

**REGULATORY UPDATE FOR MARCH 5, 2024  
(WEEK OF FEBRUARY 26, 2024)**

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

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

Rulemaking (R.) 09-11-014 (Energy Efficiency Policies, Programs, Evaluation, Measurement, Verification, and Related Issues). This decision grants a California Choice Energy Authority (CalChoice) petition for modification (PFM) of Decision (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 (Stats. 2011, Ch. 599) 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. 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.

Application (A.) 22-05-002 et al. (Demand Response Programs, Pilots and Budgets for Program Years 2023-2027). This decision sunsets the demand response auction mechanism pilot programs of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E), by December 31, 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.

A.22-05-022 et al. (Green Tariff, Community Solar Green Tariff and Green Tariff Shared Renewables Programs). This decision modifies current customer renewable energy subscription programs, also known as Green Access Program tariffs, and adopts a community renewable energy program. The Commission finds that the current Green Access Program tariff options do not meet all the evaluation goals described in AB 2316, and finds it efficient in terms of costs and resources to modify and streamline existing Green Access Program tariffs to better meet these goals. The Commission further finds that the proposed Net Value Billing Tariff conflicts with federal law and does not meet the requirements of AB 2316. The decision adopts a

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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.

community renewable energy program that layers a customer subscription model and a non-ratpayer-funded adder onto identified standard supply-side tariffs and contract mechanisms.

### Voting Meetings

The CPUC will hold a voting meeting in San Francisco, California on March 7, 2024 at 11:00 a.m. PT. The following are energy-related items on the agenda:

Item 2. Resolution (Res) ALJ-435 (Appeal of Amended Citation E.18-02-001 Issued to SCE by Safety and Enforcement Division). This resolution dismisses Amended Citation E.18-02-0011 issued by the Safety and Enforcement Division (SED) to SCE, with one exception. SED proved by a preponderance of the evidence that Rule 37 of General Order 95 was violated; that charge, without the imposition of any penalties, is sustained.

Item 3. Res SPD-15 (Proposal for the SB 884 Program). This resolution establishes a program and program guidelines for expediting the undergrounding of the distribution equipment of large electrical corporations pursuant to SB 884 (McGuire; Stats. 2022, Ch. 819). The program consists of up to three phases. In Phase 1, a large electrical corporation will submit a 10-year undergrounding plan (Plan) to the Office of Energy Infrastructure Safety for review. In Phase 2, the large electrical corporation will submit an application to the Commission requesting review and conditional approval of the Plan's costs (Application). In Phase 3, the large electrical corporation will implement its Plan in accordance with this resolution, the Commission's Phase 2 Decision, and any other Commission decision on an Application submitted pursuant to the SB 884 program. During Phase 3, the Commission will review any Phase 3 Applications for recovery of costs recorded in the memorandum account to determine whether those costs were just, reasonable, and incremental to any other costs approved by the Commission.

Item 5. R.21-11-014 (Clean Miles Standard Program). This decision establishes the initial rules and regulations for implementing the Clean Miles Standard Program in accordance with SB 1014. This decision defines regulated entities subject to Clean Miles Standard Program regulations as transportation network companies, charter-party carriers, and autonomous vehicle passenger companies. Transportation network companies with fewer than five million miles of vehicle miles traveled in a given calendar year are exempt from the requirements of this decision. The Commission will determine what rules to adopt for autonomous vehicle passenger companies and charter-party carriers that are not transportation network companies in Phase 2 of this proceeding. This decision directs regulated entities to file plans to meet program goals, including the annual targets established by the California Air Resources Board to increase vehicle miles traveled by zero emissions vehicles to 90 percent and eliminate greenhouse gas emissions by 2030. Regulated entities must file a Tier 3 advice letter to propose an interim greenhouse gas emissions reduction plan within 120 days of the effective date of this decision. These entities will also be required to file an updated greenhouse gas emissions reduction plan after the Phase 2 decision and thereafter every two years. This decision establishes a new Drivers Assistance Program that will be administered by a third-party administrator and funded by a per-trip regulatory fee collected by regulated entities. The Drivers Assistance Program will provide low- and moderate-income drivers of transportation network companies with incentives for making the transition to zero emissions vehicles and act as a one-stop-shop for drivers to access

