

**REGULATORY UPDATE FOR AUGUST 17 (COVERING WEEK OF AUGUST 10)****California Public Utilities Commission**New Proposed Decisions and Draft Resolutions<sup>1</sup>:

None.

Voting Meetings:

The Commission's next voting meeting will be held on August 27, 2020. The agenda is scheduled to be published on August 17.

**California Independent System Operator**

On August 17, 2020, the California Independent System Operator's Board of Governors held a special meeting to update the public on system conditions. California ISO explained that it does not expect to be able to meet peak load or net peak load (peak load once solar is no longer available) for Monday, August 17, resulting in likely outages. Load is forecasted to be even greater on Tuesday. According to CEO Steve Berberich, the California ISO has repeatedly warned that additional procurement was needed because there were insufficient resources on the system. Mr. Berberich also stated that the resource adequacy procedures that California relies upon are broken, and needs to be fixed. Mr. Berberich also noted that in the past the California ISO has also relied upon imports in prior heat events like this, but because the heat wave has impacted the entire West, those imports are not available. Although generator outages did have an impact, outages over the past few days have been lower than at any time during the past year, and potentially over the past two years.

Upcoming Meetings and Deadlines:

**Hybrid Resources, Draft Final Proposal.** The California ISO held a public stakeholder web conference on Aug. 10, 2020, to discuss the draft final proposal for the Hybrid Resources initiative. Written comments are due August 26.

**Pseudo-Ties of Shared Resources, Draft Tariff Language Posted.** The California ISO will hold a public stakeholder web conference on Aug. 21, 2020, to discuss the draft tariff language for the Pseudo-Ties of Shared Resources initiative.

**Flexible Ramping Product Refinements, Draft Tariff Language.** The California ISO has scheduled a public stakeholder call on Sept. 2, 2020, to discuss the draft tariff language for

---

<sup>1</sup> Per Commission 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 twenty days after the draft resolution appears in the Commission's daily calendar, per Rule 14.5.

the Flexible Ramping Product Refinements initiative. Comments on the draft language using the online template are due by Aug. 25, 2020.

**2021 Net Qualifying Capacity and Effective Flexible Capacity Values for Resource Adequacy Resources.** The California ISO has posted the preliminary 2021 Resource Adequacy Net Qualifying Capacity (NQC) and Effective Flexible Capacity (EFC) lists. Scheduling coordinators are requested to review their information and submit comments by Sept. 1, 2020 for EFC and by Sept. 4, 2020, for NQC.

### **California Energy Commission**

#### **Integrated Energy Policy Report workshops**

The Commission has several workshops scheduled in its Integrated Energy Policy Report proceeding. On August 19, the Commission has scheduled a workshop on clean transportation funding programs. On August 26, the Commission has scheduled a workshop to discuss updates to the California Energy Demand 2019-2030 Forecast.

#### **Commission Business Meeting**

The California Energy Commission's next business meeting is scheduled for September 9.

### **California State Water Resources Control Board**

On June 19, 2020, the State Water Resources Control Board (State Water Board) published a [third revised public notice](#) changing the date of the State Water Board meeting wherein the State Water Board will conduct a public hearing and consider adoption of a proposed amendment to the Water Quality Control Policy On the Use of Coastal and Estuarine Waters for Power Plant Cooling ("OTC Policy"). The State Water Board meeting will now be held on September 1, 2020 at 9:30 a.m. According to the notice, no changes were made to the public comment period, which ended on May 18, 2020. For more details about the amendment, please visit the State Water Board [program page](#).

### **Minnesota**

On August 12, 2020, Xcel Energy ("Xcel") issued a [press release](#) detailing its plans to serve 1.5 million electric vehicles across its service territory by 2030. Additional details on Xcel's press release may be found [here](#).

### **Utah Public Service Commission**

#### **Upcoming Hearings Regarding Significant Matters**

- September 29, 2020 to October 9, 2020 – Hearing on Phase II of Rocky Mountain Power's Application to Establish Export Credits for Customer Generated Electricity

- October 29, 2020 to October 30, 2020 – Hearing on Phase I (Cost of Capital) of Rocky Mountain Power’s General Rate Case
- November 2, 2020 – Hearing on Rocky Mountain Power’s Depreciation Docket
- November 3, 2020 to November 6, 2020 – Hearing on Phase I (Revenue Requirement) of Rocky Mountain Power’s General Rate Case
- November 17, 2020 to November 20, 2020 – Hearing on Phase II (Cost of Service/Pricing) of Rocky Mountain Power’s General Rate Case

#### Significant Matters Pending for Commission Consideration

**Rocky Mountain Power’s Application to Establish Export Credits for Customer Generated Electricity (Docket No. 17-035-61).** On December 1, 2017, Rocky Mountain Power filed its application, pursuant to a prior stipulated settlement stipulation, to establish export credits for customer-generated electricity. The matter was bifurcated into two phases, with Phase I to cover Rocky Mountain Power’s load research study plan, and Phase II to cover the company’s proposed net billing program to provide credits to customers who export energy to the grid. On May 21, 2018, the Commission issued its order on Phase I approving a 12-month study period proposed by Rocky Mountain Power, and approving the company’s study plan with the following changes: (1) requiring Rocky Mountain Power to select new samples for residential and commercial customers that either gave each member of the class an equal chance of being selected, or each member of the separate strata an equal chance of being selected; (2) increasing the sample size to accommodate the separate study of residential and commercial customers, and (3) requiring the company to collect export, import, and production data from the existing LRS study’s 36 Schedule 135 participants.

