

REGULATORY UPDATE FOR APRIL 12, 2022 (WEEK OF APRIL 4, 2022)

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC or COMMISSION)

New Proposed Decisions and Draft Resolutions¹

None.

Voting Meetings

The Commission held a voting meeting on April 7, 2022. The agenda included the following energy-related items. The Commission's next voting meeting will be held April 21, 2022.

Item 4. R.17-07-007 (Rule 21 Interconnections). This decision adopts the recommendation to not make any changes to the interconnection processes for small and multijurisdictional utilities (SMJUs), with three minor modifications involving cost itemization, itemized billing processes, and participation in the Unintentional Islanding Working Group. Further, this decision directs SMJUs to hold a workshop, within 90 days of the adoption of this decision, to discuss interconnection portal improvements. **Signed, D.22-04-003.**

Item 7. Resolution E-5192. This resolution approves a total budget of \$11.7 million for PG&E to implement three short-term pilots to address specific barriers to vehicle-grid integration:

- Pilot #1: Vehicle-to-grid Residential Pilot Program (residential pilot) is approved as modified in this resolution at \$7.5 million.
- Pilot #2: Vehicle-to-grid Commercial Pilot Program (commercial fleets pilot) is approved as modified in this resolution at \$2.7 million.
- Pilot #3: Vehicle-to-microgrid Public Safety Power Shutoff Microgrid Pilot (microgrids pilot) is approved as modified in this resolution at \$1.5 million.

This resolution also denies the proposed budget of \$2.3 million for pilot #4 to explore vehicle-to-grid export value because AL 6259-E does not fully comply with D.20-12-029 requirements regarding budget, scope, and reporting. This resolution does, however, authorize PG&E to refile a new Tier 2 AL within 60 days to correct these deficiencies, if it chooses. Held to April 21, 2022.

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.



Item 40. R.21-03-010 (Revisions to GO 156). In accordance with Senate Bill 255 (Bradford, Stat. 2019, Ch. 407), this decision revises the Commission's Supplier Diversity Program set forth in General Order 156 to incorporate community choice aggregators and electric service providers. The decision also incorporates a voluntary procurement goal for lesbian, gay, bisexual, and transgender business enterprises and adds a new group of business enterprises: those owned and controlled by persons with disabilities. Additionally, this decision adopts workforce and board diversity reporting and makes other program revisions to reflect recent Commission decisions on the Supplier Diversity Program. Signed, D.22-04-035.

Item 41. R.20-05-012 (Self-Generation Incentive Program). This decision adopts final budgets, incentive levels, and other program requirements for the Self-Generation Incentive Program Heat Pump Water Heater program adopted in D.19-09-027 and D.20-01-021. Signed, D.22-04-036.

CALIFORNIA ISO

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Preliminary Flexible Capacity Needs and Availability Assessment Hour Requirements. The California ISO will hold a public stakeholder call on April 14, 2022 to discuss the 2023, 2024, and 2025 preliminary Flexible Capacity Needs Assessment and the availability assessment hour requirements. Written comments are due April 28, 2022.

Interconnection Process Enhancements 2021. On April 5, 2022, the California ISO held a workshop to discuss data transparency. Comments on the workshop are due April 19, 2022.

Local Capacity Requirements Process-2023. On April 8, 2022, the California ISO published the draft 2023 Local Capacity Technical Report and the 2027 Long-Term Local Capacity Technical Report. A meeting is scheduled for today (April 12), and comments on the draft reports are due on April 22, 2022.

For 2023, local capacity resource needs have increased about 336 MW or 1.3% from 2022 to 2023. The results of the study will be used by the CPUC in setting local resource adequacy requirements for the load-serving entities subject to its jurisdiction, and by the California ISO in setting its Local Capacity Requirements, or LCR, and to allocate costs for any backstop procurement conducted by the California ISO.

For the draft Long-Term Local Capacity Technical Report, capacity needs have decreased approximately 756 MW or about 3.1% from 2026 to 2027.

Energy Storage Enhancements. The California ISO will hold a public stakeholder workshop on April 13, 2022 to discuss the Energy Storage Enhancements Initiative.

2021-2022 Transmission Planning Process. The California ISO has posted the key selection factors for the solutions eligible for competitive solicitation recommended in the Board



Approved 2021-2022 Transmission Plan.

