

REGULATORY UPDATE FOR OCTOBER 11, 2021 (WEEK OF OCTOBER 4)**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)**New Proposed Decisions and Draft Resolutions¹

None.

Voting Meetings

The Commission held a voting meeting on October 7, 2021. The following energy-related items were on the agenda. The Commission's next voting meeting will be held on October 21, 2021.

Item 3. R.19-10-005 (EPIC Program). In this decision, the Commission authorizes Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas and Electric (SDG&E) to continue in their roles as administrators of the Electric Program Investment Charge (EPIC) Program, subject to additional administrative requirements. Like the California Energy Commission (CEC), the Investor-Owned Utilities (IOUs) are authorized to file two five-year investment plans, with the first cycle covering 2021-2025 (EPIC 4) and the second cycle covering 2026-2030 (EPIC 5). The Commission authorizes EPIC 4 investment plan budgets of \$18.44 million annually for PG&E, \$3.24 million annually for SDG&E, and \$15.131 million annually for SCE. To bring greater focus to the EPIC Program and improve transparency, the Commission adopts a number of administrative requirements, as well as the guiding principles and mission statement contained in Appendix A of the Proposed Decision. Given the number of revisions in this decision, the Commission extends the filing deadline for the CEC's EPIC 4 investment plan from October 1, 2021 to December 1, 2021. Although the Commission authorizes the IOUs as administrators, and authorizes their investment plan budgets, this decision does not approve their investment plans. **Held to October 21, 2021 meeting.**

Item 4. Draft Resolution E-5168. On February 26, 2021, PacifiCorp d/b/a Pacific Power (PacifiCorp) filed AL 643-E, which was withdrawn on May 17, 2021 and replaced with AL 649-E on May 21, 2021. PacifiCorp filed AL 649-E-A on June 18, 2021, which clarifies language within its May 21 filing. On March 1, 2021, Bear Valley Electric Service, Inc. (BVES) filed AL 413-E and Liberty Utilities (Calpeco Electric) LLC (Liberty) filed AL 166-E. The three IOUs request approval to establish a new Electric Rule: Rule 24 for BVES, Liberty, and PacifiCorp—known as the EV Infrastructure Rules. The Advice Letters (ALs) also request approval of an associated Electric Vehicle Infrastructure Memorandum Account to track the costs associated with offering these new rules. This Resolution requires modifications to the proposed EV

¹ Per California Public Utilities Commission (CPUC or 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 CPUC's daily calendar, per Rule 14.5.

Infrastructure Rules to create consistency in policy across the IOU service territories, increase transparency for customers, and ensure additional protections for ratepayers. This Resolution requires each IOU to file a Tier 1 AL within 60 days of adoption of this Resolution to make the modifications that this Resolution orders and to address the outstanding implementation details related to the rules. The Resolution additionally orders each IOU to also file a Tier 2 AL to address outstanding implementation details that the Tier 1 AL filing does not cover. **Approved.**

Item 5. Draft Resolution E-5167. On February 26, 2021, SCE filed AL 4429-E, SDG&E filed AL 3705-E, and PG&E filed AL 6102-E that was later replaced by AL 6102-E-A filed on March 17, 2021. The ALs request the establishment of new rules—Electric Rule 45 for SDG&E and Electric Rule 29 for SCE and PG&E—known as the EV Infrastructure Rules (Rules) and request associated Memorandum Accounts (Memo Accounts) to track the costs associated with offering these new Rules. This Resolution approves, with modifications, PG&E’s, SCE’s, and SDG&E’s proposed Rules and associated Memo Accounts. Under the proposed Rules, ratepayers cover the costs of service line extensions and electrical distribution infrastructure—or EV Service Extensions—for separately metered EV charging for customers other than those in single-family residences. Per the direction of Pub. Util. Code § 740.19, these costs related to utility-side distribution infrastructure that support EV charging will be recovered through the IOUs’ general rate cases (GRC). As a result, IOUs will no longer request approval for utility-side costs associated with separately metered EV charging in an application or AL proposing a new transmission electrification (TE) program. In the past, the IOUs tracked these costs in Balancing Accounts associated with individual TE programs, whereas with the approval of this Resolution the IOUs will, moving forward, track these costs within a Memo Account and seek approval of those costs within a GRC. **Approved.**

