

**REGULATORY UPDATE FOR SEPTEMBER 20, 2022
(WEEK OF SEPTEMBER 12, 2022)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)

New Proposed Decisions and Draft Resolutions¹

Draft Resolution E-5235. This Resolution approves San Diego Gas & Electric Company (SDG&E) amendments to one system reliability contract for capacity procured to meet requirements of Decision (D.)19-11-009. The contract with Ortega Grid, LLC is amended to delay the online date by one year to June 1, 2023, in exchange for a reduction in the agreement's original contract price.

Application (A.) 20-10-011 (PG&E Day-Ahead Real Time Rate and Pilot). This decision adopts an uncontested settlement establishing export compensation rules for certain customers of Pacific Gas and Electric Company (PG&E) taking service on a real time pricing rate.

Draft Resolution SPD-3. This Resolution adopts the proposals of the Office of Energy Infrastructure Safety (Energy Safety) for performance metrics and requirements for the 2023 Wildfire Mitigation Plans (WMP) of electrical corporations.

Voting Meetings

The CPUC held a voting meeting on September 15, 2022. The agenda included the following energy-related items.

Item 4. Rulemaking (R.) 20-07-013 (Risk-Based Decision-Making Framework). This decision refines certain reporting requirements for the Risk Spending Accountability Reports required of every investor-owned utility (IOU) and Small and Multi-Jurisdictional Utility gas and electric utilities pursuant to D.19-04-020 and D.14-12-025. It updates certain requirements for IOU Risk Assessment and Mitigation Phase (RAMP) reports and clarifies information requirements related to RAMP filings for submittal in GRC applications. As such, this decision updates the Rate Case Plan for GRC applications, most recently addressed in D.20-01-002. This decision eliminates the separate gas safety reporting requirements adopted in D.19-09-025, D.17-05-013, D.13-05-010, and D.11-05-018 and directs the IOUs to include any non-duplicative aspects of these reporting requirements into their RSARs or related filings. **Held to October 6, 2022.**

Item 8. A.20-03-016 (PG&E Gas Demand Pilot Program). This decision dismisses without prejudice Application 20-03-016 (Application) filed by PG&E for approval of its Gas

¹ Per CPUC 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.

DR Pilot Programs in compliance with Ordering Paragraph 11 of D.19-09-025. Concurrently with its Application, PG&E filed a motion for a ruling to defer consideration of its Application in order to allow the CPUC to issue a final decision in Track 2 of R.20-01-0071 (Track 2 decision, LT Gas Rulemaking). On June 2, 2020, the assigned Administrative Law Judge (ALJ) issued a ruling granting PG&E's motion (ALJ Ruling). The ALJ Ruling directed PG&E to file an amended application in this proceeding within 60 days of the date of issuance of the Track 2 decision. On September 27, 2021, the CPUC issued D.21-09-042 extending the initial statutory deadline for this proceeding by one year to September 29, 2022. On January 5, 2022, the Commissioner in R.20-01-007, the LT Gas Rulemaking, issued an amended scoping memo setting both the scope and the proceeding schedule for Track 2. The Track 2 decision is currently scheduled for Second Quarter 2023. This decision does not prejudice the merits of PG&E's Application. PG&E may file a new application within 18 months of the issuance of this decision. **Signed, D.22-09-011.**

Item 9. Draft Resolution E-5215 (EBCE EE Plan). Public Utilities Code Section (PU Code Section) 381.1 gives Community Choice Aggregators (CCAs) the option to elect to become an administrator of cost-effective energy efficiency (EE) programs, subject to CPUC adoption of a CCA's EE Program Administration Plan (EE Plan) that has been approved by the CCA's governing board. East Bay Community Energy (EBCE) submitted a three-year budget request of \$13,463,049 to the CPUC on October 2, 2021, via Tier 3 AL 28-E and supplemental AL 28-E-A on March 10, 2022. This Resolution approves EBCE's request to elect to administer its EE Plan according to the criteria set forth in PU Code Section 381.1(e) and (f)(1)-(6), and CPUC direction in D.14-01-033, on enabling CCAs to administer EE programs. The budget that EBCE requested to receive to fund its EE Plan is \$13,463,049. PG&E is ordered to transfer \$13,463,049 to EBCE for its three-year EE Plan. **Approved.**