WEIM Resource Sufficiency Evaluation Enhancements Phase 1B. The California ISO held a stakeholder call on April 1, 2022 to present analysis as part of the Western Energy Imbalance Market (WEIM) Resource Sufficiency Evaluation Enhancements Phase 1B initiative. Comments on the analysis and call discussion are due April 15, 2022.

Distributed Generation Deliverability Assessment Results Posted. The California ISO has posted distributed generation deliverability assessment results for the 2022 cycle. Eligible distributed generation facilities that are seeking an initial or increase in deliverability status must apply for deliverability status assignment by April 15, 2022 for interconnections to investor-owned utility systems.

Extended Day-Ahead Market. The California ISO has posted the final summary reports for the Extended Day-Ahead Market stakeholder working groups. Links to the reports are available <u>here</u>.

2022-2023 Transmission Planning Process. The California ISO has published the 2022-2023 Transmission Planning process final study plan. It is available <u>here</u>.

CALIFORNIA ENERGY COMMISSION (CEC)

2022 Integrated Energy Policy Report (IEPR) Update

On March 2, 2022, the CEC commenced the 2022 IEPR Update proceeding. The <u>Draft</u> <u>Scoping Order for the 2022 IEPR Update</u> outlines three proposed major topic areas for the 2022 IEPR Update: (i) to establish a framework to center equity and environmental justice throughout CEC efforts; (ii) to create a California Planning Library; and (iii) to address emerging topics. Details about each of the three proposed major topic areas are set forth in the Notice. The Notice also contains a proposed schedule for the 2022 IEPR Update, as follows:

Final Scoping Order Released	April 2022
• Public Workshops on Specific Topics	April – December 2022
• Adopt order instituting informational	
proceeding for 2022 Update	April 2022
Release Draft 2022 IEPR Update	October 2022
Release Final 2022 IEPR Update	January 2023
Adopted 2022 IEPR Update	February 2023

Written comments submitted on the draft 2022 IEPR Scoping Order (<u>Docket No. 22-IEPR-01</u>) are available <u>here</u>.

The CEC will hold various workshops, meetings, and hearings related to the 2022 IEPR. On April 13, 2022, the CEC will host a workshop to solicit comments on proposed data collection and analyses for the 2022 IEPR relating to electricity resource plans. Additional



information regarding the April 13 workshop is available at TN# 242541 in <u>Docket No. 22-IEPR-03</u>.

Rulemaking Proceeding (Docket No. 21-OIR-02)

On February 24, 2022, the CEC published a Notice of Proposed Action regarding *Delegation of Geothermal Power Plant Siting Authority to Local Government Sections 1802, 1860 through 1870.* A public hearing has been scheduled for April 14, 2022. A copy of the Notice is available at TN# 241941 <u>here</u>.

In support of the proposed rulemaking, the CEC also published an Initial Statement of Reasons in support of the rulemaking proceeding. According to the statement, the CEC proposes to adopt amendments to the relevant sections of the CEC's procedures to delegate its site certification authority over geothermal power plants to counties contained in the California Code of Regulations, title 20. The rulemaking is in response to the Governor's July 30, 2021 Emergency Proclamation and also supports the June 2021 decision by the CPUC to procure 11,500 MW of new electricity resources before 2026, with at least 1,000 MW coming from "firm resources with zero-onsite emissions" such as geothermal. According to the Notice, the CEC states that the existing regulations – adopted in the late 1970s – have never been used because they are overly burdensome and the CEC and counties have not been able to use the delegation authority afforded therein. According to the CEC, streamlining the regulations will help remove barriers to geothermal power plant certification. The Initial Statement of Reasons is TN# 241940 in Docket No. 21-OIR-02.

CEC Business Meetings

The next monthly CEC Business Meeting is scheduled for April 26, 2022.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB is holding virtual public meetings and workshops as part of the Assembly Bill (AB) 32 Scoping Plan Update, which will assess progress towards achieving targets to decrease California's greenhouse gas emissions by 40% below 1990 levels by 2030 and to lay out a path to achieve carbon neutrality by 2045. On April 20, 2022, CARB will hold a workshop to present the initial results of its analysis of air quality and health impacts and its economic analysis of the various scenarios developed for the Scoping Plan Update, for both greenhouse gas sources regulated under AB 32 and natural and working lands.

The next regular CARB meeting will be held April 28, 2022. The agenda will be made available <u>here</u> 10 days prior to the meeting.

