

**REGULATORY UPDATE FOR OCTOBER 3, 2023
(WEEK OF SEPTEMBER 25, 2023)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

New Proposed Decisions and Draft Resolutions¹

Application (A.) 21-12-006/A.21-12-008 (Dynamic Export Rate Pilot). This decision authorizes San Diego Gas & Electric Company (SDG&E), pursuant to settlement, to conduct a dynamic export rate pilot program for customers on the following commercial rates: Electric Vehicle High Power rate, Schedule AL-TOU, and Schedule TOU-A. This decision authorizes up to \$2,361,259 to implement the pilot program. This decision dismisses without prejudice the application of SDG&E for a real-time pricing import rate pilot and directs the utility to file a new application for a dynamic import rate within 90 days of the issuance of a decision in Rulemaking (R.) 22-07-005 that provides guidance for dynamic rate applications.

A.22-05-013 (Decision Closing Risk Assessment Mitigation Phase). This decision closes Southern California Edison Company's (SCE) 2022 Risk Assessment Mitigation Phase (RAMP) proceeding. This RAMP proceeding informs SCE's Test Year (TY) 2025 General Rate Case (GRC) proceeding that was filed on May 12, 2023 (A.23-05-010) and is currently ongoing as of the date of this decision. SCE filed its RAMP submission pursuant to the procedures set forth in D.14-12-025, D.16-08-018, and the settlement agreement adopted in D.18-12-014. The RAMP submission presents SCE's enterprise-wide risks, risk model, risk spend efficiency methodology, and plans to mitigate these risks. The Commission's Safety Policy Division (SPD) prepared an evaluation report and parties to the proceeding were given an opportunity to comment on both SCE's RAMP submission and SPD's Evaluation report. SPD and intervenors identified deficiencies and areas for improvement such as the need for increased granularity in presenting data, including other factors that impact risk such as weather and wildfire smoke, the correct application of discount rates in risk spend efficiency scores, SCE's Multi-Attribute Value Function calculations, and the impact of Public Safety Power Shutoff events. The RAMP submission and comments and recommendations from SPD and parties inform SCE's TY 2025 GRC and incorporate SCE's consideration of these comments and recommendations. SCE's consideration and integration of these comments and suggestions into its safety-related proposals in A.23-05-010 complete this RAMP process, and no further action in this proceeding is required.

R.20-01-007 (Decision on Phase 2 Issues Regarding Transmission Pipelines And Storage). This decision adopts review criteria and information requirements for gas utility applications proposing to repair or replace transmission pipeline infrastructure. It adopts criteria to determine when declining demand can enable transmission pipelines to be derated or

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.

decommissioned without adversely impacting reliability. It requires gas utilities to provide an information-only submittal describing planned transmission pipeline derations. This decision does not adopt new definitions of “transmission pipeline” or “distribution pipeline.” Instead, it reinforces that gas utilities must continue to comply with CPUC General Order 112-F requirements to align with Pipeline and Hazardous Materials Safety Administration definitions of these terms as most recently set forth in Code of Federal Regulations (CFR) Title 49 Part 192.3 or as amended, if relevant, in the future. This decision adopts a proposal by Pacific Gas and Electric Company (PG&E) to update its definition of the term “transmission [pipe]line” and related terms in alignment with 49 CFR Part 192.3.1. This results in the reclassification of some 600 miles of PG&E transmission pipeline as distribution pipeline. This decision finds that natural gas storage facilities are necessary for reliability and cost management.

Resolution (Res) E-5295 (PG&E Advice Letter (AL) 6977-E). This Resolution approves the six long-term PPSAs under the rules and requirements laid out in D.21-05-030 and D.22-11-021 regarding the implementation of the Voluntary Allocation and Market Offer mechanism to address portfolio optimization activities associated with Renewables Portfolio Standard (RPS) resources subject to Power Charge Indifference Adjustment (PCIA) cost recovery. These agreements are for long-term bundled RPS-eligible energy and associated Renewable Energy Credits (RECs) from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&E’s PCIA-eligible RPS portfolio. These agreements are approved without modification.

Investigation (I.) 19-06-014 (Decision Directing Southern California Gas Company and Sempra to Revise Safety Culture Improvement Plan). This decision adopts two out of the 15 initiatives in the Safety Culture Improvement Plan of Southern California Gas Company (SoCalGas), with some modifications. This decision directs SoCalGas and Sempra to revise the remainder of their plans to better align with the findings of the Independent Safety Culture Assessment, a review of SoCalGas’ and Sempra’s organizational safety culture between 2020 and 2021. This decision does not impose financial penalties. Consideration of violations and penalties have been addressed in I.19-06-016. However, this decision confirms the Commission’s earlier directive that SoCalGas shareholders, not ratepayers, pay the costs associated with the Assessment directed in this proceeding.