Item 7. A.20-06-005 (PG&E Long-Term Debt). This decision grants PG&E contingent authority to manage temporary utility debt in the amount of \$1.5 billion that matures on January 1, 2022. PG&E currently intends to retire this \$1.5 billion in debt with proceeds from the issuance of \$7.5 billion of recovery bonds previously authorized by the Commission in D.21-05-015. However, due to possible future appeals of D.21-08-022 (which denied applications for rehearing of D.21-05-015) and possible appeals of related decisions, it is unclear whether proceeds from the \$7.5 billion of recovery bonds will be available to PG&E on or before January 1, 2022, the date the \$1.5 billion debt matures. As a result, the Commission grants additional authority to PG&E to manage the \$1.5 billion debt, if and to the extent necessary, pending retirement of this debt via proceeds from the recovery bonds by extending the maturity date of the \$1.5 billion debt, refinancing the \$1.5 billion debt, or managing the debt by a combination of these methods. Should the proceeds from the \$7.5 billion of the recovery bonds become available to PG&E on a timely basis, PG&E will not exercise the authority granted in this decision. **Signed, D.21-10-002.**

Item 8. Draft Resolution E-5159. This Resolution approves agreements between SCE and two newly forming Community Choice Aggregators (CCAs). Per an agreement with the City of Santa Barbara (Santa Barbara) described in AL 4304-E, SCE will comply with Santa Barbara’s 2022 Resource Adequacy (RA) obligations. Per a separate agreement with Central Coast Community Energy (3CE) described in ALs 4314-E and 4314-E-A, SCE will comply with 3CE’s 2021 and 2022 RA obligations and provide 3CE an option to make purchases of PCC-1

renewable energy (RPS Energy) from SCE during 2021 and 2022, at the Commission-set market price benchmarks for RPS Energy. This Resolution also permits SCE to make annual and monthly forecasts and year-ahead and month-ahead RA compliance filings on behalf of load migrating to Santa Barbara for 2021 and 2022, and load migrating to 3CE for 2021. The agreements are necessary because the two CCAs were compelled to change the dates when they will start serving customers. Santa Barbara submitted its 2021 load forecasts to the CPUC and CEC based on a projected launch date of May 1, 2021, as stated in its CPUC-certified Implementation Plan. Addendum No. 2 to 3CE's Implementation Plan, which contemplated expanding service to additional communities in PG&E's service area as well as communities in SCE's service area in January 2021, was approved by the CPUC on March 9, 2020. However, the CCAs were later told by SCE that SCE was unable to accommodate their projected launch dates because the effort to replace its billing system with the Customer Service Re-Platform (CSRP) would not be completed in time. The CSRP involves a system freeze during which time SCE says it cannot transfer customer accounts to CCA service. Changes to implementation dates may cause the CCAs to suffer adverse financial impacts, including procurement of resources for a substantial amount of time before they begin serving load. The agreements approved by this Resolution are intended to mitigate those consequences and risks by allowing SCE, on behalf of the CCAs, to comply with Santa Barbara's RA obligations for 2022 and with 3CE's RA obligation for 2021, as well as providing an option for 3CE to purchase RPS Energy in 2021 and 2022. **Approved.**

Item 9. Draft Resolution E-5162. This Resolution approves each of the behind-the-meter microgrid tariffs (Schedule BTMM - Behind-The-Meter Microgrids) proposed by PG&E (AL 6170-E), SDG&E (AL 3742-E), and SCE (AL 4473-E). The new tariffs were filed to comply with D.21-01-018 adopting rates, tariffs, and rules facilitating the commercialization of microgrids pursuant to Senate Bill (SB) 1339 (Stern, 2018). In D.21-01-018, the Commission directed the three largest IOUs to each file a Tier 3 AL to create a new microgrid tariff for their respective service territories. The new microgrid tariff formed under D.21-01-018 is a schedule that explicitly makes terms of existing tariffs available to combinations of resources that meet California's statutory definition of a microgrid. The new schedule does not change any compensation that would otherwise be available to individual resources. Instead, this new rate schedule creates regulatory identity in the utilities' tariff books for a new, statutorily defined entity (a microgrid) pursuant to SB 1339. **Approved.**

