

**REGULATORY UPDATE FOR JULY 18, 2023
(WEEK OF JULY 10, 2023)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

New Proposed Decisions and Draft Resolutions¹

Resolution (Res) E-5269. This Resolution approves Southern California Edison Company's (SCE) requested relief in Advice Letter (AL) 4984-E to deviate from Rule 21, Section E.2.d site exclusivity requirements for the Catalina Island Clean Energy All-Source Request for Offers. This Resolution also directs SCE to notify the A.21-10-005 and R.17-07-007 service lists of the change to the Distribution Group Study Window solely for the Catalina Island Clean Energy All-Source Request for Offers. This Resolution has no effect on future projects or situations which will still require Commission approval to deviate from Rule 21, Section E.2.d.

Res E-5283. This Resolution approves four mid-term reliability (MTR) contracts for 379.5 – 402 megawatts (MW) of nameplate capacity. San Diego Gas & Electric Company (SDG&E) procured these resources to help meet its MTR requirements. These contracts include one as-available energy and tolling agreement contract (solar/storage hybrid), one as-available energy solar contract, and two tolling agreement storage contracts.

Voting Meetings

The CPUC held a voting meeting on July 13, 2023. The following are results for energy-related items on the agenda:

Item 6. Res E-5277 (SDG&E Request to Count the Utility-Owned Westside Canal Energy Storage Project Towards MTR Procurement Requirement). This Resolution approves SDG&E's request to count the utility-owned Westside Canal Energy Storage Project towards its MTR procurement requirements pursuant to Decision (D.) 21-06-035 and modify the project's cost-recovery mechanism. The project was originally procured to meet summer reliability procurement targets pursuant to D.21-12-015. **Approved, Res E-5277.**

Item 7. Res ALJ-442 (Appeal of Citation by San Diego Community Power (SDCP)). This Resolution denies SDCP's appeal of Citation No. E-4195-0098 by the Commission's Consumer Protection and Enforcement Division. Citation No. E-4195-0098 cites and fines SDCP for failing to procure its September 2021 year-ahead system resource adequacy obligation. **Approved, Res ALJ-442.**

Item 8. Res E-5276 (SCE's Charge Ready 2 Program). This Resolution approves SCE's 12-month Charge Ready 2 (CR2) program update. On October 27, 2022, SCE filed AL 4883-E

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.

detailing the CR2 12-month program implementation update pursuant to Ordering Paragraph 21 of D.20-08-045, providing: (1) how the adopted scope and size of the CR2 infrastructure programs are appropriated given current electric vehicle demand in SCE's service territory; (2) what aspects of the program recommendations are not workable; and (3) whether there are any cost savings that SCE has identified in the first 12 months of program implementation.

Approved, Res E-5276.

Item 11. Application (A.) 20-10- 011 (Pacific Gas & Electric (PG&E) Petition for Modification of D.21-11-017). This decision largely denies the Petition for Modification filed by PG&E that sought to address certain orders related to utility expenditures contained in D.21-11-017. D.21-11-017 ordered PG&E to create and implement a real-time pricing rate option for its customers taking service on its commercial electric vehicle charging rate. This decision finds that PG&E's proposed modifications to D.21-11-017 are mostly unnecessary, and that D.21-11-017 contains sufficient flexibility to address most of the concerns raised by PG&E. However, this decision does make the requested modification to Ordering Paragraph 6 of D.21-11-017 in order to provide PG&E more time to determine if the initial customer enablement tools budget is sufficient to complete development of the tool. PG&E requested that the Commission modify the dates for filing advice letters for additional amounts for the customer enablement tool and rate comparison tool under Ordering Paragraph 6 of D.21-11-017. **Signed, D.23-07-003.**