Item 12. R.14-07-002 (NEM). This decision modifies D.17-12-022 and D.20-04-012 to simplify the process for forecasting and setting aside funding for the Solar on Multifamily Affordable Housing program. **Signed, D.22-09-009.**

Item 13. A.22-03-014 (Southwest Gas Move2Zero Program). This decision dismisses Southwest Gas's application on the ground that it is insufficient and incomplete. The dismissal is without prejudice to Southwest Gas filing for approval of a new or similar program in the future, although Southwest Gas is directed to provide sufficient and complete information in any future application, and to address issues raised in the parties' protests to this application, if relevant. **Signed, D.22-09-010.**

Item 16. Draft Resolution E-5228. This Resolution provides a link to the final 2022 avoided cost calculator (ACC) and related documentation and data files. The documentation also compares 2022 and 2021 ACC outputs. The Resolution also describes the data and major modeling updates to the 2022 ACC. **Approved.**

Item 17. Draft Resolution E-5212. This Resolution approves, with modifications, California Choice Energy Authority's and EBCE's Petitions for Modification of Resolution E-4999, filed on February 23, 2022 and April 12, 2022, respectively. Both CCAs allege that the changeover from CalEnviroScreen (CES) 3.0 to 4.0 inadvertently caused eligibility and

procurement challenges for Disadvantaged Community (DAC)-Green Tariff (GT) and/or Community Solar Green Tariff (CSGT) in their service territories and propose that CPUC make eligible all DAC census tracts previously approved under CES 3.0, in addition to CES 4.0 census tracts. CES 3.0 was in place when each currently participating Program Administrator's (PA) implementation plan was approved. This Resolution finds that the CCAs' proposed modifications are appropriate and makes additional modifications to prevent the issue from reoccurring in other PA areas, as well as to ensure equity in accordance with existing legislation and CPUC policy goals. Specifically, the Resolution allows "legacy" DACs under prior versions of CES, beginning from the time at which a PA's DAC-GT or CSGT implementation AL is approved by the CPUC, to remain eligible for the DAC-GT and CSGT programs. This direction applies to both PAs with implementation ALs that are already approved and any new PAs authorized to submit an implementation AL for the DAC-GT and/or CSGT program. **Held to October 6, 2022.**

Item 33. R.19-01-011 (Building Decarbonization OIR). This decision adopts Energy Division's staff proposal to eliminate gas line extension allowances, the 10-year refundable payment option, and the 50 percent discount payment option provided under the current gas line extension rules. The elimination is for all customers in all customer classes effective July 1, 2023. This decision applies to new applications for gas line extensions submitted on or after July 1, 2023. Applications submitted before July 1, 2023 will not be affected by this decision. **Signed, D.22-09-024.**

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Capacity Procurement Mechanism Enhancements. The CAISO will hold a public stakeholder call on September 23, 2022, to discuss the Track 1 draft final proposal for the Capacity Procurement Mechanism (CPM) Enhancements initiative. Written comments on the Track 1 straw proposal are due October 7, 2022.

Extended Day-Ahead Market (EDAM). The CAISO has posted the EDAM draft tariff framework outline, which reflects the revised straw proposal in an outline format of the tariff and is the first step towards establishing an understanding of the relationship between the EDAM design and anticipated tariff provisions. The draft tariff framework outline can be found [here](#).

Day-Ahead Market Enhancements (DAME). The CAISO will host a virtual public stakeholder workshop on September 22, 2022 for the DAME initiative to continue discussing elements of the proposal not discussed during the September 14, 2022 workshop. Discussion items for the September 21 workshop include variable energy resource and storage resource participation in the new capacity products.

WEIM Resource Sufficiency Evaluation Enhancements Phase 2. The CAISO held a call on September 15 to discuss the Western Energy Imbalance Market (WEIM) Resource Sufficiency Evaluation Enhancements (RSEE) Phase 2 draft tariff language. Comments on the draft tariff language are due September 27.

Extended Day-Ahead Market (EDAM). The CAISO scheduled an additional EDAM public stakeholder call on September 14, 2022, to discuss the transfer revenue allocation, settlements, and EDAM fees topics in the revised straw proposal. In addition, the comment deadline for the revised straw proposal has been extended from September 20 to September 26.

2022-2023 Transmission Planning Process (TPP). The CAISO has posted the 2022-2023 TPP preliminary reliability results to its website. The request window is open through October 15, 2022.