Item 15. New Rulemaking. This rulemaking continues the Commission's oversight of the RA program, considers broader structural reforms to the program, and establishes forward RA procurement obligations applicable to load-serving entities beginning with the 2023 compliance year. This proceeding is the successor to Rulemaking (R.) 19-11-009, which addressed these topics over the past two years. This order closes R.19-11-009 for purposes of Pub. Util. Code § 1701.5. R.19-11-009 remains open to consider a petition for modification filed by OhmConnect, Inc. on September 9, 2021. The record developed in R.19-11-009 is fully available for consideration in this proceeding. Comments on preliminary matters pertaining to the scope, schedule, and administration of the proceeding are due not later than 20 days after the

issuance of this Order Instituting Rulemaking (OIR). Reply comments may be filed no later than 30 days after the issuance of this order. **Signed, R.21-10-002.**

Item 23. New Rulemaking. The purpose of this OIR is to develop and adopt a safety culture assessment framework and identify the structure, elements, and process necessary to drive each regulated investor-owned electric and natural gas utility and gas storage operator to establish and continuously improve their organization-wide safety culture. Accordingly, this OIR provides guidance on the form and content of the safety culture assessments for regulated electric and natural gas IOUs and gas storage operators, provides a venue for a review of their safety culture as an organization, and will determine a process for ongoing review and refinement of their safety culture assessments in future years. All large electrical corporations, small and multi-jurisdictional electrical corporations, large natural gas corporations, and gas storage operators subject to the jurisdiction of the Commission are respondents to this proceeding. Parties are invited to comment on this OIR and its initial proposed scope within 45 days of its issuance. Reply comments may be filed within 30 days after filing and service of comments. **Signed, R.21-10-001.**

CALIFORNIA ISO (CAISO)

Generator Downsizing Request Submittal Window for Generator Interconnection Projects Opens

The CAISO will begin to accept downsizing requests on October 15, 2021, 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 by 5 p.m. PT, November 15, 2021.

2022 Net Qualifying Capacity and Effective Flexible Capacity Values for RA Resources

The CAISO has posted the final 2022 RA Net Qualifying Capacity list and Effective Flexible Capacity list for requesting resources. The list may be found [here](#).

Extended Day-Ahead Market Forum

The CAISO has posted the agenda for the Extended Day-Ahead Market Forum on October 13, 2021 from 8:30 a.m. to 12 p.m. PT. The Forum is intended to reinitiate a regional discussion that builds upon the success of the Energy Imbalance Market framework by extending the day-ahead market and unlocking the potential for incremental benefits from optimizing supply and transmission resources across the West. The agenda may be found [here](#). Attendance is free but registration is required.

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Clarifications to Reliability Must-Run Designation Process. The CAISO held a public stakeholder call on September 29, 2021, to discuss the straw proposal for the Clarifications to

Reliability Must-Run Designation Process initiative. Comments must be submitted by October 13, 2021.

2021-2022 Transmission Planning Process. The CAISO held public stakeholder calls on September 27-28, 2021, to discuss the reliability study results, participating transmission owner's reliability projects, and updates on other analyses related to the 2021-2022 transmission planning process. The CAISO also provided an update on the 20-year transmission outlook. Written comments are due October 12, 2021.

2021 Contract Management Enhancements. The CAISO held a public stakeholder call on October 7, 2021, to discuss the draft final proposal and draft tariff language for the 2021 Contract Management Enhancements initiative. Comments are due October 21, 2021.

