

REGULATORY UPDATE FOR MARCH 22 (WEEK OF MARCH 14, 2022)**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC or COMMISSION)****New Proposed Decisions and Draft Resolutions¹**

A.21-07-017 (SDG&E Rate Relief for Wildfire Mitigation Plan Costs). This decision denies San Diego Gas & Electric Company's (SDG&E) request for authorization to establish an interim rate recovery mechanism for costs recorded in the utility's Wildfire Mitigation Plan Memorandum Accounts. After reviewing SDG&E's request and intervenors' objections, including SDG&E's financial standing, as described in the Application (A.) 21-07-017, and considering the timing of SDG&E's next General Rate Case (GRC) filing, the Commission concludes that SDG&E did not sufficiently demonstrate a need for interim rate relief. Pursuant to Public Utilities Code Section 8386.4(b), SDG&E is directed to file for reasonableness review and cost recovery of wildfire mitigation plan costs through its GRC or via a separate application filed at the conclusion of the three-year wildfire mitigation plan cycle.

A.21-03-008 (PG&E 2020 ERRa Compliance). This decision finds that Pacific Gas and Electric Company (PG&E) meets the standard for compliance under the Energy Resources Recovery Account (ERRA) regulatory compliance process for the 2020 record year. During the 2020 record year, PG&E complied with all the requirements that the Commission reviews during the ERRA compliance process. Specifically, during the 2020 record year, PG&E (1) prudently managed its utility owned generation facilities; (2) prudently administered its energy resource contracts; and (3) complied with its Bundled Procurement Plan in procuring fuel, procuring greenhouse gas (GHG) compliance instruments, procuring and selling resource adequacy, and dispatching energy in a least cost manner. In addition, PG&E has demonstrated that, except for the account adjustments expressly provided in the parties' settlement agreement, the entries PG&E recorded in the ERRA and Portfolio Allocation Balancing Account, as well as other balancing and memorandum accounts reviewed in this Application, are reasonable, appropriate, and accurate. This decision approves a settlement agreement entered by all the parties that actively participated in Phase One of this proceeding. The settlement agreement resolves all the contested issues in Phase One. This decision also approves all of PG&E's uncontested Phase One requests to the extent that the requests are not specifically addressed in the settlement agreement.

Draft Resolution E-5202. This resolution approves nine energy storage contracts for 1,598.7 megawatts (MW) of incremental capacity that PG&E procured to address 2023 and 2024 mid-term reliability and 2023 summer reliability. These contracts include nine Long-Term Resource Adequacy Agreements with energy settlement (ES), including Beaumont ESS I, LLC for 100 MW, Sanborn ESS I, LLC for 169 MW, Canyon Country ESS I, LLC for 80 MW, Moss Landing Energy Storage 3, LLC for 350 MW, Poblano Energy Storage, LLC for 100 MW,

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.

NextEra Energy Resources Development Corby Energy Storage for 125 MW, NextEra Energy Resources Development Kola Energy Storage for 275 MW, Nighthawk Energy Storage, LLC for 300 MW, and Caballero CA Storage, LLC for 99.7 MW.

R.19-11-009 (Resource Adequacy). The Commission issued Decision (D.) 20-06-031 on June 30, 2020. That decision adopted local capacity requirements for 2021-2023, flexible capacity requirements for 2021, and multiple refinements to the Resource Adequacy (RA) program. One refinement adopted in D.20-06-031 was the modification to the Maximum Cumulative Capacity Buckets to limit the proportion of a load-serving entity's RA obligations that can be met with use-limited resources. Specifically, the Commission adopted a 8.3% cap on the demand response (DR) bucket. On September 9, 2021, OhmConnect, Inc. filed a petition for modification of D.20-06-031, requesting that the Commission raise the DR bucket cap from the 8.3% cap that was adopted in D.20-06-031, citing Governor Newsom's Emergency Proclamation issued July 31, 2021. This decision denies that petition.