Workshops and Other Events

Load-Impact Protocol (LIP) Working Group Recurring Meeting. 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 the Energy Division will help facilitate the consensus process. The next LIP Simplification Working Group meeting will be held on October 11, 2023 from 1:00 to 2:00 p.m. PT.

2023 GO 177 Annual Report Workshop. Pursuant to the directives set forth by the Commission in D.22-12-021, SoCalGas, SDG&E, and PG&E will convene the first General Order 177 Reporting Workshop virtually on October 16, 2023 from 9:00 a.m. to 12:00 p.m.

Natural Gas Planning Workshop. The Energy Division will host a workshop on October 26, 2023 from 9:00 a.m. to 12:00 p.m. PT to discuss gas utility and independent storage provider preparations for the upcoming winter. There will be two panels at the workshop and discussions will focus on current market conditions, winter outlook, customer communications, storage inventory, and enhanced communications regarding inventory levels. Participation in the workshop is remote only, and Webex login details are available [here](#). (Workshop password: Gasworkshop.)

Energy Division Office Hours on Resource Adequacy (RA) Slice of Day. Energy Division Staff will host several scheduled office hours to meet with stakeholders on questions related to the new slice of day process and load serving entity (LSE) showing tool. The office hours will be held on WebEx and login access is available [here](#). The next office hours are scheduled for October 19 and November 16, 2023. The Energy Division encourages stakeholders to submit questions via email in advance. Additional details on the new slice of day implementation process are available on the Commission's RA webpage, available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Resource Adequacy Modeling and Program Design. CAISO has launched a new working group called Resource Adequacy Modeling and posted a discussion paper on the Resource Adequacy Working Group webpage, and will host a virtual meeting on October 5, 2023. Written comments on the working group discussion and the Resource Adequacy Working Group discussion paper are due by end of day October 20, 2023. Further information is available [here](#).

Interconnection Process Enhancements 2023. CAISO posted the Interconnection Process Enhancements straw proposal, and a stakeholder meeting will be held virtually on September 28, 2023. Comments on the straw proposal are due on October 12, 2023. A final decision on Track 2 is planned for the February 2024 Board of Governors meeting. Further information is available [here](#).

2023-2024 Transmission Planning Process. CAISO will hold public stakeholder calls on September 26-27, 2023 to discuss the reliability study results, participating transmission owner's reliability projects, and updates on other analysis related to the 2023-2024 Transmission Planning Process. Written comments are due October 11, 2023. Further information is available [here](#).

Greenhouse Gas Coordination. CAISO will hold a public hybrid stakeholder working group meeting on October 19, 2023, related to greenhouse gas (GHG) coordination. Written comments on the working group discussion are due November 2, 2023. Limited interest in in-

person participation may result in CAISO changing the meeting to a virtual-only format. CAISO will notify stakeholders of any changes to the meeting format through a notice in the Daily Briefing. Further information and registration details can be found [here](#).

2024 Annual Acquired Resource Notification. All scheduling coordinators representing an Acquired Resource in the RA program shall submit a Customer Inquiry, Dispute and Information (CIDI) ticket that must include the title Acquired Resource 2024 (LSE ID) to CAISO about the status of each Acquired Resource. Notification is due by October 31, 2023; however, CAISO recommends submitting as soon as possible to allow time to handle any questions/discrepancies. If a scheduling coordinator does not submit a CIDI ticket by the deadline, they will lose their status as an Acquired Resource. Further information is available [here](#).

CALIFORNIA ENERGY COMMISSION (CEC)

Integrated Energy Policy Report (IEPR)

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

- October 25: Draft 2023 IEPR Findings and Recommendations (1:00 p.m.-4:00 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 Results (1:00 p.m.-5:00 p.m. PT)

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

Energy System Reliability

On September 26, 2023, the CEC published the Draft Senate Bill 846 Diablo Canyon Power Plant Extension Cost Comparison (Comparison to Alternative Portfolio of Resources Consistent with Greenhouse Gas Reduction Goals) Report ([Draft Report](#)). According to the public [notice](#), the CEC will review and consider comments submitted on the Draft Report prior to submitting a final draft report to the Legislature, which is expected by mid-October 2023. As published in the [notice](#), written comments must be submitted to the CEC Docket Unit by 5:00 p.m. PT on October 9, 2023.

