

**REGULATORY UPDATE FOR JUNE 21, 2023
(WEEK OF JUNE 12, 2023)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)

New Proposed Decisions and Draft Resolutions¹

Rulemaking (R.) 18-07-003 (RPS). The proposed decision grants the petition to modify Decision (D.) 19-09-043 filed by Pacific Gas and Electric, Southern California Edison, and San Diego Gas & Electric (collectively, the Joint IOUs). The Joint IOUs are authorized to discontinue the annual determination of the Effective Load Carrying Capability values in R.18-07-003 and instead use the results of the method undertaken in R.20-05-003, Rulemaking to Continue Electric Integrated Resource Planning and Related Procurement Processes, or its successor proceeding.

Voting Meetings

The next CPUC voting meeting will be held on June 29, 2023.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Extended Day-Ahead Market. CAISO has extended the due date for comments on the Extended Day-Ahead Market revised draft tariff language to July 6, 2023.

Transmission Service and Market Scheduling Priorities Phase 2. CAISO scheduled a public stakeholder call on June 30, 2023 to discuss the Transmission Service and Market Scheduling Priorities (TSMSP) Phase 2 track 1 revised draft tariff language. The track 1 revised draft tariff language focuses on available transfer capability and short-term wheeling, and is available on the TSMSP Phase 2 initiative webpage. Written comments on the track 1 revised draft tariff language are due by end of day June 27, 2023.

Energy Storage Enhancements. CAISO will offer a refresher training [webinar](#) on June 22, 2023 from 9 a.m. to 11 a.m. PT to review information as it pertains to the Energy Storage Enhancements - Track 1 initiative and provide clarity on the implementation details of ancillary services award constraints.

WEIM Governing Body. CAISO posted the [final agenda](#) for the Western Energy Imbalance Market (WEIM) Governing Body meeting on June 22, 2023, which will take place at

¹ Per 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 CPUC's daily calendar, per Rule 14.5.

the Western Electricity Coordinating Council offices in Salt Lake City, Utah. Attendees can participate in-person or virtually.

2022-2023 Transmission Planning Process. On June 26, 2023, CAISO will open the 2022-2023 Transmission Planning Process, Phase 3 Competitive Solicitation bid window to receive proposals for the North Gila - Imperial Valley #2 500kV Line Project, the Imperial Valley - North of SONGS 500kV Line and Substation Project, and the North of SONGS - Serrano 500kV Line Project. CAISO will hold a public stakeholder call on June 26, 2023 to discuss the Phase 3 Transmission Planning Process for the three competitive solicitation projects.

Greenhouse Gas Coordination Working Group. CAISO is requesting feedback from stakeholders to help shape topics and problem statements for discussion during the upcoming greenhouse gas (GHG) Coordination working group meetings, which are targeted to begin in August 2023. Initial feedback may be submitted by completing the GHG [working group survey](#) by end of day June 30, 2023.

CALIFORNIA ENERGY COMMISSION (CEC)

Integrated Energy Policy Report (IEPR)

The CEC's [2023 IEPR Workshop Schedule](#) has been released. Forthcoming workshops include:

- July 6: Hydrogen – canceled; to be rescheduled
- August 15: California Electricity Demand Forecast: Inputs and Assumptions
- August 18: California Electricity Demand Forecast: Load Modifier Scenario Development
- September 8: Topic TBD
- November 15: California Electricity Demand Forecast: Load Modifier Scenario Results
- December 6: California Electricity Demand Forecast: Electricity Forecast Results

The schedule is also accessible on the [2023 IEPR website](#).

Electric Program Investment Charge (EPIC)

On July 18, 2023, CEC staff will host a remote-access workshop to identify research needs to advance the use of virtual power plant (VPP) approaches for increased demand flexibility. The workshop will specifically focus on community-owned VPP models and include a panel session with presentations from industry representatives such as load-serving entities and their technology service providers. According to the workshop [Notice](#), input received during the workshop will be used to inform the development of future solicitations related to the [Electric Program Investment Charge 2021-2025 Investment Plan \(EPIC 4 Investment Plan\)](#).

Transmission Planning

Together with the CPUC and CAISO, the CEC will host a staff workshop on June 23, 2023. The purpose of the workshop is to discuss resource portfolio assumptions for use by CAISO in the next 20-Year Transmission Outlook. The workshop will be held from 10:00 a.m. to 12:00 p.m. PT and will have remote access only. Attendance and other information is available [here](#).

Electric Vehicle Infrastructure Planning

The CEC will host a joint workshop together with the California Department of Transportation to discuss updates to California's Deployment Plan for the National Electric Vehicle Infrastructure Formula Program for 2023. Under recent guidance from the Federal Highway Administration, states are required to submit updated Deployment Plans by August 1, 2023. The workshop will be held remotely on June 29, 2023 from 10:00 a.m. to 1:00 p.m. PT. Access and other event information is available [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for July 26, 2023.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

CARB will hold its next Board meeting on June 22, 2023. At the meeting, CARB will conduct a [public hearing](#) on proposed amendments to the Oil and Gas Methane Regulation, which provides greenhouse gas emission standards for crude oil and natural gas facilities. The full agenda for the Board meeting is available [here](#).

