

REGULATORY UPDATE FOR SEPTEMBER 7, 2022 (WEEK OF AUGUST 29, 2022)**CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)**New Proposed Decisions and Draft Resolutions¹

Draft Resolution E-5211. This Resolution rejects without prejudice Pacific Gas and Electric's (PG&E), Southern California Edison's and San Diego Gas and Electric's 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.

Draft Resolution E-5231. This Resolution approves PG&E's 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.

Voting Meetings

The CPUC will hold its next voting meeting on September 15, 2022. The agenda includes the following energy-related items.

Item 4. R.20-07-013 (Risk-Based Decision-Making Framework). This decision refines certain reporting requirements for the Risk Spending Accountability Reports required of 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 8. A.20-03-016 (PG&E Gas Demand Pilot Program). This decision dismisses without prejudice Application 20-03-016 (Application) filed by PG&E for approval of its Gas DR Pilot Programs in compliance with Ordering Paragraph 11 of D.19-09-025. Concurrently

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.

with its Application, PG&E filed a motion for a ruling to defer consideration of its Application in order to allow the CPUC to issue a final decision in Track 2 of Rulemaking (R.) 20-01-0071 (Track 2 decision, LT Gas Rulemaking). On June 2, 2020, the assigned Administrative Law Judge (ALJ) issued a ruling granting PG&E's Motion (ALJ Ruling). The ALJ Ruling directed PG&E to file an amended Application in this proceeding within 60 days of the date of issuance of the Track 2 decision. On September 27, 2021, the CPUC issued D.21-09-042 extending the initial statutory deadline for this proceeding by one year to September 29, 2022. On January 5, 2022, the Commissioner in R.20-01-007, the LT Gas Rulemaking, issued an amended scoping memo setting both the scope and the proceeding schedule for Track 2. The Track 2 decision is currently scheduled for Second Quarter 2023. This decision does not prejudice the merits of PG&E's Application. PG&E may file a new application within 18 months of the issuance of this decision.

Item 9. Draft Resolution E-5215 (EBCE EE Plan). Public Utilities Code Section (PU Code Section) 381.1 gives Community Choice Aggregators (CCAs) the option to elect to become an administrator of cost-effective energy efficiency (EE) programs, subject to CPUC adoption of a CCA's EE Program Administration Plan (EE Plan) that has been approved by the CCA's governing board. East Bay Community Energy (EBCE) submitted a three-year budget request of \$13,463,049 to the CPUC on October 2, 2021, via Tier 3 advice letter (AL) 28-E and supplemental AL 28-E-A on March 10, 2022. This Resolution approves EBCE's request to elect to administer its EE Plan according to the criteria set forth in PU Code Section 381.1(e) and (f)(1)-(6), and CPUC direction in D.14-01-033, on enabling CCAs to administer EE programs. The budget that EBCE requested to receive to fund its EE Plan is \$13,463,049. PG&E is ordered to transfer \$13,463,049 to EBCE for its three-year EE Plan.

Item 12. R.14-07-002 (NEM). This decision modifies D.17-12-022 and D.20-04-012 to simplify the process for forecasting and setting aside funding for the Solar on Multifamily Affordable Housing program.

Item 13. A.22-03-014 (Southwest Gas Move2Zero Program). This Decision dismisses Southwest Gas's application on the ground that it is insufficient and incomplete. The dismissal is without prejudice to Southwest Gas filing for approval of a new or similar program in the future, although Southwest Gas is directed to provide sufficient and complete information in any future application, and to address issues raised in the parties' protests to this application, if relevant.

Item 16. Draft Resolution E-5228. This Resolution provides a link to the final 2022 avoided cost calculator (ACC) and related documentation and data files. The documentation also compares 2022 and 2021 ACC outputs. The Resolution also describes the data and major modeling updates to the 2022 ACC.

Item 17. Draft Resolution E-5212. This Resolution approves, with modifications, California Choice Energy Authority's and EBCE's 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 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 AL is approved by the CPUC, to remain eligible for the DAC-GT and CSGT programs. This direction applies to both PAs with implementation ALs that are already approved and any new PAs authorized to submit an implementation AL for the DAC-GT and/or CSGT program.

