

**REGULATORY UPDATE FOR MAY 21, 2024
(WEEK OF MAY 13, 2024)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)

New Proposed Decisions and Draft Resolutions¹

Resolution (Res) E-5329. This Resolution ratifies the CPUC President's selection of Dr. Najmedin Meshkati, Dr. Michael D. Quinn, and Dr. Raluca Scarlat as candidates for appointment to the Diablo Canyon Independent Safety Committee (DCISC), for a three-year term commencing on July 1, 2024. The DCISC consists of three members, each appointed in turn by the California Governor, the California Attorney General, and the Chair of the California Energy Commission (CEC), serving staggered three-year terms. Section 1.B of the Third Restated Charter for the DCISC describes the process for appointment of DCISC members. It requires the CPUC to select and forward to the appointing authority no more than three new candidates plus the incumbent for DCISC membership. The appointing authority for the current cycle is the Chair of the CEC.

Res E-5323. This Resolution adopts updated contract prices by Product Category for the feed-in tariff program known as the Renewable Market Adjusting Tariff (ReMAT), using price data from RPS contracts executed between 2020 and 2023. In addition, it orders Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) to amend their ReMAT program tariff to reflect the adopted fixed prices by Product Category.

Application (A.) 22-12-008 (Application of SDG&E for Recovery of Undercollection Recorded in the Tree Trimming Balancing Account). This decision approves SDG&E's request to recover an undercollected \$70.3 million balance recorded in its Tree Trimming Balancing Account (TTBA) for the years 2020-2021. For 2020, the authorized revenue requirement was approximately \$24.8 million. The ending TTBA undercollection for 2020 was approximately \$43.5 million, which is approximately 175% of the revenue requirement. For 2021, the authorized revenue requirement was approximately \$25.4 million. The ending TTBA undercollection for 2021 was approximately \$26.7 million, which is approximately 105% of the revenue requirement. SDG&E's request would increase the average bill for a typical residential customer by approximately \$1.11, or 0.7%, per month. This decision also directs SDG&E to improve its reporting, recording, and tracking of activities and costs in the TTBA.

Rulemaking (R.) 23-10-011 (Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations). This decision adopts Local Capacity

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.

Requirements for 2025-2027, Flexible Capacity Requirements for 2025, and refinements to the Resource Adequacy program scoped as Track 1. Among other issues, this decision confirms that the CPUC intends to implement the new Slice-of-Day Resource Adequacy Framework for the 2025 compliance year.

A.21-06-021 (Application of PG&E for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2023). This decision authorizes PG&E to record and track, in an interim memorandum account, costs for energization projects placed in service after January 1, 2024 that exceed the energization costs included in PG&E's annual revenue requirement authorized in Phase I of this proceeding. Energization costs include connecting new customers to the electrical distribution grid, upgrading electrical distribution capacity to existing customers, and building adequate electrical distribution and transmission capacity to accommodate future load. The maximum incremental revenue requirement associated with such capacity projects is capped at \$144.310 million in 2024, \$91.568 million in 2025, and \$99.071 million in 2026 corresponding to capital of \$975 million in 2024, \$618 million in 2025, and \$669 million in 2026, or \$2,262 million total, which is 45 percent or \$1,814 million less than the cumulative capital expenditures cap of \$4,076 million that PG&E requested. The authorized sums equate to an increase in the electric distribution revenue requirement of 1.98 percent for 2024, 1.18 percent for 2025, and 1.19 percent for 2026, and 4.03 percent cumulatively. The decision authorizes PG&E's requested caps on energization costs of 2.5 percent of their authorized electric distribution revenue requirements for each year, equivalent to \$1,264 million in 2024, \$1,356 million in 2025, and \$1,456 million in 2026.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, California on May 30, 2024 at 11:00 a.m.

Upcoming Workshops and Events

Joint Gas IOU Workshop on GO 177 Reporting. Pursuant to the Commission's directives in [D.22-12-021](#), which established General Order 177, SoCalGas, SDG&E, and PG&E will convene a workshop on May 22, 2024 from 9:30 a.m. to 12:00 p.m. The purpose of the workshop is to provide an opportunity for parties to comment on the IOUs' gas investment reports. A workshop notice with detailed agenda and access information was sent to the service list for R.20-01-007 on May 17, 2024.

