede the air district's ability to meet its applicable requirements.

Item 9. 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 (PFM) of D. 23-08-049, jointly filed by the IOUs on August 23, 2024. The decision aimed to reduce residential disconnections and directed the IOUs to offer 24-month payment plans to residential customers until October 1, 2026. The decision did not authorize the Large IOUs to record incremental costs to implement their payment plans in a memorandum account. The IOUs PFM requested that the Commission modify the decision to allow them to record the incremental costs in a memorandum account. The decision finds that the issues the IOUs raised would properly have been the subject of an application for rehearing of the decision rather than a PFM because a PFM is appropriate when a party asserts that unanticipated events arose after the decision was issued, but that was not the case here. Therefore, the decision denies the PFM.

Item 11. R.23-01-007 (Diablo Canyon Power Plant Operations Phase 2 Issues). This decision considers party proposals on Phase 2 issues and makes the following determinations: 1) it is appropriate to continue to use the general framework and definitions for the use of the surplus performance-based fees as adopted in D.23-12-036 in the post-2024 period; 2) PG&E should consider affordability as a guiding principle when developing and implementing its Volumetric Performance Fee (VPF) spending plan. In addition to explaining how its annual plans meet the requirements of Public Utilities Code section 712.8(s)(1), where PG&E implements strategies to reduce upward pressure on rates through VPF expenditures, it must explain this alignment, starting with PG&E's planned expenditure of 2026 VPF; 3) PG&E's proposed templates

reflecting the baseline review criteria for the annual compensation report listed in Assigned Commissioner's Amended Scoping Memo and Ruling for Phase 2 of Proceeding, dated June 25, 2024, are approved; 4) PG&E must estimate, where feasible, the number of customers participating in or benefiting from each VPF project and report it in its annual reporting review filing; 5) PG&E's proposal for adjustments to Diablo Canyon Independent Safety Committee's (DCISC) funding methodology is approved; and 6) DCISC membership terms remain the same.

Item 17. Res 5345 (PG&E Company Mid-Term Reliability Contracts). This Resolution approves two power purchase agreements for zero emission products from intermittent renewable resources resulting from PG&E's Mid-Term Reliability Phase 3 Request for Offer. The first is between PG&E and RWE for 75 MWs of solar PV nameplate capacity with a 15-year term and is expected to begin deliveries on March 1, 2026, and the second is between PG&E and 174 Power Global for 200 MWs of solar PV nameplate capacity with a 15-year term and is expected to begin deliveries on June 1, 2026.

Item 30. Res M-4875 (Clean Energy Access Grant for LA County). This Resolution authorizes the addition of a new grant for Community Based Organizations that perform work related to programs administered by the CPUC, the Clean Energy Access Grant for Los Angeles County Technology for Equipment and Clean Heating (CEA-LAT). The new grant is the result of an appropriation of general fund dollars in the California state budget pursuant to the Budget Act of 2024 Assembly Bill 157 (Budget Act of 2024 (Ch. 994, Stats. 2024)). Through the CEA-LAT Grant, \$2 million of state appropriated funds from the Aliso Canyon Recovery Account, established in 2018, will provide grants to Community Based Organizations in Los Angeles County that perform outreach and education on the Technology for Equipment and Clean Heating (TECH) Initiative. Senate Bill 1477 established the TECH Initiative in 2018 as a statewide market development initiative to advance the state's market for low-emission space and water heating equipment for new and existing residential buildings. The TECH Initiative addresses topics required by AB 157: building decarbonization, healthy homes, electrification technologies, accessing funds from the Aliso Canyon Recovery Account, and addressing health-related impacts of the first three topics. Organizations located in the Aliso Canyon Disaster Area and San Fernando Valley will be prioritized for funding. Each grant may be up to \$200,000. The application process is competitive and calls for applicants to present their qualifications, the needs of the target community, and a detailed plan for outreach and education on the TECH Initiative.

### Upcoming Events and Workshops

*Avoided Cost Calculator Guiding Principles, Equity, and Changes to the Biennial Update Process.* On Thursday, April 10th, from 10:00 am to 2:30 pm PT, the CPUC will host a hybrid workshop to provide stakeholders the opportunity to present their recommendations on guiding principles to be considered for the Avoided Cost Calculator (ACC), whether and how equity should be considered in Distributed Energy Resource cost-effectiveness, and for Energy Division to present a proposal to modify the biennial update process and receive stakeholder feedback. The workshop can be accessed [here](#).

*Submetering and Telematics Workshop (Transportation Electrification).* The CPUC will host a workshop on Tuesday, April 15, 2025 from 10:00 am to 4:00 pm PT, to discuss submetering and telematics issues relating to utility efforts to adopt plug-in electric vehicle protocols. Discussions will focus on implementation challenges, timing targets, and stakeholder input. The workshop will be held both remotely and in person, at the CPUC Auditorium located at 505 Van Ness Avenue, San Francisco. A link to the virtual workshop is available [here](#).