A hearing on Phase II of the docket is scheduled for September 29, 2020 to October 9, 2020, and a decision on the phase is expected to be issued by the end of 2020.

**Dominion Energy Utah’s Application for Approval of a Natural Gas Clean Air Project and for Funding for the Intermountain Industrial Assessment Center (Docket No. 19-057-33).** On December 31, 2019, Dominion Energy Utah filed an application seeking Utah Public Service Commission approval for two programs under amendments to Utah’s Sustainable Transportation and Energy Plan (STEP) Act. One aspect of the proposal involved providing an incentive to one of the company’s industrial customers to replace its existing natural gas boiler with a combined heat and power unit (CHP) before the end of the useful life. As proposed, the project would use the heat generated from the combustion of natural gas to power the customer’s manufacturing process. In addition, electricity generated by the CHP unit, which is considered a secondary benefit of the project, was to be used to reduce the overall energy the customer would need to draw from the electrical grid during a normal business day. The project was also proposed to involve the installation of selective catalytic reduction (SCR) equipment to further reduce emissions that contribute to air quality problems.

A second aspect of the proposal was to provide \$800,000 per year over a three-year period to the Intermountain Industrial Assessment Center (IIAC) to be used to analyze projects for advancement under the STEP Act, including projects to support the improvement of clean air, increase the use of renewable natural gas and reducing greenhouse gas emissions, and otherwise be deemed to be in the public interest under the STEP Act.

Dominion Energy Utah ultimately withdrew, without prejudice, its proposal to fund the CHP unit, and, on July 16, 2020, entered into a stipulated settlement with regard to the proposed IIAC funding aspect of its application. A hearing on the settlement stipulation was held on July 30, 2020, and a decision from the commission is expected to be issued in August or September 2020.

**Dominion Energy Utah’s Application for Approval to Extend Gas Service to Eureka, Utah (Docket No. 19-057-31).** In December 2019, Dominion Energy Utah filed an application with the Utah Public Service Commission seeking approval for a CPCN to extend natural gas service to Eureka, Utah, and for approval to have the costs of the extension recovered through a rural expansion tracker recently passed legislation encouraging the extension of gas infrastructure to rural Utah communities. A hearing on Dominion Energy’s petition was held on July 16 2020. A decision on the petition is expected between September and early October.

**Rocky Mountain Power’s General Rate Case Proceeding (20-035-04).** On May 8, 2020, Rocky Mountain Power filed an application requesting approval to increase its retail electricity service rates in Utah by \$95.8 million (a 4.8% increase). The rate proceeding has been bifurcated into two phases, with Phase I of the proceeding to address cost of capital and revenue requirement issues, and Phase II to address cost of service and pricing issues. A hearing on Phase I is scheduled to take place between October 20, 2020 and November 3, 2020. The hearing on Phase II is currently set to take place between November 17, 2020 and November 20, 2020.

### Significant Developments

In July 2020, Dominion Energy issued a press release announcing that it had agreed to sell its gas transmission and storage assets (including Dominion Energy Questar Pipeline) to Berkshire Hathaway Energy. In the press release, Dominion Energy stated that it is repositioning its business exclusively to focus on state-regulated, sustainability-focused utility operations. The transaction is an all-cash transaction valued at nearly \$10 billion, including some assumption of debt. The divestiture is expected to close in the fourth quarter of 2020 subject to regulatory approvals. <https://news.dominionenergy.com/2020-07-05-Dominion-Energy-Agrees-to-Sell-Gas-Transmission-Storage-Assets-to-Berkshire-Hathaway-Energy-Strategic-Repositioning-Toward-Pure-Play-State-Regulated-Sustainability-Focused-Utility-Operations>

### Federal Energy Regulatory Commission

FERC [announced a technical conference on October 27](#) on offshore wind generation integration in RTOs/ISOs. The conference will address whether existing Commission transmission, interconnection, and merchant transmission facility frameworks in RTOs/ISOs can

accommodate anticipated growth in offshore wind generation in an efficient and effective manner that safeguards open access transmission principles and to consider possible changes or improvements to the current framework should they be needed to accommodate such growth. Commissioners may participate in the technical conference. Individuals interested in participating as panelists should submit a self-nomination form by [Friday, August 14, 2020](#).

FERC [announced a technical conference on September 30](#) on carbon pricing in organized wholesale electricity markets. The conference will address state adoption of mechanisms to price carbon dioxide emissions, commonly referred to as carbon pricing, in regions with Commission-jurisdictional organized wholesale electricity markets.

FERC's next open meeting is scheduled for September 17, 2020.