other incentives for zero emissions vehicles and charging. The Commission's staff will select a third-party program administrator for the Drivers' Assistance Program through a request for proposals process conducted by Uber Technologies, Inc. as the contracting agent. The Commission's staff will oversee the performance of the program administrator. The program administrator shall file a Tier 3 advice letter to propose an implementation plan and handbook for the Drivers Assistance Program within 150 days of entering into a contract to perform program services. The Commission will set the Clean Miles Standard Regulatory Fee and Drivers Assistance Program budget through resolutions of Tier 3 advice letters filed by regulated entities subject to this decision. This decision establishes the following structure for Drivers Assistance Program incentives: (a) an upfront incentive to purchase or lease a new zero emissions vehicle and offset initial charging costs; (b) an upfront incentive to purchase or lease a used zero emissions vehicle and offset initial charging costs; and (c) an annual grant for up to four years to offset ongoing charging costs. The program administrator will propose the initial incentive levels and adjustments to the incentive levels by advice letter. This decision also addresses other issues for commencing implementation of the Clean Miles Standard Program, including exempt entities and trips, data reporting and verification, advancing clean mobility, monitoring environmental and social justice impacts, outreach and engagement with drivers and community-based organizations, and coordinating with other state efforts to electrify transportation. This decision resolves Phase 1 of this proceeding. This proceeding remains open to address Phase 2 issues, including program requirements for autonomous vehicle passenger companies and charter-party carriers, optional credit programs, sustainable land use objectives, clean vehicle requirements, and enforcement.

Item 7. Res E-5296 (Limited Generation Profile Specifics and Process). This resolution approves in part, and modifies, P&E's, SCE's, and SDG&E's Advice Letters (ALs) filed in compliance with D.20-09-035, Res E-5211, and Res E-5230, providing the specifics on whether and how reductions to a customer's Limited Generation Profile (LGP) are determined, and providing recommendations regarding the standard review, certification requirements, and interconnection processes necessary for implementation of the LGP option. This resolution also orders adopting the process and steps for curtailing LGP projects; adopting the process for implementing LGP projects; adopting the granularity of LGP values; adopting data monitoring and reporting requirements; specifying the data format of LGP values to be submitted by customers; and developing a plan for conducting assessments of the LGP option. This resolution orders PG&E, SCE and SDG&E to submit via AL changes to their Rule 21 Tariffs and other forms as applicable to allow the use of LGPs. This resolution orders PG&E, SCE and SDG&E to monitor and report data on utilization of the LGP option to facilitate future refinements to its implementation.

Item 8. A.21-09-018 (PG&E 2023-2026 Gas Transmission, Storage Cost Allocation, Rate Design Proposals, and Proposed Settlement Agreement). This decision approves PG&E's 2023 to 2026 gas transmission, storage cost allocation, and rate design proposals incorporating the gas revenue requirements and capacity forecasts from PG&E's 2023 general rate case proceeding. This decision also grants PG&E's Motion for Adoption of the All-Party Settlement Agreement and Stipulation and adopts it without modification.

Item 9. R.11-05-005 (Renewables Portfolio Standard Program Petition for Modification). This decision denies the November 16, 2021 PFM D.14-12-081 and D.20-08-043, filed by the Bioenergy Association of California, California Association of Sanitation Agencies, and the Rural County Representatives of California on procedural grounds. The petition seeks to remove utility specific megawatts (MWs) sub-allocations within each Bioenergy Market Adjusting Tariff (BioMAT) feedstock category; allow smaller investor-owned utilities to participate in the BioMAT program; and extend the BioMAT program end date adopted in D.20-08-043. The decision finds that the petition fails to meet the requirements of Rule 16.4 of the Commission's Rules of Practice and Procedure because these modifications could have been sought within one year of the issuance of D.14-12-081. Furthermore, the decision finds that the portion of the Petition which requests to modify D.20-08-043 does not comply with the requirements of Rule 16.4 as it is not filed in R.18-07-003, the proceeding in which D.20-08-043, one of the decisions proposed to be modified, was issued.