Opportunities for Public Comment



On March 29, 2022, CARB held a workshop on methane, dairies and livestock, and renewable natural gas in California related to the state's requirement to reduce methane emissions at California diary and livestock operations to 40% below 2013 levels by 2030 under Senate Bill (SB) 1383 (Lara 2016). Information on the workshop and CARB's implementation of SB 1383 is available <u>here</u>. Comments on the workshop can be submitted on or before April 12, 2022 <u>here</u>.

Comments on the draft environmental analysis for the federal Clean Air Act 2022 State Implementation Plan Strategy can be submitted <u>here</u> on or before May 13, 2022.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

MPUC Agenda Meeting This Week

The MPUC will hold an agenda meeting on April 14, 2022 at 8:00 a.m. PT. During the meeting, the MPUC will make decisions on Frontier Communications' Virtual Separation Analysis docket.

OREGON PUBLIC UTILITY COMMISSION (OPUC) AND LEGISLATIVE UPDATES

OPUC Acknowledges PGE and PacifiCorp's 2022 Renewable Portfolio Standard (RPS) Implementation Plan

Last Thursday, OPUC officially acknowledged PGE and PacifiCorp's 2022 RPS Implementation Plan via Order 22-111 and Order 22-112. The RPS Implementation Plans were submitted in accordance with OAR 860-083-0400. The final orders are located <u>here</u> and <u>here</u>.

OPUC Meetings This Week

On Thursday, April 14 at 9:30 a.m. PST, the OPUC is hosting a public hearing in UM 2193 related to PacifiCorp's 2022 All-Source Request for Proposals. The agenda and dial-in details can be located <u>here</u>.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION (WUTC) AND LEGISLATIVE UPDATES

WUTC Meetings This Week

On Thursday, April 14th at 9:30 a.m. PST, the WUTC is hosting a public meeting in a wide range of dockets including UE-210254 (related to Avista, Puget Sound Energy, and PacifiCorp's 2022 fire mitigation strategy) and UE-220180 (related to Puget Sound Energy's Tariff WN U-60 Schedule 136 "Large Volume Green Energy Purchase Rider"). The agenda and dial-in details can be located <u>here</u>.



NEW YORK DEPARTMENT OF PUBLIC SERVICE

On March 29, 2022, Governor Kathy Hochul announced that the NYPA Board of Trustees approved economic development awards to 17 companies. These awards will support 2,300 jobs, 1,600 of which are new, and create \$671 million in capital investments. Of the 17 awards, 14 applicants will receive low-cost power via the ReCharge NY program. The ReCharge NY program involves NYPA's designation of 930 MW of electricity from its own generation (St. Lawrence-Franklin D. Roosevelt hydroelectric power plants) and economical purchases in the market, to provide low-cost power to businesses and non-profits.

PENNSYLVANIA

On April 6, 2022, the Pennsylvania Commonwealth Court issued an order to block Governor Tom Wolf's plan for Pennsylvania to join the Regional Greenhouse Gas Initiative (RGGI), a key part of the Governor's plan to combat climate change in the state. The court's order disallowed ("pending further order of the court") the official publication of the regulation that would have Pennsylvania join RGGI, effective July 1, and would have required fossil-fueled power plants to pay a price for every ton of carbon dioxide they emit going forward. The court's order was hailed by Republican members of the state legislature who have <u>opposed</u> the move to RGGI, claiming that it will result in job losses, coal plant closures, and higher electric bills.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC's next open meeting is April 21, 2022. The Commissioners will meet in-person.

FERC issued its <u>2022-2026 Strategic Plan</u>. FERC's priorities include modernizing electricity market design; improving the siting and review process for interstate gas pipelines, LNG facilities, and hydroelectric projects; safeguarding electric infrastructure from emerging threats to reliability and security; facilitating the development of electricity infrastructure needed for the changing resource mix; improving accessibility and participation in proceedings; and promoting a strong and robust enforcement program.

On March 11, 2022, FERC accepted tariff revisions proposed by the NYISO that implement the NYTOs' federal right of first refusal to build an upgrade to their existing transmission facilities that are part of another developer's Order No. 1000 Public Policy Transmission Project. The order, available <u>here</u>, demonstrates that competitive markets for transmission development, which was one of the goals of Order No. 1000, are still struggling to take hold.