

**REGULATORY UPDATE FOR JULY 25, 2023  
(WEEK OF JULY 17, 2023)**

**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)**

New Proposed Decisions and Draft Resolutions<sup>1</sup>

Rulemaking (R.) 18-07-005 (Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs). This decision directs Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) to offer 24-month payment plans to residential customers until October 1, 2026. This decision also extends the Arrearage Management Payment Plan program to October 1, 2026 and authorizes a study of the eligible populations for the Medical Baseline program in the IOUs' service territories. The Commission will continue to consider Arrearage Management Payment Plan program issues in Phase 2 of this proceeding.

Application (A.) 22-08-001 (PacifiCorp Application for Approval of its 2023 Energy Cost Adjustment Clause and Greenhouse Gas-Related Forecast and Reconciliation of Costs and Revenue). This decision authorizes PacifiCorp to modify its Energy Cost Adjustment Clause (ECAC) rates to allow for an annual increase in revenues for 2023 of approximately \$441,869 from its previously authorized rates. This represents an increase of approximately 0.4 percent. PacifiCorp's requested rate increase of \$458,178 was reduced by \$16,309 to reflect this decision's exclusion of Reasonable Energy Price for Qualifying Facility costs from ECAC rates. These new rates shall become effective upon the filing of a Tier 1 Advice Letter, subject to Energy Division disposition.

Voting Meetings

The next CPUC voting meeting will be held on August 10, 2023.

Upcoming Workshops and Other Events

**Electric Vehicle Submetering for Net Energy Metering (NEM) Customers.** On July 26, 2023, from 1 to 4 p.m. PT, the California investor-owned utilities will host a workshop to explore potential pathways to allow NEM customers to use the Plug-in Electric Vehicle Submetering Protocol adopted by the Commission under [Decision 22-08-024](#). The workshop will be held remotely via [Microsoft Teams](#).

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<sup>1</sup> 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.

**Gas Infrastructure Planning.** On July 27, from 11 a.m. to 12 p.m. PT, SoCalGas, SDG&E, and PG&E will jointly convene an agenda-planning meeting for the upcoming “Annual Report Workshop.” The purpose of the workshop is to discuss the requirements for gas corporations’ Annual Report submissions under [General Order 177](#). The agenda-planning meeting notice was served on parties to the R.20-01-007, the rulemaking proceeding to establish policies, processes, and rules to ensure safe and reliable gas systems in California and to perform long-term gas planning.

**Qualifying Capacity for Supply-Side Demand Response (SSDR).** On July 27, 2023, from 1 to 1:50 p.m. PT, Energy Division (ED) staff and the California Energy Commission (CEC) will jointly lead a kick-off meeting for the incentive-based SSDR qualifying capacity working group, as required under Decision 23-06-029. During this meeting, stakeholders will discuss key issues presented by ED and CEC staff and determine the timing and cadence of future working group meetings. The meeting will be held remotely via WebEx (link [here](#)).

**Resource Adequacy Compliance.** On August 3, 2023 from 1 to 3 p.m. PT, ED staff will host a workshop to present and discuss Resource Adequacy (RA) compliance rules and procedures for the 2024 RA Compliance Year. This workshop will introduce the 2024 RA Templates and RA Compliance Guide, highlighting changes and new features for the 2024 RA compliance year. This meeting will also allot time for a general demonstration and discussion of RA compliance in general for those new to the RA compliance process. ED staff will provide 2024 RA compliance materials and a meeting agenda by July 26, 2023. The meeting will be held [here](#), via WebEx.

**Equity and Grant Access Webinar.** On August 9, 2023 from 10 to 11:30 a.m. PT, the CPUC will provide information about the Equity and Access Grant Program application process and address questions from participants. This \$30 million program will provide technical assistance and capacity building for California Native American Tribes and community-based organizations (CBOs). The Grant Program strives to address the need to include the voices of underserved and underrepresented communities in CPUC decision-making processes. The program includes three grant accounts: (1) Public Participation Grants: \$3.1 million grant account will award up to \$15,000 for participating in a CPUC activity, such as a working group, panel, or focus group; (2) Equity, Engagement, and Education Grants: \$9.75 million grant account will award up to \$200,000 for work that will educate consumers or perform outreach within an underserved community on a CPUC matter; and (3) Clean Energy Access Grants: \$15.65 million grant account will award up to \$500,000 for work that will address access to or education about the Microgrid Incentive Program, Self-Generation Incentive Program, and Technology and Equipment for Clean Heating Initiative. Registration information is available [here](#).

**Supplier Diversity.** The CPUC will host its 21<sup>st</sup> Annual Supplier Diversity event in Escondido, California on September 27-28, 2023. 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](#).

