

**REGULATORY UPDATE FOR MAY 20, 2025
(WEEK OF MAY 12, 2025)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC held a voting meeting in Kings Beach, CA on May 15, 2025 at 11:00 am PT. The following are [results](#) for energy-related items on the [agenda](#):

Item 3. R.23-01-007 (Diablo Canyon Power Plant Operations Phase 2 Issues). This decision considers party proposals on Phase 2 issues and makes the following determinations: (1) PG&E will continue to use the general framework and definitions for the use of the surplus performance-based fees as adopted in Decision (D.) 23-12-036 in the post-2024 period; (2) PG&E should consider affordability as a guiding principle when developing and implementing its Volumetric Performance Fee (VPF) spending plan; (3) PG&E's proposed templates reflecting the baseline review criteria for the annual compensation report are approved, in addition to the data templates, PG&E must report on total expense spending (relative to authorized amounts) for individual major work categories in which the maintenance activity type is located related to work funded by VPFs for the most recent five years in the Diablo Canyon annual cost forecast application; (4) PG&E must estimate, where feasible, the number of customers participating in or benefiting from each VPF project, with specific identification by customer class, and report it in its annual reporting review filing; (5) PG&E's proposal for adjustments to Diablo Canyon Independent Safety Committee's (DCISC) funding methodology is approved; and (6) DCISC membership terms remain the same. **Held to June 12, 2025.**

Item 4. A.23-06-023 (PG&E's Woody Biomass to Renewable Natural Gas Pilot). This decision denies PG&E's application seeking approval of its woody biomass to renewable natural gas pilot project. This decision directs PG&E to use the Tier 2 Annual Gas True-Up of Gas Transportation Balancing Accounts for Rates Effective January 1, 2026 Advice Letter to return \$16.936 million of Cap-and-Trade proceeds, including interest, to ratepayers through the California Climate Credit in 2026. **Signed, D.25-05-003.**

Item 8. R.20-08-020 (Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to D.16-01-044, and to Address Other Issues Related to Net Energy Metering). This decision grants PG&E, SCE, and SDG&E's Petition for Modification (PFM) of D.23-11-

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

068 addressing remaining proceeding issues in R.20-08-020. The decision removes requirements in D.23-11-068 that the investor-owned utilities enter into a non-disclosure agreement with the California Department of Industrial Relations to protect confidential information that the department may receive from accessing the utilities' net energy metering/net billing tariff interconnection portals. The decision also authorizes the utilities to record the costs of implementing the Public Utility Regulatory Policies Act (PURPA) compliant tariff in a separate memorandum account. The decision requires utilities to file a Tier-2 Advice Letter establishing the memorandum accounts and allows the utilities to recover those PURPA compliant tariff implementation costs in their respective general rate cases. Finally, the decision denies Bloom Energy Corporation's PFM requesting that D.23-11-068 be modified to rescind or postpone implementation of the net energy metering (NEM) fuel cell tariff greenhouse gas standards until they have been reviewed and updated by California Air Resources Board (CARB) following a public process. The decision also denies Bloom Energy Corporation's motion for stay regarding the implementation of CARB's NEM fuel cell greenhouse gas emissions standards as ordered in D.23-11-068. **Signed, D.25-05-004.**

Item 12. Res E-5188 (SDG&E Request for Funds Reallocation). This resolution approves SDG&E's request to shift \$1 million of unused funds from the 2018-2022 Demand Response Budget Category 5 to Budget Category 7 for increased portfolio support costs incurred after budget approval due to changes in California Independent System Operator (CAISO) requirements and vendor licensing costs. **Withdrawn.**

Item 16. Res E-5364 (PG&E, SCE, and SDG&E Virtual Net Billing and Virtual Net Energy Metering Tariffs). This resolution adopts, with modifications, the virtual net billing tariff (VNBT) and the amended virtual net energy metering (VNEM) tariffs, including Solar on Multifamily Affordable Housing and Multifamily Affordable Solar Homes tariffs proposed by SCE, SDG&E, and PG&E. The resolution rejects the joint utility proposal to amend the VNBT and VNEM tariffs to permit emergency grid charging of integrated storage. Instead, this resolution directs PG&E, SCE, and SDG&E to establish a special condition in the VNBT and VNEM tariffs to allow benefiting account customers to access multiple tariffs for combined technologies. The resolution finds that this will enable a benefiting account customer to have behind-the-meter net billing tariff or non-export/non-net energy metering renewable energy and/or storage in addition to their VNBT or VNEM credit allocation, and satisfies D.23-11-068's intent to allow emergency grid charging of storage that can serve loads during an outage. The resolution clarifies existing policy, acknowledging and formally allowing VNBT and VNEM customers access to multiple tariffs, to increase resiliency options and allow emergency grid charging of (non-VNEM/non-VNBT) storage prior to a known or planned outage. The resolution directs the utilities to submit Tier 2 Advice Letters, one submittal per tariff, demonstrating conformance with the modifications adopted. **Held to June 12, 2025.**