The CAISO has also posted its responses to comments on the 2021-2022 TPP - Accessing Out-of-State Wind Resources stakeholder call discussion, which was held on June 27, 2022. In addition, the CAISO has posted a Request for Expressions of Interest (REOI) for California Load Serving Entities to determine their interest and level of commitment in accessing out-of-state wind resources in Idaho. The response form is provided as Attachment A to the REOI and expressions must be submitted using that form to regionaltransmission@caiso.com by end of day September 21, 2022.

Interconnection Process Enhancements (IPE) 2021 Phase 2. The CAISO will hold a public stakeholder call on September 20, 2022, to discuss the final proposal for the IPE 2021 Phase 2 initiative. Written comments on the final proposal are due October 4, 2022.

CALIFORNIA ENERGY COMMISSION (CEC)

AB 205 Emergency Rulemaking: Opt-in Certification Provisions

On September 19, 2022, CEC staff hosted a webinar wherein they presented draft emergency regulations implementing the opt-in certification provisions of Assembly Bill (AB) 205. Staff provided a summary of the AB 205 provisions, the draft regulations, and the target timeline for adoption. According to the webinar presentation slides, written comments on the draft regulations are due by September 30, 2022. (See TN #246139 in [Docket No. 22-OIR-01](#) at slide 5.) The draft regulations are available at TN# 246084 in [Docket No. 22-OIR-01](#).

As background, on June 30, 2022, California Governor Gavin Newsom signed AB 205, which, among other things, expands the jurisdiction of the CEC to include non-thermal generating facilities, such as solar and wind projects, with a capacity of 50 megawatts (MW) or more. In addition, AB 205 allows the CEC to have siting jurisdiction over energy storage facilities with a capacity of 200 MW hours or more. Unlike thermal generating facilities, the CEC's expanded siting jurisdiction over solar and non-thermal generating facilities, as well as energy storage facilities, is at the request of the applicant—meaning it is “opt-in.” A summary of the changes to the CEC siting jurisdiction contained in AB 205 can be found on the Stoel Rives [California Environmental Law blog](#) and [Renewable + Law blog](#).

Offshore Wind

On September 15, 2022, the CEC posted a “save the date” for an October 6, 2022 remote-access-only workshop regarding AB 525's requirement to develop a strategic plan for floating offshore wind in California. According to the “save the date,” the workshop will also include other agency updates on offshore wind related items, including an update from the Bureau of Ocean Energy Management on leasing activities in federal waters off the California coast. For additional information, please visit the CEC's Offshore Renewable Energy [page](#).

Proposed Amendments to Small Power Plant Exemption (SPPE) Regulations

The CEC has postponed the September 14, 2022 adoption hearing regarding proposed amendments to the regulations for SPPEs. For additional information, please see [Docket No. 21-OIR-04](#). The postponement notice is available at TN# 245882 in [Docket No. 21-OIR-04](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for October 12, 2022.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB will hold a [Board meeting](#) on September 22, 2022. The agenda is available [here](#). At the meeting, CARB will hear an update on the [Innovative Clean Transit](#) program. Staff will provide an informational update on implementation of the program and readiness for regulatory requirements beginning in 2023. CARB will also consider adoption of the proposed [2022 State Strategy](#) for the federal Clean Air Act State Implementation Plan, which provides the State's proposed control measures to support attainment of the federal ambient air quality standard for ozone.

On September 26-27, 2022, CARB will host a public meeting of the [Assembly Bill \(AB\) 32 Environmental Justice Advisory Committee](#). Information on the meeting agenda and virtual or in-person attendance can be found [here](#).

Opportunities for Public Comment

A draft [People's Blueprint](#) has been prepared by community and environmental justice advisors to CARB as a starting point for discussion of CARB's update to the AB 617 [Community Air Protection Blueprint](#), which was issued in 2018. Comments on the draft People's Blueprint may be submitted to CARB [here](#) on or before September 30, 2022.

On September 20, CARB held a [public workshop](#) to discuss potential changes to the Oil and Gas Methane Regulation. Feedback on the workshop may be submitted to CARB [here](#) on or before October 11, 2022.

ARB will consider the proposed [Advanced Clean Fleets](#) regulation on October 27, 2022. In advance of the [hearing](#), comments on the proposed regulation may be submitted to CARB [here](#) on or before October 17, 2022.

