

**REGULATORY UPDATE FOR OCTOBER 11, 2022
(WEEK OF OCTOBER 3, 2022)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)

New Proposed Decisions and Draft Resolutions¹

None.

Voting Meetings

The CPUC held a voting meeting on October 6, 2022. The agenda included the following energy-related items.

Item 4. Rulemaking (R.) 20-07-013 (Risk-Based Decision-Making Framework). This decision refines certain reporting requirements for the Risk Spending Accountability Reports (RSARs) required of every IOU and Small and Multi-Jurisdictional Utility gas and electric utilities pursuant to Decision (D.) 19-04-020 and D.14-12-025. It updates certain requirements for IOU Risk Assessment and Mitigation Phase (RAMP) reports and clarifies information requirements related to RAMP filings for submittal in GRC applications. As such, this decision updates the Rate Case Plan for GRC applications, most recently addressed in D.20-01-002. This decision eliminates the separate gas safety reporting requirements adopted in D.19-09-025, D.17-05-013, D.13-05-010, and D.11-05-018 and directs the IOUs to include any non-duplicative aspects of these reporting requirements into their RSARs or related filings. **Signed, D.22-10-002.**

Item 6. Draft Resolution E-5212. This resolution approves, with modifications, California Choice Energy Authority's and East Bay Community Energy's Petitions for Modification of Resolution E-4999, filed on February 23, 2022 and April 12, 2022, respectively. Both CCAs allege that the changeover from CalEnviroScreen (CES) 3.0 to 4.0 inadvertently caused eligibility and procurement challenges for Disadvantaged Community (DAC)-Green Tariff (GT) and/or Community Solar Green Tariff (CSGT) in their service territories and propose that CPUC make eligible all DAC census tracts previously approved under CES 3.0, in addition to CES 4.0 census tracts. CES 3.0 was in place when each currently participating Program Administrator's (PA) implementation plan was approved. This resolution finds that the CCAs' proposed modifications are appropriate and makes additional modifications to prevent the issue from reoccurring in other PA areas, as well as to ensure equity in accordance with existing legislation and CPUC policy goals. Specifically, the resolution allows "legacy" DACs under prior versions of CES, beginning from the time at which a PA's DAC-GT or CSGT implementation advice letter (AL) is approved by the CPUC, to remain eligible for the DAC-GT

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.

and CSGT programs. This direction applies to both PAs with implementation ALs that are already approved and any new PAs authorized to submit an implementation AL for the DAC-GT and/or CSGT programs. **Approved.**

Item 8. A.21-04-001 (SCE ERRA). This decision approves SCE's rate recovery for 2020 Record Year costs, including its procurement-related operations and regulatory account management, as modified. For the 2020 Record Year, SCE's total recorded fuel and purchased power revenue requirement was \$4.735 billion. SCE's application also requested a total revenue requirement of \$60.772 million associated with four accounts: (1) \$47.680 million for the COVID-19 Pandemic Protections Memorandum Account (CPPMA); (2) \$0.304 million for the Building Benchmarking Data Memorandum Account (MA); (3) \$0.550 million for the Integrated Resource Planning Costs MA; (4) \$21.554 million in the Residential Rate Implementation MA; and (5) \$0.684 million for franchise fees and uncollectibles (FF&U). This decision approves a \$31.080 million net revenue requirement—roughly half of the originally requested amount—associated with the following accounts: (1) \$23.000 million in the CPPMA; (2) \$0.304 million for the Building Benchmarking Data MA; (3) \$0.550 million for the Integrated Resource Planning Costs MA; (4) \$21.554 million for the Residential Rate Implementation MA; (5) -\$3.669 million for the Energy Resource Recovery Account (ERRA) Balancing Account; (6) -\$10.979 million for the Public Purpose Program Adjustment Mechanism; and (7) \$0.350 million for FF&U. **Signed, D.22-10-004.**

Item 12. This resolution approves PG&E's amendments to two system reliability contracts for capacity procured to meet the requirements of D.19-11-009. The contract with Nexus Renewables U.S. Inc. is amended to reduce the capacity of the project from 27 MW to 10 MW and delay the online date by one year to August 1, 2023. The contract price of the NextEra Energy Resources Development is increased, with no delay in the project development schedule. **Approved.**