R.20-01-007 (Long-Term Gas System Planning). This decision extends the Southern California Gas Company Rule 30 Operational Flow Order winter noncompliance penalty structure adopted in D.19-05-030 and extended by D.21-11-021, year-round, and makes it applicable to Southern California Gas Company (SoCalGas), SDG&E, and PG&E service territories.

Resolution E-5199. Southern California Edison Company (SCE) requests approval of amendments to power purchase agreements (PPAs) with AES Alamitos, LLC and AES Huntington Beach, LLC (collectively, AES). Together the amendments provide an additional 49.5 MW of additional capacity and approximately 16.5 MW of energy and ancillary services at no additional cost for delivery periods during which the sellers exercise the put option contained in the AES PPAs. The AES Alamitos and AES Huntington Beach projects are combined cycle power plants that achieved commercial operation in February 2020. Prior to the start of the delivery terms of the AES PPAs in May and June 2020, the sellers conducted required capacity testing. These tests determined that 49.5 MW of additional capacity was available from the projects. The purpose of the amendments is to ensure that SCE has access to all of the capacity from the AES projects to meet reliability needs on behalf of all benefiting customers by amending the PPAs to account for the additional capacity.

A.20-03-002 (PG&E 2020 Energy Storage Procurement Plan and related matters). This decision reviews and approves the 2020 Assembly Bill (AB) 2514 energy storage plans for PG&E, SCE, and SDG&E. It also approves two energy storage programs proposed by SCE pursuant to AB 2868. Regarding AB 2514, this decision acknowledges that all three applicants have completely or nearly completely met their entire, in total 1,325 MW, procurement obligation and provides a procedural pathway to count procurement in other venues towards their obligation or issue an additional solicitation if necessary. This decision acknowledges that although nearly all sufficient procurement has occurred pursuant to AB 2514, the applicants must still bring the relevant energy storage projects online by the end of 2024. Regarding AB 2868, this decision authorizes SCE to move forward with two proposed programs: a New Home Energy Storage Pilot and a Smart Heat Pump Water Heater Program. SCE is authorized cost recovery of \$5 million for the New Home Energy Storage Pilot and \$15 million for the Smart Heat Pump Water Heater Program.

Voting Meetings

The Commission's next voting meeting will be held April 7, 2022. The agenda for that meeting is scheduled to be published on March 28, 2022.

The Commission held a voting meeting on March 17, 2022. The agenda included the following energy-related items:

Item 3. A.21-08-010 (SDG&E 2022 Sales Forecast). This decision approves SDG&E's 2022 electric sales forecast, which is based upon the demand forecast that SDG&E developed for the California Energy Commission's 2021 energy demand forecast, and takes into account COVID-19 impacts and load migration to community choice aggregators and direct access programs. The decision also authorizes SDG&E to consolidate its future annual forecast applications with its annual ERRA forecast applications. Prior to filing the consolidated applications, SDG&E is required to hold an annual all-party workshop to gather input and feedback from stakeholders. **Signed, D.22-03-003.**

Item 7. A.14-08-007. This decision denies the October 20, 2020 petition for modification of D.15-10-049 filed by SoCalGas, without prejudice. That decision set requirements for SoCalGas to establish a distributed energy resources tariff with modifications, and also denied a joint settlement agreement between SoCalGas and the Public Advocates Office. SoCalGas's petition for modification of D.15-10-049 asked for expansion of the types of technologies eligible for SoCalGas's DERs Tariff. Specifically, SoCalGas sought Commission authorization to (1) expand the eligibility of technologies that qualify for the DERs Tariff to support resiliency and backup generation needs under D.15-10-049; and (2) establish and/or update the GHG emission standards for DERs projects. **Signed, D.22-03-006.**

Item 8. A.21-06-010 (SoCalGas Gas Cost Incentive Mechanism). This decision approves SoCalGas's request for a shareholder reward of \$11,143,725 for Year 27 (2020-2021) of the company's Gas Cost Incentive Mechanism performance. The Commission's Public Advocates Office verified that SoCalGas's recorded gas costs were \$184,744,972 below the benchmark, which results in a reward of \$11,143,725 to SoCalGas's shareholders and a ratepayer benefit of \$173,601,247. **Signed, D.22-03-007.**