Item 10. R.21-10-002 (Resource Adequacy Program PFM). This decision denies the PFM of D.23-06-029, filed by the California Large Energy Consumers Association (CLECA). The Commission issued D.23-06-029 on July 5, 2023. That decision clarified that the California Independent System Operator (CAISO) should be allowed to use Reliability Demand Response Resources (RDRR) as a Resource Adequacy (RA) resource for economic or exceptional dispatch upon the declaration of a day-of Energy Emergency Alert (EEA) Watch, or when a day-ahead EEA Watch persists in the day-of timeframe. The Commission further stated that "when RDRR is dispatched pursuant to conditions described in this decision, CAISO should not need to escalate its grid emergency status to EEA 2 (an emergency condition), thus ensuring that RDRR is available to avoid a reliability emergency." The Commission determined that the clarification to the existing policy would be effective immediately. CLECA sought to modify D.23-06-029 in the following ways: (1) to allow economic dispatch for a day-of EEA Watch but only allow exceptional dispatch of RDRR immediately prior to canvassing other balancing authorities, which occurs during EEA 2 conditions (exceptional dispatch of RDRR need not result in CAISO entering EEA 2); (2) to defer the above modification until the Federal Energy Regulatory Commission (FERC) approves CAISO's tariff changes to allow inclusion of start-up costs for RDRR resources and minimum run times of at least three hours; (3) to allow Base Interruptible Program (BIP) participants to opt out or change firm service level immediately; and (4) to remove the elimination of the transmission load factor and planning reserve margin adder from BIP incentives in 2024 and defer treatment of the adders and incorporate development into a comprehensive distributed energy resources policy in R.22-11-013. The Commission denies the PFM finding that CLECA has not provided sufficient basis to demonstrate that a modification of D.23-06-029 is warranted.

Item 14. A.23-06-008 (PG&E Application for Recovery of Recorded Expenditures Related to Wildfire Mitigation, Catastrophic Events, and Other Recorded Costs). This decision grants the request of PG&E for interim rate relief, pending a final decision on what permanent cost increase, if any, is reasonable based on the evidence. PG&E is authorized to recover a maximum of \$516 million (75 percent of PG&E's total request of \$688 million) in interim rates according to the process set forth herein. PG&E is required to refund, with interest, any excess amount it collects in comparison to the Commission's final determination on the amount

reasonably incurred. The decision states that the key reasons to grant the interim rate recovery are as a preservative to PG&E's credit ratings, and to effectively manage the rate impacts likely to accrue to ratepayers.

Item 15. Res SPD-21 (LS Power 2023-2025 Wildfire Mitigation Plan). This resolution ratifies the decision of the Office of Energy Infrastructure Safety approving LS Power Grid California's 2023-2025 Wildfire Mitigation Plan (WMP) pursuant to Public Utilities Code (Pub. Util. Code) Section 8386.3(a).

Item 16. Res SPD-22 (Horizon West Transmission's 2023-2025 Wildfire Mitigation Plan). This resolution ratifies the decision of the Office of Energy Infrastructure Safety approving Horizon West Transmission's 2023-2025 WMP pursuant to Pub. Util. Code Section 8386.3(a).

Item 17. Res SPD-23 (Trans Bay Cable's 2023-2025 Wildfire Mitigation Plan). This resolution ratifies the decision of the Office of Energy Infrastructure Safety approving Trans Bay Cable's 2023-2025 WMP pursuant to Pub. Util. Code Section 8386.3(a).

Item 18. R.19-10-005 (Electric Program Investment Charge Program). This decision adopts five strategic goals for the EPIC Program consistent with the finding in D.18-10-052 that the Electric Program Investment Charge (EPIC) Program needed clearer direction on priorities that would generate an optimal mix of research projects that maximize ratepayer benefits, lead to energy innovation, supported California's key policy goals, and built on the mission statement and guiding principle adopted in D.21-11-028. The five goals, developed as part of a public workshop process authorized in D.23-04-042, are: transportation electrification; distributed energy resource integration; building decarbonization; achieving 100 percent net-zero carbon emissions and the coordinated role of gas; and climate adaptation. The next steps authorized by D.23-04-042 are several workshops to develop strategic objectives.

