

**REGULATORY UPDATE FOR JANUARY 28, 2026
(JANUARY 21, 2026 – JANUARY 27, 2026)**

I. STATE REGULATORY AGENCIES

California Public Utilities Commission (CPUC or Commission)¹

Proposed Decisions and Resolutions

Resolution E-5446. This Resolution approves two San Diego Gas & Electric (SDG&E) mid-term reliability (MTR) contracts for a total of 92 MW of nameplate capacity. The contracts are for two power purchase tolling agreements for standalone battery storage systems procured as a result of SDG&E's Tranche 3 Request for Offer (RFO). Specifically, the approved contracts include a 44-megawatt (MW), 4-hour battery energy storage system and a 48 MW, 8-hour battery energy storage system. SDG&E procured these resources to help meet its MTR requirements. This Resolution approves the requested relief in Advice Letter 4755-E and AL 4755-E-A.

Rulemaking (R.) 10-05-004 (Order Instituting Rulemaking Regarding Policies, Procedures and Rules for the California Solar Initiative, the Self-Generation Incentive Program and Other Distributed Generation Issues). This decision denies the Petition for Modification of Decision (D.) 11-09-015 filed by Bloom Energy Corp. The Petition for Modification seeks to increase the 25 percent annual export cap applicable to projects receiving Self-Generation Incentive Program funds but the resolution finds it provides an insufficient justification for why it could not have been filed within one year of the effective date of D.11-09-015, as required by Rule 16.4(d) of the Commission's Rules of Practice and Procedure.

Resolution E-5434. On September 24, 2024, Pacific Gas and Electric Company (PG&E) filed Advice Letter (AL) 7378-E requesting an extension of time for its Pilot #3—the Vehicle-to-Everything (V2X) Microgrid Pilot. AL 7378-E proposed converting the Phase I deadline at the Redwood Coast Airport Microgrid to a milestone-based schedule and extending Phase II through April 2028, or until pilot incentives are exhausted. This Resolution approves PG&E's requests, with some modifications.

Rulemaking (R.) 19-10-005 (Order Instituting Rulemaking on the Commission's Own Motion to Consider Renewal of the Electric Program Investment Charge Program). In this decision, the Commission adopts 13 Strategic Objectives for the Electric Program Investment Charge (EPIC) Program. Additionally, this decision authorizes the investor-owned utilities (IOUs) to continue as EPIC Administrators for the EPIC 5 investment plan cycle. Finally, this decision adopts other refinements to the EPIC Program, including modifications to the State of

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.

California's intellectual property rights for EPIC projects administered by the IOUs, and authorizes the next EPIC Program evaluation in 2028.

Investigation (I.) 23-03-008 (Order Instituting Investigation on the Commission's Own Motion into Natural Gas Prices During Winter 2022-2023 and Resulting Impacts to Energy Markets). This decision determines that the following factors contributed to the 2022-2023 gas price spike: (1) prolonged below-normal temperatures and high precipitation levels; (2) interstate pipeline constraints; (3) reduced natural gas flows from the Permian Basin, Canada, and the Rocky Mountain region; (4) reduced natural gas storage supplies; and (5) events occurring before and during bidweek. This decision considers whether any entity within the Commission's regulatory jurisdiction played a role in causing or contributing to the gas price spike. Based on the evidence presented, the decision does not find that California's gas public utilities took improper or intentional action that caused or contributed to the 2022-2023 gas price spike. In addition, the gas utilities' procurement divisions, PG&E Core Gas Supply and SoCalGas Gas Acquisition, did not improperly or intentionally cause or contribute to the gas price spike through prohibited affiliate transactions, their procurement contracts, or their storage injection and withdrawal decisions. Finally, the decision finds that Independent Storage Providers did not cause or contribute to the 2022-2023 gas price spike. The decision also imposes certain requirements to mitigate the impact of a future gas price spike on California's gas ratepayers.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, California, on February 5, 2026, at 11:00 a.m. PT. The energy-related items on the [agenda](#) are below:

Item 2. Application (A.) 23-07-008 (In the Matter of the Application of California Resources Production Corporation (CRPC) for a Certificate of Public Convenience and Necessity to Operate as a Gas Corporation in the State of California). This decision denies A.23-07-008 and the request to hold this proceeding in abeyance made by the cities of Antioch and Brentwood, California. The decision further denies CRPC's motion to amend A.23-07-008 and grants for a period of three years CRPC's motions to file certain materials as confidential under seal.

