

**REGULATORY UPDATE FOR AUGUST 22, 2023
(WEEK OF AUGUST 14, 2023)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

New Proposed Decisions and Draft Resolutions¹

Application (A.) 21-10-010 (PG&E Electric Vehicle Charge 2 Program). This decision grants the petition for modification of Decision (D.) 22-12-054 filed by Pacific Gas and Electric Company (PG&E). In D.22-12-054, the Commission approved \$52,248,000 in funding for PG&E to implement Phase 1 of its Electric Vehicle Charge 2 (EVC 2) program and support the installation of approximately 2,822 Level 2 and Direct Current Fast Charger ports at multi-family housing, workplace, and public destination sites in PG&E's service territory. PG&E sought modification of D.22-12-054 to allow it the ability to not implement Phase 1 of EVC 2. In granting the petition for modification, the Commission finds that the EVC 2 program is unnecessary and duplicative, and implementation would result in a reduction of total ports installed or focus on customers that are more ready to electrify or have fewer barriers to electrification, rather than customers most in need.

A.19-11-019 (PG&E Electric Marginal Costs, Revenue Allocation and Rate Design). This decision addresses two issues that emerged in this proceeding subsequent to the original closure of this proceeding in D.22-09-002. First, this decision grants a petition for modification concerning commercial rate schedules B-19 and B-20 filed in February 2023. Second, this decision addresses modifications made by PG&E to residential rate schedule E-TOU-D that were contrary to the orders of D.21-11-016. This decision also finds that the customers that were adversely affected by the modifications should be made whole, and that the expenses for doing so should be borne by the shareholders of PG&E.

Resolution E-5286 (SCE Goleta Energy Storage). This Resolution approves Amendment3 to Southern California Edison Company's (SCE) contract with Goleta Energy Storage, LLC. The amendment extends the online date from June 1, 2023 to June 1, 2024, and reduces the delivery period from 17.4 years to 16 years, 5 months.

Voting Meetings

The CPUC will hold a voting meeting in Lakeport, California on August 31, 2023.

¹ Per 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 CPUC's daily calendar, per Rule 14.5.

Upcoming Workshops and Other Events

RA Slice of Day Implementation. On September 7 from 2 p.m. to 5 p.m., the Energy Division will hold a remote workshop to present the Slice of Day showing tool for load-serving entities (LSEs) and to answer any questions. The showing tool will be distributed at least a week before the workshop. Remote workshop access is available [here](#) on WebEx.

Load-Impact Protocol (LIP) Working Group Recurring Meeting. As a result of the LIP Simplification Workshop held on August 8th, the Energy Division has announced a biweekly recurring LIP Simplification Working Group Meeting. This LIP Simplification Working Group will submit a final report with a consensus proposal to the Commission. For issues where a consensus is not reached, parties/stakeholders can submit their own proposals. A stakeholder in this process will lead the working group and in compiling the final Working Group Report, and Energy Division will help facilitate the consensus process. The next LIP Simplification Working Group meeting will be held on August 30 from 1 p.m. to 2 p.m. and a link for remote participation is available [here](#).

Supplier Diversity. The CPUC will host its 21st Annual Supplier Diversity event in Escondido, California on September 27-28, 2023. A small and diverse businesses expo will be held on September 27 for procurement and supplier diversity representatives to meet and discuss upcoming business opportunities. On September 28, the CPUC will host an *en banc* to hear from utilities, local governments, ethnic chambers of commerce, and community-based organizations (CBOs) on their experiences with the supplier diversity programs. More information and registration details are available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Subscriber Participating Transmission Owner Model. CAISO held a public stakeholder call on August 10, 2023, to discuss the revised draft tariff language for the Subscriber Participating Transmission Owner model initiative. Written comments on the revised draft tariff language are due August 24, 2023.

20-Year Transmission Outlook. CAISO held a public stakeholder call on August 16, 2023, to discuss the 20-Year Transmission Outlook. Written comments are due on August 30, 2023. Further information is available [here](#).