Item 19. A.22-06-003 (SCE's 2021 Wildfire Mitigation). This decision finds SCE's capital expenditures and operations and maintenance expenses recorded in 2021 in SCE's Wildfire Mitigation Plan Memorandum Account (WMPMA), Fire Risk Mitigation Memorandum Account (FRMMA), and Vegetation Management Balancing Account (VMBA) to be incremental and reasonable as modified herein. SCE is authorized to recover through distribution rates the revenue requirement associated with: (a) approved WMPMA incremental capital expenditures for 2021 of \$76.43 million; (b) approved 2021 WMPMA incremental operations and maintenance (O&M) expenses of \$81.72 million; (c) approved 2021 FRMMA incremental O&M expenses of \$15.96 million; and (d) approved 2021 VMBA incremental O&M expenses of \$212.79 million. Interest costs and franchise fees and uncollectibles will be added to these amounts, and recovery will be carried out over a 12-month period starting with the next regularly scheduled consolidated revenue requirement and rate change following issuance of this decision or as soon as practicable. This decision defers consideration of SCE's requested reasonableness review and authorization for recovery of \$21.09 million in 2021 construction work-in-progress capital expenditures to a later proceeding. This decision adopts information requirements for future SCE WMPMA or FRMMA applications.

Item 20. R.14-03-003 (Natural Gas Climate Credit Distribution PFM). The Commission denies the PFM of D.15-10-032, as modified by D.18-03-017, filed by SoCalGas and SDG&E. The petitioners sought to modify the timing of the Gas Climate Credit distribution from April to February for future years. The Commission denied the PFM and natural gas utilities will continue to distribute the natural gas climate credit to residential customers annually in April.

Item 23. A.23-01-005 (LS Power Application for Exemption from Affiliate Transaction Rules and Reporting Requirements of Certain General Orders). This decision adopts the all-party settlement agreement between LS Power and the Public Advocates Office of the Commission, which was filed on April 21, 2023. The settlement addresses the affiliate transaction rules, the reporting requirements, and the process for renewing exemptions from the affiliate transaction rules when LS Power seeks the Commission's approval of additional facilities. As part of the settlement, the Public Advocates Office agrees to not protest LS Power's requests for similar exemptions from affiliate transaction rules as well as its request to be allowed to comply with Section VI.C by filing an audit report every five years for future projects if the request demonstrates that: (1) the project was selected in a competitive solicitation conducted by CAISO; (2) the project is subject to FERC oversight and the CAISO's Open Access tariff, with the project costs recovered via the FERC authorized Transmission Access Charge; and (3) LS Power does not serve retail customers in California.

Item 24. A.23-09-008 (PacifiCorp's Modifications to Greenhouse Gas Surcharge and California Climate Credit). This decision approves the January 5, 2024 Joint Motion for Approval of Written Settlement filed by PacifiCorp, California Farm Bureau Federation, and the Public Advocates Office, requesting Commission approval and adoption of the partial settlement regarding PacifiCorp's 2024 Energy Cost Adjustment Clause (ECAC) Application. The settlement resolves all the issues raised with respect to the Greenhouse Gas Emissions Allowance program costs and Climate Credits in PacifiCorp's 2024 ECAC Application. This decision approves a semi-annual California Climate Credit for 2024 for residential and small business customers of \$174.25, a decrease of 35.12% from \$268.56, the 2023 semi-annual amount.

Item 55. R.20-05-012 (Self-Generation Incentive Program Improvements and AB 209 Implementation). This decision allocates \$280 million from the Greenhouse Gas Reduction Fund to the Self-Generation Incentive Program (SGIP) Residential Solar and Storage Equity budget and makes programmatic changes to improve SGIP and provide the framework for the new budget category, eligibility requirements, and administration. Funds will be allocated to the existing SGIP program administrators (PAs) and one new PA to serve customers of Los Angeles Department of Power and Water. The decision includes several other modifications, such as, modifying the eligibility criteria for low-income residential customers, transitioning Net Energy Metering 1.0 and 2.0 customers that apply for SGIP incentives (in any budget category except Residential Solar and Storage Equity and San Joaquin Valley Residential) to the Net Billing Tariff (NBT) and requiring new SGIP applicants that install solar to enroll in the NBT, requiring all new SGIP incentive recipients to enroll in a qualified demand response program, and reallocating \$80 million of ratepayer funds from the Generation budget category to the Large-Scale Storage budget (\$40 million) and the Small Residential Storage budget (\$40 million).

