

**REGULATORY UPDATE FOR APRIL 23, 2024
(WEEK OF APRIL 15, 2024)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

New Proposed Decisions and Draft Resolutions¹

Rulemaking (R.)11-05-005 (California Renewables Portfolio Standard Program). This decision denies the February 11, 2021, petition for modification of Decision (D.) 13-05-034, Decision Adopting Joint Standard Contract for Section 399.20 Feed-In Tariff Program and Granting, In Part, Petitions for Modification (PFM) of Decision 12-05-035, jointly filed by Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE). The Commission finds that it is inequitable to modify the Renewable Market Adjusting Tariff (ReMAT) program cost allocation method as requested. The Commission finds that ensuring consistency with the Bioenergy Market Adjusting Tariff program would necessitate allowing community choice aggregators to participate in ReMAT or redesigning the program so that all resource adequacy and renewables portfolio standard benefits of the program are equitably distributed among retail sellers, which is administratively burdensome. Consistent with the cost allocation approach adopted in D.13-05-034, the ReMAT procurement contract costs will continue to be included in bundled sales customers' generation rates. The above-market costs of the ReMAT procurement contracts are included in the power charge indifference adjustment for those departing load customers that were bundled sales customers at the time the ReMAT contracts were signed.

Application (A.)22-03-003 et al. (2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan). This decision grants the PFM of D.23-06-055 filed by San Diego Gas & Electric Company (SDG&E). In approving the energy efficiency portfolios for portfolio administrators for the years 2024-2027, D.23-06-055 failed to make clear whether SDG&E's proposed funding for integrated energy efficiency and demand response programs, required by D.18-05-041, was explicitly authorized. This decision clarifies that the funding is authorized.

Voting Meeting

The CPUC held a voting meeting in Sacramento, California on April 18, 2024. The following are results for energy-related items on the agenda:

Item 5. A.22-05-002 et al. (PG&E Application for Approval of Its Demand Response Programs, Pilots and Budgets for Program Years 2023-2027). This decision sunsets the demand response auction mechanism pilot programs of PG&E, SCE, and SDG&E, by December 31,

¹ Per 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 CPUC's daily calendar, per Rule 14.5.

2024, or sooner if the funding limits authorized for the pilot programs as set forth in D.23-01-006 are reached prior to that date. **Signed, D.24-04-006.**

Item 6. Rulemaking (R.)09-11-014 (Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues). This decision grants a California Choice Energy Authority (CalChoice) petition for modification (PFM) of D.14-01-033, which established the regulatory approach to allowing community choice aggregators (CCAs) to elect to administer energy efficiency funds for their retail customers. Senate Bill (SB) 790 established two pathways for CCAs to access energy efficiency funds, either electing to administer funds for their retail customers, or applying to administer funds on behalf of a larger set of customers in their geographic area. D.14-01-033 was the Commission's implementation of SB 790. This decision concerns only CCAs that elect to administer energy efficiency funds for program offerings to their retail customers. CalChoice asks the Commission to reserve a minimum amount of funding for CCAs that elect to administer energy efficiency funding, asserting that the availability of funding has been vastly reduced in recent years, threatening the viability of programs that CCAs may elect to administer. SB 790 defined the funding available for CCAs that elect to administer energy efficiency programs as the residual amount of nonbypassable energy efficiency charges collected from the CCA's retail customers, after accounting for programs that are available on a statewide and regional basis. This decision finds that in recent years the statewide and regional funding levels have fluctuated somewhat unpredictably, leaving uncertainty with regard to the amount of funding available for CCAs that elect to administer programs. Thus, this decision establishes a minimum funding floor of four percent of the total funding being collected from the CCA's retail customers to be available to CCAs who elect to administer energy efficiency funds. **Signed, D.24-04-007.**