Item 19. Res E-5391 (2025 and 2026 Forecasted Revenue Requirements Bioenergy Market Adjusting Tariff Program). This resolution approves Central Coast Community Energy's, Orange County Power Authority's, Pioneer Community Energy's, and Redwood Coast Energy Authority's forecasted Bioenergy Market Adjusting Tariff (BioMAT) program costs. Central Coast Community Energy, Orange County Power Authority, Pioneer Community Energy, and Redwood Coast Energy Authority have not executed contracts with any BioMAT

facilities and thus forecast zero costs for 2025 and 2026 and seek no forecast revenue requirements for 2025 and 2026. **Approved.**

Item 23. A.24-10-023 (PG&E Debt Authorization). This decision grants PG&E's request for authorization to: (1) issue, sell, and deliver one or more series or other types of debt securities, the total aggregate principal amount of such indebtedness and guarantees not to exceed \$15 billion; (2) execute and deliver one or more indentures; (3) sell, lease, assign, mortgage, or otherwise dispose of or encumber utility property; (4) issue, sell, and deliver one or more series of preferred stock or depository shares; (5) utilize various debt enhancement features; and (6) enter into interest rate hedges. In connection with the issuance of the debt securities, this decision also authorizes PG&E to: (a) guarantee the securities and other debt instruments of regulated direct or indirect subsidiaries or regulated affiliates of PG&E or of governmental entities that issue securities on behalf of PG&E; (b) execute and deliver indentures or supplemental indentures and other instruments evidencing or governing the terms of debt securities; and (c) sell, lease, assign, mortgage, or otherwise dispose of or encumber utility property, including but not limited to its accounts receivable, in connection with the issuance and sale of debt securities. **Signed, D.25-05-009.**

Item 47. R.19-01-011 (Order Instituting Rulemaking Regarding Building Decarbonization). This decision resolves the Phase 4 Track A issues identified in the Assigned Commissioner's Phase 4 Scoping Memo and Ruling issued on July 1, 2024, and the implementation issues relating to Assembly Bill 157 identified in the Assigned Administrative Law Judge's Ruling issued on October 8, 2024. Specifically, this decision: (1) authorizes up to \$5 million annually through the end of 2029 for California's electric utilities to provide electric service line upsizing to qualified under-resourced customers pursuing full electrification of their home or business; (2) adopts measures to help prevent unnecessary electric service line upsizing, including expanding the existing electric utility safety evaluation processes to authorize non-isolating devices that interface with utility metering equipment; (3) clarifies and modifies various aspects of D.23-12-037, including extending the energization deadline for mixed-fuel new construction projects to receive electric line extension subsidies, and requires, starting in 2026, all annual reports ordered pursuant to decisions in this proceeding to be submitted on April 15 of each year via an Advice Letter and made available on the utility's website; and (4) authorizes augmentation of the Technology and Equipment for Clean Heating Initiative budget by an additional \$40 million using funding from the Aliso Canyon Recovery Account, directed for use in SoCalGas service territory in a manner consistent with both new legislative direction and past precedent. **Held to June 12, 2025.**

Upcoming Events

Solar for All Webinar. The CPUC Energy Division staff announced it will host a webinar on Wednesday, June 4, 2025 at 2:30 pm PT to discuss California's plan for implementing the U.S. Environmental Protection Agency's grant funding for the Solar for All Program. Additional information is available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)**Stakeholder Initiatives: Upcoming Meetings and Deadlines**

2023-2024 Transmission Planning Process. As an outcome of the 2023-2024 Transmission Planning Process, CAISO selected Viridon as the approved project sponsor to finance, construct, own, operate and maintain the New Humboldt 500 kV Substation, with a 500/115 kV transformer and 500 kV line to Collinsville Project, and the New Humboldt to Fern Road 500 kV Line Project. Further information is available [here](#).

2025 CAISO Summer Loads and Resources Assessment. CAISO has posted its production cost simulation model and multi-hour stack model that was used to inform its 2025 Summer Loads and Resources Assessment. Further information is available [here](#).

