

**42WREGULATORY UPDATE FOR DECEMBER 10, 2024  
(WEEK OF DECEMBER 2, 2024)**

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

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC held a voting meeting in Sacramento, California on December 5, 2024 at 11:00 a.m. The following are results for energy-related items on the [agenda](#):

Item 7. Rulemaking (R.) 23-03-007 (Wildfire Fund Non-Bypassable Charge for 2025). This decision adopts a \$0.00595/kWh rate amount for the 2025 Wildfire Fund Non-Bypassable Charge, to be charged to eligible customers of SCE, PG&E, and SDG&E. **Signed, D.24-12-001.**

Item 11. R.23-10-011 (Resource Adequacy Rulemaking). This decision addresses issues scoped as Track 2 of this proceeding, including adopting modifications to the central procurement entity (CPE) framework, such as eliminating the non-compensated self-show option of the CPE framework and locking in CPE allocations to load serving entities one year earlier. The decision also authorizes the Energy Division to undertake a further revision of the planning reserve margin (PRM) analysis to correct errors identified in comments and to distribute it to the service list in this proceeding in early December 2024. The revised PRM analysis will be considered by the Commission in Track 3 of this proceeding. **Signed, D.24-12-003.**

Item 13. Resolution (Res) (Multi-Distributed Energy Resource Integrated Demand Side Management Frameworks and Programs). This Resolution approves, with modifications and clarifications, the intended multi-distributed energy resource integrated demand side management frameworks and programs submitted via Tier 3 Advice Letters by PG&E, SCE, Southern California Gas Company (SoCalGas), San Francisco Bay Area Regional Energy Network, Inland Regional Energy Network, Marin Clean Energy, Southern California Regional Energy Network, and Tri-County Regional Energy Network pursuant to Decision (D.) 23-06-055. **Held to January 16, 2025.**

Item 16. R.18-12-005 (Rulemaking to Examine Electric Utility De-Energization of Power Lines in Dangerous Conditions). This decision resolves miscellaneous matters and finds that closing this proceeding is appropriate. This decision also directs the staff of the Commission to perform certain ministerial matters related to the unofficial staff compendium on the rules and

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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.

guidelines for public safety power shutoffs. The respondent utilities will continue to file all required plans, reports, updates, and other submissions in this proceeding, as required by the Commission. The motion filed on August 6, 2024 by Center for Accessible Technology for an Order to Show Cause is denied. **Signed, D.24-12-005.**

Item 45. A.22-05-015; A.22-05-016 (Southern California Gas Company's and San Diego Gas & Electric Company's Consolidated Test Year 2024 General Rate Case). This decision addresses Track 1 of the 2024 Test Year (TY) general rate case (GRC) applications of SDG&E and SoCalGas (jointly Sempra Utilities). The decision adopts a 2024 TY revenue requirement of \$4.062 billion for SoCalGas, which is \$371.4 million lower than the \$4.434 billion that SoCalGas had requested in its update testimony. The adopted revenue requirement represents an increase of \$522.966 million or a 14.8 percent increase over the current revenue requirement of \$3.539 billion for 2023. Based on a high-level estimate, it is anticipated that an average residential non-CARE customer can expect an average monthly bill increase of \$4.12 or 5.8 percent. An average residential CARE customer can expect an average monthly bill increase of \$2.33 or 5.9 percent. The decision adopts a 2024 TY revenue requirement of \$2.8 billion for SDG&E's combined operations (\$2.198 billion for electric and \$602.123 million for gas), which is \$206.659 million lower than the \$3.007 billion that SDG&E had requested. The adopted revenue requirement represents an increase of \$266.962 million or a 10.5 percent increase over the current revenue requirement of \$2.533 billion for 2023. Based on a high-level estimate, it is anticipated that a typical non-CARE residential electric customer can expect a monthly bill increase of \$4.46 or 2.7 percent, and a CARE residential electric customer can expect a monthly bill increase of \$2.90 or 2.7 percent. An average SDG&E non-CARE residential gas customer can expect a monthly bill increase of \$5.01 or 8.6 percent, and a CARE residential gas customer can expect an increase of \$3.47 or 8.8 percent for gas services.

The decision authorizes a base revenue increase (operations and maintenance and capital revenue requirement) of 4 percent each year for 2025, 2026, and 2027. For SoCalGas, the decision adopts a PTY revenue requirement of \$4.220 billion for 2025, \$4.384 billion for 2026, and \$4.555 billion for 2027. For SDG&E, the decision adopts a PTY revenue requirement of \$2.910 billion for 2025, \$3.025 billion for 2026, and \$3.145 billion for 2027. The balance recorded in SoCalGas's and SDG&E's GRC Revenue Requirement Memorandum Account, from January 1, 2024 until the new tariffs authorized in this decision are implemented, will be amortized in rates over 18 months from the date the new tariffs are implemented. This decision authorizes funds to underground additional miles of electric lines, but not to the degree requested by SDG&E. Other improvements adopted in this decision include upgrades to natural gas compressor stations, control centers, natural gas leak detection systems, and drones to inspect electric lines. This decision authorizes clean energy innovations that Sempra Utilities demonstrated would benefit ratepayers and be cost effective, but not other innovations, such as using hydrogen, that have not been demonstrated to be directly related to its core function of providing safe and reliable gas service. The decision highlights a pattern of misclassification of costs at Sempra Utilities, where the company has charged ratepayers for lobbying, political activities, and expenses related to outside legal firms. The decision also adopts two settlement agreements, the Insurance and the Customer Services-Information, without modification, and

denies the settlement between Sempra Utilities and Cal Advocates on various issues. **Held to December 19, 2024.**