Item 12. R.20-08-022 (Clean Energy Financing). This decision authorizes the expansion of the on-bill financing programs for nonresidential customers administered by PG&E, SCE, Southern California Gas Company (SoCalGas), and SDG&E to support clean energy technologies beyond energy efficiency. The decision approves the proposal of the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to expand the clean energy technologies eligible under the California Hub for Energy Efficiency Financing programs. The decision denies SoCalGas's proposal to offer an on-bill financing program for residential customers, and CAEATFA's request for reauthorization for the Municipal Government, School, Hospital, and Large Commercial financing program, and the Local Government Sustainable Energy Coalition's proposal to create a new decarbonization incentive rate. Lastly, the decision directs further record development regarding Tariff On-Bill proposals for residential customers. **Held to August 10 meeting.**

Upcoming Workshops and Other Events

Supplier Diversity. The CPUC will host its 21st Annual Supplier Diversity event in Escondido, California on September 27-28. A small and diverse businesses expo will be held on September 27 for procurement and supplier diversity representatives to meet and discuss upcoming business opportunities. On September 28, the CPUC will host an *en banc* to hear from utilities, local governments, ethnic chambers of commerce, and community-based organizations on their experiences with the supplier diversity programs. For more information and registration details, please see [here](#).

Diablo Canyon Extension. The CPUC will hold online public forums for the public to provide input about the potential extension of operations at PG&E's Diablo Canyon Nuclear

Power Plant on July 25, 2023 at 2:00 pm and 6:00 pm. The public forums will begin with a brief overview of the proceeding. The CPUC will then take comments from the public. Contact information for at least one representative from PG&E will be provided to customers during the public forums for questions concerning individual service or billing issues. Further information is [available here](#).

Disadvantaged Communities Advisory Group (DACAG). The DACAG to the California Energy Commission (CEC) and CPUC will meet Friday, July 21, 2023, from 1:00 p.m. to 4:00 p.m. The DACAG advises the two commissions on the effectiveness of programs related to SB 350 in disadvantaged communities. The meeting will be a teleconference meeting with each member of the DACAG physically present at one of the publicly accessible meeting locations and with the locations connected as a video conference via Zoom. The public can attend and participate in person at any of those locations, or remotely. Further information is [available here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Day-Ahead Market Enhancements (DAME). CAISO posted the DAME revised draft tariff language, and will hold a related public stakeholder call on July 27, 2023. The revised draft tariff language is available on the [DAME initiative webpage](#). Written comments are due by end of day July 25.

Western Energy Imbalance Market (WEIM) Governing Body, Joint, CAISO Board of Governors, Department of Market Monitoring (DMM) Oversight Committee, and Audit Committee. CAISO posted the [final agendas](#) for the WEIM Governing Body, Joint, CAISO Board of Governors, DMM Oversight Committee, and Audit Committee meetings taking place July 18 - 20, 2023.

2024 Import Capability Assignment Process Steps 6 and 7. CAISO has posted the information required by Step 6 of the 2024 resource adequacy import capability allocation process to the Reliability Requirements [webpage](#). CAISO has sent scheduling coordinators the information required by Step 7 via email.

August 2023 Month Ahead Capacity Procurement Mechanism (CPM) Designation. CAISO issued CPM designations to two resources to partially cure a month-ahead system resource adequacy deficiency for August 2023. CAISO is also soliciting other available capacity it can procure for the month of August 2023 under its CPM authority. Offers are due by close of business on July 20, 2023. Further information is [available here](#).

Extended Day-Ahead Market (EDAM) Forum. CAISO, Balancing Authority of Northern California (BANC), NV Energy, PacifiCorp, and SCE will co-host an EDAM Forum on August 30, 2023, in Las Vegas, Nevada. The forum, which aims to foster a dialogue on the evolution of the EDAM in the West, will bring together leadership from regional utilities to discuss and share their thoughts on the factors and processes in considering their participation, as

well as utility regulators from across the West who will share their perspectives on the next step in market evolution and how they are actively engaging in its development. Prior to the forum, the meeting hosts invite participants to a networking reception on the evening of August 29. Location and details for the reception will be announced in a future notice.