Item 6. Rulemaking (R.) 21-11-014 (Order Instituting Rulemaking to Implement Senate Bill 1014 - the California Clean Miles Standard Program). This decision addresses and implements three modifications to the Clean Miles Standard Program, established by Decision 24-03-001. These three modifications will ensure continually smooth operation of the Clean Miles Standard Program. The decision modifies Advice Letter requirements, deadlines for Staff reports, extension request specifications, and the timing for regulatory fee reports.

Item 7. Application (A.) 25-08-008 (Application of Southern California Gas Company to Recover Costs Recorded in the Distribution Integrity Management Program Balancing Account from January 1, 2019, to December 31, 2023). This decision grants, in part, the request of Southern California Gas Company (SoCalGas) for interim rate recovery, pending a final decision on whether a permanent cost increase is reasonable based on the evidence. SoCalGas is authorized an interim revenue requirement of \$35.5 million (60 percent of SoCalGas' total

request of \$59.1 million), according to the process set forth in the decision. Interim rate authority is granted for 12 months. SoCalGas is required to refund, with interest, any excess amount it collects in comparison to the Commission's final determination on the amount reasonably incurred.

Item 9. Resolution O-0098. This Resolution approves Advice Letter (AL) 27-0, in which San Pablo Bay Pipeline Company, LLC and Crimson California Pipeline L.P. (collectively the "Crimson Utilities" or "Crimson") request emergency rate relief on an interim basis and subject to refund. The Commission reasons that Crimson has made a sufficient showing that interim rate relief is needed to avoid suspension of pipeline operations, which would have negative consequences. Consistent with long-standing precedent, the Commission may grant rate relief where fairness to both the utility and the public requires immediate action, even where the utility's continued viability is not yet at risk.

Item 12. Resolution O-0099. This Resolution approves Phillips 66 Pipeline LLC's request for authorization to withdraw service on Lines 100, 200, 300, and 400.

Item 16. Resolution E-5445. This Resolution approves 10 contracts across four projects, two of which are co-located battery energy storage system and solar photovoltaic (PV) projects, while the remaining two projects are solar PV. All 10 of these contracts were entered into as a result of Southern California Edison Company's (SCE) 2024 Clean Energy Request for Offers. SCE contracted these 10 different resources to help meet its Integrated Resource Plan capacity and Renewable Portfolio Standard requirements.

Upcoming Workshops and Events.

Workshop on High Distributed Energy Resource (DER) Planning (R.21-06-017). The CPUC will host an in-person workshop on February 20, 2026, as part of ongoing workshops in Track 3 of the High DER proceeding. This proceeding considers DER planning, siting, and interconnection, among other elements, needed to determine the timing and scope of system investments that facilitate the integration of DERs into the grid. The workshop will be held at the CPUC's headquarters located at 505 Van Ness Avenue, San Francisco, from 10 a.m. to 3 p.m. A link for remote viewing will be made available, but in-person attendance is encouraged.

CALIFORNIA ENERGY COMMISSION (CEC)

Staff Workshop on the Draft 2025 Building Energy Action Plan

The CEC announced an upcoming workshop to review the contents of the draft 2025 California Building Energy Action Plan (Action Plan) to solicit feedback and stakeholder recommendations. The workshop will be held on Thursday, January 29, 2026, from 1 p.m. to 4 p.m. Additional information and access details are available [here](#).