Item 33. R.19-01-011 (Building Decarbonization OIR). This Decision adopts Energy Division's staff proposal to eliminate gas line extension allowances, the 10-year refundable payment option, and the 50 percent discount payment option provided under the current gas line extension rules. The elimination is for all customers in all customer classes effective July 1, 2023. This decision applies to new applications for gas line extensions submitted on or after July 1, 2023. Applications submitted before July 1, 2023 will not be affected by this decision.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (ISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

WEIM Resource Sufficiency Evaluation Enhancements Phase 2. The California ISO held a stakeholder call on September 2, 2022, to discuss the Western Energy Imbalance Market (WEIM) Resource Sufficiency Evaluation Enhancements (RSEE) Phase 2 draft final proposal. Comments are due September 12. The California ISO has also scheduled a call September 15 to discuss draft tariff language, with comments on the draft tariff language due September 27.

Transmission Service and Market Scheduling Priorities Phase 2. The California ISO held a stakeholder call on August 11, 2022 to discuss the Transmission Service and Market Scheduling Priorities Phase 2 straw proposal. The California ISO has extended the comment deadline for the Transmission Service and Market Scheduling Priorities Phase 2 straw proposal to September 16.

Extended Day-Ahead Market (EDAM). The EDAM revised straw proposal has been posted to the initiative webpage. The ISO has scheduled a public meeting, offered in-person and virtually, on September 7-8, 2022, at the Embassy Suites by Hilton Sacramento Riverfront Promenade in Sacramento, California, to hear stakeholders' preliminary feedback on the proposal. The comment deadline for the revised straw proposal has been extended from September 13 to September 20.

2022-2023 Transmission Planning Process. The California ISO has posted the 2022-2023 Transmission Planning Process (TPP) preliminary reliability results to its website. The request window is open through October 15, 2022.

The California ISO has also posted its responses to comments on the 2021-2022 TPP - Accessing Out-of-State Wind Resources stakeholder call discussion, which was held on June 27, 2022. In addition, the ISO has posted a Request for Expressions of Interest to California Load Serving Entities to determine their interest and level of commitment in accessing out-of-state wind resources in Idaho. The response form is provided as Attachment A to the REOI and expressions must be submitted to regionaltransmission@caiso.com by end of day September 21, 2022, using that form.

Energy Storage Enhancements. The California ISO held a public stakeholder call on August 25, 2022, to discuss the draft final proposal for the Energy Storage Enhancements initiative. Written comments are due September 9, 2022.

The California ISO will host a public virtual stakeholder workshop on September 12, 2022 to discuss challenges facing storage resources providing ancillary services in the ISO markets and the available suite of potential solutions that could be implemented to address these challenges.

CALIFORNIA ENERGY COMMISSION (CEC)

Proposed Amendments to SPPE Regulations

The CEC has postponed the September 14, 2022 adoption hearing regarding proposed amendments to the regulations for small power plant exemptions. For additional information, please see [Docket No. 21-OIR-04](#). The postponement notice is available at TN# 245882 in [Docket No. 21-OIR-04](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for September 14, 2022. The meeting agenda and backup materials are available [here](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

Meetings and Workshops

On September 22, 2022, CARB will hold a public meeting on the [Innovative Clean Transit](#) program. Staff will provide an informational update on the program and readiness for regulatory requirements beginning in 2023. The public notice of the meeting is available [here](#).

CARB will hold its next [Board meeting](#) on September 22-23, 2022. The agenda will be available 10 days prior to the meeting.

Opportunities for Public Comment

Comments may be submitted on the proposed [2022 State Strategy](#) for the federal Clean Air Act SIP [here](#) on or before September 12, 2022.

Comments may be submitted in advance of a public meeting on the [Innovative Clean Transit](#) program [here](#) on or before September 12, 2022.

On August 18, 2022, CARB held a [public workshop](#) to discuss potential changes to the [Low Carbon Fuel Standard](#). Feedback on the workshop and proposed changes may be submitted [here](#) on or before September 19, 2022.

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

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, et al. v. Bureau of Parks and Lands, et al.](#) 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 PUC and other required permits and approvals.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

September 1, 2022, MPUC Agenda Meeting

The MPUC met at 8:00 a.m. PT on September 1, 2022, to address, among other things, the Integrated Distribution Plans (IDPs) submitted by Minnesota Power, Otter Tail Power Company, and Dakota Electric Association. The MPUC approved each utility's IDP and set the next IDP filing date for each utility as November 1, 2023. In addition, the Commission declined to formally approve guidance documents proposed by the Department of Commerce, opting instead to include high-level guidance in a written order.