Greenhouse Gas Coordination. CAISO held a public hybrid stakeholder working group meeting on August 16, 2023 related to greenhouse gas (GHG) coordination. The GHG coordination working group stakeholder process is intended to focus on developing durable electricity market solutions for climate policies across the West. Written comments on the working group discussion are due August 30, 2023. Further information is available [here](#).

California Energy Commission (CEC) Interconnection Queue Data Request. The CEC has requested confidential interconnection queue data to support new resource development

and tracking activities related to the Tracking Energy Development Taskforce. This data request includes confidential interconnection queue data provided to the CAISO, which is substantially consistent with information the CAISO provides the CPUC pursuant to the CPUC annual Resource Adequacy subpoena. Any objections to the release of this data are due by noon PT on August 23, 2023.

Transmission Service and Market Scheduling Priorities (TSMSP) Phase 2. CAISO will hold a public stakeholder call on August 28, 2023 to discuss the TSMSP Phase 2 track 2 draft tariff language. The track 2 draft tariff language focuses on long-term wheeling and upgrades, and is available on the [TSMSP Phase 2 initiative webpage](#).

2023 Cost-of-Service Study Update. CAISO will host a public stakeholder call on August 31, 2023, to discuss the draft tariff language for the 2023 Cost-of-Service Study. The draft language, along with the draft final Cost-of-Service Study, is available on the process [webpage](#). Comments on the material are due August 29, 2023.

Extended Day-Ahead Market (EDAM) Forum. CAISO, Balancing Authority of Northern California, NV Energy, PacifiCorp, and SCE will co-host an EDAM Forum on August 30, 2023 in Las Vegas, Nevada. The forum, which aims to foster a dialogue on the evolution of the EDAM in the West, will bring together leadership from regional utilities to discuss and share their thoughts on the factors and processes in considering their participation, as well as utility regulators from across the West who will share their perspectives on the next step in market evolution and how they are actively engaging in its development.

2024 Net Qualifying Capacity Values. CAISO posted the preliminary 2024 Resource Adequacy Net Qualifying Capacity (NQC) list. Scheduling coordinators are requested to review their information and submit comments by September 5, 2023 for NQC. Further information is available [here](#).

Price Formation Enhancements. CAISO tentatively scheduled a public virtual stakeholder working group meeting on September 7, 2023, related to the Price Formation Enhancements initiative. Further information is available [here](#).

2023-2024 Transmission Planning Process. CAISO posted the 2023-2024 Transmission Planning Process preliminary reliability results, and the final study plan to its [website](#). The Transmission Planning Request Window is open August 15, 2023 – October 15, 2023.

CALIFORNIA ENERGY COMMISSION

Integrated Energy Policy Report (IEPR)

The CEC released an update to its [2023 IEPR Workshop Schedule](#). Forthcoming workshops include:

- September 8: Hydrogen (10:00 a.m.-5:00 p.m. PT)

- November 15: California Electricity Demand Forecast: Load Modifier Scenario Results (10:00 a.m.-5:00 p.m. PT)
- December 6: California Electricity Demand Forecast: Electricity Forecast Results (1:00-5:00 p.m. PT)

The schedule is also accessible on the [2023 IEPR website](#).

SB 100 Kickoff Workshop

On August 22, 2023, from 9:00 a.m. to 5:00 p.m., the CEC, CPUC, and CARB will conduct a joint workshop to discuss findings and recommendations from the 2021 SB 100 Joint Agency Report and the plan to address these findings and recommendations as the 2025 SB 100 Joint Agency Report is developed, as required by Senate Bill SB 100, the “100 Percent Clean Energy Act of 2018.” The notice and agenda are available [here](#).

Electric Program Investment Charge (EPIC) Program

The CEC announced that it will host a two-day event joined by the IOUs (PG&E, SCE, and SDG&E) and clean energy leaders and entrepreneurs to discuss EPIC program goals and policy innovations. The symposium will be held on October 3-4, 2023. More information is available [here](#).

Distributed Electricity Backup Assets (DEBA) Workshop

On August 15, 2023, the CEC hosted a public workshop to solicit stakeholder feedback on the proposed DEBA program guidelines. The workshop notice and agenda are available [here](#).