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

### **Stakeholder Initiatives: Upcoming Meetings and Deadlines**

**Western Energy Imbalance Market Nominating Committee.** CAISO announced that the Western Energy Imbalance Market (WEIM) Nominating Committee started its process to nominate a slate of candidates for WEIM Governing Body seats with terms scheduled to expire in 2024. An updated list of WEIM Nominating Committee members has been posted to the WEIM [website](#).

**2025 and 2029 Local Capacity Technical Study.** CAISO will hold a stakeholder call on March 6, 2024, to present and discuss the draft Local Capacity Technical Study results. Further details are available [here](#).

**WEIM Governing Body.** CAISO has posted the final agenda for the virtual WEIM Governing Body general session meeting on March 7, 2024. Further information is available [here](#).

**Market Performance and Planning Forum.** CAISO has scheduled the upcoming quarterly Market Performance and Planning Forum on March 11, 2024. Participants have the option to attend the forum in-person at the CAISO, or virtually. In-person registration is due March 7, 2024. Further information is available [here](#).

**Resource Adequacy Modeling and Program Design.** CAISO will hold a public Resource Adequacy Modeling and Program Design stakeholder working group meeting on March 13, 2024. Attendees may choose to participate in the meeting in-person at the CAISO, or virtually. Registration information is available [here](#).

**Greenhouse Gas Coordination.** CAISO will host a virtual Greenhouse Gas Coordination working group meeting on March 14, 2024. Further details are available [here](#).

**2024 Annual Western Interregional Coordination.** The Western Planning Regions (WestConnect, NorthernGrid and CAISO) have scheduled their 2024 Annual Interregional Coordination meeting in-person at the Western Power Pool Offices in Portland, Oregon on March 26, 2024. Webinar capabilities will be available for those attending the meeting virtually. Further information is available [here](#).

**Penalty Enhancements: Demand Response, Investigation, and Tolling.** CAISO launched a new initiative called Penalty Enhancements: Demand Response, Investigation, and Tolling. CAISO will host a virtual stakeholder meeting on April 3, 2024, to discuss the straw proposal. The tentative straw proposal posting date is March 28, 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. Volumes I-III of the plan are linked in the [Notice of Availability](#) and are also available [here](#). According to the [Notice of Availability](#), comments are due by 5:00 p.m. on March 22, 2024. The CEC's *Events* website lists a March 20, 2024 [workshop](#) regarding the Draft Strategic Plan, but as of this publication, no workshop notice has been released.

### Geothermal Grant and Loan Program

The pre-application workshop for [Solicitation No. GFO-23-402](#) that was previously scheduled for February 16, 2024 has been rescheduled. Workshops will occur in various locations:

- March 5, 2024: [Sacramento](#) (in-person and remote access available)
- March 8, 2024: [Imperial County](#) (in-person only)
- March 19, 2024: [California Native American Tribes](#) (remote access only)
- March 22, 2024: [Lake County](#) (in-person only)

For additional information regarding workshop times, locations, and remote access instructions, please see the links above.

### Clean Transportation Program Investment – Advisory Committee Opening

On February 8, 2024, the CEC provided notice of an opportunity to serve on the Advisory Committee of the Clean Transportation Program Investment Plan. The deadline for submitting applications to serve on the Committee has been extended from March 1, 2024 to March 15, 2024. More information on the position and how to apply is available [here](#).

### Transportation Electrification

#### *Workshop on EV Charging Infrastructure in Urban Areas*

The CEC will host a remote-only workshop on March 7, 2024 to discuss and receive feedback on its draft solicitation concept for projects to support light-duty EV charging



infrastructure in disadvantaged communities and low-income communities located in urban areas. A workshop agenda and login details are available [here](#).

#### *Workshop on Electric Vehicle Charging Infrastructure in Rural Areas*

The CEC will host a remote-only workshop on March 12, 2024 to discuss and receive feedback on its draft solicitation concept for projects to support the deployment of EV charging infrastructure in rural communities. The workshop will be held 10 a.m.–12 p.m., and the workshop agenda and login details are available [here](#).