2025 CAISO Summer Loads and Resources Assessment Report. CAISO has posted its 2025 Summer Loads and Resources Assessment on its website, available [here](#).

Subscriber Participating Transmission Owner Market Scheduling. CAISO has posted the final proposal for the Subscriber Participating Transmission Owner Market Scheduling Options initiative to its website, available [here](#).

Congestion Revenue Rights Enhancements. CAISO held a hybrid public stakeholder meeting for the Congestion Revenue Rights Enhancements initiative on May 12, 2025. Comments are due May 26, 2025. Further information is available [here](#).

2025 Participating Transmission Owner Per Unit Cost Guides. CAISO hosted a stakeholder call on May 8, 2025, to review the Draft 2025 Draft Participating Transmission Owner Per Unit Cost Guides. Comments are due May 22, 2025. The draft cost guides and further information are available [here](#).

Western Energy Market (WEM) Governing Body, Joint, CAISO Board of Governors, Department of Market Monitoring Oversight, and Audit Committees. CAISO has posted the final agendas for the May 20-22, 2025, WEM Governing Body, Joint, CAISO Board of Governors, Department of Market Monitoring Oversight, and Audit Committees hybrid meetings, available [here](#).

Greenhouse Gas Coordination. CAISO will host a virtual Greenhouse Gas Coordination working group meeting on May 22, 2025. The meeting will focus on the Accounting and Reporting approach. Comments are due June 12, 2025. Further information is available [here](#).

Subscriber Participating Transmission Owner Market Scheduling Option. CAISO has posted the draft tariff language for the Subscriber Participating Transmission Owner Market Scheduling Option initiative and will hold a call on May 28, 2025. Comments on the draft tariff language are due May 23, 2025. Further information is available [here](#).

CALIFORNIA ENERGY COMMISSION (CEC)

Reliability

The CEC hosted a day-long [workshop](#) on May 2, 2025 regarding summer reliability. According to the workshop notice, the workshop provided “an outlook for 2025 summer energy reliability for electricity, fossil gas and petroleum” and included “an overview of anticipated summer weather and fire conditions, new clean energy resources expected to come online, hydroelectric resource conditions, and an update on anticipated system reliability conditions for the electricity, fossil gas, and petroleum markets.” Topics discussed at the workshop are outlined [here](#) and a CEC [News Release](#) summarizing the workshop was made available on May 2, 2025. Comments regarding summer reliability eligibility were due by May 16, 2025 to [Docket No. 21-ESR-01](#).

2025 Integrated Energy Policy Report (IEPR)

The CEC has released the 2025 IEPR [workshop schedule](#) and opened a new proceeding number ([25-IEPR-01](#)) for the 2025 IEPR. Workshop topics and dates included in the notice are below (note: the workshop schedule is subject to change. The current schedule was released on April 23, 2025):

- May 7, 2025: IEPR Staff Workshop on Electricity Forms & Instructions (written comments may be submitted to [Docket No. 25-IEPR-02](#) until 5:00 pm PT on May 21, 2025). Please see the [workshop notice](#) for additional details.
- June 6, 2025: IEPR Commissioner Workshop on Gas Price Outlook (remote access only) **(NEW)**
- June 16, 2025: IEPR Commissioner Workshop on Interconnection
- June 25, 2025: IEPR Commissioner Workshop on Load Flex Goal Analysis Update
- July 14, 2025: IEPR Commissioner Workshop on Interconnection (remote access only) **(NEW)**
- July 29, 2025: IEPR Commissioner Workshop on Hydrogen (SB 1075) and Zero Carbon Resource (SB 423)
- August 6, 2025: IEPR Commissioner Workshop on Inputs & Assumptions (remote access only)
- August 26, 2025: IEPR Commissioner Workshop on Load Modifier Design (remote access only)
- November 13, 2025: IEPR Commissioner Workshop on Load Modifier Results (remote access only)
- December 11, 2025: IEPR Commissioner Workshop on Forecast (rescheduled from December 2, 2025)

Renewables Portfolio Standard

The CEC will host a remote meeting on Wednesday, May 21, 2025 from 9:00 am to 1:00 pm PT to present and take feedback on the proposed scope of updates for the RPS Eligibility

Guidebook, Tenth Edition. The meeting agenda is available [here](#). Remote access details are available [here](#). Written comments may also be submitted to Docket No. 21-RPS-02 through 5:00 pm PT on June 5, 2025.