CEC Business Meetings

The CEC held its Business Meeting on January 21, 2026. The agenda is available [here](#). The next Business Meeting is scheduled for February 11, 2026.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Amendments to Cap-and-Invest and Mandatory Reporting Regulations

On January 13, 2026, CARB posted preliminary regulatory proposal documents for the Regulation for the California Cap on GHG Emissions and Market-Based Compliance Mechanisms (Cap-and-Invest Regulation, formerly Cap-and-Trade Regulation) and Mandatory Reporting Regulation for public review ahead of a formal comment period. CARB staff posted these materials to the [Cap-and-Invest Regulation webpage](#) and [Mandatory GHG Reporting Regulation webpage](#). CARB will be submitting these rulemaking materials to the California Office of Administrative Law (OAL).

On May 28, 2026, CARB has stated it will conduct a public hearing to consider proposed amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions. CARB has stated these amendments are needed to support the Cap-and-Invest Regulation, to ensure that reported GHG emissions and product data are accurate and complete to support California's GHG reduction programs, and to further clarify the regulation and reporting requirements.

Climate Risk Disclosure Laws Update

On February 26, 2026, CARB will conduct a public hearing to consider approving for adoption the proposed California Corporate GHG Reporting and Climate-Related Financial Risk Disclosure Initial Regulation. The related Notice of Public Hearing (Notice), Staff Report, and proposed regulatory text were sent to the OAL on December 9, 2025. These materials are currently available on CARB's [webpage](#). OAL published the Notice on December 26, 2025, commencing a 45-day public comment period that will end on February 9, 2026. Given the holiday season and the strong interest in this program, staff provided extra time for public review of materials prior to the start of the 45-day formal comment period.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

At its January 29, 2026, agenda meeting, the MPUC will consider: (1) approval of Otter Tail Power Company's petition for a new Electric Vehicle Credit Rider (Docket No. E017/M-23-380), (2) amendment of the route permit, including any additional conditions, for the Minnesota Energy Connection Project in Sherburne, Stearns, Kandiyohi, Wright, Meeker, Chippewa, Yellow Medicine, Renville, Redwood, and Lyon counties (Docket No. E002/TL-22-132), and (3) approval of Xcel Energy's request to increase the participation fee for the Legacy CSG program and the LMI CSG program beginning in February 2026, and consideration of whether the current application fee is reasonable to recover actual costs (E002/CI-23-335, E002/M-13-867).

Additionally, on January 26, 2026, the Minnesota Court of Appeals affirmed a state district court's denial of appellants'/defendants' motions to dismiss claims asserted by the State of Minnesota that appellants/defendants misled the public regarding climate change and fossil fuels. The district court denied the following motions to dismiss, which were the subject of separate appeals: (1) American Petroleum Institute's ("API") and Exxon Mobile Corporation's ("Exxon") personal jurisdiction challenges; (2) API's and Exxon's claim that the state's actions violated the dormant commerce clause; and (3) API's and Koch Industries' claims that the state's lawsuit is barred by Minnesota's anti-Strategic Lawsuit Against Public Participation (anti-SLAPP) statutes. Appellants'/respondents' appeals were subsequently consolidated. In a non-precedential opinion addressing each of the arguments, the Minnesota Court of Appeals rejected appellants'/defendants' arguments, concluding that (a) the district court correctly determined that it could exercise consent jurisdiction and that doing so would not violate either the due process clause or dormant commerce clause of the United States Constitution, and (b) the anti-SLAPP statutes do not apply to the state's claims because the state's lawsuit seeks equitable remedies and not "damages," as that term is used in caselaw. The Minnesota Court of Appeals decision can be found [here](#).

PACIFIC NORTHWEST (OPUC, WUTC, BPA)

Oregon Public Utility Commission (OPUC)

On January 27, 2026, the OPUC will hold an executive session regarding PacifiCorp's Integrated Resource Plan and Clean Energy Plan to consider information exempt from disclosure by law under ORS 192.660(2)(f). The session will be closed to all persons except those qualified under the Modified Protective Order. The agenda is [here](#). Additionally, last week Oregon Governor Tina Kotek announced the formation of a new Data Center Advisory Committee to provide policy recommendations to the Legislature by no later than October 2026. The policies will be used to create regulations, including regarding where these data centers can be built. The regulations would also aim to protect energy infrastructure and water supplies from being overburdened by the privately run data and AI processing centers, which require significant amounts of energy to run and water to cool. More information on the committee is [here](#).