GO 167 Technical Workshop II. On Thursday, May 30, 2024, the Electric Safety and Reliability Branch (ESRB) of the Commission's Safety and Enforcement Division (SED) will hold a second technical workshop to discuss the implementation of standards for the maintenance and operation of Energy Storage Systems (ESS), pursuant to Senate Bill (SB) 1383 (Hueso, 2022). The workshop will be held via WebEx and can be accessed [here](#). Workshop presentation materials and other background information is available on the Electric Generation Safety and Reliability webpage, available [here](#). The workshop notice states that a revised ESRB Staff Proposal will be posted to the webpage on May 24, 2024, and interested stakeholders may submit suggested edits and comments to staff's proposed changes via email to the GO 167 inbox

(GO167@cpuc.ca.gov) with the subject line: “SB 1383 ESS Operation and Maintenance Standards – Workshop II” no later than close of business Thursday, June 27, 2024.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

2024 California ISO Summer Loads and Resources Assessment. CAISO has posted its 2024 Summer Loads and Resources Assessment on its website, showing continued improvement in resource availability and increased overall reserve margins for this summer. Further information is available [here](#).

Price Formation Enhancements. CAISO has posted a Final Proposal for Rules for Bidding Above the Soft Offer Cap to the Price Formation Enhancements, available [here](#).

WEIM Governing Body, Joint, ISO Board of Governors, DMM Oversight Committee and Audit Committee. CAISO has posted the final agendas for the May 21-23, 2024, Western Energy Imbalance Market (WEIM) Governing Body, Joint, ISO Board of Governors, Department of Market Monitoring Oversight Committee and Audit Committee meetings. An updated 2024-2025 meeting schedule has been posted. Further details are available [here](#).

Day-Ahead Sufficiency. CAISO posted the Day-Ahead Sufficiency straw proposal to the initiative webpage and held an associated public stakeholder call on May 13, 2024. Written comments on the straw proposal are due by May 27, 2024. Further information is available [here](#).

Capacity Procurement Mechanism Enhancements Track 2. CAISO announced the Capacity Procurement Mechanism (CPM) Soft Offer Cap effective date. CAISO will implement the FERC approved increase to the CPM soft offer cap effective June 1, 2024. Further information is available [here](#).

CAISO Board of Governors Meeting. CAISO staff will provide a briefing on the Interconnection Process Enhancements initiative at the May 23, 2024 CAISO Board of Governors meeting. The IPE Track 2 Final Proposal will be a decisional item at the special Board session on June 12, 2024. CAISO has posted an updated 2024 meeting schedule to reflect the June 12, 2024 general session virtual meeting. Further information is available [here](#).

Greenhouse Gas Coordination. CAISO will hold a hybrid public Greenhouse Gas Coordination working group meeting on May 29, 2024. Attendees may participate in person or virtually. In-person registration is due May 24, 2024. Further information is available [here](#).

Western Energy Imbalance Market Regional Issues Forum. The Western Energy Imbalance Market Regional Issues Forum has announced its upcoming meeting, which will take place at Idaho Power in Boise, Idaho on June 20, 2024. Registration is requested for in-person attendees. 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 on 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)

Resource Planning and Reliability

CEC staff will hold a [Summer Reliability Workshop](#) on May 29, 2024 at 9:30 a.m. According to the workshop [Notice](#), in addition to CEC staff, representatives from CAISO, CPUC, Department of Water Resources (DWR), California Department of Forestry and Fire Protection (CALFIRE), and Western Electricity Coordinating Council (WECC) “will provide information on anticipated summer conditions. An overview of anticipated summer weather and fire conditions and a summary of new clean energy resources coming online and hydroelectric resource availability.” Public comments can be made during the workshop. Written comments are due by 5:00 p.m. on June 12, 2024.

2024 Integrated Energy Policy Report (IEPR) Update

On March 22, 2024, the CEC published a [Notice](#) for comments on the draft scoping order for the 2024 IEPR Update and released a schedule for the 2024 IEPR Update, as set forth below.