Item 7. Res E-5314 (PG&E Transportation Electrification Advisory Services Program). This resolution approves, with modifications, a technical assistance advisory services program, Transportation Electrification Advisory Services (TEAS), proposed by PG&E AL 6883-E, AL 6883-E-A, and AL 6883-E-B. This resolution modifies the proposed program based on guidelines established for the technical assistance program in D.22-11-040. This resolution approves a total budget of \$18,768,110 for PG&E to implement a three-year technical assistance program serving medium- and heavy-duty (MDHD) vehicle customers that will provide web services, fleet electrification planning, implementation coordination, and pre-and post-energization support. This resolution directs PG&E to inform customers that program participation will be based on agreement to participate in data collection efforts or subsequent program evaluation. This resolution further directs PG&E to provide MDHD customers with pre-and post-energization services to support efficient management of the energization queue, and ongoing grid-friendly electric vehicle (EV) charging behavior. **Approved.**

Item 10. R.21-03-011 (Provider of Last Resort). This decision considers whether updates are needed to the existing framework, cost recovery mechanisms, and processes governing Provider of Last Resort (POLR) service during a mass involuntary return of customers. This decision adopts several updates to improve the accuracy of the existing financial security requirement and re-entry fee calculations; authorizes the electric investor-owned utilities as the POLR to track actual incremental administrative and/or procurement costs during a mass

involuntary return of customers from CCA or Electric Service Provider (ESP) service; establishes a financial monitoring process to provide early notice of a potential mass involuntary return of CCA customers to POLR service; and clarifies and/or enhances the existing rules and requirements concerning CCA and ESP registration and deregistration. The decision finds that these changes are intended to ensure POLR cost recovery and compliance with SB 520, promote continuity of electric service, and prevent cost shifts between customers during a mass involuntary return of CCA or ESP customers to POLR service. **Signed, D.24-04-009.**

Item 11. R.22-11-013 (Transmission and Distribution Avoided Cost Study). This decision authorizes \$1.5 million in reimbursable ratepayer funds for an avoided transmission and distribution (T&D) costs study. The decision finds that the primary purpose of this study is to examine how distributed energy resources can help California defer or avoid building more T&D infrastructure and how to accurately estimate these avoided T&D costs. The study results are anticipated to be incorporated into the 2026 Avoided Cost Calculator Update cycle to improve estimating avoided T&D costs. The Energy Division is authorized to hire a consultant to conduct the study. **Signed, D.24-04-010.**

Item 12. A.17-01-023 (Joint Application of Horizon West Transmission LLC and Pacific Gas and Electric Company for Permits to Construct the Estrella Substation and Paso Robles Area Reinforcement Project). This decision grants the joint application of Horizon West Transmission, LLC and PG&E for permits to construct the proposed Estrella Substation and Paso Robles Area Reinforcement Project, configured as the Alternative Combination #2, with the mitigation measures identified in the Mitigation Monitoring and Reporting Plan. The decision finds that the project's Final Environmental Impact Report meets the requirements of the California Environmental Quality Act (CEQA). The decision finds that while the project will result in some unavoidable significant environmental impacts, even with the implementation of the prescribed mitigation measures, the benefits of the project outweigh those significant unavoidable impacts. **Signed, D.24-04-011.**

Item 14. A.22-09-018 (Transfer of Pacific Gas and Electric Company's Non-Nuclear Generation Assets to Pacific Generation LLC). This decision denies the application of PG&E and Pacific Generation LLC seeking authorization for PG&E to transfer substantially all of its non-nuclear generation assets to Pacific Generation; the issuance of a certificate of public convenience and necessity (CPCN) to Pacific Generation to operate as a utility subject to the CPUC's jurisdiction; and includes other authorizations and determinations. **Held to May 9, 2024.**

Item 16. A.22-11-019 (Southwest Gas Corporation to Extend Its Service Area in Unincorporated Area of San Bernardino County). This decision grants a CPCN to Southwest Gas Corporation to construct a distribution main pipeline to deliver natural gas service and extend its service area to the National Training Center at Fort Irwin. The CPCN is conditioned on compliance with the project design measures identified in Table 4-4 of the Environmental Assessment. This decision also determines the adoption of the Finding of No Significant Impact, with the Environmental Assessment analysis and incorporated Initial Study Checklist, and complies with the requirements of the CEQA guidelines for preparation of a negative declaration. **Signed, D.24-04-014.**