Transmission Service and Market Scheduling Priorities (TSMSP) Phase 2. CAISO has scheduled a public stakeholder call on August 28, 2023, to discuss the TSMSP Phase 2 track 2 draft tariff language. The track 2 draft tariff language focuses on long-term wheeling and upgrades, and is available on the [TSMSP Phase 2 initiative webpage](#). Written comments on the track 2 draft tariff language are due by end of day August 18, 2023.

Energy Storage Enhancements Hybrid Stakeholder Workshop. CAISO will hold a public hybrid stakeholder workshop for the Energy Storage Enhancements initiative on August 3, 2023, to discuss functionality for modeling regulation awards for storage resources. This meeting will be offered virtually and in-person at the CAISO in Folsom, CA. Further details are [available here](#).

CEC

Integrated Energy Policy Report (IEPR)

The CEC's [2023 IEPR Workshop Schedule](#) has been released. Forthcoming workshops include:

- July 6: Hydrogen – canceled; to be rescheduled
- August 15: California Electricity Demand Forecast: Inputs and Assumptions
- August 18: California Electricity Demand Forecast: Load Modifier Scenario Development
- September 8: Topic TBD
- November 15: California Electricity Demand Forecast: Load Modifier Scenario Results
- December 6: California Electricity Demand Forecast: Electricity Forecast Results

The schedule is also accessible on the [2023 IEPR website](#).

Demand Forecast

On July 11, the CEC noticed an upcoming Demand Analysis Working Group (DAWG) meeting that will be held on Tuesday, August 8, from 1:00 p.m. to 4:00 p.m. to discuss updates

to the CEC's Demand Forecast for distributed generation and the residential sector. The meeting will be held via webinar only. Key topics for the DAWG meeting include:

- Historical trends in behind-the-meter solar PV and storage adoption in California
- Overview of key improvements to the distributed generation forecast
- Introduction to the National Renewable Energy Laboratory's Distributed Generation Model designed for California
- Updates to the residential sector end-use model

Additional details and login information is available [here](#).

Electric Program Investment Charge (EPIC)

Grant Funding Opportunity (GFO) for Direct Current (DC)-Based Power Systems.

On July 11, the CEC announced a Request for Information (RFI) related to a potential GFO focused on the development of DC-based electrical systems. The CEC states that DC-based power systems can improve system efficiency and achieve energy cost savings by eliminating power conversions. The GFO will aim to 1) develop key power system components such as DC circuit breakers, meters, controls, bidirectional multiport inverters (inverters that can simultaneously manage several inputs and outputs), and other power electronics; 2) enhance the interoperability of the various DC end-use devices; 3) demonstrate DC power systems for electric vehicle charging and bidirectional charging; and 4) demonstrate DC power systems for building applications with high efficiency potential. The DC power systems will reduce or eliminate the number of power conversions, associated equipment and installation, and operations and maintenance costs while enhancing the reliability of the systems because of fewer required power electronics and potential points of failure.

Responses to the RFI are due by 5:00 p.m. on August 7, 2023. Additional information is available [here](#).

EPIC Symposium. The CEC announced that it will host a two-day event joined by the investor-owned electric utilities (PG&E, SCE, and SDG&E) and clean energy leaders and entrepreneurs to discuss EPIC program goals and policy innovations. The symposium will be held on October 3-4, 2023. More information is available [here](#).

Energy System Reliability

CEC Staff held a workshop on July 7, 2023 to provide an overview of the proposed approach comparing the anticipated costs of extending Diablo Canyon Power Plant operations for calendar years 2024-2035, or pursuing a portfolio of other feasible energy resources. The cost comparison is required under Senate Bill 846, and CEC Staff must prepare a report on its findings to submit to the legislature by September 30, 2023.

Electric Vehicle Infrastructure Planning

The CEC held a joint workshop on June 29, 2023, together with the California Department of Transportation, to discuss updates to California's Deployment Plan for the National Electric Vehicle Infrastructure Formula Program for 2023. Under recent guidance from the Federal Highway Administration, states are required to submit updated Deployment Plans by August 1, 2023.