Task/Event	Date
Final 2024 IEPR Update Scoping Order released	April 2024
Adopt order instituting informational proceeding for 2024 IEPR Update	May 2024
Public workshops on specific topics	May 2024–December 2024
Release draft <i>2024 IEPR Update</i>	October 2024
Release proposed <i>2024 IEPR Update</i>	January 2025
Adopt 2024 IEPR Forecast	January 2025
Adopt <i>2024 IEPR Update</i>	February 2025

The policy recommendations included in the 2024 IEPR Update will be based on the record developed during the proceeding, including data and technical analyses by staff and stakeholders. The final 2024 IEPR Update [Scoping Order](#) was published on April 23, 2024.

On May 9, 2024, CEC staff posted a 2024 IEPR [Workshop Schedule](#) (note: the schedule is subject to change):

July 17, 2024: SB 605: Wave and Tidal Energy – 10:00 a.m.

July 30, 2024: Electricity Forecast, Hourly Forecast Updates – 10:00 a.m.

November 7, 2024: Electricity Forecast, Load Modifier Results – 1:00 p.m.

December 12, 2024: Electricity Forecast, Annual and Hourly Results – 1:00 p.m.

January 2025 TBD: Business meeting to consider adoption of the electricity demand forecast.

February 2025 TBD: Business meeting to consider adoption of the 2024 IEPR Update.

Electric Program Investment Charge (EPIC)

On May 16, 2024, the CEC and CAISO held an informational workshop to discuss tools being used to predict behind-the-meter (BTM) DERs. According to the workshop [Notice](#), “[t]he workshop will start with an introduction from the CEC staff on the 2021-2025 EPIC investment plan and the need to fund research on BTM forecasting of DERs. There will be a presentation by staff from CAISO covering the current tools used for forecasting, technological advancements for the improvement of current tools, the need for accurate BTM forecasting, and future considerations for improving forecasts of DERs.” Written comments are due to the Docket Unit by 5:00 p.m. on May 24, 2024.

On May 17, 2024, the CEC transmitted an email “Save the Date” regarding the 2024 EPIC Symposium. The 10th Annual EPIC Symposium is scheduled to be held in Sacramento, California on October 28, 2024. Additional details are forthcoming.

The CEC’s EPIC 2023 Annual Report is now [available](#). The report outlines the status and progress of EPIC-funded activities for the 2023 calendar year.

Workshop on Power Source Disclosure (PSD) Regulations (SB 1158)

The CEC will host a rulemaking workshop on June 11, 2024 from 10:00 a.m. to 1:00 p.m. to take feedback on proposed changes to the PSD consistent with the requirements of Senate Bill (SB) 1158, which requires reporting of hourly electric data to match retail load served. The workshop will be remote only and attendance details are available [here](#). The

proposed regulations and other information related to the PSD changes are available on Docket 21-OIR-01.

Workshop on AB 1373

AB 1373 (Garcia, 2023) established a new fee structure for publicly owned utilities (POUs) in the CAISO balancing area that fail to meet system resource adequacy requirements during a month where the Electricity Supply Strategic Reliability Reserve Program resources are dispatched to meet an identified reliability need. The CEC is charged with adopting regulations to implement the statutory provisions of AB 1373, and will host an upcoming workshop on May 31, 2024 from 9:00 a.m. to 1:00 p.m. to discuss and take comments on the draft regulations that will be posted in the Resource Planning and Reliability docket [24-OIR-01](#). Workshop attendance details are available [here](#).

Electric Vehicle (EV) Charging Infrastructure

Customer Charging Experience (“Network Roaming”)

The CEC will host an information workshop on “network roaming” for EV charging, which refers to a customer’s ability to use their preferred EV charging payment account at chargers operated by different charging station operators. The workshop will include presentations from CEC staff along with representatives from industry entities and will provide an opportunity for public comment. The workshop is remote only and will be held on Friday, May 31 from 9:00 a.m. to 11:00 a.m. Event details are available [here](#).

CEC Business Meetings

The next CEC Business Meeting will be held on June 12, 2024.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings, Workshops, and Notices

The [California Volkswagen Mitigation Trust](#) is accepting applications for funds on a first-come, first-served basis for combustion freight and marine and zero-emission class 8 trucks. Applications for funding are available [here](#).

CARB’s next [Board meeting](#) will be held May 23, 2024. At the meeting, CARB will consider [proposed amendments](#) to the [Advanced Clean Trucks](#) regulation and consider adoption of [revisions](#) to the [California State Implementation Plan](#). The full agenda for the meeting is available [here](#). The scheduled Board meeting originally scheduled for April 25-26, 2024 has been cancelled.