Item 42. A.22-05-022 et al. (Green Access Program Tariffs and Community Renewable Energy Program). This decision presents the culmination of an evaluation of current customer renewable energy subscription programs, also known as Green Access Program tariffs and the consideration of adoption of a community renewable energy program. The decision finds that while the current Green Access Program tariff options do not meet all the evaluation goals described in AB 2316, it is efficient—in terms of costs and resources—to modify and streamline existing Green Access Program tariffs to better meet these goals. The Commission finds the proposed Net Value Billing Tariff conflicts with federal law and does not meet the requirements of AB 2316. The Commission also finds that it is beneficial to ratepayers to adopt a community renewable energy program by layering a customer subscription model and a non-ratepayer-funded adder onto identified standard supply-side tariffs and contract mechanisms that meet the requirements of AB 2316 and Public Utilities Code section 769.3 and is compliant with federal law. **Held to May 9, 2024.**

Upcoming Workshops and Events

Prevailing Wage Contractor Compliance Workshop. On April 30, 2024 from 1:00 to 2:00 p.m. the Solar-Utilities Reporting, Guidance, and Education initiative, directed by the CPUC, will host an informal, educational workshop with guidance on the new prevailing wage rules for qualifying renewable energy generation facilities adopted under AB 2143. Those interested in the informational webinar may register at the following [link](#).

Joint Gas IOU Workshop on GO 177 Reporting. Pursuant to the Commission's directives in [D.22-12-021](#), which established General Order 177, SoCalGas, SDG&E, and PG&E will convene a workshop on May 22, 2024 from 9:30 a.m. to 12:00 p.m. The purpose of the workshop is to provide an opportunity for parties to comment on the IOUs' gas investment reports. A workshop notice with detailed agenda and access information will be sent to the service list for R.20-01-007 at a future date.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

20-Year Transmission Outlook. CAISO held the 20-Year Transmission Outlook public stakeholder call on April 18, 2024. Written comments are due May 2, 2024. Further information is available [here](#).

Price Formation Enhancements. CAISO has posted an Issue Paper and Stakeholder Recommendation for policy on Rules for Bidding Above the Soft Offer Cap resulting from the Price Formation Enhancements (PFE) working groups. The comment template for the PFE working group session 16, Fast-Start Pricing Analysis, is available and comments are due May 10, 2024. Further details are available [here](#).

Market Surveillance Committee. CAISO has posted the final agenda for the Market Surveillance Committee teleconference meeting on April 24, 2024. The objective of this meeting

will be for the Market Surveillance Committee to discuss Price Formation Enhancements: Rules for Bidding Above the Soft Offer Cap Straw Proposal. Further information is available [here](#).

FERC Order No. 881 Managing Transmission Line Ratings Phase 2. CAISO will hold a public FERC Order No. 881 Managing Transmission Line Ratings phase 2 data submission working group call on April 24, 2024. Comments on the working group discussion are due May 8, 2024. Further information is available [here](#).

Resource Adequacy Modeling and Program Design. CAISO has posted a Resource Adequacy Modeling and Program Design (RAMPD) survey and is seeking feedback from Load Serving Entities (LSEs) by May 16, 2024. In addition, CAISO will hold a two-day hybrid public stakeholder working group meeting on April 29-30, 2024. Further information is available [here](#).

California New Resource Implementation. CAISO will host a hybrid California New Resource Implementation stakeholder meeting on May 1, 2024. The meeting aims to bolster collaboration within the stakeholder community in preparation for upcoming summer operations. Registration for in-person attendance is due April 26, 2024. Further information is available [here](#).

CAISO Stakeholder Symposium. CAISO announced that it will host its Stakeholder Symposium on October 30, 2024 in downtown Sacramento, California, along with a welcome reception the evening of October 29. Additional information including reception details, event registration, and sponsorship opportunities will be provided in a future notice.