A Freight Infrastructure Planning (FIP) proposal previously noticed by the CEC and developed by the CPUC has been posted for public comment [here](#). The deadline for stakeholders to submit comments on the Draft FIP Staff Proposal is July 21, 2023.

The CEC will host a pre-solicitation workshop on July 21 to discuss and receive feedback on a draft solicitation concept for projects to support municipal light-duty electric vehicle fleet charging infrastructure. The workshop will be held from 10:00 a.m. to 12:00 p.m. and will be remote only. Login details and other event information are available [here](#).

CEC Business Meetings

On July 14, the CEC issued the meeting agenda for its upcoming business meeting on July 26, 2023. The meeting agenda includes proposed approval of the Demand Side Grid Support (DSGS) Program Guidelines (issued in 22-RENEW-01), and two projects related to "the Role of Hydrogen in California's Decarbonizing Electric System" (GFO-22-304).

The meeting will be held in-person, though remote participation details are available [here](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

On July 20, 2023, CARB will hold a working group webinar with [CALSTART](#) on the [Sustainable Fleets Program](#). The webinar will include an overview of the Sustainable Fleets and [Cal Fleet Advisor](#) programs and discussion of: (1) what shippers need as they work to hire fleets that are using zero-emission trucks, (2) how shippers prefer to be recognized for working with zero-emission fleets, (3) what support is being provided by shippers to help their contracted trucking fleets transition to zero-emission technology, and (4) what types of technical assistance should Cal Fleet Advisor offer to assist contracted fleets in their transition to zero-emission technologies. A link for the meeting is available [here](#).

On July 26, 2023, CARB will host a hybrid in-person and virtual public meeting of the AB 617 [Community Air Protection Program Consultation Group](#). The agenda for the meeting and a link to attend virtually are available [here](#).

On July 27, 2023, CARB will hold a public workshop on updates to the [California Cap-and-Trade Program](#). CARB staff will present on allowance budget scenarios and concepts related to the overall distribution of allowances, including industrial allowance allocation and the use of allowance value by natural gas suppliers and electrical distribution utilities. Information and registration for the meeting is available [here](#).

CARB's next Board meeting is scheduled for September 14, 2023. The agenda for the meeting will be available [here](#) 10 days prior to the meeting.

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD (SWRCB)

On July 1, 2023, SWRCB issued a [notice](#) stating that it will consider adoption of the Proposed Final Amendment to the Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling to Extend the Compliance Schedule for Alamitos, Huntington Beach, Ormond Beach, and Scattergood Generating Stations (OTC Policy Amendment) and Proposed Final Staff Report. The OTC Policy Amendment also includes a change without regulatory effect to revise the compliance date for the Diablo Canyon Nuclear Power Plant. The consideration of adoption meeting will be held on August 15, 2023 at 9:30 a.m.

COLORADO PUBLIC UTILITIES COMMISSION (COLORADO PUC)

On July 14, 2023, Public Service Company of Colorado filed its Supplemental Testimony in Docket No. 23A-0242E relating to its Transportation Electrification Plan. The Supplemental Testimony was filed pursuant to Decision No. C23-0425-I, issued by the Colorado PUC on June 23.

The next Commissioners' Weekly Meeting will occur on July 19, 2023 at 9:00 a.m. MT, and the meeting, which is held remotely, will be available for online viewing [here](#). The Weekly Meeting agenda is available [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

On July 13, the ICC issued an order in Case No. 22-0431, which concerns the Beneficial Electrification Plan (BE Plan) of Ameren Illinois Company (Ameren). The order grants a motion for clarification filed by ChargePoint Inc. and directs Ameren to file a corrected BE Plan compliance filing within five days of the order. Specifically, the order clarifies that electric vehicle charging infrastructure installed under the BE Plan must comply with some, rather than all, of the National Electric Vehicle Infrastructure final rules. In particular, compliance with the following standards is required for the BE Plan: "communications standards ISO 15118, Open Charge Point Protocol (OCPP) and Open Charge Point Interface (OCPI), the plug standards SAE J1772 and CCS, and security standards promulgated by NIST and Transport Layer Security (TLS)."