New Initiative: Interconnection Process Enhancements 2021. The CAISO has launched its Interconnection Process Enhancements 2021 initiative and scheduled a public stakeholder workshop webinar on October 19, 2021. The purpose of this workshop is for the CAISO to present the problems and issues presented in the CAISO's preliminary issue paper and to solicit input and provide stakeholders an opportunity to present the issues that need to be addressed within this initiative.

EIM Resource Sufficiency Evaluation Enhancements Phase 1. The California ISO has scheduled a stakeholder call on October 12, 2021, to discuss the draft final proposal for Phase 1 of the Energy Imbalance Market Resource Sufficiency Evaluation Enhancements initiative. Comments on the proposal and call discussion are due October 22, 2021.

Resource Adequacy Enhancements Phase 2. The CAISO will hold a public stakeholder call on October 12, 2021, to discuss the straw proposal for phase 2 of the Resource Adequacy Enhancements initiative. Written comments are due October 26, 2021.

Department of Market Monitoring Q2 2021 Market Issues and Performance Report. The CAISO Department of Market Monitoring posted its Second Quarter Market Issues and Performance Report and will host a stakeholder web conference on October 8, 2021, to discuss reported analysis and findings.

CALIFORNIA ENERGY COMMISSION

Energy System Reliability (21-ESR-01)

On September 23, 2021, CEC Staff held an Informational Workshop on Midterm Reliability Modeling to the Energy System Reliability. The workshop followed the CEC's August 30, 2021 workshop, which provided an update on actions to support electric grid reliability, including the Midterm Reliability Analysis and incremental efficiency improvement potential for natural gas power plants. The event recording from the September 23, 2021 workshop is available [here](#). The CEC Staff Report and Staff presentation from the September 23 workshop are available [here](#). Stoel's Renewable + Law Blog provides a summary of the August 30, 2021 workshop [here](#).

On September 8, 2021, CEC Staff also issued a revised 2022 Summer Supply Stack Analysis (Analysis) in the Energy System Reliability [docket](#). The revised Analysis assesses supply conditions against average and extreme weather conditions for summer 2022. Via an updated docket entry on September 21, 2021, Staff posted an “Updated” Revised Analysis that replaced the September 8 version. Staff’s Analysis projects a need for between 200 to 4,350 MWs of additional resources to ensure reliability during summer 2022 under extreme weather events. The revised Analysis updates the draft 2022 Summer Stack Analysis provided at the CEC’s August 11, 2021 Business Meeting. The previous draft Analysis had calculated a higher need of between 600 and 5,200 MWs for 2022 summer reliability under extreme weather events. During the September 8 Business Meeting, the CEC adopted Resolution No. 21-0908-8 adopting the Summer 2022 Supply Stack Analysis. A copy of Resolution No. 21-0908-8 was posted to the Energy System Reliability [docket](#) on September 16, 2021.

SB 100

In response to Governor Newsom’s July 30, 2021 Emergency Proclamation, on September 29, 2021, the CEC published a “Report to the Governor on Priority SB 100 Actions to Accelerate the Transition to Carbon-Free Energy.” The report includes recommendations on actions California can take to accelerate achieving goals set forth in SB 100 goals and California’s transition to carbon-free energy. The report is available [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for October 13, 2021. The agenda is available [here](#).

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD (SWRCB)

Proposed Final Amendment to OTC Policy

On October 19, 2021, the SWRCB will consider adoption of the Proposed Final Amendment to the Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (OTC Policy) to Revise the Compliance Schedule for the Redondo Beach Generating Station and the Proposed Final Staff Report. The amendment materials propose an extension of the OTC Policy compliance date for the Redondo Beach Generating Station to ensure grid reliability.

Additional information regarding the October 19, 2021 Board meeting is available [here](#). Copies of the Proposed Final Amendment, Proposed Final Staff Report, and Responses to Comments are available on the OTC Policy program’s Policy Documents [website](#).

CALIFORNIA AIR RESOURCES BOARD (ARB)

Upcoming California Air Resources Board (ARB) meetings will be held virtually October 14 and October 28-29, 2021. At the [October 14 meeting](#), ARB will consider the Community Emissions Reduction Program for the Portside Environmental Justice

Neighborhoods, developed under the AB 617 Community Air Protection Program. The full agenda for the October 28-29 meeting will be available [here](#) 10 days prior to the meeting.