Bonneville Power Administration (BPA)

On January 26, 2026, BPA held a workshop to discuss the FY 2026 Contract High Water Mark Calculation Process, including its plan for the FY 2026 process, a discussion of data reviewed and finalized in FY 2025, and any final considerations prior to the start of the formal process. Additionally, on January 27, 2026, BPA held a workshop regarding its Post-2028 Residential Exchange Program Residential Purchase and Sale Agreement and Average System Cost Methodology (REP). The Post-2028 REP webpage is [here](#). Also on January 27, 2026, BPA hosted a workshop to provide updates on projects included in the Grid Expansion and Reinforcement Portfolio (GERP) 1.0 and 2.0 portfolios, which include over 20 new transmission line and substation projects, totaling over \$5 billion in estimated costs, which will help improve transmission capacity and reliability throughout the Northwest. The GERP webpage is [here](#).

Washington Utilities and Transportation Commission (WUTC)

The Washington Senate has introduced a bill, [SB 6171](#), relating to emerging large energy use facilities, on which a public hearing was held on January 23, 2026. The bill directly calls out the impending impacts of data centers and seeks to introduce policies to govern such emerging large energy use facilities, particularly focused on affordability, grid reliability, transparency, and environmental protection. The text of the bill is accessible [here](#). The Washington House has introduced an associated bill, [HB 2515](#), which seeks to address the impacts of emerging large energy use facilities (i.e., data centers and cryptocurrency operations), focusing on energy affordability and environmental protection. The text of the bill is [here](#).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

January 2026 Commission Meeting

FERC held its January 2026 Commission meeting on January 22, 2026. Among other things, FERC:

- Sustained its previous July 24, 2025 order that accepted, in part, the compliance filing made by PJM Interconnection (PJM) in accordance with the requirements of Orders Nos. 2023 and 2023-A;
- Ordered Southwest Power Pool (SPP) to make a second compliance filing for Order Nos. 2023 and 2023-A;
- Reversed its previous decisions to order Brookfield Renewable Trading and Marketing LP and TransAlta Marketing (U.S.), Inc. to pay refunds for spot market energy sales that exceeded the Western Electricity Coordinating Council soft price cap of \$1,000/MWh; and
- Issued licenses for hydroelectric projects.

FERC Denies Rehearing on MISO and SPP Temporary Expedited Queues

FERC dismissed a rehearing request of its July 21, 2025 orders accepting proposed tariff revisions from the Midcontinent System Operator (MISO) and SPP that establish their Expedited Resource Adequacy Study (ERAS) processes, which provide frameworks to expedite interconnection requests to address urgent, near-term adequacy needs. FERC sustained its previous conclusions that MISO and SPP met their burdens to show the ERAS processes is just and reasonable and not unduly discriminatory or preferential, including by supporting near-term resource adequacy needs. FERC also affirmed its earlier determinations that the ERAS proposals are narrowly tailored, one-time study cluster processes that will address near-term resource adequacy needs.

Federal and State Current Issues Collaborative Meeting

FERC [noticed](#) its fourth Federal and State Current Issues Collaborative Meeting. The meeting will be held on February 11, 2026, from 1:00 p.m. to 3:30 p.m. ET, at the Westin

Downtown Washington hotel in Washington, D.C. The meeting will be open to the public for listening and observing and will be on the record. The public may also attend via Webcast.

DEPARTMENT OF ENERGY (DOE)

DOE Issues Federal Power Act (FPA) 202(c) Order

On January 22, 2026, DOE sent a [letter](#) to reliability coordinators and balancing authorities noting that if reliability coordinators and/or balancing authorities notify DOE of an expected emergency warranting the issuance of a FPA 202(c) order, DOE would consider the facts and, if appropriate, authorize the direction of backup generation facilities to run as a last resort.