CALIFORNIA ENERGY COMMISSION (CEC)

Offshore Wind

On January 19, 2024, the CEC published a [Notice of Availability](#) regarding the release of the draft Assembly Bill 525 Strategic Plan for Offshore Wind Development (Strategic Plan). Volumes I-III of the Strategic Plan are linked in the [Notice of Availability](#) and are also available [here](#). The CEC hosted two workshops to discuss the Strategic Plan and provide an opportunity

for public comment; recordings of the workshops are available [here](#). Written comments were due by April 22, 2024.

2024 Integrated Energy Policy Report (IEPR) Update

On March 22, 2024, the CEC published a [Notice](#) for comments on the draft scoping order for the 2024 IEPR Update and released an updated schedule, copied below.

Task/Event	Date
Final 2024 IEPR Update Scoping Order released	April 2024
Adopt order instituting informational proceeding for 2024 IEPR Update	May 2024
Public workshops on specific topics	May 2024–December 2024
Release draft <i>2024 IEPR Update</i>	October 2024
Release proposed <i>2024 IEPR Update</i>	January 2025
Adopt 2024 IEPR Forecast	January 2025
Adopt <i>2024 IEPR Update</i>	February 2025

The policy recommendations included in the 2024 IEPR Update will be based on the record developed during the proceeding, including data and technical analyses by staff and stakeholders. The final 2024 IEPR Update [Scoping Order](#) was published on April 23, 2024.

CEC staff will hold a remote-access workshop on May 8, 2024 at 2:00 p.m. regarding proposed data collection and analyses for electricity resource plans. Additional information is available [here](#).

Lithium Valley Informational Proceeding

On April 19, 2024, the CEC held a workshop to provide an update on the Lithium Valley Vision and to receive public input on the planned scope of the CEC’s Lithium Valley Informational Proceeding. According to the workshop [notice](#), this was the first workshop for the CEC’s Lithium Valley Informational Proceeding 24-OIIP-02.

Electric Vehicle (EV) Charging Infrastructure Reliability

On April 9, 2024, the CEC issued its Second Draft Staff Report Tracking and Improving Reliability of California’s EV chargers. The report is available [here](#). The CEC will host a workshop to discuss the revised report and staff proposal for new regulations on April 30, 2024 from 10:00 a.m. to 2:00 p.m. The workshop will be remote-only and access details are available [here](#). Written comments may be submitted through May 15, 2024.

CEC Business Meetings

The next Business Meeting will be held on May 8, 2024.

STATE WATER RESOURCES CONTROL BOARD (SWRCB)

On April 17, 2024, the SWRCB considered adoption of a resolution to revise the Interim Mitigation Payment Calculation for the Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (OTC Interim Mitigation Resolution). Additional information about the OTC Interim Mitigation Resolution, including proposed revisions under consideration for adoption, background information, and responses to comments are available in the meeting [Notice](#) and at the OTC Interim Mitigation Resolution [website](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings, Workshops, and Notices

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](#).

CARB has published an [updated notice](#) of the effective date of the next phase of implementation of the heavy-duty vehicle inspection and maintenance regulation or “[Clean Truck Check](#).” As of October 1, 2024, vehicles subject to the regulation must pass an emissions compliance test once or twice per year, depending on the vehicle type.

CARB’s next [Board meeting](#) will be held May 23-24, 2024. At the meeting, CARB will consider [proposed amendments](#) to the [Advanced Clean Trucks](#) regulation and consider adoption of [revisions](#) to the [California State Implementation Plan](#). The full agenda for the meeting will be available [here](#) 10 days prior to the meeting. The scheduled Board meeting originally scheduled for April 25-26, 2024 has been cancelled.

On April 23, 2024, CARB held a [public workshop](#) on updates to the [Cap-and-Trade Program](#) and Mandatory GHG Reporting Program. Registration is available [here](#).

On April 24, 2024, the [Commercial Harbor Craft Regulation Technical Working Group](#) will hold its first virtual workshop to begin the biannual assessment of the commercial availability of lower-emitting combustion engines and zero-emission technology for harbor craft. The working group will provide its input to CARB staff, for reporting to the Board by year-end. Registration for the workshop is available [here](#).