SB 100

Senate Bill 100 (SB 100) requires the CEC, CPUC, and CARB to complete a joint agency report to the Legislature evaluating the 100 percent zero-carbon electricity policy. On October 31, 2023, the CEC will host a joint [workshop](#) to present and discuss the framework for the SB 100 Joint Agency Report. According to the workshop notice, the “framework will be

used to analyze pathways to achieving the SB 100 targets of 100 percent clean electricity by 2045” and “[t]he results of the modeling effort and pathway tradeoffs will be assessed in the 2025 SB 100 Joint Agency Report. Additional information, including remote and in-person attendance information, is available [here](#).

RPS

On September 29, 2023, the CEC released the following via email list serve notification:

As specified by Chapter 7 of the *Renewable Portfolio Standard Eligibility Guidebook, Ninth Edition, (Revised)*, all load-serving entities (LSEs), including retail sellers and local publicly owned electric utilities (POUs), are required to report retirement of 2022 renewable energy credits for California’s Renewables Portfolio Standard (RPS) program to the California Energy Commission (CEC) by July 3, 2023. On June 30, 2023, due to technical challenges affecting e-Tags matching in Western Renewable Energy Generation Information System (WREGIS), the CEC Executive Director found good cause to extend the 2022 RPS annual reporting deadline for all LSEs to September 30, 2023, pursuant to Chapter 8.D.4 of the *Renewable Portfolio Standard Eligibility Guidebook, Ninth Edition, (Revised)*.

On September 20, 2023, the Executive Director of WREGIS notified CEC staff that the system issue persists and will not be resolved until after the September 30, 2023, annual reporting deadline. The system issue prevents certain generators from having RECs created for their RPS-eligible generation, which is necessary for LSEs to report to the CEC. **The CEC Executive Director therefore finds good cause to grant an additional extension to the 2022 RPS annual reporting deadline for all LSEs. The annual reporting deadline shall be extended to 30 calendar days after WREGIS has fully resolved the system issue and notified the CEC. A subsequent notification will be given to LSEs at that time, which will trigger the 30-day annual reporting deadline.**

This extension for LSEs applies to all REC retirements previously due by July 3, 2023 (subsequently extended to September 30, 2023), as described in the [2022 WREGIS Reporting Guidance document](#) and the additional annual reporting requirements for POUs described in the [2022 Annual Reporting Instructions for POUs](#). **LSEs ready to file their completed 2022 RPS annual filing by the September 30, 2023, deadline are encouraged to do so. LSEs that have already filed their completed 2022 RPS annual filing by the September 30, 2023, deadline do not need to take further action.**

(Emphasis in original.) Information regarding the foregoing is also available [here](#).

Electric Program Investment Charge (EPIC) Program

The CEC announced that it will host a two-day event joined by the investor-owned utilities (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. The symposium agenda and additional information are available [here](#).

Zero Emissions Vehicles

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](#).

Docket No. 22-HYD-02

On October 16, 2023, CEC staff will hold staff workshop to solicit feedback on the 2023 Staff Report on Senate Bill 643: Clean Hydrogen Fuel Production and Refueling Infrastructure to Support Medium- and Heavy-Duty Fuel Cell Electric Vehicles and Off-Road Applications (2023 SB 643 Staff Report). According to the workshop notice, the intent of the workshop is to solicit feedback to help inform the 2023 Final Report on Senate Bill 643. Additional information is available in the workshop notice.

Power Source Disclosure

On September 26, 2023, the CEC held a pre-rulemaking workshop to solicit feedback on proposed changes to the Power Source Disclosure program regulations. Written comments may be submitted to the CEC's Docket Unit by 5:00 p.m. PT on October 24, 2023. Additional information is available [here](#) and in the rulemaking docket, [Docket No. 21-OIR-01](#).

CEC Business Meetings

The next business meeting will be held on October 18, 2023.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

On October 4, 2023, CARB will hold a public webinar on proposed amendments to [area designations](#) for the state ambient air quality standards. More information and registration for the webinar are available [here](#).

On October 5, 2023, CARB will hold a [public workshop](#) on updates to the California Cap-and-Trade Program and Mandatory GHG Reporting Program. Following the workshop, CARB will solicit feedback through October 26, 2023. More information and registration for the workshop are available [here](#).

On October 11, 2023, CARB will host a virtual community meeting on [SB 596](#) and CARB's efforts to decarbonize the cement sector. More information and registration for the meeting are available [here](#).

On November 2, 2023, CARB, the California Transportation Commission, and the California Department of Housing and Community Development will conduct a [joint public meeting](#). The agenda will be available 10 days prior to the meeting.