Item 10. A.20-06-021 (PG&E RAMP). This decision closes PG&E's 2020 Risk Assessment Mitigation Phase (RAMP) proceeding. This RAMP proceeding informs PG&E's Test Year (TY) 2023 GRC proceeding, which was filed on June 30, 2021 (A.21-06-021) and is currently ongoing. PG&E filed its RAMP Report pursuant to the procedures set forth in D.14-12-025 and D.16-08-018, and the settlement agreement adopted in D.18-12-014. The RAMP Report provides an initial quantitative and probabilistic assessment of PG&E's top 12 safety risks, plans to mitigate these risks, and estimates of costs associated with the proposed mitigations. The Commission's Safety Policy Division (SPD) is required to and did prepare an evaluation report of PG&E's RAMP Report. Parties were then given an opportunity to comment, and several parties filed comments and reply comments to both the RAMP Report and SPD's evaluation report. SPD and parties identified deficiencies and areas for improvement particularly with respect to increased granularity in PG&E's models, revisions to risk spend

efficiency calculations, and revisions to the multi-value attribute function model and calculations. Comments and criticism were also directed towards the application of PG&E's Public Safety Power Shutoff as a mitigation of wildfire events. PG&E's TY2023 GRC proceeding incorporates PG&E's consideration of the comments and recommendations from SPD and parties. The filing of the RAMP Report, SPD's review, and comments from parties inform PG&E's TY2023 GRC. PG&E's consideration and integration of these comments and suggestions into its safety-related proposals in A.21-06-021 completes this RAMP process, and no further action in this proceeding is required. Issues concerning PG&E's RAMP-related proposals in the GRC, including deficiencies and shortcomings that may still exist, shall be addressed in A.21-06-021. **Signed, D.22-03-008.**

Item 11. Draft Resolution G-3586. This resolution approves SoCalGas to record up to \$16,494,000 in Research, Development, and Demonstration (RD&D) expenses as outlined in its 2022 RD&D Program Research Plan to its RD&D Expense Account, pursuant to D.19-09-051. Any adjustments to the Program budget necessitated for the prior year (over or under) shall be carried over to the following year, with any unspent RD&D funds remaining at the end of the GRC cycle returned in rates to customers as part of the next SoCalGas GRC. **Approved.**

Item 16. A.18-03-015 (PG&E Catastrophic Memorandum Account Costs). This decision approves the all-party settlement agreement resolving this matter. PG&E may recover in total revenue requirement \$683.2 million for its expenses and capital costs associated with responding to 11 catastrophic events occurring between 2016 and 2019. That recovery is reduced by a net amount of \$373 million due to this proceeding's interim decision (D.19-04-039) that allowed some interim revenue requirement recovery. Therefore, the result of this decision is the authorization of a further revenue requirement recovery of \$310.2 million in rates. **Signed, D.22-03-011.**

Item 17. A.19-11-019 (PG&E Marginal Costs/Revenue Allocation/Rate Design). This decision adopts a stipulation reached between PG&E and the California Large Energy Consumers Association (Joint Parties) on the appropriate calculation for the property tax adder to be included in the marginal generation capacity cost for new customer rates effective June 1, 2022. This issue was identified as a material dispute on factual issues in D.21-11-016. The Joint Parties' stipulation addresses and resolves the outstanding property tax issues in this proceeding. **Signed, D.22-03-012.**

Item 18. Draft Resolution E-5134. Pursuant to D.20-08-004, this resolution approves with modifications protocols proposed by PG&E, SCE, and SDG&E to administer, process, and negotiate requests to prepay Power Charge Indifference Adjustment obligations. **Approved.**