On May 1, 2024, CARB will hold an introductory webinar on the pilot [Zero-Emission Heavy-Duty Vehicle Air Quality Loan Program](#) in conjunction with [California Pollution Control Financing Authority](#) and the [California Capital Access Program](#). The program will support financing opportunities for medium- and heavy-duty zero-emission vehicles. Registration is available [here](#).

On May 3, 2024, CARB and the CEC will host a joint workshop on the draft [Transportation Fuels Assessment](#) and the Transportation Fuels Transition Plan, which is being

prepared pursuant to [Senate Bill X1-2](#) (Skinner, 2023). Registration and additional information can be found [here](#).

On May 7, 2024, CARB will hold a [public workshop](#) on proposed updates to the [Carl Moyer Memorial Air Quality Standards Attainment Program](#). More information and registration are available [here](#).

On May 20, 2024, CARB will host an [outreach meeting](#) of the [Advanced Clean Fleets Truck Regulation Implementation Group](#). Information and registration for the meeting are available [here](#).

On May 22, 2024, CARB will hold a [public workshop](#) on potential regulation concepts for the transition of non-truck [transport refrigeration units](#) to zero-emission technology. Register for the workshop [here](#).

On June 27, 2024, CARB will hold a [hearing](#) on the proposed [Zero-Emission Forklift Regulation](#).

Opportunities for Public Comment

Comments may be provided to CARB [here](#) on or before May 13, 2024 on the [proposed amendments](#) to the [Advanced Clean Trucks](#) regulation and the Zero-Emission Powertrain Certification test procedure. Comments may also be provided at the [May 23, 2024 hearing](#).

Comments may be provided to CARB [here](#) on or before May 13, 2024 on [proposed revisions](#) to the [California State Implementation Plan](#).

MINNESOTA PUBLIC UTILITY COMMISSION (MPUC)

This week, the MPUC will hear one matter, related to the petition by Minnesota Energy Resources Corporation for approval of revenue requirements and surcharge factors associated with its Gas Utility Infrastructure Cost Rider. The agenda and briefing papers can be found [here](#).

OREGON PUBLIC UTILITY COMMISSION (OPUC)

On April 1, 2024, the OPUC issued an order correcting a decision regarding waivers for PG&E's request for waiver from the 2023 RFP process. On April 1, the OPUC removed appeals language from its decision approving PGE's form contract, on the basis that current law does not permit an appeal of the OPUC's acknowledgment of an RFP or Integrated Resource Plan. See Docket UM 2274.

On March 25, PGE filed an application to revise its Schedule 201 avoided cost rates that are available to Qualifying Facilities of 10 MW or less, correcting a filing that PGE had made March 18. The revised filing corrects capacity contributions and Resource Sufficiency and Deficiency Periods that the OPUC recently acknowledged with respect to PGE's 2023 Integrated Resource Plan. See Docket UM 1728.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On April 15, 2024, in [187 FERC ¶ 61,022](#), FERC accepted New York Independent System Operator, Inc.'s (NYISO) proposed revisions to its Open Access Transmission Tariff (OATT) and its Market Administration and Control Area Services Tariff (Services Tariff) to market rules applicable to the distributed energy resources (DER) and Aggregation participation model. FERC accepted NYISO's proposal to (1) provide for distribution utility review of individual DERs and Aggregations until the full set of Order No. 2222 rules take effect; (2) establish a minimum capability requirement of 10 kW for individual DERs participating in an Aggregation; (3) clarify settlements for Aggregations containing one or more Energy Storage Resources; (4) establish rules for existing Resources to transition into the DER and Aggregation participation model; (5) clarify metering requirements for Aggregations; (6) modify the Market Mitigation rules related to Aggregation reference levels; (7) modify the methodology used to calculate load baselines for Demand Side Resources participating in DER Aggregations; (8) modify the NYISO Bid-Production Cost Guarantee payment and Day-Ahead Margin Assurance Payment calculations; and (9) make certain miscellaneous revisions and modifications to defined terms. These revisions are effective April 16, 2024.