*Vehicle-Grid Integration Forum.* The CPUC is convening an in-person VGI Forum on Wednesday, April 16, 2025, 9:00 am to 4:30 pm PT. The Forum will be conducted by Joint IOUs (PG&E, SCE, and SDG&E) and will be centered around the following issues: 1) rates and demand flexibility programs; 2) technology enablement; and 3) planning. Attendees should register [here](#), and a remote viewing option will be available for those unable to attend in person.

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

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

**Demand and Distributed Energy Market Integration.** CAISO will host a working group call for the Demand and Distributed Energy Market Integration initiative on April 7, 2025. Further information is available [here](#).

**2024-2025 Transmission Planning Process.** CAISO will host a public stakeholder call for the 2024-2025 Transmission Planning Process to discuss the 2024-2025 draft transmission plan on April 15, 2025. Written comments on the draft transmission plan are due April 29, 2025. Further information is available [here](#).

**Interconnection Process Enhancements 2023.** CAISO has posted the draft tariff language for Track 3 of the Interconnection Process Enhancements 2023 initiative, and will host a public stakeholder call to discuss the language on April 9, 2025. Written comments are due April 7, 2025. Further information is available [here](#).

**2025 Annual Policy Initiatives Catalog and Roadmap Process.** CAISO will host a 2025 Annual Policy Initiatives Catalog and Roadmap prioritization workshop on April 3, 2025. Further information is available [here](#).

**Generator Interconnection Transmission Plan Deliverability.** CAISO announced that the due date for affidavits from interconnection customers seeking to obtain or to retain allocations of Transmission Plan Deliverability (TPD) for the 2025 TPD allocation cycle will be August 29, 2025, at 5:00 pm PT, moved from September 1, 2025, which is Labor Day. The results of the 2025 TPD allocation study are expected to be provided by the end of the first quarter of 2026. Further information is available [here](#).

**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 TPD Allocation Report.** CAISO has posted the revised 2024 TPD Allocation Report to its website, 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 and the agenda are 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 March 20, 2025, the CEC posted the [Scoping Order](#) for the 2025 IEPR.

Last week, the CEC provided an [updated workshop schedule](#) for the 2025 IEPR. Workshop topics and dates included in the notice are below (note: the workshop schedule is subject to change):

- May 7, 2025: IEPR Staff Workshop on Electricity Forms & Instructions (remote access only)
- June 16, 2025: IEPR Commissioner Workshop on Interconnection
- June 25, 2025: IEPR Commissioner Workshop on Load Flex Goal Analysis Update
- July 29, 2025: IEPR Commissioner Workshop on Hydrogen (Senate Bill 1075) and Zero Carbon Resource (Senate Bill 423)
- August 6, 2025: IEPR Commissioner Workshop on Inputs & Assumptions (remote access only)
- August 26, 2025: IEPR Commissioner Workshop on Load Modifier Design (remote

- access only)
- November 13, 2025: IEPR Commissioner Workshop on Load Modifier Results (remote access only)
  - December 2, 2025: IEPR Commissioner Workshop on Forecast (hybrid workshop)

### Wave and Tidal Energy

CEC Staff will host a remote-access workshop on April 2, 2025 “to present and gather feedback on the Draft Consultant Report on Sea Space Analysis for Wave and Tidal Energy” pursuant to Senate Bill (SB) 605 (Draft Report). Under SB 605, the CEC must evaluate the feasibility, costs, and benefits of wave and tidal energy off the California coast. According to the workshop [Notice](#) and the [Notice of Availability](#), written comments on the Draft Report are due to the Docket Unit by 5:00 pm on May 16, 2025. The Draft Report was [published](#) on March 26, 2025 and is available at the CEC’s SB 605 Wave and Tidal Offshore Renewable Energy [website](#) under the “Phase 2” drop down menu. All information is also available in [Docket No. 24-SB-605](#).

### 2025 California Demand Flexibility Summit

The CEC will host the California Demand Flexibility Summit at the UC Davis Conference Center on May 22, 2025. According to the Save the Date, issued in February, the summit will provide an “opportunity to discuss the progress and challenges in achieving California’s load shift goal of 7,000 megawatts by 2030.” Registration for the California Demand Flexibility Summit is [now open](#).

### 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 1, 2025. Additional details regarding the reporting requirements are available [here](#).

### Joint Agency Reliability Planning Assessment

On March 24, 2025, the CEC posted its Joint Agency Reliability Planning Assessment, which is prepared in collaboration with the CPUC, [to Docket No. 21-ESR-01](#). The report is required pursuant to SB 846 and includes updates on electric system demand and supply for the next one- and five-year periods, as well as an assessment of electric system reliability under different risk scenarios. This latest assessment, published in March, is the fourth quarterly report providing an update since the August 2024 report was published. It includes an update on electric demand and supply forecasts and new resources brought online in June-September 2024.