On October 28, 2021, ARB will hold a [public meeting](#) to consider approval of the 2020 Mobile Source Strategy. SB 44 (Skinner, 2019) requires ARB to update its 2016 Mobile Source Strategy by 2021 and every five years thereafter. The Mobile Source Strategy identifies opportunities for mobile source emissions reductions to support state emission reduction goals and to reduce exposure in low-income and disadvantaged communities. Comments on the Mobile Source Strategy can be submitted [here](#) on or before October 18, 2021.

On November 4, 2021, ARB will host a joint [public meeting](#) with the California Transportation Commission and the California Department of Housing and Community Development. This is the second of two annual joint meetings in 2021 to coordinate interagency efforts to implement policies that jointly affect transportation, housing, air quality, and climate. The meeting will focus on interagency work on equity, housing, and related efforts to reduce vehicle miles traveled in order to meet climate and air quality commitments by the state. Comments may be submitted [here](#) in advance of the meeting on or before October 25, 2021.

On September 30, 2021, ARB held a [virtual public workshop](#) on modeling inputs for a range of scenarios under consideration to achieve carbon neutrality in California by 2045, as part of the Assembly Bill (AB) 32 Scoping Plan Update. Comments on the workshop may be [submitted](#) to ARB on or before October 22, 2021. Recordings of this workshop and other past AB 32 Scoping Plan Update meetings and workshops are available [here](#).

ARB is accepting informal public comments on the proposed [Advanced Clean Fleets](#) regulation, which aims to achieve a zero-emissions truck and bus California fleet by 2045. Comments may be submitted [here](#) on or before December 31, 2021.

MINNESOTA PUBLIC UTILITIES COMMISSION

1. In the Matter of Commission Consideration and Determination of Compliance with Renewable Energy Standards for year 2020, PUC Docket Nos. 21-12, 02-1240

On October 7, 2021, the Minnesota Public Utilities Commission (“Commission”) met to consider Minnesota electric utilities’ compliance with the state renewable energy standard. At the hearing, the Commission considered the action it should take on the renewable energy standard and associated compliance reports filed by the electric utilities. After review, the Commission found that utilities had met the renewable energy standard and solar energy standard. A written order is pending.

2. In the Matter of Xcel Energy’s 2020-2034 Integrated Resource Plan – Motion to Strike, PUC Docket No. 19-368

On October 7, 2021, the Commission met to consider Northern States Power Company dba Xcel Energy’s (“Xcel”) motion to strike trade secret evidence cited by the Minnesota Office of the Attorney General (“OAG”) in previous comments in Xcel’s pending resource plan. In previous reply comments, the OAG cited trade secret data from another proceeding pertaining to another Minnesota utility (Otter Tail Power Company) in support of its positions with respect to Xcel’s resource plan. The OAG was able to access the material pursuant to Minnesota’s Data Practices Act, allowing it access as a governmental unit. Xcel, which is not a governmental entity, was not able to access the competitive information and, therefore, moved to strike the OAG’s evidence.

In its motion, Xcel claimed that its inability to respond to the OAG violated its due process rights under the U.S. Constitution. The OAG disagreed, arguing that the Company does not have a protected interest in its preferred resource plan. Further, the OAG argued that even if a protected interest exists, Xcel’s claim failed to demonstrate that it would be prejudiced by the inclusion of the trade secret material. Upon review, the Commission concluded that Xcel’s motion did not implicate due process considerations; however, the Commission granted Xcel’s motion to strike based on notions of equity and fundamental fairness. Because the motion was granted, the OAG must refile its reply comments without the trade secret information. A written order is pending.

OREGON PUBLIC UTILITY COMMISSION (OPUC)

New Certified Project under the Oregon Community Solar Program (CSP) - UM 1930

Last Wednesday, the OPUC issued Order 21-321, which approved the Red Prairie Solar Project for certification under the Oregon CSP. The project is a 2,200 kw AC solar project located in Portland General Electric’s (PGE) territory in Yamhill County. More information can be located [here](#).