#### Distributed Electricity Backup Assets (DEBA) Program

The CEC hosted a remote workshop on March 5, 2024, 1 p.m.–4 p.m., to seek input on the draft solicitation concept it issued in Docket No. [22-RENEW-01](#) for Distributed Energy Resources for Reliability Grant Funding Opportunity. The draft solicitation is being issued consistent with the Strategic Reliability Reserve established under AB 205 (Ting, Chapter 61, Statutes of 2022). Additional information, including the draft solicitation and workshop agenda, is available [here](#). Written comments may be submitted through March 15, 2024.

#### Reliability Reserve Incentive Programs

CEC staff will hold a remote [workshop](#) on March 12, 2024, to present an overview of the changes proposed to the Demand Side Grid Support (DSGS) Program Guidelines, Second Edition, that were adopted on July 26, 2023. Staff previously held a workshop in January 2024 on potential modifications to the DSGS Program Guidelines, Second Edition, and collected public comment. Written comments are due by 5:00 p.m. on March 22, 2024. Staff intends to propose a third edition of the guidelines after the close of the public comment period and present the new edition to the CEC for adoption at a future Business Meeting. Additional information about the workshop, including remote access instructions, is available in the workshop [Notice](#).

#### SB X1-2 and SB 1322 Pre-Rulemaking Workshop

On February 27, 2024, CEC staff hosted a remote and in-person pre-rulemaking [workshop](#) regarding rules related to the data collection and analysis provisions in Pub. Res. Code Section 25354 and rules to manage necessary refinery maintenance and turnarounds pursuant to Section 25354.2. According to the workshop [Notice](#), SB X1-2 “took effect in June 2023. Among other things, SB X1-2 revised and introduced several new petroleum industry reporting requirements, with submittals beginning in July 2023. The new information includes spot market transactions, firm ownership, agreements and contracts, inventory holdings by type, refinery maintenance schedules, 96-hour notice of marine vessel imports, expanded refinery operator reporting, and new pipeline and port operator reporting. SB X1-2 also authorized the CEC to regulate the timing of refinery maintenance and turnaround.”

CEC staff has announced another [Workshop](#) for March 18, 2024 at 9:00 a.m. According to the [Notice](#), Staff “will provide an overview of scope and covered topics proposed for the rules in this phase of the rulemaking proceeding, including refiner maintenance, refiner costs, shipping

reports, and formats for data submission” and “will also discuss rules to support a process to manage maintenance turnarounds.” Public comments are due by 5:00 p.m. on April 1, 2024.

#### SB 350 Disadvantaged Communities Advisory Group (DCAG)

On February 27, 2024, DCAG released an updated *Draft 2022 & 2023 Report* of the Disadvantaged Communities Advisory Group. The report and related materials are available in [Docket No. 16-OIR-06](#).

#### CEC Business Meetings

The next Business Meeting will be held on March 13, 2024. The meeting agenda and backup materials are available [here](#).

### **STATE WATER RESOURCES CONTROL BOARD (SWRCB)**

#### Statewide Advisory Committee on Cooling Water Intake Structures

A meeting is [scheduled](#) for 1:00 p.m. on March 11, 2024 to discuss the draft [2024 Draft Report](#) of the Statewide Advisory Committee on Cooling Water Intake Structures. Additional information is available in the meeting [Notice](#) and meeting [Agenda](#).

### **CALIFORNIA AIR RESOURCES BOARD (CARB)**

#### Meetings, Workshops, and Notices

On March 19, 2024, CARB will hold a [public workshop](#) to discuss the proposed 2024 [Community Air Protection Incentives Guidelines](#), updated to align with the draft [Community Air Protection Blueprint 2.0](#). Public comments on the Community Air Protection Incentives Guidelines may be emailed to [AB617incentives@arb.ca.gov](mailto:AB617incentives@arb.ca.gov) on or before March 19, 2024. More information on the workshop and registration details are available [here](#).

CARB’s next Board meeting is a joint meeting with the California Transportation Commission and California Department of Housing and Community Development, to be held on April 11, 2024. The agenda for the meeting will be available [here](#).