Item 20. A.21-08-004 (PacifiCorp ECAC and GHG Forecast). This decision approves the partial settlement proposed by PacifiCorp d/b/a Pacific Power (PacifiCorp) and the Public Advocates Office at the CPUC resolving all issues raised with respect to the GHG Emissions Allowance program costs and Climate Credits determined in this proceeding. Sierra Club, the only other active party in this proceeding, does not oppose the settlement. The decision directs PacifiCorp to complete the actions set forth in their settlement, including distributing an increased California Climate Credit in 2022 for California PacifiCorp residential and small

business customers of \$132.85. The decision approves this credit in time for its semi-annual distribution in April 2022. In addition, this decision updates PacifiCorp's surcharge that recovers the costs for the procurement of GHG allowances for its retail compliance obligation under California's Cap-and-Trade Program GHG Surcharge. The impact of the proposed change to the GHG Surcharge is an overall rate increase of \$3.4 million or approximately 3.3% overall. **Signed, D.22-03-014.**

Item 22. A.21-05-016 (PacifiCorp Catastrophic Memorandum Account Costs). This decision approves a settlement agreement entered into by PacifiCorp and Public Advocates Office. The approved settlement agreement requests recovery of PacifiCorp's revised revenue requirement of \$477,570 held in its Catastrophic Event Memorandum Account. PacifiCorp incurred the amount approved to recover California-allocated costs to restore service to customers and to repair damage caused by the 2018 Klamathon and Delta fires. **Signed, D.22-03-016.**

Item 41. R.21-03-010 (General Order (GO) 156). In accordance with Senate Bill (SB) 255 (Bradford, Stat. 2019, Ch. 407), this decision revises the Commission's Supplier Diversity Program set forth in GO 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. **Held to April 7, 2022 meeting.**

Item 42. R.21-10-002 (Resource Adequacy). This decision adopts modifications to the central procurement entity (CPE) structure adopted in D.20-06-002 and D.20-12-006, including revisions to the requirements for self-shown local resources, revisions to the CPE's solicitation selection criteria, and revisions to the CPE procurement timeline. **Signed, D.22-03-034.**

CALIFORNIA ISO

Board of Governors Meeting

The California ISO held a Board of Governors meeting on March 17, 2022. The agenda may be found [here](#) and included a vote on the 2021-2022 Transmission Plan and on the CPE implementation and resource adequacy availability incentive mechanism (RAAIM) settlement modification. The Board approved the 2021-2022 Transmission Plan. For the CPE implementation and RAAIM settlement modification, the Board approved the modification to shift local RA obligations from load-serving entities to a CPE starting with compliance year 2023, but declined to adopt the proposal to allocate excess RAAIM funds to load monthly, rather than allow those funds to roll over and be allocated to load annually.

Stakeholder Initiatives: Upcoming Meetings and Deadlines

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.

2023 and 2027 Local Capacity Requirements Technical Study Draft Results. The California ISO is conducting the local capacity technical capacity study per section 40.3.1 of the ISO tariff and held a stakeholder call on March 9, 2022 to present and discuss the proposed draft 2023 and 2027 local capacity technical study results. Written comments on the draft study results are due March 23, 2022.

Energy Storage Enhancements. The California ISO has posted the revised straw proposal for the Energy Storage Enhancements initiative. Comments on the revised straw proposal are due April 4, 2022.

Reliability Demand Response Resource Bidding Enhancements Track 2. The California ISO has scheduled a stakeholder call on March 16, 2022 to discuss the draft final proposal for the Reliability Demand Response Resource Bidding Enhancements Track 2 initiative. Comments are due March 25, 2022.

WEIM Resource Sufficiency Evaluation Enhancements Phase 1 Initiative. The California ISO will hold a stakeholder call on March 23, 2022 related to Resource Sufficiency Evaluation failures in emergency conditions as discussed in the WEIM Resource Sufficiency Evaluation Enhancements Phase 1 initiative. Written comments on the call discussion are due April 1, 2022.

Interconnection Process Enhancements 2021. The California ISO will hold a public stakeholder call on March 24, 2022 to discuss the draft final proposal for phase 1: near-term enhancements for the Interconnection Process Enhancement 2021 initiative. Written comments on the revised straw proposal are due March 31, 2022.