ARB has recirculated the [draft environmental analysis](#) for the 2022 Scoping Plan Update. Comments may be submitted to CARB [here](#) on or before October 24, 2022.

Independent System Operator-Northeast (ISO-NE)

On August 30, 2022, the Maine Supreme Judicial Court struck down as unconstitutional a 2021 voter referendum to block construction of a \$1 billion transmission line that would transmit Canadian hydropower to the New England states. [NECEC Transmission LLC v. Bureau of Parks & Lands \(Aug. 30, 2020\)](#). The court held that the citizen-initiated referendum could not apply retroactively to deprive NECEC Transmission LLC and Avangrid Networks, Inc. of their "vested rights" under the due process clause of the Maine Constitution, having previously obtained a Certificate of Public Convenience and Necessity from the Maine Public Utilities Commission and other required permits and approvals.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

September 22, 2022, MPUC Agenda Meeting

The MPUC will meet at 8:00 a.m. PT on September 22, 2022, to address the following matters: (1) Xcel Energy's, Otter Tail Power Company's, and Minnesota Power's annual electric vehicle reports; (2) Minnesota Investor-Owned Electric Utilities' integrated distribution plans; and (3) Enbridge Energy Limited Partnership's decommissioning trust fund for the Line 3 Replacement Pipeline.

OREGON DEPARTMENT OF ENERGY (ODOE)

On September 15, in accordance with Oregon HB 3375 (2021), the ODOE submitted its report to the Legislature on its study into the opportunities and challenges of integrating up to three gigawatts of floating offshore wind into the grid by 2030. The report concluded that federal waters off Oregon's coast hold the potential to develop dozens of gigawatts of floating offshore wind, but there is broad support for further study, engagement, and collaboration to balance the potential benefits and challenges. The final report can be found [here](#).

OREGON PUBLIC UTILITIES COMMISSION (OPUC)

On Wednesday, September 28, the OPUC will hold a virtual Staff Workshop in the matter of Docket No. UM 2111 (re Interconnection Process and Policies) to discuss the incorporation of the IEEE 1547 Standard. Access information will be available [here](#).

On Thursday, September 29, the OPUC will hold a virtual Staff Workshop in the matter of Docket No. UM 2225 (re Investigation into Clean Energy Plans) to discuss the draft report on Resiliency Industry Standards and Best Practices. A copy of the draft can be found [here](#) and the staff presentation on the report, from September 7, is [here](#). The docket, including access information (when available), can be found [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

On September 15, ICC Staff and intervenors filed direct testimony in Ameren Illinois Company's (Ameren) pending Application for Approval of its Beneficial Electrification Plan filed pursuant to the Climate and Equitable Jobs Act (CEJA), 20 ILCS 627/45. ([Docket Nos. 22-0431, 22-0443](#).) Ameren's rebuttal testimony is due October 12, 2022.

On September 16, multiple parties filed responses in opposition to the *Combined Motion to Dismiss and Motion for Interim Order* (Motion) submitted by ICC Staff in the consolidated Docket Nos. 22-0432 and 22-0442, wherein the ICC is considering Commonwealth Edison Company's (ComEd) Beneficial Electrification Plan (BE Plan). In the Motion, Staff sought to strike several components from ComEd's proposed BE Plan and also sought ICC clarification regarding how to calculate the retail rate cap for purposes of the BE Plan. Parties opposing aspects of the Motion include: the Natural Resources Defense Council, Environmental Defense Fund, Sierra Club, Respiratory Health Association, Little Village Environmental Justice Organization, Advanced Energy Economy, ChargePoint, Inc., Weave Grid, Inc., and ComEd.

The Illinois Attorney General's Office filed a response in support of the Motion on behalf of the People of the State of Illinois. Replies to responses must be submitted by September 23.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC will convene its [annual Commissioner-led Reliability Technical Conference](#) on Thursday, November 10, 2022, in-person in Washington D.C. and via Webex.

The next public meeting of the [Joint Federal-State Task Force](#) on Electric Transmission will be held on November 15, 2022, in New Orleans, Louisiana, with a Webex option available.

On August 30, 2022, FERC issued a deficiency letter to PJM in the ongoing PJM interconnection queue reform docket. FERC asked PJM to respond to seven issues, including questions affecting how interconnection customers demonstrate Site Control on government property or move a generating facility to an alternate site. PJM has 30 days to respond to FERC's questions.

FERC's next open meeting is September 22, 2022.