PGE’s 2021 All-Source Request for Proposals (RFP) Scoring and Modeling Methodology Is Approved by OPUC Subject to Certain Conditions – UM 2166

Last Wednesday, the OPUC issued Order 21-320, which conditionally approved PGE’s scoring methodology for its 2021 RFP. First, the OPUC required PGE to consider bid submissions that would repower existing generation resources. Secondly, the OPUC noted that a scoring element associated with PGE’s proposed power purchase agreement with the Confederated Tribes of Warm Springs may be approved pending a full review of the contract by the OPUC Staff in a subsequent RFP docket. More information can be located [here](#).

OPUC Meetings this Week

On Monday, October 11, 2021 at 1:00 p.m. PT, there is a public workshop to discuss PGE’s 2021 All-Source RFP and changes to the RFP design following Order 21-230. The agenda and dial in details can be located [here](#).

On Tuesday, October 12, 2021 at 9:30 a.m. PT, the OPUC will host a special public meeting to discuss PacifiCorp’s 2021 All-Source RFP. At the meeting, OPUC will decide

whether or not to officially acknowledge PacifiCorp's final shortlist for the RFP. The staff report can be located [here](#).

Later in the week on Thursday, October 14, 2021 at 9:30 a.m. PT, the OPUC will host a special public meeting to discuss Avista's 2021 Integrated Resource Plan (IRP). At the meeting, the OPUC is expected to adopt the Staff's recommendation and officially acknowledge Avista's IRP. The staff report can be located [here](#).

On Friday, October 15, 2021 at 10:00 a.m. PT, the OPUC will host a hearing to discuss proposed rulemaking related to small-scale renewable energy projects (AR 622). The proposed rules will implement Section 37 of HB 2021 and Section 14 of SB 1547 whereby PacifiCorp and PGE must have 10% of their electric capacity originate from small-scale renewable energy facilities. The notice of proposed rulemaking can be located [here](#).

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION (WUTC)

WUTC Meetings this Week

On Thursday, October 14, 2021 at 9:30 a.m. PT, the WUTC will host a public meeting to discuss a wide range of dockets, including UG-210461 and UG-210462, related to Puget Sound Energy and Avista's conservation potential assessment. The meeting agenda and dial in details can be located [here](#).

NEW YORK PUBLIC SERVICE COMMISSION (NYPSC)

New York State Selects Two Transmission Projects to Deliver Low-Carbon Power to New York City

New York State Governor Kathy Hochul announced on September 20, 2021 that New York State has selected two transmission line projects to help decarbonize power in New York City. The state has chosen the Clean Path New York project and the Champlain Hudson Power Express (CHPE) project from among the seven proposed projects submitted in response to the Clean Energy Standard [Tier 4](#) solicitation issued in January.

The CHPE project, developed by Transmission Developers, Inc. and Hydro-Quebec, is an underground and underwater transmission line that would run 339 miles between the Canada-U.S. border and New York City. The Clean Path New York project is being developed by Forward Power, a joint venture between Invenergy, EnergyRe, and the New York Power Authority, and is a 174-mile transmission line that would run from Delaware County in New York's Southern Tier economic development region through the Mid-Hudson region to New York City. Once finalized, the New York State Energy Research and Development Authority will submit the negotiated contracts for the projects to the NYPSC for consideration and approval.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC issued a notice stating that, due to a 2-2 split between the Commissioners on PJM Interconnection LLC's (PJM) latest Minimum Offer Price Rule (MOPR) proposal, the proposal would go into effect by operation of law. The new "narrow" MOPR will replace PJM's expanded MOPR for the 2023/2024 capacity year and going forward. The narrow MOPR will only apply in two discrete circumstances: (1) Conditioned State Support—where a resource receives payments as a result of a state policy that is conditioned on the resource's clearing the PJM capacity auction or bidding at certain price levels, and (2) where PJM determines that a seller has buyer-side market power and its market offer is an exercise of that market power. The implementation of the narrow MOPR is a big victory for renewable energy advocates, because renewable energy projects are much less likely to be subjected to mitigation in PJM's capacity market as the result of state and local subsidies.