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

#### Opportunities for Public Comment

CARB has posted the [2024 annual update](#) to the carbon intensities for the [Low Carbon Fuel Standard](#) look-up table pathways for (1) grid electricity used as a transportation fuel in California and (2) electricity supplied under the smart charging or smart electrolysis provision. Prior to certification of the updated pathway carbon intensity values, CARB is soliciting public comment until March 8, 2024. Instructions for submitting comments are [here](#).

CARB is accepted comments on its proposed 2024 [Community Air Protection Incentives Guidelines](#), which are being updated to align with the draft [Community Air Protection Blueprint 2.0](#). Public comments on the guidelines may be emailed to [AB617incentives@arb.ca.gov](mailto:AB617incentives@arb.ca.gov) on or before March 19, 2024.

CARB is accepting comments on the draft [Community Engagement Model](#), to help staff create and implement robust engagement plans, through April 3, 2024. Comments may be submitted [here](#).

CARB is accepting research concepts and comments from the public for fiscal year 2025-2026, as part of its annual [Research Program](#) planning. Concepts and comments may be submitted [here](#) on or before April 10, 2024. In addition, CARB is creating a [5-Year Strategic Research Plan](#) to inform its research priorities for the years 2025 to 2030. Long-term research priorities for consideration of the 5-year plan can be submitted through the same [survey](#).

### **MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)**

In February 2023, the MPUC ordered the Minnesota investor-owned gas utilities (Xcel Energy, CenterPoint Energy, and MERC) to pursue natural gas resource planning as a result of its investigation into Winter Storm Uri, starting with the proposal filed by the Citizens Utility Board in October 2022. At its February 22, 2024 agenda meeting, the MPUC decided the scope of content for the natural gas resource plans to be filed by Xcel, CenterPoint, and MERC. This MPUC decision included the resource planning process, as well as certain plan components. This was the first, or preliminary decision of the MPUC, and staff has planned a second comment period and agenda meeting, anticipated in August 2024, to determine filing details like the data to be collected and reported as well as how those data will be analyzed. In summary, the MPUC directed as follows:

- Xcel Energy, CenterPoint and MERC are required to file resource plans every three years, on a staggered basis.
- The gas utility’s preferred plan should include both (1) a 10-year sales and emissions forecast and (2) a five-year action plan of the specific steps that it will take to implement that plan over the next five years.
- The Commission initiated a second stakeholder engagement, and a second comment period and agenda meeting, anticipated in August 2024, to determine resource plan filing details like the data to be collected and reported as well as how those data will be analyzed.
- The Commission also delegated authority to the Executive Secretary to begin a third stakeholder process, followed by a notice of comment period in Docket No. G999/CI-21-565 (“Future of Gas Docket”), to consider changes to rates needed to maintain affordable and equitable utility service. The Commission required the stakeholder process to consider:
  - (1) stakeholder recommendations as developed in G21 process;
  - (2) the potential for stranded costs on the natural gas system due to electrification;
  - and

- (3) the policy implications of electrification, including whether technological advances will allow complete electrification, given intermittency of renewables.

More to come on this complex new process.

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

On February 26, 2024, FERC issued an order, [186 FERC ¶ 61,144](#), granting PJM Interconnection, L.L.C. (PJM) waiver of Section 5.4(a) of Attachment DD to PJM's Open Access Transmission Tariff (Tariff) to delay the commencement of the 2025/2026 Base Residual Auction (BRA) by 35 days to July 17, 2024. FERC also granted waiver of certain associated pre-auction deadlines for the 2025/2026 BRA.

On February 8, 2024, President Biden named Willie Phillips as Chairman of FERC, removing the "Acting Chairman" qualifier that had been in place for Phillips since January 3, 2023. Commissioner Allison Clements also announced that she will not seek another term at FERC after her term expires on June 30, 2024. Commissioner Clements may choose to remain at FERC until January 3, 2025; however, her departure, whenever it occurs, will leave FERC without a quorum to conduct business until a new commissioner is installed.

On January 29, 2024, FERC issued an order, [186 FERC ¶ 61,076](#), accepting ISO New England Inc.'s (ISO-NE) revisions to Section I.2.2 to Market Rule 1, and Appendix A to Market Rule 1 of its Transmission, Markets and Services Tariff to establish a jointly optimized day-ahead market for energy and ancillary services (DAM) and sunset the existing Forward Reserve Market (FRM), effective March 1, 2025. To terminate the existing FRM, ISO-NE notes that it will shorten the final Forward Reserve Procurement Period, which will now end on February 28, 2025.

