

**REGULATORY UPDATE FOR SEPTEMBER 27, 2022
(WEEK OF SEPTEMBER 19, 2022)****CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)**New Proposed Decisions and Draft Resolutions¹

Application (A.) 22-05-006 (PacifiCorp GRC). This decision grants the unopposed request of PacifiCorp d/b/a Pacific Power (PacifiCorp) to make its 2023 test year General Rate Case revenue requirement effective as of January 1, 2023, in the event the Commission adopts a final decision in this proceeding after that date. This decision also grants PacifiCorp's request to establish a General Rate Case Revenue Requirement Memorandum Account and directs that the recovery of interest be based on the Federal Reserve three-month commercial paper rate, which will keep ratepayers and shareholders relatively indifferent to the timing of the Commission's final decision on the 2023 revenue requirement.

Voting Meetings

The CPUC will hold its next voting meeting on October 6, 2022. The agenda includes 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 investor-owned utility (IOU) and Small and Multi-Jurisdictional Utility gas and electric utilities pursuant to 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.

Item 6. Draft Resolution E-5212. This Resolution approves, with modifications, California Choice Energy Authority's and East Bay Community Energys 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

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.

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 is approved by the CPUC, to remain eligible for the DAC-GT and CSGT programs. This direction applies to both Pas with implementation AIs that are already approved and any new Pas authorized to submit an implementation AL for the DAC-GT and/or CSGT program.

Item 8. A.21-04-001 (SCE ERRA). This decision approves Southern California Edison Company's (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, as follows: (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.

Item 12. This Resolution approves Pacific Gas and Electric's (PG&E) amendments to two system reliability contracts for capacity procured to meet requirements of Decision (D.) 19-11-009. The contract with Nexus Renewables U.S. Inc. is amended to reduce the capacity of the project from 27 megawatts (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.

Item 13. This Resolution rejects without prejudice PG&E's, SCE's, and San Diego Gas and Electric's (SDG&E) advice letters 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 advice letters.

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 that was filed on January 10, 2020 and closes this proceeding. The Petition sought revisions to how the Commission handled extremely sensitive data; Commission staff reached an informal agreement with the parties that obviated the need for the Petition.

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.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Capacity Procurement Mechanism Enhancements. The CAISO held a public stakeholder call on September 23, 2022 to discuss the Track 1 draft final proposal for the Capacity Procurement Mechanism Enhancements initiative. Written comments on the Track 1 straw proposal are due October 7, 2022.

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.

The California ISO will hold public stakeholder calls on September 27 and 28, 2022 to discuss the reliability study results, participating transmission owner's reliability projects, and updates on other analysis related to the 2022-2023 TPP.

Interconnection Process Enhancements (IPE) 2021 Phase 2. The CAISO held a public stakeholder call on September 20, 2022 to discuss the final proposal for the IPE 2021 Phase 2 initiative. Written comments on the final proposal are due October 4, 2022.

Washington WEIM Greenhouse Gas Enhancements. The California ISO has scheduled a public stakeholder call on September 29, 2022 to discuss the draft final proposal for the Washington Western Energy Imbalance Market (WEIM) Greenhouse Gas Enhancements initiative. Written comments are due October 7.

TPP Enhancements. The California ISO will hold 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.

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. According to the webinar presentation slides, written comments on the draft regulations are 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](#).

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 megawatts (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 will host 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 will host a remote-access-only workshop on October 6, 2022 at 9:30 a.m. PT 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 has 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 specific 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 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 the month of October 2022 and future Blue Ribbon Commission meetings, both in person and through remote access. In addition, written

comments on the draft report must be submitted by 5:00 p.m. PT, 30 calendar days following the posting of the Spanish version of the draft report. According to the Notice of Availability, a separate notice will be posted specifying the date the public comment period will close. Please see [Docket No. 20-LITHIUM-01](#) for the draft report (TN# 246171) and for future notices regarding upcoming workshops and opportunities for public comment.

CEC Business Meetings

The next CEC Business Meeting is scheduled for October 12, 2022.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

On September 26-27, 2022, CARB will host a public meeting of the [AB 32 Environmental Justice Advisory Committee](#). Information on the meeting agenda and virtual or in-person attendance can be found [here](#).

Opportunities for Public Comment

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](#), which was issued in 2018. Comments on the draft People's Blueprint may be submitted to CARB [here](#) on or before September 30, 2022.

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.

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)

September 29, 2022, MPUC Agenda Meeting

The MPUC will meet at 8:00 a.m. PT on September 29, 2022 to address the following matters: (1) Dakota Electric's petition to modify its specific or charges tariff; (2) Xcel Energy's petition for a site permit for the Freeborn Wind Farm; (3) an investigation into the implementation of the statute regarding railroad rights-of-way; and (4) Northern Wind Energy Redevelopment's transfer of the site permit for the Murray County wind facility.

October 6, 2022, MPUC Agenda Meeting

On October 6, 2022, the MPUC will meet to address the procedural issues associated with Xcel Energy's significant electric vehicle petition. The MPUC previously issued a notice of comment period soliciting stakeholder feedback on how to best analyze the company's significant electric vehicle infrastructure proposal in the midst of a pending rate case. MPUC staff briefing papers have yet to be filed, but potential procedural options could include consolidation into the rate case, a separate contested case proceeding before an administrative law judge, or a miscellaneous notice and comment procedure before the MPUC.

OREGON DEPARTMENT OF ENERGY (ODOE)

On September 15, 2022, in accordance with Oregon House Bill 3375 (2021), the ODOE submitted its report to the 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 September 28, 2022, the OPUC will hold a virtual Staff Workshop in the matter of Docket No. UM 2111 (re Interconnection Process and Policies) to discuss the incorporation of the IEEE 1547 Standard. Access information will be available [here](#).

On September 29, 2022, the OPUC will hold a virtual Staff Workshop in the matter of Docket No. UM 2225 (re Investigation into Clean Energy Plans) to discuss the draft report on Resiliency Industry Standards and Best Practices. A copy of the draft can be found [here](#) and the staff presentation on the report, from September 7, 2022, is [here](#). The docket, including access information (when available), can be found [here](#).

On October 4 and 6, 2022, the OPUC will host a remote public hearing and commissioner work session in the matter of docket UM 2225 re Investigation into Clean Energy Plans. The purpose of the meeting is for the OPUC to consider staff's near-term guidance on the Road Map Acknowledgement and

Community Lens Analysis for the first Clean Energy Plans. The public may comment on October 4, while October 6y will focus on deliberation and decision-making. Login information and the agenda for October 4 may be found [here](#) and October 6 [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

On September 22, 2022, 15 parties filed direct testimony in the consolidated Docket Nos. 22-0432 and 22-0442, regarding Commonwealth Edison Company's (ComEd) Beneficial Electrification Plan (BE Plan). Additionally, on September 23, 2022, several parties filed replies to responses regarding ICC staff's *Combined Motion to Dismiss and Motion for Interim Order*, which sought to strike several components from ComEd's proposed BE Plan and also sought ICC clarification regarding how to calculate the retail rate cap for purposes of the BE Plan.

On September 15, 2022, ICC staff and intervenors filed direct testimony in Ameren Illinois Company's (Ameren) pending Application for Approval of its BE Plan filed pursuant to the Climate and Equitable Jobs Act, 20 ILCS 627/45. ([Docket Nos. 22-0431, 22-0443.](#)) Ameren's rebuttal testimony 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 or their market-based rate authorization will be revoked on October 7, 2022.

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