Opportunities for Public Comment

In advance of the November 2, 2023 [joint meeting](#) between CARB, the California Transportation Commission and the California Department of Housing and Community Development, written comments may be submitted [here](#) on or before October 23, 2023.

COLORADO PUBLIC UTILITIES COMMISSION (COLORADO PUC)

The Colorado PUC will host its next Commissioners' Weekly Meeting on October 4, 2023 at 9:00 a.m. MT. The meeting, which will be held remotely, is available for online viewing [here](#) and the agenda is available [here](#). The agenda includes two energy-related items: (1) whether to schedule a remote public comment hearing on January 10, 2024 regarding Public Service Company of Colorado's (PSCo) Application for Approval of its 2024-2026 Transportation Electrification Plan, Proceeding No. 23A-0242E; and (2) discussion of PSCo's Application for Approval of its 2021 Electric Resource Plan and Clean Energy Plan (CEP), Proceeding No. 21A-0141E. PSCo had filed its proposed CEP for review on September 18, 2023 in which it projected achieving more than 80% of renewable electric supply from the Company by 2028, and would propose approximately \$15 billion in new resource investment by 2030.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

On October 5, 2023, the MPUC will hold its regularly scheduled agenda meeting. Topics on the agenda include, among other items, initial review of a transmission certificate of need and route permit proposed by Great River Energy and Minnesota Power, initial site permitting review for Xcel Energy's site permit application for the 250 MW Sherco 3 Solar project, and initial review of the Track 2 acquisition process for Xcel Energy's competitive resource acquisition process for up to 800 MW of firm dispatchable generation. The full agenda can be found [here](#).

ELECTRIC RELIABILITY COUNCIL OF TEXAS (ERCOT)

On September 6, 2023, ERCOT posted Nodal Protocol Revision Request 1199 (NPRR 1199), which seeks to implement the revisions to the Long Star Infrastructure Protection Act (LSIPA) that were passed in Senate Bill 2013 (SB 2013) on June 9, 2023. SB 2013 revises the LSIPA to require business entities to report the purchase of any critical electric grid equipment or service from a company that is either (1) headquartered in China, Iran, North Korea, Russia, or a designated country, or (2) owned by (a) individuals who are citizens of these countries or (b) companies that are themselves owned by individuals or the government of these countries. SB

2013 also allows ERCOT to obtain criminal history records for individuals that seek employment at or access to the ERCOT systems that affect the security of the electric grid. SB 2013 requires business entities to report applicable purchases made within five years of the effective date to ERCOT.

NPRR 1199 revises Section 16.1.3 to reflect ERCOT's ability to immediately suspend or terminate a Market Participant's registration or access to any of ERCOT's systems if ERCOT has a reasonable suspicion that the entity is a prohibited entity, and adds a Section 16.1.4 to establish a reporting and attestation requirement for Critical Electric Grid Equipment and Critical Electric Grid Services procurements by Market Participants and entities that seek to register as Market Participants. NPRR 1199 also adds a number of definitions to accommodate the changes to the LSIPA made in SB 2013. NPRR 1199 is currently pending and has been sent to the Protocol Revision Subcommittee for review.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On September 29, 2023, in [184 FERC ¶ 61,188](#), FERC accepted in part and rejected in part Arizona Public Service Company's proposed revisions to its Large Generator Interconnection Procedures, Large Generator Interconnection Agreement, Small Generator Interconnection Procedures, and Small Generator Interconnection Agreement. These revisions result in a transition to a first-ready, first-served cluster study process. The revisions also result in changes to the commercial readiness demonstration requirements, the interconnection customer's responsibilities during suspension, and the transitional studies, among others.

On August 31, 2023, FERC issued two orders addressing Midcontinent Independent System Operator, Inc.'s (MISO) treatment of Dispatchable Intermittent Resources (e.g., dispatchable wind and solar resources) in its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff). In [184 FERC ¶ 61,137](#), FERC denied a complaint filed by Solar Energy Industries Association (SEIA), which alleged that the Tariff is unjust, unreasonable, and unduly discriminatory or preferential because it prohibits wind, solar, and battery hybrid resources from providing ancillary services in the wholesale market. FERC found that SEIA failed to meet its burden under Federal Power Act Section 206. In [184 FERC ¶ 61,134](#), FERC accepted MISO's proposed revisions to its Tariff to make Dispatchable Intermittent Resources ineligible to provide the Up Ramp Capability and Down Ramp Capability products and to change the Down Ramp demand curve from \$5/MWh to \$0/MWh.

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. Also, the Final Rule 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.](#)