Zero Emissions Vehicles

The CEC announced that it is accepting applications for funding under the Energy Infrastructure Incentives for Zero-Emission (EnergIIZE) Commercial Vehicles project through August 18, 2023 at 5:00 p.m. PT. Electric vehicle commercial fleet users who meet EnergIIZE equity criteria, including tribes, schools in disadvantaged or low-income communities, nonprofits, and others, are encouraged to apply. Applications must be submitted through the EnergIIZE Incentive Processing Center [here](#). Additional program and eligibility details are available [here](#).

The second application window for the Golden State Priority Project, which includes approximately \$38 million in funding for direct current, fast-charging rebates, will be opening in the next few months. The CEC will host a webinar to discuss applicant eligibility requirements and to provide guidance on completing applications. Event details and additional program information are available [here](#).

CEC Business Meetings

The next business meeting will be held on September 13, 2023. Remote attendance information and the meeting agenda can be accessed [here](#), once posted.

CALIFORNIA AIR RESOURCES BOARD (CARB or Board)

Meetings and Workshops

On August 23, 2023, CARB will hold a meeting of the public work group on clean transportation equity and light-duty vehicle investments. The agenda and registration for the meeting are available [here](#).

On August 25, 2023, CARB will host a meeting of the [AB 23 Environmental Justice Advisory Committee](#). The agenda and registration for the meeting are available [here](#).

CARB's next board meeting is scheduled for September 14, 2023. The agenda for the meeting will be available [here](#) 10 days prior to the meeting.

COLORADO PUBLIC UTILITIES COMMISSION (COLORADO PUC)

On August 21, 2023, Staff of the Colorado PUC (Staff) filed a Motion to Compel Public Service Company (PSCo) to produce responses to certain data requests in Docket No. 23A-0242E, which relates to PSCo's proposed Transportation Electrification Plan. Staff requested a shortened time period for responses to the motion to compel, which the assigned Administrative Law Judge (G. Harris Adams) granted via an interim order mailed on August 22, 2023 (No. R23-0564-I). The deadline for PSCo to respond to the motion to compel is therefore August 28, 2023.

The Colorado PUC will host its next commissioners' Weekly Meeting (CWM) on August 23, 2023 at 9:00 a.m. MT. The meeting, which is held remotely, will be available for online viewing [here](#) and this week's CWM agenda is available [here](#).

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

On Thursday, August 24, the MPUC will meet to address a few items, including the MPUC investigation docket regarding the role aggregators of retail customers (ARCs) can play under Minnesota law. Specifically, the question before the MPUC is whether the MPUC should permit ARCs to bid demand response into organized markets. Numerous parties have submitted comments on this question, some of which answer in the affirmative and others answer negative. We will report the results in our August 29 regulatory update.

On August 10, 2023, the MPUC met to address a few dockets, including a docket pertaining to the interconnection of distributed generation. The question before the MPUC was whether it should revise or replace an order creating guidelines for establishing the terms of the financial relationship between an electric utility and a distributed generation customer with no more than 10 MW of capacity. Briefing papers can be found [here](#).

After a fair amount of discussion, which included debate as to whether Attachment 6 remains relevant or necessary given legislative and other developments since 2004, the MPUC settled on an interpretation where Attachment 6 is viewed as a guidance document. Specifically,

the MPUC adopted decision option 4 in the briefing papers, modified to include reference to the just and reasonable rates provision in Minn. Stat. § 216B.03. In other words, the MPUC's order should provide direction to amend Attachment 6 to include the following language: "The Commission recognizes Att. 6 offers guidance for distributed energy resource rates under multiple state statutes (e.g. Minn. Stat 216B.03, .1611, .164, .1641, .1691) and, when applicable, is to be applied consistent with PURPA. Rate regulated utilities' tariffed rates are reviewed by the Commission consistent with all relevant state and federal statutes, rules, and orders." The MPUC also adopted decision option 5.D. to amend paragraph 7(e) of Attachment 6 to state that distributed energy resources of 100 kW or less are exempt from paying standby charges.