Additionally, FERC accepted NYISO's proposals related to the termination of its Demand Side Ancillary Services Program and Day-Ahead Demand Response Program, including a 12-month transition period for the resources participating in those programs to transition to the DER and Aggregation participation model, effective December 31, 9998, subject to a later filing with the precise effective date.

On March 29, 2024, the Southwest Power Pool (SPP) at last filed its Markets+ proposal with FERC, following many months of efforts by stakeholders and the organization. The proposal is a competitor to the CAISO's Extended Day-Ahead Market. SPP has asked FERC for an order on its proposal by no later than July 31. The filing is pending in Docket No. ER24-1658.

FERC issued an order on March 29 in the ongoing proceedings related to member withdrawals from the Tri-State Generation & Transmission Association. FERC ruled on a specific proposal that allows United Power to withdraw from Tri-State's membership (Docket No. ER24-1145) and also addressed issues related to future members' withdrawals from Tri-State (Docket No. ER21-2818).

On March 29, FERC also issued an order approving MISO's proposal to allow generator owners considering replacing their generation with the option to simultaneously study retirement or suspension for circumstances where replacement plans do not occur as planned. FERC's order is available in Docket No. ER24-1055.

On March 21, 2024, FERC issued Order No. 2023-A, [186 FERC ¶ 61,199](#), addressing arguments raised on rehearing, setting aside, in part, and clarifying Order No. 2023, which amended FERC's regulations and its pro forma Large Generator Interconnection Procedures and Agreement, and pro forma Small Generator Interconnection Procedures and Agreement to address interconnection queue backlogs, improve certainty, and prevent undue discrimination for

new technologies. FERC received 34 requests for rehearing and/or clarification. The rehearing requests raise issues related to nearly all reforms adopted in Order No. 2023. The rehearing requests filed in this proceeding were deemed denied by operation of law. However, as permitted by section 313(a) of the Federal Power Act, FERC issued this order modifying the discussion in Order No. 2023.

Specifically, FERC provides the following revisions: (1) where an interconnection customer is in the interconnection queue of a transmission provider that currently uses, or is transitioning to, a cluster study process and the transmission provider proposes on compliance to adopt new readiness requirements for its annual cluster study, the interconnection customer must comply with the transmission provider's new readiness requirements within 60 days of the FERC-approved effective date of the transmission provider's compliance filing, where such readiness requirements are applicable given the status of the individual interconnection customer in the queue; (2) a network upgrade that is required for multiple interconnection customers in a cluster may be considered a stand-alone network upgrade if all such interconnection customers mutually agree to exercise the option to build; (3) transmission providers must complete their determination that an interconnection request is valid by the close of the cluster request window such that only interconnection customers with valid interconnection requests proceed to the customer engagement window; and (4) acceptable forms of security for the Commercial Readiness Deposit and deposits prior to the Transitional Serial Study, Transitional Cluster Study, Cluster Restudy, and Interconnection Facilities Study should include not only cash or an irrevocable letter of credit, but also surety bonds or other forms of financial security that are reasonably acceptable to the transmission provider.

In addition, FERC granted several clarifications on the following topics: (1) conflicts with ongoing queue reform efforts; (2) public interconnection information; (3) cluster study process; (4) allocation of cluster network upgrade costs; (5) shared network upgrades; (6) withdrawal penalties; (7) study delay penalty and appeal structure; (8) affected systems; (9) revisions to the material modification process to require consideration of generating facility additions; (10) availability of surplus interconnection service; (11) operating assumptions for interconnection studies; (12) consideration of the enumerated alternative transmission technologies in interconnection studies; and (13) ride-through requirements. Lastly, FERC extended the deadline for transmission providers to submit compliance filings until the effective date of this order. Therefore, the new deadline for compliance with Order No. 2023 will be 30 days after the publication of this order in the Federal Register. Order No. 2023 compliance filings also must include the further revisions reflected in this order.