2025 California Demand Flexibility Summit

The CEC will host the [California Demand Flexibility Summit](#) (Summit) at the UC Davis Conference Center on May 22, 2025. This will be an in-person only event. According to the Summit notice, the Summit will “explore opportunities and challenges for realizing the statewide goal of 7,000 megawatts (MW) of demand flexibility by 2030, and discuss the role for demand flexibility in ensuring clean, reliable, and affordable energy for California.” [Registration](#) is required to attend the Summit. Additional details will be posted [here](#) in advance of the Summit.

Resource Planning and Reliability

On May 8, 2025, the CEC released the [Draft California Energy Resource and Reliability Outlook 2025](#) for public review and comment. According to the [Notice of Availability](#), comments are due by 5:00 pm PT on May 23, 2025. The notice also notes that the CEC expects that the final report will be available in fall 2025. For additional documents related to this proceeding, including information discussed at the May 2 Summer Energy Reliability Outlook Workshop, please visit [Docket No. 21-ESR-01](#).

Zero-Emission Vehicles

The CEC [issued](#) a preview of its 2025-2026 Investment Plan Update for the Clean Transportation Program. The document sets forth guiding principles the CEC proposes to use to develop funding allocations for the 2025-2026 Investment Plan Update, which will be published in fall 2025, after the state budget is finalized. The guiding principles include the following: (1) funding allocations for multiple years; (2) funding for light-, medium-, and heavy-duty infrastructure; (3) increased support for multifamily homes and continued support for rural and disadvantaged communities; (4) stronger emphasis on public fast charging; and (5) an emphasis on flexibility and responsiveness.

Electric Program Investment Charge (EPIC)

On May 7, 2025, the CEC circulated a “Save the Date” for the 2025 EPIC Symposium. The symposium will be held on October 7, 2025 at the California Natural Resources Agency in Sacramento. Registration and event details are forthcoming.

CEC Business Meetings

The next CEC Business Meeting is scheduled for June 11, 2025.

The CEC commissioners hosted a commissioner [meeting](#) on May 12-13, 2025 in Berkeley, California. Additional details about the meeting are available in the [meeting notice](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

Advanced Clean Fleets Update

A group of 16 Attorneys General announced that as a result of their lawsuit challenging California's Advanced Clean Fleets regulation, CARB has agreed to repeal certain aspects of its regulation. According to the Stipulation and Order to Hold Case in Abeyance Pending Outcome of Rulemaking filed on May 5 in *State of Nebraska v. Steven S. Cliff* (United States District Court, Eastern District of California, Case No. 2:24-cv-01364-JAM-CKD), CARB agreed to present a proposal to repeal the High-Priority Fleet and Drayage Fleet Requirements of the Advanced Clean Fleets regulation to CARB in a public hearing to be held no later than October 31, 2025. CARB also agreed that it cannot enforce California's 2036 ban on the sale of internal-combustion trucks unless and until the ban receives a Clean Air Act preemption waiver from the U.S. Environmental Protection Agency.

Low Carbon Fuel Standard Update

On May 16, 2025, CARB resubmitted proposed amendments to the Low Carbon Fuel Standard (LCFS) to the Office of Administrative Law (OAL), as updated to address clarity issues identified by OAL, as well as to follow board direction and, according to CARB, further improve alignment with the objectives of the rulemaking. OAL has up to 30 working days from the resubmittal date to make a determination on the resubmitted LCFS rulemaking package. If OAL approves the rulemaking package and grants CARB's requested effective date, the updated LCFS regulation would be effective on July 1, 2025.

Meetings and Workshops

On May 27, the [Methane Task Force](#) will host its next public meeting. The task force is composed of the Department of Conservation's Geologic Energy Management (CalGEM), CARB, and their umbrella agencies, the California Natural Resources Agency and California Environmental Protection Agency. The virtual public meeting will cover a recap of CalGEM and CARB's joint workshops on SB 1137, updates from CARB on the Satellite Methane Project Update as well as the Methane Regulation, and an update on CalGEM's Project Plug program.

On May 30, 2025, CARB will hold a virtual public workshop to support the development of California's Corporate Greenhouse Gas Reporting Program, established by SB 253 (Wiener, 2023), and the Climate-Related Financial Risk Disclosure Program, authorized by SB 261 (Stern, 2023). The workshop will consist of a morning session where staff will present an overview of the above-mentioned legislation, a timeline for regulatory development, and an overview of feedback received from stakeholders from our December 2024 California Climate-Disclosure Information Solicitation. Additional presentations will include a comparative analysis of greenhouse gas accounting and reporting mechanisms that currently exist across various regulatory and voluntary programs.

