

**REGULATORY UPDATE FOR OCTOBER 26 (WEEK OF OCTOBER 19)****California Public Utilities Commission****New Proposed Decisions and Draft Resolutions:<sup>1</sup>**

R.12-03-014 (Long Term Procurement Plan Proceeding). This proposed decision denies the petition for modification of D.13-02-015 filed by Ice Bear SPV #1 LLC (Ice Bear) on August 26, 2020. Ice Bear sought to modify the deadline associated with D.12-03-014, which required Southern California Edison Company (SCE) to procure between 1,400 megawatts (MW) and 1,800 MW of capacity in the West Los Angeles sub-area of the Los Angeles basin local reliability area. Ice Bear's primary reasoning for seeking the extension is because of difficulty in meeting contractual deadlines due to the COVID-19 pandemic. However, this decision finds that the capacity required in 2013 is urgently needed, and relaxing the deadline for SCE could have negative unintended consequences for system reliability.

A.18-12-009 (Pacific Gas and Electric Company (PG&E) Test Year 2020 General Rate Case). This proposed decision addresses the Test Year 2020 General Rate Case application of PG&E. The decision also adopts the Settlement Agreement involving most of the active parties to the proceeding, subject to certain modifications.

R.19-11-009 (Resource Adequacy Proceeding). This proposed decision addresses issues scoped as Track 3.A, including adopting a local capacity requirement reduction compensation mechanism to compensate load-serving entities that procure local resource adequacy capacity (in lieu of the central procurement entity doing so), and the central procurement entity's competitive neutrality rules.

**Voting Meetings:**

The Commission held a voting meeting on October 22, 2020. The agenda included the following items:

Item 3: R.12-11-005 (Self-Generation Incentive Program). This proposed decision partially approves and partially denies a Petition for Modification of the California Energy Storage Alliance (CESA). It approves with modifications CESA's request that the Commission immediately authorize Self-Generation Incentive Program (SGIP) Program Administrators (PA) to transfer funds between technology incentive budgets. It directs SGIP PAs to file Tier 1 advice letters within 30 days of adoption of this decision confirming transfer of a total of \$100 million and \$8.5 million in funds from the Large-Scale General Market budget to the Non-Residential Equity Budget and the Residential Equity Budget respectively. It adopts a specific budget

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<sup>1</sup> Per Commission 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 Commission's daily calendar, per Rule 14.5.

amount for each PA's fund transfer and directs each PA to award the transferred Non-Residential Equity Budget funds using a one-time-only lottery for the waitlisted applications submitted on May 12, 2020. The decision also adopts a cap of \$5 million for Non-Residential Equity Budget incentives for any one entity. This decision denies CESA's suggested revisions to the SGIP lottery prioritization criteria adopted in D.16-06-055; the one-time lottery for funds transferred herein to the Non-Residential Equity Budget will be random and not use any prioritization criteria. It denies CESA's request to remove the moratorium on PA submittal of advice letters proposing to transfer funds between technology incentive budgets until after December 31, 2022 adopted in Decision 20-01-021 but approves additional limited PA fund transfer authority starting in 2021. **Signed, D.20-10-017.**

Item 5: I.19-09-016 (PG&E Bankruptcy). This proposed decision would close the Commission proceeding re PG&E's bankruptcy, in light of the bankruptcy court's approval of a reorganization plan and PG&E's emergence from bankruptcy. **Signed, D.20-10-018.**

Item 6: Proposed Resolution UEB-004. This proposed resolution approves citation program for enforcing the Net Energy Metering interconnection application consumer protection requirements enacted in Decisions (D.)16-01-044, D.18-09-044, and D.20-02-011. **Held to November 5, 2020 meeting.**

Item 19: A.20-02-003 (PG&E Wildfire Rates). This proposed decision authorizes PG&E to recover, on an interim basis and subject to refund, \$447 million in revenue over a period commencing December 2020 and continuing through April 2022 associated with wildfire mitigation related memorandum accounts. The proposed decision declines PG&E's request for authorization to institute interim rates, subject to refund, whenever it accumulates a total of \$100 million or more (in revenue requirement equivalent) relating to new Commission- or legislatively mandated activities in one or more memorandum accounts established to allow the utility to record such costs. **Signed, D.20-10-025.**

### **California Independent System Operator**

#### **Upcoming Meetings and Deadlines:**

**Generator Downsizing Request Submittal Window for Generator Interconnection Projects: Open 10/15/20 to 11/15/20.** The California ISO began to accept downsizing requests on October 15, 2020 for active interconnection requests and commercial generating facilities seeking to downsize under the annual generator downsizing process. All downsizing requests and deposits must be submitted to the ISO by 5 p.m. (Pacific Time) on November 15, 2020.