On January 25, 2026, ISO-NE [requested](#) an order from the DOE under Section 202(c) of the FPA due to Winter Storm Fern, asking the DOE to find that a condition exists such that DOE could issue an emergency order “to preserve the reliability of the bulk electric power system.” DOE issued the [order](#) on January 25, 2026.

INDEPENDENT SYSTEM OPERATORS (ISO) AND REGIONAL TRANSMISSION ORGANIZATIONS (RTO)

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

2026-2027 Transmission Planning Process Draft Study Plan. The CAISO will host a public stakeholder call on February 4, 2026, covering the 2026-2027 Transmission Planning Process (TPP) draft study plan. The draft plan will be posted on the CAISO webpage on February 19, 2026. Comments are due by March 10, 2026. The meeting information details and the draft plan can be found [here](#).

2027 and 2031 Local Capacity Technical Study. CAISO posted the 2027 and 2031 Local Capacity Technical Study base cases. Comments are due January 30, 2026. Access to the secure website may be requested after completing a non-disclosure agreement. More information can be found [here](#).

Congestion Revenue Rights Enhancements. CAISO has published a discussion paper on Congestion Revenue Rights Enhancements, available [here](#). CAISO also published the related issue paper and straw proposal for this initiative. CAISO hosted a virtual stakeholder meeting for this initiative on January 21, 2026, to discuss this paper and give stakeholders an opportunity to ask questions. Written comments in response to questions identified throughout the issue paper are due February 4, 2026. Further information is available [here](#).

PJM

The White House and Governors in PJM States Urge PJM Tariff Revisions

The National Energy Dominance Council, which includes the Secretaries of the U.S. Department of the Interior and the U.S. Department of Energy, and the governors from Indiana, Maryland, Ohio, Pennsylvania, Virginia, West Virginia, Delaware, Illinois, Michigan, New Jersey, Tennessee, North Carolina, and Kentucky, issued a [plan](#) urging PJM to revise its tariff. The plan included suggested revisions that would provide 15-year price certainty for new capacity resources, extending the existing price collar to the next two base residual auctions at the current rate level; allocate costs to data centers; improve load forecasting; accelerate ongoing interconnection studies; and reform the capacity market. The governors further noted that they would use their authority to allocate costs to data centers and protect residential customers. FERC acknowledged these proposed revisions at its January 22, 2026 Commission meeting as “monumental” but did not take action or issue an official statement on the proposals.

NEW YORK INDEPENDENT SYSTEM OPERATOR (NYISO)

Forecasted Sufficient Capacity

NYISO [forecasted](#) that it would have enough generating capacity to meet demand during the forecasted weather conditions from January 24, 2026, through January 29, 2026, but that it would carefully monitor fuel security for generators. ISO-NE forecasted peak demand as follows:

- Wednesday, January 28: 24,330 MW
- Thursday, January 29: 24,450 MW

ISO NEW ENGLAND (ISO-NE)

ISO-NE Capacity Supply Obligations

FERC granted in part and denied in part a complaint filed by the New England Power Generators Association (NEPGA) against ISO-NE concerning aspects of ISO-NE’s Pay-for-Performance (PFP) market design. FERC found ISO-NE’s uncapped Balancing Ratio unjust and unreasonable because resources with Capacity Supply Obligations that already align with their maximum physical output cannot exceed those levels in scarcity conditions. FERC ordered ISO-NE to cap its Balancing Ratio at 1.0 and submit tariff revisions within 180 days.

FERC denied the portion of the NEPGA’s complaint concerning ISO-NE’s stop-loss allocation methodology, finding charging only Capacity Supply Obligation holders for payment deficiencies caused by other resources reaching their stop-loss limits was reasonable because those resources uniquely benefit from the stop-loss mechanism’s financial protections. FERC thus declined to require ISO-NE to adopt PJM’s alternative allocation structure.