Item 13. This resolution rejects without prejudice PG&E's, SCE's, and SDG&E's ALs providing specifics on whether and how reductions to a customer's Limited Generation Profiles will be determined. The utilities are ordered to participate in a minimum of two full-day workshops to confer with stakeholders on topics further outlined in the resolution. After the workshops, but within 60 days of issuance of the resolution, the utilities are ordered to file new ALs. **Approved.**

Item 22. R.15-06-009 (IOR re Physical Security). This decision grants the joint Motion filed on July 15, 2022, of SDG&E (U902E), PG&E (U39E), and SCE (U338E) to withdraw the Petition for Modification (Petition) that was filed on January 10, 2020, and close this proceeding. The Petition sought revisions to how the CPUC handled extremely sensitive data; CPUC staff reached an informal agreement with the parties that obviated the need for the Petition. **Signed, D.22-10-011.**

Item 33. Order Instituting Rulemaking to Develop Policy and Create a Consistent Regulatory Framework for Distributed Energy Resource Customer Programs. This rulemaking is a successor proceeding to R.14-10-003. **Held over to October 20, 2022 meeting.**

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

2022-2023 Transmission Planning Process (TPP). The CAISO has posted the 2022-2023 TPP preliminary reliability results to its website. The request window is open through October 15, 2022.

TPP Enhancements. The CAISO held a public stakeholder call on September 30, 2022, to discuss the straw proposal for the TPP Enhancements initiative. Written comments are due October 14, 2022.

2023 Net Qualifying Capacity. The CAISO has posted the Final 2023 Resource Adequacy Net Qualifying Capacity list for requesting resources.

Western Energy Imbalance Market Regional Issues Forum. The Western Energy Imbalance Market Regional Issues Forum will take place November 8, 2022, at the SAFE Credit Union Convention Center in Sacramento, CA. The draft agenda may be found [here](#).

Transmission Development Forum. The CAISO, in conjunction with the CPUC and the participating transmission owners, will hold its quarterly public stakeholder call on October 28, 2022, to provide status updates on the transmission projects previously approved through the transmission planning process and network upgrades identified in the generation interconnection process.

CALIFORNIA ENERGY COMMISSION (CEC)

AB 205 Emergency Rulemaking: Opt-in Certification Provisions

On September 19, 2022, CEC staff hosted a webinar wherein they presented draft emergency regulations implementing the opt-in certification provisions of Assembly Bill (AB) 205. Staff provided a summary of the AB 205 provisions, the draft regulations, and the target timeline for adoption. Written comments on the draft regulations were due by September 30, 2022. (See TN# 246139 in [Docket No. 22-OIR-01](#) at slide 5.) The draft regulations are available at TN# 246084 in [Docket No. 22-OIR-01](#). The full CPUC will consider adoption at the October 12, 2022 Business Meeting (agenda item 7).

As background, on June 30, 2022, California Governor Gavin Newsom signed AB 205, which, among other things, expands the jurisdiction of the CEC to include non-thermal generating facilities, such as solar and wind projects, with a capacity of 50 MW or more. In addition, AB 205 allows the CEC to have siting jurisdiction over energy storage facilities with a capacity of 200 MW hours or more. Unlike thermal generating facilities, the CEC's expanded siting jurisdiction over solar and non-thermal generating facilities, as well as energy storage facilities, is at the request of the applicant—meaning it is “opt-in.” A summary of the changes to the CEC siting jurisdiction contained in AB 205 can be found on the Stoel Rives [California Environmental Law blog](#) and [Renewable + Law blog](#).

AB 205 also established a new CEC program, which was slightly modified by AB 209 on September 6, 2022, to respond to potential climate-related threats to the reliability of electricity in California. This program authorizes the CEC to implement an expedited certification process for Department of Water Resources (DWR) facilities, which include certain new emergency and temporary power generators, new energy storage systems, new zero-emission fuel technology generation facilities, and facilities supporting development of zero-emission generation capacity with a point of interconnection at a California balancing authority. On September 30, 2022, the CEC hosted a webinar regarding proposed emergency regulations to implement the certification of certain new DWR facilities. Additional information can be found at TN# 246161 in [Docket No. 22-OIR-02](#).