September 8, 2022, MPUC Agenda Meeting

The MPUC will meet at 8:00 a.m. PT on September 8, 2022, to address the following matters: (1) All Local Exchange and Interexchange Carriers' petition to order discontinuance of service to revoked carriers; (2) Xcel Energy's Renewable*Connect pilot; (3) All Natural Gas Utilities matter establishing frameworks to compare lifecycle greenhouse gas emission intensities; (4) Dakota Electric Association's petition to modify its cogeneration tariff; (5) Minnesota Power's petition to extend its commercial EV rate pilot; (6) Xcel Energy's petition for load flexibility pilot programs; (7) Southern Minnesota Municipal Power Agency's integrated resource plan; and (8) Great River Energy's and Otter Tail Power Company's route permit for a transmission project.

OREGON PUBLIC UTILITIES COMMISSION (OPUC)

On Tuesday, September 6, the OPUC held a public meeting to address a wide range of dockets, including Compliance with the 2021 Renewable Portfolio Standard for Shell Energy, Calpine, and Constellation. The dockets can be found [here](#). On Wednesday, September 7, the OPUC held a staff workshop related to House Bill 2021, Investigation into Clean Energy Plans. That docket can be found [here](#).

ILLINOIS COMMERCE COMMISSION (ICC)

On Friday, September 2, Staff of the Illinois Commerce Commission (Staff) filed a *Combined Motion to Dismiss and Motion for Interim Order* (Motion) requesting the ICC to strike several components of Commonwealth Edison Company's (ComEd) Beneficial Electrification Plan (BE Plan), filed on July 1, 2022 in consolidated Docket Nos. 22-0432 and 22-0442 (available [here](#)). Specifically, Staff seeks dismissal of (1) non-transportation funding components of the BE Plan, including, for example, rebates for electric heat pumps, electric lawn equipment, and installation of induction cooking equipment; (2) rebates for purchasing an electric vehicle; and (3) rebates for the installation of publicly accessible or public sector charging infrastructure under ComEd's proposed Commercial and Industrial and Public Sector program proposals. Staff contends non-transportation funding proposals are beyond the scope of the Electric Vehicle Act, pursuant to which ComEd filed its BE Plan, and that the ICC is prohibited from approving rebates that overlap with existing rebate programs being administered by other Illinois State agencies. Finally, Staff also requests ICC clarification regarding the retail rate cap as it applies to spending authorized under the BE Plan. Responses to the Motion are due September 16 and replies to responses may be submitted by September 23.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC will convene a Commissioner-led forum on Thursday, September 8, 2022, to discuss the electricity and natural gas challenges facing the New England Region. The forum will occur in-person in Burlington, but a live webcast will be available. Further information, including the agenda, is available [here](#).

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

On Tuesday, September 6, 2022, the Commission issued an order in Docket Nos. ER22-2009 and ER22-2011 accepting a proposal by certain Duke Energy entities to implement a generator replacement process as part of their generator interconnection procedures. The Commission had previously accepted generator replacement processes filed by Dominion Energy of South Carolina and also by Public Service Company of Colorado (PSCo). The Duke entities' filing was substantively similar to both Dominion and PSCo's previous filings and allows for the owner of a retiring generating facility to submit a generation replacement request to replace its facility with another requiring equal or less interconnection service and have that request be expeditiously studied outside of the normal interconnection process.

On Wednesday, September 7, 2022, the D.C. Circuit heard oral arguments in *Solar Energy Industries Association, et al. v. FERC, et al.*, D.C. Cir. No. 21-1126. This proceeding stems from the Commission's 2021 orders initially denying and then later granting Broadview Solar's application seeking certification as a qualifying small power production facility and may impact the certification of qualifying facilities going forward. *Broadview Solar, LLC*, 174 FERC ¶ 61,199 (2021), *order on reh'g*, 175 FERC ¶ 61,228 (2021).

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.

On August 19, 2022, FERC approved [\(here\)](#) the Cost Sharing and Recovery Agreement filed by the New York Transmission Owners (NYTOs) and accompanying Rate Schedule 19 filed by the NYISO in order to recover the cost of local transmission upgrades that are determined by the New York Public Service Commission (NYPSC) to be necessary to meet New York State's climate and renewable energy goals under State law. FERC rejected LS Power's protest that the proposal was non-compliant with Order 1000, noting that Order 1000 recognizes, and indeed encourages, voluntary participant funding agreements as clarified in its [State Agreement Policy Statement](#). FERC also approved cost allocation on a load-ratio share basis because the upgrades are those that the NYPSC has found to facilitate the achievement of statewide mandates applicable to the NYTOs, which benefits customers throughout the State.

FERC's next open meeting is September 22, 2022.