OREGON PUBLIC UTILITIES COMMISSION

Today, August 22, 2023, the Oregon PUC is holding a public meeting to address proposals, including a Staff Report, regarding various alterations to generator interconnection procedures that apply to state-jurisdictional qualifying facilities of up to 10 MW. In general, the effort seeks to modernize the interconnection procedures for these facilities to better accommodate new technologies and other advancements that have occurred since 2007, when many of the existing rules were established.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

At the July 27, 2023 FERC meeting, FERC issued long-awaited [Order No. 2023](#), the Final Rule on Improvements to Generator Interconnection Procedures and Agreements in Docket No. RM22-14-000 (Final Rule). The Final Rule makes sweeping reforms to FERC's standard generator interconnection procedures and agreements created two decades ago.

The Final Rule imposes reforms across several key areas of the generator interconnection process. First, it requires transmission providers to use a cluster study process that is already common to organized markets, rather than the currently required serial first-come, first-served study process. The Final Rule also requires increased financial commitments for interconnection customers to enter and remain in the interconnection queue. The Final Rule establishes firm study deadlines for transmission providers and requires transmission providers to use a standardized and transparent affected systems study process that includes firm study deadlines and uniform modeling standards. The Final Rule also includes reforms to incorporate technological advancements into the interconnection process: hybrid resources, grid-enhancing technologies, and reliability requirements for inverter-based resources. In sum, the reforms aim to allow generators to interconnect in a more reliable, efficient, and transparent manner. The rule provides a transition process that allows transmission providers to move from the existing serial study process for the most-ready projects in its current queue to the new Final Rule requirements. Compliance filings are due 90 days after publication of the Final Rule in the Federal Register.

Our full summary of this major reform is available here: [FERC issues Final Rule on Improvements to Generator Interconnection Procedures and Agreements.](#)

On July 19, 2023, the Midcontinent Independent System Operator (MISO) posted its proposal for an upcoming generator interconnection queue reform that it plans to file with FERC

this fall. Among the many changes, the proposal increases milestone deposits and site control requirements, and suggests that MISO plans to also change the current standards for penalty-free withdrawals from the interconnection queue. MISO also plans to build in automatic penalties for withdrawal. In addition, MISO proposes to limit the number of MWs that will be allowed into each queue cycle, with developer-specific limits, too. The proposal is found [here](#). Comments were due to MISO by August 7, 2023.

On July 3, 2023, FERC issued an [order on rehearing](#) addressing the October 20, 2022 Order on Notice of Change in Status in Docket Nos. ER20-67-001, ER20-113-001, and ER20-116-001 (October Order). On rehearing, FERC continued to find that Bluescape Energy Partners, LLC is individually an affiliate of Evergy Kansas Central, Inc., Evergy Missouri West, Inc., Evergy Metro, Inc., and Evergy, Inc., but modified its discussion.

In the October Order, FERC found that the appointment of a non-independent director is sufficient to overcome the rebuttable presumption of a lack of control provided under 18 C.F.R. § 35.36(a)(9)(v) for persons who hold less than 10% of the outstanding voting securities of a specified company, and declined to reach arguments regarding affiliation under 18 C.F.R. § 35.36(a)(9)(iii), which provides that an affiliate includes any person(s) FERC “determines, after appropriate notice and opportunity for hearing, to stand in such relation to the specified company that there is liable to be an absence of arm’s-length bargaining in transactions between them as to make it necessary or appropriate in the public interest or for the protection of investors or consumers.” On rehearing, FERC modified its decision and found “that the appointment of a non-independent director is a *per se* determination of control.” Additionally, on rehearing, FERC found affiliation under section 35.36(a)(9)(iii) and stated that “there is liable to be an absence of arm’s length bargaining in transactions between an investor that appoints a non-independent director to the board of a seller or a seller’s upstream affiliate and that seller.”

FERC [requested comments](#) by August 14, 2023 regarding the PJM Capacity Market Forum held on June 15, 2023. FERC has also [requested comments](#) by August 24, 2023, on the June 20, 2023 commissioner-led forum to discuss solutions to the electric and gas challenges facing the New England region.