CALIFORNIA ENERGY COMMISSION (CEC)

2022 IEPR Update

On March 2, 2022, the CEC published a *Notice of Request for Public Comments on the Draft Scoping Order for the 2022 IEPR Update* (Notice), a copy of which is available on the 2022 IEPR [website](#). According to the Notice, the proposed scope of the 2022 IEPR Update addresses three major topics: (i) establishing a framework to center equity and environmental justice throughout CEC efforts; (ii) creating a California Planning Library; and (iii) addressing 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:

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|--|-----------------------|
| • 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 on the draft 2022 IEPR Scoping Order are due by 5:00 p.m. PT on March 22, 2022 to Docket No. 22-IEPR-01.

Renewable Portfolio Standard (RPS)

RPS-certified facilities using more than one resource must report generation and fuel use data for calendar year 2021 to the CEC by April 1, 2022 as required by the RPS Eligibility Guidebook. All annual facility reports must be submitted using the RPS Online System on or before the applicable reporting deadline.

Access to the common carrier pipeline (CCP) report for 2021 is also available in the RPS Online System for the reporting of generation, contracts, delivery, and usage data for calendar year 2021. This report is required to be submitted by specified facilities that received fuel from a CCP in the prior calendar year and are subject to the CCP reporting requirements in the RPS Eligibility Guidebook. Annual CCP reports for 2021 are also due on April 1, 2022.

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 [here](#).

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](#).

Offshore Wind

CEC Staff will hold a webinar on March 22, 2022 in coordination with the California Ocean Protection Council that will present study outcomes from Conservation Biology Institute-

led project designed to compile information regarding the suitability of offshore wind development in federal waters off the California coast. The models created as part of the project provide a data-driven means for assessing various considerations at a given location, including energy potential, marine life occurrence, and deployment feasibility. The March 22 webinar Notice, including background information, is available at TN# 242255 in [Docket No. 17-MISC-01](#). According to the Notice, a detailed meeting schedule will be posted to [Docket No. 17-MISC-01](#) prior to the webinar.

On March 18, 2022, the California Coastal Commission submitted a Public Hearing Notice to [Docket No. 17-MISC-01](#) regarding the Bureau of Ocean Energy Management's Consistency Determination for leasing activities associated with future offshore wind development in the Humboldt Wind Energy Area in federal waters approximately 21 miles offshore of Eureka, California. The hearing is scheduled for April 7, 2022 at 9:00 a.m. PT and involves Coastal Development Permit Application No. CD-0001-22. According to the Notice, the Staff Report for the public hearing is available [here](#). Additional information regarding the April 7 hearing is available at TN# 242377 in [Docket No. 17-MISC-01](#).

At the March 9, 2022 CEC Business Meeting, the CEC approved a \$10.5 million grant for renovations at the Port of Humboldt Bay to support future offshore wind activities. According to the CEC's [news release](#), once completed, the new Humboldt Bay Offshore Wind Heavy Lift Marine Terminal will be capable of handling large heavy cargo vessels; offshore wind floating platform development, integration, and decommissioning; and various other maritime activities.

Lithium Valley Commission

The next Lithium Valley Commission meeting is scheduled for March 24, 2022 at 1:30 p.m. PT. Additional information, including the meeting agenda, is available at TN# 242297 in [Docket No. 20-LITHIUM-01](#).

CEC Business Meetings

The next monthly CEC Business Meeting is scheduled for April 13, 2022. A special meeting is also scheduled for March 24, 2022. The agenda for the March 24 special meeting, including remote attendance instructions, is available [here](#).

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD (SWRCB)

The Statewide Advisory Committee on Cooling Water Intake Structures (SACCWIS) held a meeting on March 14, 2022 to discuss the [Draft 2022 Report of the Statewide Advisory Committee on Cooling Water Intake Structures](#). SACCWIS includes representatives from the CEC, CPUC, California Coastal Commission, California State Lands Commission, California Air Resources Board, California ISO, and SWRCB. A copy of the March 14 meeting agenda is available [here](#). Minutes from the March 14 meeting will be posted to the SACCWIS page when available.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB will hold its next board meeting on March 24, 2022. A link to the meeting and the agenda is available [here](#).