On May 22, 2024, CARB will hold a [public workshop](#) on potential regulation concepts for the transition of non-truck [transport refrigeration units](#) to zero-emission technology. Register for the workshop [here](#).

On May 29, 2024, the [California Climate Action Team](#), including CARB and other participating agencies, will hold a meeting of the [public health workgroup](#). More information and a link to register for the virtual meeting are available [here](#).

On May 31, 2024, CARB will host an [outreach meeting](#) of the [Advanced Clean Fleets Truck Regulation Implementation Group](#). This meeting is rescheduled from May 20, 2024. Registration for the meeting can be found [here](#).

On June 5, 2024, the Rule Provisions [Truck Regulation Implementation Group](#) for the [Advanced Clean Fleets Regulation](#) will hold a [meeting](#) to continue discussion of the Zero-Emission Vehicle purchase exemption process. Register for the meeting [here](#).

On June 20, 2024, CARB will hold a Q&A session on [Advanced Clean Fleets](#) requirements for [High Priority Fleets](#). More information is available [here](#).

At its June 27, 2024 [Board meeting](#), CARB will hold a [hearing](#) on the proposed [Zero-Emission Forklift Regulation](#). The full agenda for the meeting will be available [here](#) 10 days prior to the meeting.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On May 20, 2024, in [187 FERC ¶ 61,083](#), FERC granted a proposal by ISO New England Inc. (ISO-NE) and the England Power Pool Participants Committee (NEPOOL) to revise the ISO-NE Transmission, Markets and Services Tariff (Tariff) to delay the 19th Forward Capacity Auction (FCA 19) by two years. With the delay, the qualification process for FCA 19 will begin in February 2027 and the auction will be held in February 2028. However, ISO-NE and NEPOOL explained the objective is to avoid the need to run FCA 19 at all, and the additional delay is needed to develop and to implement a prompt and seasonal capacity market design and compatible capacity accreditation reforms, to be used during early 2028 for the 19th capacity auction cycle in place of the forward annual market.

On May 13, 2024, at a Special Transmission Reform Meeting, FERC issued two final rules addressing transmission reforms: [Order No. 1920](#), Building for the Future Through Electric Regional Transmission Planning and Cost Allocation, and [Order No. 1977](#), Applications for Permits to Site Interstate Electric Transmission Facilities. Additional information on these orders will be provided separately.

On May 6, 2024, in [187 FERC ¶ 61,065](#), FERC issued an Order on Petition addressing PJM Interconnection, L.L.C.'s (PJM) filing in Docket No. ER23-729. In the Petition, PJM sought clarification following the United States Court of Appeals for the Third Circuit decision that vacated a portion of FERC's orders that allowed PJM to apply amendments to its Open Access Transmission Tariff (OATT), which would have allowed PJM to exclude certain Planned Generation Capacity Resources from the LDA Reliability Requirement in the 2024/2025 delivery year Base Residual Auction (BRA). In the Order on Petition, FERC directs PJM to: (1) recalculate the 2024/2025 BRA results under the status quo ante auction rules and

parameters; (2) re-run the Third Incremental Auction for the 2024/2025 delivery year; and (3) make a compliance filing to remove the rejected OATT amendments.

On April 30, 2024, in [187 FERC ¶ 61,050](#), FERC accepted Southwest Power Pool, Inc.'s proposed revisions to Attachment V (Generator Interconnection Procedures) of its OATT, effective May 1, 2024. These revisions: (1) increase study deposits for new generator interconnection requests to align with the amounts established in Order No. 2023, as modified by Order No. 2023-A; (2) increase study deposits for replacement for generating facility replacement requests, for generating facility modification requests, and for surplus interconnection requests; (3) implement a non-refundable application fee of \$10,000; and (4) clarify the process for evaluating requests for modification to the information provided in the generator interconnection request.

On April 30, 2024, in [187 FERC ¶ 61,051](#), FERC rejected PJM's proposed revisions to its OATT and Operating Agreement to modify the offer selection process for its Day-Ahead Energy Market to accommodate the anticipated addition of enhanced combined cycle, energy storage, and hybrid resource models in PJM's Next Generation Markets (nGEM) clearing software.