The revised DAM combines the Day-Ahead Energy Market with a new Day-Ahead Ancillary Services Market (DAASM), which includes four new ancillary service products: Day-Ahead Ten-Minute Spinning Reserves, Day-Ahead Ten-Minute Non-Spinning Reserves, Day-Ahead Thirty-Minute Operating Reserves, and Day-Ahead Energy Imbalance Reserves. There are specific requirements imposed on eligibility to provide the new ancillary service products. Under the new structure, ISO-NE will use a two-component call option structure for awards in the DAASM. First, the resource will receive a credit for its DAASM award, which will be determined based on the day-ahead clearing price and day-ahead award for the given product and hour of the Operating Day. Second, the resource is assessed a "close-out" charge based on the quantity of the award multiplied by the greater of (i) zero and (ii) the difference between the real-time hub price and the strike price set by ISO-NE. The demand quantities for each of the four DAASM products will be set by the operating reserve requirement for the product and the energy gap forecast.

On January 29, 2024, FERC issued a letter order, [186 FERC ¶ 61,068](#), accepting Southwest Power Pool, Inc.'s (SPP) proposed revisions to Attachment V and Appendices 3, 5,

15, and 16 to Attachment V in its Open Access Transmission Tariff<sup>2</sup> to update guidance and data requirements for interconnection request submissions and proposed tariff revisions, effective February 1, 2024. These revisions direct interconnection customers to submit interconnection requests electronically through SPP's online portal and allow for electronic communications regarding interconnection studies. The revisions also update the information required to be submitted in an interconnection request, which is used in interconnection studies and model development.

On January 25, 2024, FERC issued an order, [186 FERC ¶ 61,065](#), granting New York Independent System Operator, Inc. (NYISO) a waiver of requirements in Articles 30.3, 30.6, 30.7, and 30.10 of the NYISO Open Access Transmission Tariff that require the developer to elect within a prescribed period of time, and NYISO to perform, feasibility and system impact studies or to withdraw the Developer's project from the interconnection queue. The waiver is granted for the period between November 30, 2023, and the date of a further FERC order on NYISO's partial compliance filing to Order No. 2023, which was filed in the same docket, ER24-342, as the waiver request. FERC made no findings as to the merits of NYISO's partial compliance filing.

On January 24, 2024, ISO-NE's revisions to the Forward Capacity Market qualification rules for Distributed Energy Capacity Resource were accepted via delegated letter order in [Docket No. ER24-484](#).

On January 19, 2024, FERC issued its order, [186 FERC ¶ 61,054](#), on the Midcontinent Independent System Operator (MISO) proposals to revise its Open Access Transmission, Energy and Operating Reserve Markets Tariff (OATT) filed in Docket Nos. ER24-340 and ER24-341. FERC accepted MISO's proposal to increase milestone payments, adopt an automatic withdrawal penalty, revise certain withdrawal penalty provisions, and expand site control requirements for interconnection facilities, effective January 22, 2024. FERC rejected MISO's proposal to implement a cap on the total megawatt value of interconnection requests that may be studied in a cluster.

On January 2, 2024, in [Docket No. ER24-339](#), FERC issued an order accepting a proposal by ISO-NE to revise the ISO-NE's Transmission, Markets and Services Tariff to delay the 19th Forward Capacity Auction, including all pre-auction and post-auction activities related thereto, by one calendar year. The revisions do not change the Capacity Commitment Period, which remains the June 1, 2028 through May 31, 2029 delivery year.

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<sup>2</sup> Attachment V of the Tariff contains SPP's Generator Interconnection Procedures (GIP). Appendices 3, 5, 15, and 16 to the GIP contain SPP's *pro forma* Generator Interconnection Study Agreement, *pro forma* Interim Availability Interconnection System Impact Study Agreement, *pro forma* Surplus Interconnection Service Impact Study Agreement, and *pro forma* Surplus Interconnection Service Facilities Study Agreement, respectively.