On March 29, 2022, CARB will host 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 dairy and livestock operations to 40% below 2013 levels by 2030. Information and a link to the virtual workshop is available [here](#).

On March 30, 2022, CARB will host a meeting of the AB 32 Environmental Justice Advisory Committee. Information and a link to the virtual meeting is available [here](#).

On April 1, 2022, CARB will host a meeting of the AB 617 Community Air Protection Program Consultation Group. Information on the meeting is available [here](#).

Opportunities for Public Comment

CARB is holding virtual public meetings and workshops as part of the AB 32 Scoping Plan Update, which will assess progress towards achieving the SB 32 target to decrease statewide greenhouse gas emissions by 40% below 1990 levels by 2030 and to lay out a path to achieve carbon neutrality by 2045. On March 15, 2022, CARB will held a workshop to present the initial results from modeling of (1) scenarios to illustrate the effectiveness of deployment of different technologies and clean energy to achieve required greenhouse gas reductions, and (2) various land management scenarios to develop targets for natural and working lands. Comments on the workshop can be submitted [here](#) on or before April 4, 2022.

MIDCONTINENT ISO (MISO)

MISO's Planning Advisory Committee is considering enhancements to the Generator Replacement Process that will allow for a longer-term suspension study within a replacement request, whereas the current process only allows for a reliability assessment study for the gap period. In addition, the revisions would allow generators suspending operations to receive

approval for their suspension on a faster timeline than the tariff currently provides. MISO anticipates seeking feedback on the draft tariff language by March 23, 2022, and intends to file with the Federal Energy Regulatory Commission (FERC) in May 2022.

FERC Approves Revisions to MISO Generator Interconnection Procedures

On March 14, 2022, FERC wholly accepted MISO's revisions to the generator interconnection procedures (GIP), proposed on December 15, 2021. MISO's current GIP involves a three-phase Definitive Planning Phase (DPP) process to study and review interconnection requests. Under the current procedures, MISO conducts one system impact study in each of the three DPP phases (i.e., a preliminary system impact study in DPP Phase I, a revised system impact study in DPP Phase II, and a final system impact study in DPP Phase III). The DPP process also involves a two-phase facilities study. The first portion of the facilities study estimates the cost to construct the generator interconnection facilities. The second phase of the facilities study estimates the cost and time required to build the necessary network upgrades that are identified in the final system impact study.

After the DPP process is complete, interconnection customers may proceed to negotiation and execution of a generator interconnection agreement (GIA) and related construction agreements. Under the procedures, the GIA negotiation period could not commence until all facilities studies were complete. In its filing, MISO proposed to revise this process to create two different "paths" that interconnection customers could follow during DPP Phase III: a Default Path and an Optional Path. The Default Path expedites the interconnection process, resulting in a GIP timeline of approximately 373 calendar days, compared to the 463 days for the Optional Path.

Under the Default Path, MISO will tender a draft GIA, together with any then-completed draft appendices within five business days after the issuance of the first portion of the facilities study and the final system impact study. The network upgrade portion of the facilities study would occur concurrently with GIA negotiation and execution. The Optional Path would allow customers to not negotiate and execute a GIA without having received the network upgrade facilities study. MISO also proposed certain ancillary timeline adjustments related to the unified model building and review deadline and the time to complete the system impact studies in each DPP Phase. Additionally, the interconnection customer may now request that MISO begin the facilities study earlier in the study process, but in no event earlier than DPP Phase II. Lastly, MISO proposed to shorten the negotiation period for the GIA from 60 calendar days to 40 business days and require execution of the GIA by both the interconnection customer and transmission owner within 45 calendar days.

The new GIP apply to all interconnection requests in MISO's interconnection queue that have not started the final system impact study in DPP Phase III as of March 15, 2022.