**Extended Day-Ahead Market.** The California ISO has extended the deadline to submit written comments on the Extended Day-Ahead Market bundle 1 straw proposal from October 8, 2020 to November 12, 2020.

**Pseudo-Ties of Shared Resources, Second Revised Draft Tariff Language Posted.** The California ISO has posted the second revised draft tariff language for the Pseudo-Ties of Shared Resources initiative. Comments are due October 26, 2020.

**Real-Time Settlement Review Draft Final Proposal.** The California ISO has scheduled a public stakeholder call on October 28, 2020 to discuss the draft final proposal for the Real-Time Settlement Review initiative. Comments are due November 11, 2020.

**FERC Order 831 - Import Bidding and Market Parameters: Revised Draft Tariff Language Posted.** The California ISO has scheduled a public stakeholder call on November 10, 2020 to discuss the revised draft tariff language for the FERC Order 831 - Import Bidding and Market Parameters initiative.

**Affidavits for Allocating and Retaining Transmission Plan Deliverability Due December 4, 2020.** Generation interconnection customers must submit Transmission Plan Deliverability (TP Deliverability) affidavits to the California ISO by December 4, 2020 to be eligible to receive or retain deliverability allocations in the annual TP Deliverability allocation process. This also applies to wholesale distribution access tariff (WDAT) projects studied by the ISO for deliverability.

**Energy Storage and Distributed Energy Resources - Default Energy Bid Final Proposal.** The California ISO has posted the final proposal for the Energy Storage and Distributed Energy Resources (ESDER) Default Energy Bid initiative. Comments are due November 12, 2020.

### **California Energy Commission**

The California Energy Commission has once again scheduled a new time and date for the Lead Commissioner workshop in which the CEC intends to solicit further public and stakeholder comment on proposed modifications to the Renewables Portfolio Standard enforcement regulations for local publicly owned electric utilities. The workshop was previously scheduled for October 23, 2020 but is now scheduled for 1 p.m. on November 5, 2020. For more information:

<https://www.energy.ca.gov/proceedings/energy-commission-proceedings/proceeding-modifications-rps-enforcement-regulations>.

### **California Air Resources Board**

On November 19 and 20, 2020, the California Air Resources Board (CARB) will hold a public hearing to consider amendments to its regulations for the reporting of Criteria Air Pollutants and Toxic Air Contaminants. The proposed amendments will expand CARB's inventories of emissions from stationary sources, on-road and off-road mobile sources, and area-wide sources, i.e., consumer products. The amendments would expand the scope of sources subject to reporting, increasing the number of facilities reporting from about 1,300 to approximately 60,000 at full implementation. The amendments would incorporate a six-year phase-in for reporting of additional processes and provide abbreviated reporting requirements for thousands of facilities. The amendments would also improve consistency with air toxic "hot spots" reporting requirements under Assembly Bill 2588. Details on the proposed amendments and the hearing are available [here](#). Written comments can be submitted by mail or electronically [here](#) and must

be received no later than November 16, 2020 if they will not be physically submitted at the hearing.

### **Washington Utilities and Transportation Commission**

On November 6, 2020, the Washington Utilities and Transportation Commission will hold a public hearing for the adoption of proposed rules in its Energy Independent Act rulemaking (Docket No. UE-190652).

### **Federal Energy Regulatory Commission**

FERC has a [technical conference scheduled for October 27, 2020 on offshore wind generation integration in RTOs/ISOs](#). The conference will address whether existing Commission transmission, interconnection, and merchant transmission facility frameworks in RTOs/ISOs can accommodate anticipated growth in offshore wind generation in an efficient and effective manner that safeguards open access transmission principles and to consider possible changes or improvements to the current framework should they be needed to accommodate such growth. Commissioners may participate in the technical conference.

FERC's next open meeting is scheduled for November 19, 2020.