Offshore Wind

CEC staff hosted a [workshop](#) on October 6, 2022, regarding AB 525's requirement to develop a strategic plan for floating offshore wind in California. For additional information, please visit the CEC's Offshore Renewable Energy [page](#) or see TN# 246206 in [Docket No. 17-MISC-01](#).

Proposed Amendments to Small Power Plant Exemption (SPPE) Regulations

The CEC postponed the September 14, 2022 adoption hearing regarding proposed amendments to the regulations for SPPEs. For additional information, please see [Docket No. 21-OIR-04](#). The postponement notice is available at TN# 245882 in [Docket No. 21-OIR-04](#).

Lithium Valley Commission

The Blue Ribbon Commission on Lithium Extraction (Lithium Valley Commission) is tasked to review, investigate, and analyze eight topics relating to lithium extraction in California as set forth in AB 1657. As part of its duties, the Lithium Valley Commission must submit a report to the California legislature documenting its findings and any recommendations developed after conducting the required review and analyses. On September 21, 2022, the Lithium Valley Commission released its draft report of the Blue Ribbon Commission on Lithium Extraction in California. According to the [Notice of Availability](#), oral comments on the draft report will be accepted at community and tribal workshops during October 2022 and at future Blue Ribbon Commission meetings, both in person and remotely. In addition, written comments on the draft report must be submitted by 5:00 p.m. on October 28, 2022. Please see [Docket No. 20-LITHIUM-01](#) for future notices regarding upcoming workshops and opportunities for public comment. The draft report and additional information are also available [here](#).

CEC staff will hold three (3) in-person workshops from October 18 to 20 in different physical locations in Imperial Valley and Coachella Valley, and a remote Zoom workshop on October 24. On October 18, there will be a workshop in Niland, CA; on October 19, there will be a workshop in North Shore, CA; and on October 20, CEC staff will hold a workshop in Salton City, CA. Additional details regarding these three in-person workshops, plus details regarding the October 24 Zoom workshop, are available at TN# 246351 in [Docket No. 20-LITHIUM-01](#).

CEC Business Meetings

The next CEC Business Meeting is [scheduled](#) for October 12, 2022.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB will hold its next Board meeting on October 13, 2022. The full agenda is available [here](#).

On October 18, 2022, CARB will hold a public workshop on its updated [biomethane monitoring](#) recommendations specific to source testing requirements. Under AB 1900 (Gatto, 2012), CARB and the California Office of Environmental Health and Hazard Assessment are required to compile a list of constituents of concern that could pose risks to human health and that are found in biogas at concentrations that significantly exceed the constituents in natural gas. The CPUC institutes corresponding standards for biomethane that specify acceptable concentrations of these constituents and requirements for monitoring, testing, reporting, and recordkeeping. The workshop notice and information on attendance are available [here](#).

On October 20, 2022, CARB will host a kick-off workshop on the [net-zero emissions strategy for the cement sector](#). Under SB 596 (Becker, 2021), CARB is required to develop by July 1, 2023, a comprehensive strategy for cement use in California to achieve a GHG emissions intensity 40% below baseline levels by 2035 and net-zero GHG emissions by 2045. The workshop notice and information on attendance are available [here](#).

On November 3, 2022, CARB will conduct a joint public meeting with the California Transportation Commission and the California Department of Housing and Community Development. The public meeting notice and information on attendance are available [here](#).

Opportunities for Public Comment

On September 20, 2022, CARB held a [public workshop](#) to discuss potential changes to the Oil and Gas Methane Regulation. Feedback on the workshop may be submitted to CARB [here](#) on or before October 11, 2022.

CARB will consider the proposed [Advanced Clean Fleets](#) regulation on October 27, 2022. In advance of the [hearing](#), comments on the proposed regulation may be submitted to CARB [here](#) on or before October 17, 2022.

CARB has recirculated the [draft environmental analysis](#) for the 2022 Scoping Plan Update. Comments may be submitted to CARB [here](#) on or before October 24, 2022.