Opportunities for Public Comment

Written comments on the June 16, 2023 [meeting](#) of the [Scientific Review Panel on Toxic Air Contaminants](#) may be submitted [here](#) on or before July 1, 2023.

On June 14, 2023, CARB held a joint [public workshop](#) with Quebec on potential amendments to the [Cap-and-Trade Program](#). Comments on the workshop topics may be submitted [here](#) until July 7, 2023.

On February 22, 2023, CARB held a [public workshop](#) on potential changes to the Low Carbon Fuel Standard program. At the workshop, Staff presented additional information on potential credit generation opportunities that may affect carbon intensity targets, preliminary fuel mix, and cost outputs from the California Transportation Supply model, and concepts related to streamlining implementation. Staff has released [draft regulatory text](#) of the proposed changes. The deadline for comments on the proposed changes for Tier 1 Simplified Calculators and Lookup Table Values has been extended until July 12, 2023. Comments may be submitted [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

On June 7, 2023, the Illinois Attorney General's Office (AG's Office), acting on behalf of the People of the State of Illinois, filed a petition with the Illinois Appellate Court, for review of the ICC's March 23 Order approving, subject to modifications, the Beneficial Electrification Plan for Ameren Illinois Company (Ameren) and Commonwealth Edison Company (ComEd), and of the ICC's May 4 Order denying the AG's Office application for rehearing of the March 23 Orders. The Petition for Review of the ComEd Order is filed with the Second District whereas the Petition for Review of the Ameren Order is filed with the Fourth District of the Appellate Court.

The next ICC voting meeting will be held on June 29, 2023 at 11:30 a.m. CT. The meeting will be available for online viewing, which can be accessed [here](#), and the meeting agenda will be posted 48 hours in advance.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

Northwestern Corporation has petitioned for a writ of certiorari to the U.S. Supreme Court in *Edison Electric Institute, et al. v. FERC*, the appeal of FERC's *Broadview Solar, LLC* orders, which the D.C. Circuit upheld in February. Read our article on the D.C. Circuit's decision [here](#).

On June 15, 2023, FERC [approved a final rule](#) designed to improve credit risk management in the organized wholesale electric power markets. FERC's Final Rule will allow electric power market operators to share credit-related information among themselves so they can better assess market participants' credit risks.

On June 15, 2023, FERC [finalized two rules](#) to help improve reliability of the bulk power system against threats of extreme weather that may cause unacceptable risk to life and economic harm. The first rule directs the North American Electric Reliability Corporation to develop a new or modified reliability standard to require transmission system planning for extreme heat and cold weather conditions over wide geographical areas, including studying the impact of concurrent failures of bulk power system generation and transmission equipment and implementing corrective actions as needed (RM22-10). The second rule directs transmission providers to submit one-time reports describing their policies and processes for conducting extreme weather vulnerability assessments and identifying mitigation strategies (RM22-16, AD21-13).

On June 9, 2023, in [Docket No. ER23-1609-000](#), FERC issued an order conditionally accepting PJM's proposal to revise the Reliability Pricing Model Base Residual Auction (BRA) and Incremental Auction schedules for the 2025/2026 through 2028/2029 delivery years, effective June 10, 2023. FERC directed PJM to incorporate the illustrative auction schedule provided in its filing into the PJM Open Access Transmission Tariff (OATT) on compliance. The revisions delay the capacity auctions beginning with the 2025/2026 delivery year through the 2028/2029 delivery year to be conducted after FERC acts on PJM's anticipated upcoming capacity market enhancements filing, which PJM expects to be filed by October 1, 2023. Due to

the revised schedule, PJM will void ongoing pre-auction activities for the BRA for the 2025/2026 delivery year and restart the process. FERC also granted PJM's request for waiver of the OATT provisions relating to the timing and pre-auction processes for the BRAs and Incremental Auctions for delivery years 2025/2026, 2026/2027, 2027/2028, and 2028/2029.

On June 2, 2023, FERC [approved](#), in part, Public Service Company of Colorado's proposed generator interconnection procedure reforms. FERC approved the reintroduction of a payment in lieu of readiness, allowing customers to post \$7.5 million if they are unable to demonstrate readiness through a generation deployment plan. In addition, customers that sign an interconnection agreement but fail to achieve their in-service date will pay a \$5 million penalty. The new penalties will go into effect 120 days after their effective date (June 3), allowing customers currently in the queue time to decide whether to withdraw.

FERC's Joint Federal-State Task Force on Electric Transmission will [meet](#) on July 16, 2023.