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

### Stakeholder Initiatives: Upcoming Meetings and Deadlines

**Gas Resource Management Working Group.** CAISO will hold the first gas resource management stakeholder [working group meeting](#) on July 27, 2023 to discuss the working group structure and the preliminary input received. The purpose of the Gas Resource Management Working Group is to understand how gas operations and management might differ across the West, and to ensure that gas-fired resources can fully participate in ISO administered markets and recover their operational costs.

**Price Formation Enhancements.** CAISO is launching the Price Formation Enhancements initiative working group sessions that will begin August 3, 2023. The working groups are intended to foster additional collaboration with stakeholders in defining the problem statements and guiding principles for this initiative. An overview document is available on the initiative [webpage](#) to outline the working group topics.

**Greenhouse Gas Coordination.** CAISO will hold a public hybrid stakeholder working group meeting on August 16, 2023, related to greenhouse gas (GHG) coordination. In-person registration is due by end of day August 11, 2023. Written comments on the working group discussion are due by end of day August 30, 2023. Further information is available [here](#). The GHG Coordination working group stakeholder process is intended to focus on developing durable electricity market solutions for climate policies across the West.

**2023 Interconnection Process Enhancements.** CAISO will host a working group meeting for the 2023 Interconnection Process Enhancements Track 2 initiative on August 1, 2023. Attendees may choose to participate in the meeting virtually or in person at CAISO. 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.

**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 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 CAISO in Folsom, CA. Further details are available [here](#).

### **CALIFORNIA ENERGY COMMISSION**

#### **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**

The CEC noticed an upcoming Demand Analysis Working Group (DAWG) meeting that will be held on August 8, 2023 from 1 to 4 p.m. PT 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 photovoltaic 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](#).

On July 31, 2023, the CEC will host a remote meeting from 2:30 to 4:30 p.m. PT to discuss "California Transportation Energy Demand Forecast: Passenger Travel Miles Methodology Improvements." Additional details and webinar information are available [here](#).

#### Electric Program Investment Charge (EPIC)

**Grant Funding Opportunity (GFO) for Direct Current- (DC-) Based Power Systems.** On July 11, 2023, 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 p.m. PT 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](#).

#### Zero Emissions Vehicles

The CEC announced that it is accepting applications for funding under the Energy Infrastructure Incentives for Zero-Emission (EnergiIZE) Commercial Vehicles projects through

August 18, 2023 at 5 p.m. PT. Electric vehicle commercial fleet users who meet EnergiIZE equity criteria, including tribes, schools in disadvantaged or low-income communities, nonprofits, and others, are encouraged to apply. Applications must be submitted through the EnergiIZE Incentive Processing Center at <https://calstart3.my.site.com/apply/s/>. Additional program and eligibility details are available [here](#).

The second application window for the Golden State Priority Project, which includes approximately \$38 million in funding for direct current fast-charging rebates, will be opening in the next few months. The CEC will host a webinar to discuss applicant eligibility requirements and to provide guidance on completing applications. Event details and additional program information are available [here](#).

### CEC Business Meetings

On July 14, 2023, the CEC issued the meeting agenda for its upcoming business meeting that will be held on July 26, 2023 from 10 a.m. to 3 p.m. PT. 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 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 workshop are available [here](#).

On August 1, 2023, CARB will hold a meeting of the Public Work Group for [Clean Transportation Equity and Light-Duty Vehicle Investments](#) to discuss CARB’s suite of investments as part of the fiscal year 2023-24 funding plan for clean transportation. Information and registration for the meeting are available [here](#).

On August 3, 2023, CARB and the California Environmental Protection Agency (CalEPA) will hold the first [public workshop](#) on California’s approach under the U.S. Environmental Protection Agency’s (EPA) [Climate Pollution Reduction Grant Program](#). At the workshop, CARB, CalEPA, and several other agencies will discuss California’s ongoing work

under the program, in which the state will deliver three climate plans to U.S. EPA over four years. Information and registration for the workshop are [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.

### **COLORADO PUBLIC UTILITIES COMMISSION (COLORADO PUC)**

The Colorado PUC vacated its July 26, 2023 Commissioners' Weekly Meeting (CWM). The next CWM will occur on August 2, 2023 at 9 a.m. MT. The meeting, which is held remotely, will be available for online viewing [here](#) and an agenda will be posted to the Colorado PUC website in advance, available [here](#).

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

Queue reform is back! The agenda for this month's open meeting, which is scheduled to occur this Thursday, includes a potential order on a proposed rulemaking with respect to generation interconnection procedures. More to come later this week!

On July 18, 2023, 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, 2023.

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.