A draft [People's Blueprint](#) has been prepared by community and environmental justice advisors to CARB as a starting point for discussion of CARB's update to the AB 617 [Community Air Protection Blueprint](#) that was issued in 2018. Comments on the draft People's Blueprint may be submitted to CARB [here](#) on or before October 31, 2022.

Independent System Operator-Northeast (ISO-NE)

On August 30, 2022, the Maine Supreme Judicial Court struck down as unconstitutional a 2021 voter referendum to block construction of a \$1 billion transmission line that would transmit Canadian hydropower to the New England states. [NECEC Transmission LLC v. Bureau of Parks & Lands \(Aug. 30, 2020\)](#). The court held that the citizen-initiated referendum could not apply retroactively to deprive NECEC Transmission LLC and Avangrid Networks, Inc. of their "vested rights" under the due process clause of the Maine Constitution, having previously obtained a Certificate of Public Convenience and Necessity from the Maine Public Utilities Commission and other required permits and approvals.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

October 13, 2022, MPUC Agenda Meeting

At 8:00 a.m. PT, on October 13, 2022, the MPUC will hold its weekly agenda meeting during which it will address the following matters: (1) Eligible Telecommunications Carriers' Use of Federal Universal Service Support; (2) Frontier Communications of Minnesota's proposal to increase its convenience fee; (3) BP Midwest Product Pipelines Holdings LLC's petition for a route permit; and (4) CenterPoint Energy's petition to introduce a tariffed on-bill financing program.

OREGON DEPARTMENT OF ENERGY (ODOE)

On September 15, 2022, in accordance with Oregon House Bill 3375 (2021), the ODOE submitted its report to the Oregon legislature on its study into the opportunities and challenges of integrating up to three gigawatts of floating offshore wind into the grid by 2030. The report concluded that federal waters off Oregon's coast hold the potential to develop dozens of gigawatts of floating offshore wind, but there is broad support for further study, engagement, and collaboration to balance the potential benefits and challenges. The final report can be found [here](#).

OREGON PUBLIC UTILITIES COMMISSION (OPUC)

On Thursday, October 6, the OPUC issued order 22-363 in the matter of UM 1930 (re Investigation into Clean Energy Plans), which adopted the staff recommendation clarifying that projects using the agent subscription model are not eligible to participate in the Community Solar Program. The full order can be found [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

An all-party settlement meeting scheduled for September 29 in the consolidated docket ([Nos. 22-0432 and 22-0442](#)), considering Commonwealth Edison Company's (ComEd) Beneficial Electrification Plan (BE Plan) filed pursuant to the Climate and Equitable Jobs Act (20 ILCS 627/45), was postponed to October 27 due to party requests. ComEd's rebuttal testimony is due to be served on October 20.

Ameren Illinois Company's (Ameren) rebuttal testimony in the consolidated docket ([Nos. 22-0431 and 22-0443](#)) considering its application for approval of Ameren's BE Plan, is due October 12, 2022.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On September 22, 2022, FERC [issued an order](#) requiring almost 200 market-based rate entities to submit their delinquent market-based rate database baseline submissions and that absent such submissions, their market-based rate authorizations would be revoked on October 7, 2022.

On September 22, 2022, FERC [issued a Notice of Proposed Rulemaking](#) (NOPR) to establish rules providing incentive-based rate treatment for utilities making certain voluntary cybersecurity investments. In the Infrastructure Investment and Jobs Act of 2021, Congress directed FERC to establish incentive-based rate treatments to encourage utilities to invest in advanced cybersecurity technology and participate in cybersecurity threat information sharing programs. Comments on the NOPR are due 30 days after publication in the Federal Register.

FERC will convene its [annual Commissioner-led Reliability Technical Conference](#) on November 10, 2022, in person in Washington, D.C. and remotely via Webex.

The next public meeting of the [Joint Federal-State Task Force](#) on Electric Transmission will be held on November 15, 2022, in New Orleans, Louisiana, with a remote Webex option available.

On August 30, 2022, FERC issued a deficiency letter to PJM in the ongoing PJM interconnection queue reform docket. FERC asked PJM to respond to seven issues, including questions affecting how interconnection customers demonstrate Site Control on government property or move a generating facility to an alternate site. PJM has 30 days to respond to FERC's questions.