The ICC will host a public hearing on the Multi-Year Rate Plan of Ameren on July 19, 2023 at 6:00 p.m. CT. Details are available [here](#).

The next ICC voting meeting will be held on August 3, 2023 at 11:30 a.m. CT. The meeting will be available for online viewing, which can be accessed [here](#), and the meeting agenda will be posted [here](#) in advance of the meeting.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On July 18, the Midcontinent Independent System Operator (MISO) posted its proposal for an upcoming generator interconnection queue reform that it plans to file with FERC this Fall. Among the many changes, the proposal increases milestone deposits and site control requirements, and suggests that MISO plans to also change the current standards for penalty-free withdrawals from the interconnection queue. MISO also plans to build in automatic penalties for withdrawal. In addition, MISO proposes to limit the number of MWs that will be allowed into each queue cycle, with developer-specific limits, too. The proposal is found [here](#). Comments are due to MISO by August 7.

On July 3, 2023, FERC issued an [order on rehearing](#) addressing the October 10, 2022 Order on Notice of Change in Status in Docket Nos. ER20-67, ER20-113, and ER20-116-003 (October Order). On rehearing, FERC continued to find that Bluescape Energy Partners, LLC is individually an affiliate of Evergy Kansas Central, Inc., Evergy Missouri West, Inc., Evergy Metro, Inc., and Evergy, Inc. but modified its discussion.

In the October Order, FERC found that the appointment of a non-independent director is sufficient to overcome the rebuttable presumption of a lack of control provided under 18 C.F.R. § 35.36(a)(9)(v) for persons who hold less than 10% of the outstanding voting securities of a specified company, and declined to reach arguments regarding affiliation under 18 C.F.R. § 35.36(a)(9)(iii), which provides that an affiliate includes any person(s) FERC “determines, after appropriate notice and opportunity for hearing, to stand in such relation to the specified company that there is liable to be an absence of arm’s-length bargaining in transactions between them as to make it necessary or appropriate in the public interest or for the protection of investors or consumers.” On rehearing, FERC modified its decision and found “that the appointment of a non-independent director is a *per se* determination of control.” Additionally, on rehearing, FERC found affiliation under section 35.36(a)(9)(iii) and stated that “there is liable to be an absence of arm’s length bargaining in transactions between an investor that appoints a non-independent director to the board of a seller or a seller’s upstream affiliate and that seller.”

FERC has [requested comments](#) by August 14, 2023 regarding the PJM Capacity Market Forum held on June 15, 2023. FERC has also [requested comments](#) by August 24, 2023 on the June 20, 2023 Commissioner-led forum to discuss solutions to the electric and gas challenges facing the New England region.

On June 30, 2023, FERC [accepted](#) revisions to the New York Independent System Operator, Inc. Open Access Transmission Tariff (OATT) and its Market Administration and Control Area Services Tariff (Services Tariff) related to the retention, termination, and transfer of Capacity Resource Interconnection Service (CRIS). The OATT revisions fall into four categories: (1) retention and termination of inactive and underutilized CRIS; (2) CRIS transfers;

(3) the manner in which inactive, underutilized, and transferred CRIS is modeled in deliverability studies; and (4) rules for physical withholding evaluations of CRIS transfers. The revisions to the Services Tariff address physical withholding determinations and Market Mitigation Measures.

On June 27, 2023, FERC [accepted](#) revisions to Southwest Power Pool, Inc.'s (SPP) proposed revisions to Attachment V (Generator Interconnection Procedures) of the SPP OATT to clarify financial security refund eligibility for interconnection customers.

Northwestern Corporation has petitioned for a writ of certiorari to the U.S. Supreme Court in *Edison Electric Institute v. FERC*, the appeal of FERC's *Broadview Solar, LLC* order, which the D.C. Circuit upheld in February. Read our article on the D.C. Circuit's decision [here](#).

FERC's Joint Federal-State Task Force on Electric Transmission met on July 16, 2023.