#### Upcoming Workshops and Events

*DER Working Group Workshops.* As part of Track 2 of the Commission's R.22-11-013 to consider DER Program Cost-Effectiveness Issues, Data Access and Use, and Equipment Performance Standards, the Commission is hosting a series of workshops from August 2024 through January 2025 to convene stakeholders and assess data needs, use cases, and desired delivery tools. This may include examination of data privacy and confidentiality rules, cybersecurity issues, and other issues. These meetings will culminate in a draft and final report with recommendations for the CPUC to consider. The remaining meetings are scheduled to occur on the following Mondays from 2:00 to 5:00 p.m.: December 16 and January 13. Additional information regarding the DER Working Group is available [here](#), and event registration details are available [here](#).

*DAC-AG Meeting.* On December 12, 2024, the Disadvantaged Communities Advisory Group (DAC-AG) will hold a public meeting, starting at 1:00 p.m. The DAC-AG advises the California Energy Commission and the CPUC on the effectiveness of proposed programs related to the Clean Energy and Pollution Reduction Act of 2015 (also known as Senate Bill 350) in disadvantaged communities. The meeting agenda and access information are available [here](#).

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

#### Stakeholder Initiatives: Upcoming Meetings and Deadlines

**California Energy Commission Demand Response Data Request.** CAISO provided notice that the CEC requested confidential demand response (DR) data to support its work related to supply side DR. Specifically, the data supports: (1) testing proposals under the supply-side DR qualifying capacity working group and determining incremental capacity, (2) calculating incentives under the Demand Side Grid Support program Option 2 incentive for market-integrated DR, and (3) implementing a comparison group-based load impact measurement methodology. This data request includes confidential demand response bid, schedule, settlement, and registration data. The due date for any objections to the release of this data is noon on December 26, 2024. Further information is available [here](#).

**Cluster 15 Interconnection Request Deposits and Fee.** CAISO has posted instructions for the Cluster 15 Interconnection Resubmission Window regarding deposits and fee submissions. CAISO states that following the instructions is critical to ensure that interconnection requests are able to be considered complete and eligible to proceed to the interconnection request scoring and validation processes. Further information is available [here](#).

**Final 2025 Resource Adequacy Compliance Filings and Determination of Deficiency.** CAISO has posted its aggregate assessment of the annual resource adequacy plans submitted by load serving entities and central procurement entities along with the reliability-must-run units designated by the CAISO for 2025. Load serving entities and central

procurement entities may submit revised annual resource adequacy plans by close of day December 9, 2024. Further information is available [here](#).

**Interconnection Process Enhancements 2023.** CAISO announced that the due date for affidavits seeking to retain Transmission Plan Deliverability (TPD) for the 2025 TPD allocation year will be September 1, 2025, with the results expected to be provided by the end of the first quarter of 2026. The date has been pushed back to 2025 to accommodate the Cluster 15 cluster studies that will begin June 1, 2025. Further information is available [here](#).

**Price Formation Enhancements.** CAISO will host a Price Formation Enhancements Phase 2 working group call on December 19, 2024. This session will explore the topic of fast-start pricing. Further information is available [here](#).

**2024-2025 Transmission Planning Process.** CAISO will host a public stakeholder meeting on December 9, 2024, from 1:00 to 4:00 p.m. to present the Long-Term Local Capacity Requirements Study results. The presentations will be available prior to the call on the 2024-2025 Transmission Planning Process webpage. Comments on the stakeholder call discussion are due December 23, 2024. Further information is available [here](#).

**Storage Design and Modeling.** CAISO launched the Storage Design and Modeling initiative, and will host a virtual stakeholder working group meeting on December 11, 2024. Written comments are due January 8, 2025. 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 are being 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. Upcoming IEPR workshops include the following (note: the [workshop schedule](#) is subject to change):

**December 12, 2024:** Electricity Forecast, Annual and Hourly Results – 1:00 p.m.

**January 2025 TBD:** Business meeting to consider adoption of the Electricity Demand Forecast.

**February 2025 TBD:** Business meeting to consider adoption of the 2024 IEPR Update.

On November 26, 2024 the CEC [released](#) the [Draft 2024 Integrated Energy Policy Report Update](#) for public comment. Initially comments were due by December 12, 2024, but the CEC has since [extended the public comment deadline](#) to 5:00 p.m. on January 2, 2025.

### 2025 IEPR

On December 10, 2024, CEC staff held a [webinar](#) to review electricity demand forecasts proposed data collection requirements for the 2025 IEPR.