FERC issued its [annual report](#) on lessons learned from the non-public Critical Infrastructure Protection (CIP) audits of registered entities. The report found that most of the cybersecurity protection processes and procedures adopted by the entities met the mandatory requirements of the CIP reliability standards. In addition to assessing compliance with the CIP reliability standards, the report includes recommendations regarding cybersecurity practices that are voluntary.

President Biden has announced that he intends to nominate Willie L. Phillips, Jr. as a Commissioner of FERC. Phillips is currently Chairman of the Public Service Commission of the District of Columbia (DCPSC). Phillips has been on the DCPSC since 2014 and has been the Chairman since 2018. Prior to his tenure on the DCPSC, Phillips served as Assistant General Counsel for the North American Electric Reliability Corporation. If confirmed, Phillips would replace Republican Neil Chatterjee and give Democrats a 3-2 majority on FERC.

On Monday, October 4, 2021, the New York Transmission Owners, comprised of Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation (NYTOs), filed a request for rehearing of FERC's order issued on September 3, 2021, denying the NYTOs' complaint filed on April 9, 2021. The NYTOs filed the complaint arguing that the existing System Upgrades funding methodology under the New York Independent System Operator (NYISO) Open Access Transmission Tariff (OATT) was not just and reasonable. The NYTOs argued that it did not provide an opportunity for them to be compensated for the incremental incurred risks and difficult-to-quantify costs associated with owning, operating, and maintaining System Upgrades. In its order denying the complaint, FERC determined that the NYTOs had not met their burden under section 206 of the Federal Power Act to show that the existing funding mechanism for System Upgrades contained in the OATT was unjust, unreasonable, and unduly discriminatory or preferential because they "failed to demonstrate that, due to the existing funding mechanism, the ownership, operation, and maintenance of System Upgrades exposes them to risks for which they are not already compensated." In their request for rehearing, the

NYTOs argue that FERC's order (i) fails to acknowledge precedent that a utility is entitled to a return for property used to provide service and that creates ownership risks; (ii) inappropriately adopts a presumption that an unidentified return compensates the NYTOs for the risks of owning and carrying System Upgrades; (iii) applies the wrong burden of proof; (iv) makes findings not supported by evidence on the record; and (v) relies on an unreasonably narrow and results-driven interpretation of the NYISO OATT, and wrongly distinguishes costs of service from the means and methods of recovering an authorized rate of return on the totality of transmission facilities committed to service under the OATT. The PJM Transmission Owners and Edison Electric Institute also filed requests for rehearing that largely mirrored the arguments made by the NYTOs.

Upcoming Conferences and Meetings:

FERC will hold a [technical conference](#) on October 12, 2021 on Regional Transmission Organization/Independent System Operator energy and ancillary services markets to discuss market reforms to increase operational flexibility, which may be needed as the resource fleet and load profiles change over time.

FERC will hold its [first Federal-State Transmission Task Force Meeting](#) on November 10, 2021, to explore transmission-related issues to identify and realize the benefits of electricity transmission while ensuring that the costs are allocated efficiently and fairly.

FERC will hold a [technical conference](#) on November 15, 2021, to examine in detail issues and potential reforms related to regional transmission planning as described in the July 15, 2021 Advanced Notice of Proposed Rulemaking. Specifically, the technical conference will examine issues related to incorporating sufficiently long-term and comprehensive forecasts of future transmission needs during regional transmission planning processes, including considering the needs of anticipated future generation in identifying needed transmission facilities.

FERC will hold a Commission staff-led [technical conference](#) on November 19, 2021, to discuss methods natural gas companies may use to mitigate the effects of direct and indirect greenhouse gas emissions resulting from Natural Gas Act sections 3 and 7 authorizations.

FERC's next open meeting is October 21, 2021.