### CEC Business Meetings

The next CEC Business Meeting is scheduled for April 10, 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 April 18, 2025, in Fortuna, California, CARB will be hosting a One-Stop Truck Event where it will provide overviews of Clean Truck Check, Advanced Clean Fleets, and the Off-Road Regulation, provide one-on-one compliance assistance, and give out free Clean Truck Check testing for OBD-equipped heavy-duty trucks and motorhomes/RVs. Register [here](#).

On April 30, 2025 at 10:00 am, CARB will host a [seminar](#) for a research study measuring light-duty vehicle exhaust emissions using roadside-deployed remote sensing devices at eight California locations. The seminar will also discuss the results of using these measurements and other relevant data to analyze several policy-relevant topics, including long-term vehicle emission trends and emission characteristics disparities for communities of different socioeconomic status.

### Opportunities for Public Comment

Pursuant to section 95488.5(d) of the LCFS Regulation, the CARB Executive Officer has certified the 2025 annual update to the carbon intensities (CIs) of the following two Lookup Table Pathways:

- California Average Grid Electricity Used as a Transportation Fuel in California
- Electricity Supplied Under the Smart Charging or Smart Electrolysis Provision

These two pathways are posted for a 45-day [public comment period](#) that ends on **May 8, 2025**. The updated pathway CI values are available for quarterly fuel reporting in 2025, beginning with Q1.

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

On March 20, 2025, at 10:00 am ET, FERC held the March 2025 Commission Open Meeting. The agenda is available [here](#). At the Open Meeting, FERC issued several orders on Order Nos. 2023 and 2023-A compliance, including:

- [E-3 | Duke Energy Carolinas, LLC and Duke Energy Progress, LLC, Docket Nos. ER24-1554-000 and ER24-1554-001](#): The order accepts Duke Energy Carolinas, LLC and Duke

Energy Progress, LLC's Order Nos. 2023 and 2023-A compliance filing in part, and directs Duke to submit a further compliance filing.

- [E-4 | Basin Electric Power Cooperative, Docket No. ER24-2043-000](#): The order accepts Basin Electric Power Cooperative's Order Nos. 2023 and 2023-A compliance filing in part, and directs Basin Electric Power Cooperative to submit a further compliance filing.
- [E-5 | Lucky Corridor, LLC, Docket No. ER24-2036-000](#): The order accepts Lucky Corridor, LLC's Order Nos. 2023 and 2023-A compliance filing in part, and directs Lucky Corridor, LLC to submit a further compliance filing.

Additionally, FERC issued an Order Accepting Tariff Revisions, Subject to Condition in [190 FERC ¶ 61,169](#), which accepts Southwest Power Pool, Inc.'s (SPP) proposed revisions to its Tariff and Governing Documents to facilitate the commitment of several entities in the Western Interconnection (Basin Electric Power Cooperative; Colorado Springs Utilities; Deseret Generation and Transmission Cooperative, Inc.; Municipal Energy Agency of Nebraska; Platte River Power Authority; Tri-State Generation and Transmission Association, Inc.; Western Area Power Administration – Colorado River Storage Project Management Center; Western Area Power Administration – Rocky Mountain Region; and Western Area Power Administration – Upper Great Plains Region) to join SPP's Regional Transmission Organization, RTO West, as transmission-owning members. FERC accepted the proposed revisions to the Tariff and Governing Documents, subject to condition, and directed SPP to submit a compliance filing within 30 days of the date of the order. FERC also directed SPP to submit an informational filing notifying FERC of the actual effective date of the Tariff and Governing Documents revisions no later than six months prior to the date SPP implements the proposed revisions.

Lastly, on March 20, FERC issued its annual [2024 State of the Markets Report](#) to provide the industry and public with key information on market conditions and emerging issues in natural gas and electricity markets as well as significant market trends and fundamentals for the year. The report outlines the following findings:

- Electricity demand increased across all regional organized markets by 2.8%.
- Overall, natural gas and wholesale electricity prices declined, although retail prices to consumers continued to increase.
- Extreme weather, the resource mix, and electric load growth significantly impacted wholesale electricity markets.
- For the first time in several years, the total capacity of active projects waiting in the interconnection queue declined on an annual basis. Total capacity active in interconnection queues at the end of 2024 totaled 2,289 GW, down from 2,368 GW in 2023.
- Most capacity additions came from solar, natural gas, battery storage, and wind resources.
- More coal generation capacity was retired in 2024 than any other resource type, although natural gas capacity also continued to retire.
- Among the RTO/ISOs, the Midcontinent ISO experienced the most retirements.



- Over 5,000 circuit miles of transmission projects entered service.