

REGULATORY UPDATE FOR NOVEMBER 30 (WEEK OF NOVEMBER 23)**California Public Utilities Commission**

On November 24, 2020, President Marybel Batjer of the California Public Utilities Commission (Commission) issued a letter to Pacific Gas and Electric Company (PG&E), putting PG&E on notice that the Commission was evaluating whether to place it under an enhanced oversight and enforcement process to which PG&E had agreed as part of the approval of its bankruptcy reorganization. The letter expressed concern that there “appears to be a pattern of vegetation and asset management deficiencies that implicate PG&E’s ability to provide safe, reliable service to customers. Specifically, Wildfire Safety Division Staff has identified a volume and rate of defects in PG&E’s vegetation management that is notably higher than those observed for the other utilities.”

New Proposed Decisions and Draft Resolutions:¹

None.

Voting Meetings:

The Commission’s next voting meeting will be held December 3, 2020. The agenda includes the following items:

Item 5: R.12-03-014 (2012 LTPP). This proposed decision would deny the petition for modification of Decision (D.) 13-02-015 filed by Ice Bear SPV #1 LLC (Ice Bear) on August 26, 2020, seeking to have the Commission amend the decision to extend the deadline for delivery of the required capacity past December 31, 2020. Instead, this decision grants an extension to the contract delivery deadline to August 1, 2021, if Ice Bear can come to agreement with Southern California Edison Company (SCE) to provide the capacity for summer 2021. In D.13-02-015, SCE was required 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 an extension is because of difficulty in meeting contractual deadlines due to the COVID-19 pandemic. This decision finds that the capacity required in 2013 is urgently needed, and therefore relaxing the deadline for SCE and Ice Bear may allow some additional capacity to be provided for summer 2021, which would benefit electric system reliability.

Item 9: A.19-02-015 (Renewable Natural Gas Tariff). This proposed decision adopts a three-year voluntary pilot Renewable Natural Gas Tariff program for Southern California Gas

¹ 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.

Company and San Diego Gas & Electric Company (the Utilities). The Utilities are authorized to offer this program to their respective eligible core customers.

Item 17: A.18-12-009 (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.

Item 18: 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.

Item 21: Proposed Resolution UED-004. This Resolution approves a citation program for enforcing the Net Energy Metering interconnection application consumer protection requirements enacted in D.16-01-044, D.18-09-044, and D.20-02-011.

California Independent System Operator

Department of Market Monitoring Report on System Market Conditions, Issues and Performance: August and September 2020. The California Independent System Operator (ISO) Department of Market Monitoring (DMM) has posted its Report on System Market Conditions, Issues and Performance: August and September 2020. The report agrees with many of the key findings and conclusions reached in the Preliminary Root Cause Analysis issued jointly on October 6, 2020 by the California Energy Commission, California Public Utilities Commission, and California ISO. The DMM also carefully reviewed the August 14-15 blackouts, and found no indication that outages were falsely declared at strategic times in order to allow generation owners to profit from higher prices (e.g., from output of other generating units under their control or virtual demand positions taken in the day-ahead market). According to the report, and “[c]ontrary to some suggestions in the media, DMM has found no evidence that market results on these days were the result of market manipulation.”

Upcoming Meetings and Deadlines:

EIM Governing Body Meeting. The general session is scheduled for November 4, 10 a.m. to 1 p.m. Agenda is here: <https://www.westerneim.com/Documents/FinalAgenda-EIMGoverningBodyMeeting-Nov4-2020.pdf>.

Hybrid Resources Phase 2: Draft Tariff Language Posted. The California ISO will hold a public stakeholder web conference on December 8, 2020 to discuss the draft tariff language for Phase 2 of the Hybrid Resources initiative. Comments are due November 30, 2020.

Energy Storage and Distributed Energy Resources – Default Energy Bid: Draft Tariff Language Posted. The California ISO has published the draft tariff language for the

Default Energy Bid proposal, as part of the Energy Storage and Distributed Energy Resources Phase 4 initiative. Comments are due by December 3, 2020.

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 projects studied by the California ISO for deliverability.