On June 17, 2025, CARB will hold a kick-off workshop on the Fiscal Year 2025-26 Clean Transportation Incentives Funding Plan (Funding Plan). The workshop will provide

information about the incentive projects that may receive any potential funding this year and which projects may have policy changes, including vehicle purchase incentive projects, sustainable community-based transportation equity projects (mobility projects), and medium- and heavy-duty on- and off-road vehicle and equipment incentives.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

At its May 22, 2025, weekly agenda meeting, the MPUC will consider: (1) whether to approve Xcel Energy's proposed 2025 Gas Utility Infrastructure Cost (GUIC) Rider revenue requirement and adjustment factors, and whether to accept Xcel Energy's GUIC Rider 2023 True-up Report (Docket No. G002/M-24-369), (2) whether to accept Xcel Energy's 2025 Renewable Energy Standard Rider Petition and approve its associated revenue requirements, and whether to approve Xcel Energy's proposal to establish a regulatory liability for flowback of Investment Tax Credits related to the Sherco Battery project (Docket No. E002/M-24-353), (3) various items related to Xcel Energy's Peak Time Rebate Program proposal (Docket No. E002/M-24-432), (4) the appropriate action to take regarding MPUC Staff's Straw Proposal for Standardized Reporting Requirements for Renewable Natural Gas interconnection services (Docket No. G999/CI-24-202), (5) whether to approve Otter Tail Power's plan to achieve future Solar Energy Standard compliance with the small-scale solar carve-out requirement (Docket No. E017/M-23-338), and (6) what action to take regarding site and route alternatives to be evaluated in the environmental assessment for Spearmint Energy's 150 MW Midwater Energy Storage project, and other procedural items (Docket No. IP7138/ESS-24-294; IP7138/TL-24-295).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On May 15, 2025, from 10:00 am to 11:00 am ET, FERC held its May Open Meeting. A webcast of the meeting is available [here](#), and summaries of the orders voted on at the meeting are available [here](#).

On May 15, 2025, in [191 FERC ¶ 61,119](#), the Commission issued an order on compliance partially accepting CAISO's Order Nos. 2023 and 2023-A compliance filing and directing a further compliance filing within 60 days of the date of the order. CAISO sought independent entity variations on the following topics: (1) modifying the lengths of the interconnection request and customer engagement windows; (2) providing a maximum term to await affected system study reports before executing a Generator Interconnection Agreement; (3) maintaining a cluster study process through the interconnection facilities study; (4) maintaining the methodology used for determining cost allocation of specific network upgrade types; and (5) maintaining CAISO's existing procedures for non-refundable deposits for withdrawal penalties.

FERC approved CAISO's filing effective May 17, 2024, but found that several provisions require further revision or justification. The Commission accepted CAISO's use of the following independent entity variations:

- Continuation of a clustered interconnection facilities study;

- A two-step interconnection request review (15-day application + 90-day engagement window);
- Setting binding cost caps after the interconnection facilities study (rather than after the cluster study); and a
- Modified withdrawal penalty distribution aligned with CAISO's existing cost recovery framework.

However, FERC directed CAISO to submit a further compliance filing within 60 days to address the following:

- Include the “proportional impact method” definition and clarify cost allocation for Interconnection Reliability Network Upgrades per pro forma LGIP § 4.2.1.1.a;
- Correct outdated references to Phase II studies;
- Add definitions for “Multiparty Affected System Study Agreement” and “Multiparty Affected System Facilities Construction Agreement”;
- Clarify the recipient of commercial readiness deposits under Resource Interconnection Standards §§ 3.5.1 and 13.3;
- Incorporate pro forma LGIP section 7.3 language relating to the alternative transmission technology evaluation standards or justify the omission; and
- Incorporate omitted language from FERC's August 2024 Errata Notice (188 FERC ¶ 61,134).

CAISO will apply the Tariff revisions beginning with Cluster 15, which had previously been paused. CAISO will implement the revisions in a new appendix to the CAISO Tariff, Appendix KK, Resource Interconnection Standards. According to CAISO, this will allow Cluster 15 and future clusters to review their own set of interconnection procedures without the historic procedures from the Appendix DD Generator Interconnection and Deliverability Allocation Procedures (GIDAP), and will allow interconnection customers under the GIDAP to continue to follow GIDAP procedures.