OREGON PUBLIC UTILITY COMMISSION (OPUC) AND LEGISLATIVE UPDATES

OPUC Meetings This Week

On March 22, 2022 at 9:30 a.m. PT, the OPUC is hosting a public meeting to discuss a wide range of dockets including LC 77 (related to PacifiCorp's 2021 Integrated Resource Plan). Later in the day at 1:30 p.m. PT, the OPUC will host a special workshop in LC 77. The agenda and dial in details can be located [here](#).

On March 23, 2022 at 9:30 a.m. PT, the OPUC is hosting a conference to discussed UE 399 (related to PacifiCorp's request for general rate revision). The agenda and dial in details can be located [here](#).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC will hold its next [open meeting](#) on March 24, 2022. Among other items, FERC is expected to address:

- Requests for rehearing that were denied by operation of law regarding the creation and operation of the Southeast Energy Exchange Market.
- Requests for rehearing that were denied by operation of law regarding a complaint by the New York Transmission Owners (NYTO) against the NYISO alleging that the funding methodology for System Upgrades in the NYISO OATT is unjust and unreasonable, because it does not compensate the NYTOs for the risks of owning and maintaining such upgrades. The NYTOs seek an amendment to allow the NYTOs to fund such upgrades themselves and recover costs from interconnection customers.

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 its existing transmission facilities that are part of another developer's Order No. 1000 Public Policy Transmission Project. The order, available [here](#), demonstrates that competitive markets for transmission development, which was one of the goals of Order No. 1000, are still struggling to take hold.

On February 18, 2022, a divided (3-2) FERC issued two new policy statements regarding how it will evaluate natural gas pipeline project certifications and explicitly evaluate the impacts of the proposed projects' GHG emissions in assessing a project's environmental impacts. First, in its [Updated Policy Statement on Certification of New Interstate Natural Gas Facilities](#), FERC expands upon the considerations that it has traditionally relied upon in determining whether to grant a certificate of public convenience and necessity under Section 7 of the Natural Gas Act to more closely scrutinize the impact of the proposed project's GHG emissions on global climate change. Second, in its [Interim GHG Policy Statement](#), FERC describes the analytical framework that it will use to evaluate the market, environmental, and public interest issues associated with new natural gas pipeline projects. Under its Interim GHG Policy Statement, FERC will presume, unless rebutted by the developer, that projects with estimated GHG emissions of at least 100,000

metric tons of carbon dioxide equivalent per year will have a significant impact on climate change and require FERC to conduct an environmental impact statement.

FERC's new policy statements take effect immediately and will apply to all pending and new pipeline projects. Public comments on the Interim GHG Policy Statement are due by April 4, 2022. Comments on the Updated Policy Statement on Certification of New Interstate Natural Gas Facilities are due by April 26, 2022.

The Senate Energy and Natural Resources Full Committee held a [hearing](#) on March 3, 2022 to review recent FERC actions relating to permitting construction and operation of interstate natural gas pipelines and other natural gas infrastructure projects. Senators Manchin, Barrasso, Lee, Lankford, and Cassidy voiced concern with the new policy statements while Senators King, Hirono, Cortez Masto, and Hickenlooper expressed support for FERC's actions.

On March 11, 2022, the U.S. Court of Appeals for the District of Columbia Circuit remanded to FERC for further environmental review a Kinder Morgan project to upgrade its Tennessee Gas Pipeline system in order to evaluate the downstream impacts of the project on GHG emissions. *Food & Water Watch & Berkshire Env't Action Team v. FERC*, No. 20-1132 (D.C. Cir. Mar. 11, 2022). This court's decision reinforces FERC's new policy imperative to more closely scrutinize the impact of proposed gas pipeline projects' GHG emissions on global climate change.

On March 18, 2022, a number of Republican-led states (including [Texas](#), [Louisiana](#), [et al.](#)) and fossil fuel groups filed for rehearing of FERC's GHG Policy Statements, arguing that FERC's new policy may put an end to the development of natural gas pipeline infrastructure going forward.