Review of Final 2021 RA Compliance Filings and Determination of Deficiency. The California ISO has posted its aggregate assessment of the annual Resource Adequacy (RA) plans submitted by load-serving entities (LSE) along with the reliability-must-run units designated by the ISO for 2021. LSEs may submit revised annual RA plans by close of business December 14, 2020.

Western EIM Base Schedule Submission Deadline: Draft Tariff Language. The California ISO has scheduled a public stakeholder call on December 10, 2020 to discuss the draft tariff language for the Western Energy Imbalance Market Base Schedule Submission Deadline initiative. Comments on the draft language are due by December 7, 2020.

California Energy Commission

On December 2, 2020, the California Energy Commission will hold a workshop to explore opportunities and constraints to making incremental technology improvements to the existing natural gas powerplant fleet. The workshop will also explore how these improvements can contribute to near-term reliability, as well as support a longer-term transition to renewable and zero-carbon resources. Link here: [Notice of Lead Commissioner Workshop on Incremental Efficiency Improvements to The Natural Gas Powerplant Fleet for Electric System Reliability and Resiliency](#).

On December 3, 2020, the California Energy Commission will hold a [workshop](#) to discuss updates to the California Energy Demand 2019-2030 Forecast. The first session of the workshop will focus on transportation energy demand. The second session of the workshop will center on self-generation and overall electricity demand.

California Air Resources Board

On December 10, 2020, the California Air Resources Board (CARB) will conduct a public meeting to consider selecting additional communities for the Community Air Protection Program created by AB 617 (2017). Community air monitoring systems and/or community emissions reduction programs would be developed and implemented in each of the additional communities chosen for the program. CARB's 2020 Community Recommendations Staff Report is available for review [here](#).

On December 9, 2020, CARB will hold two public workgroup meetings related to the proposed Advanced Clean Fleets regulation to discuss (1) cost methodology for the regulation and (2) how to transition drayage trucks to zero emissions. Meeting materials and registration is available [here](#). CARB, in collaboration with the California Energy Commission, is also now [accepting applications](#) for funding under the Zero-Emission Drayage Truck and Infrastructure Pilot Project.

Oregon Public Utility Commission

On Tuesday, December 1, the Oregon Public Utility Commission (OPUC) will hear arguments on motions to reconsider the OPUC's August 2020 order where it approved, with some modification, PacifiCorp's proposal to modify its interconnection study procedures for Oregon-jurisdictional generators. Advocates for solar power are principally driving the move for reconsideration, arguing that a correction to the utility's power flow studies would potentially eliminate the need for the approved reforms and that the OPUC erred by not considering that issue.

Minnesota Public Utilities Commission

On November 25, 2020, the Minnesota Public Utilities Commission (Commission) issued a Notice of Commission Meeting for multiple Xcel Energy (Xcel) matters. The meeting will occur on December 8, 2020, and will continue on December 9, 2020, if necessary. First, the Commission will address Xcel's Rate-Case Stay-Out docket, where Xcel requests Commission approval of various true-up mechanisms rather than pursuing its 2020 Rate-Case filing. For the second and third matters, the Commission will address Xcel's 2020 Rate-Case filing and the Xcel Large Industrials' Motion to Consolidate various Xcel dockets into a contested-case proceeding before the Office of Administrative Hearings. The nature of the second and third matters will somewhat depend upon the outcome of Xcel's Stay-Out petition.

Washington Utilities and Transportation Commission

On October 14, 2020, the Washington Utilities and Transportation Commission issued a notice of opportunity to file written comments and a notice of a proposed rule adoption in its Integrated Resource Plan and Clean Energy Implementation Plan rulemaking proceedings (WUTC Docket Nos. UE-10698 and UE-191023). Comments on the proposed rules were due on November 12, 2020, and a hearing on the proposed rules is scheduled for December 9, 2020.

Federal Energy Regulatory Commission

The Federal Energy Regulatory Commission's (FERC) next open meeting is December 17, 2020.

FERC has **anceled** the roundtable on electric vehicle deployment that was scheduled to take place on December 3, 2020 and be led by now-former Chairman Chatterjee.