### Offshore Wind

The [California Ports and Offshore Wind Symposium](#) (Symposium) will take place on February 21, 2025 at the Port of Long Beach. Topics to be discussed at the Symposium include upgrading ports to achieve offshore wind, climate, and environmental goals; developing the new offshore wind workforce in port communities; and collaborating to improve portside communities. The Symposium is free to attend and registration information is available [here](#).

### Power Source Disclosure (PSD) Program

On December 6, 2024, the CEC issued a new Notice of Availability and Opportunity to Comment (15-Day Notice) on proposed amendments to the PSD Program. The 15-Day Notice states that, based on submitted comments, the CEC proposes further changes to the proposed express terms and initiates an additional 15-day public comment period. Any interested persons are invited to review and provide written comments to the CEC by January 3, 2024. Comments can be submitted to the docket 21-OIR-01, available [here](#). Additional information is available on the 15-Day Notice, [here](#).

### SB X1-2 Pre-Rulemaking Workshop

The CEC hosted a workshop on November 12, 2024 to discuss its proposed rulemaking to implement provisions of the Public Resources Code in response to SB X1-2 (Stats. 2023), which amended the Petroleum Industry Information Reporting Act of 1980 to include additional reporting requirements designed to collect data regarding refinery spot market transactions, inventory, and other industry information. Additional information regarding the regulations is available on Docket No. 23-OIR-03, available [here](#). The deadline to submit comments on the workshop was December 9, 2024.

### CEC Business Meetings

The next CEC Business Meeting is scheduled for December 11, 2024. The meeting agenda and supporting materials are available [here](#).

## **CALIFORNIA AIR RESOURCES BOARD (CARB)**

### Meetings and Workshops

On December 10, 2024, CARB hosted a meeting of the [Advanced Clean Fleets Truck Regulation Implementation Group](#) on Rule Provisions. More information is available [here](#).

On December 10, 2024, CARB held a public [workshop on the potential Targeted Enforcement Administrative Modifications](#) rulemaking, to make targeted, administrative modifications to five regulations: (1) Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products, (2) California Diesel Fuel Regulations, (3) California Reformulated Gasoline Regulations, (4) Regulation for Mobile Cargo Handling Equipment at Ports and Intermodal Railyards, and (5) Statewide Portable Equipment Registration Regulation. More information is available [here](#).

On December 11, 2024, CARB will host a joint workshop with the South Coast Air Quality Management District on industrial and commercial zero-emission technologies. More information is available [here](#).

On December 17, 2024, CARB will host a community meeting on [clean transportation incentives](#). More information and registration details are available [here](#).

On December 18, 2024, CARB will hold a public workshop on potential updates to the [Landfill Methane Regulation](#). More information and registration details are available [here](#).

On January 23, 2025, CARB will hold its next [Board meeting](#). The agenda will be available [here](#) 10 days prior to the meeting.

### Notices

CARB is seeking applicants to serve on the [Community Air Protection Program](#) Consultation Group. Applications may be submitted [here](#) by December 13, 2024.

CARB is soliciting community leaders and racial justice experts to join its Racial Equity Inventory's [Community Partner Workgroup](#). Applications may be submitted [here](#) by January 10, 2025.

CARB has issued an updated Enforcement Notice for the Advanced Clean Fleets [Regulation](#), available [here](#).

The F-Gas Reduction Incentive Program is accepting applications until January 31, 2025 to receive funding to install climate-friendly refrigerant technologies at commercial and industrial facilities. Applications and more information are available [here](#).



The [California Volkswagen Mitigation Trust](#) is accepting applications for funds on a first-come, first-served basis for combustion freight and marine and zero-emission class 8 trucks. Applications for funding are available [here](#).

#### **MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)**

On December 12, 2024, the MPUC will discuss Xcel Energy's rate case at its agenda meeting, including whether Xcel's rate case application complies with statutory filing requirements and whether the proceeding should be recommended for a contested case hearing. The meeting agenda is [here](#).

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

On November 21, the Commission issued Order No. 1920-A, [189 FERC ¶ 61,126](#). In this order, FERC addresses arguments raised on rehearing, and sets aside in part and clarifies Order No. 1920, which requires transmission providers to conduct Long-Term Regional Transmission Planning to ensure the identification, evaluation, and selection, as well as the allocation of the costs, of more efficient or cost-effective regional transmission solutions to address Long-Term Transmission Needs. Order No. 1920 also directed other reforms to improve coordination of regional transmission planning and generator interconnection processes, require consideration of certain alternative transmission technologies in regional transmission planning processes, and improve transparency of local transmission planning processes and coordination between regional and local transmission planning processes.

FERC largely affirmed Order No. 1920, with modifications aimed to bolster the ability of state regulators to participate in the Long-Term Regional Transmission Planning process, especially their role in shaping scenario development and cost allocation. The order also clarifies that FERC will extend the engagement period for cost allocation discussions for up to six additional months at the request of state regulators. The changes to Order No. 1920 made in this order on rehearing and clarification will be effective 30 days after the date of publication in the Federal Register.