

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: June 15, 2023

Please find attached Keyes & Fox's May 2023 Regulatory Memorandum dated June 7, 2023 an informational summary of the key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC).

Attachment: Keyes & Fox Regulatory Memorandum dated June 7, 2023.

Valley Clean Energy Alliance

Regulatory Monitoring Report

To: Valley Clean Energy Alliance (VCE) Board of Directors

From: Sheridan Pauker, Partner, Keyes & Fox LLP
Tim Lindl, Partner, Keyes & Fox LLP
Jason Hoyle, Principal Analyst, EQ Research, LLC

Subject: Monthly Regulatory Update

Date: June 7, 2023

Keyes & Fox LLP and EQ Research LLC are pleased to provide VCE's Board of Directors with this informational memo describing key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC) over the past month.

Provider of Last Resort Rulemaking

Background: A Provider of Last Resort (POLR) is the utility or other entity that has the obligation to serve all customers (PG&E currently serves in this role for VCE's territory). Phase 1 of this proceeding will address POLR service requirements, cost recovery, and options to maintain GHG emission reductions in the event of an unplanned customer migration to the POLR. Phase 2 will build on the Phase 1 to set the requirements and application process for non-IOU entities to serve as the POLR. Phase 3 will address specific issues not resolved in Phase 1 or 2.

Recent Developments: On May 10, PG&E submitted [AL 6939-E](#) on CCA Financial Security Requirements (FSR) in accordance with [D.18-05-022](#). The FSR amounts are based on energy prices from the Intercontinental Exchange (May 2023 – Oct. 2023), a customer re-entry fee of \$4.24 per account, a renewable energy credit value of \$12.63/MWh, and local and system RA values of \$12.44 per kW-month. On May 26, the parties submitted the [Joint Case Management Statement](#) identifying each party's general position on pending issues.

Analysis: The January 6 [Staff Proposal](#) included topics such as financial monitoring of CCAs, cost recovery associated with customers returning to POLR service, and the Load-Serving Entity deregistration process related to procurement requirements. These topics present potential financial review and monitoring standards for VCE as well as potential new costs related to providing POLR financial security. The FSR method used in [AL 6939-E](#) will be replaced with the new approach being developed in this proceeding. Based on the Joint Case Management Statement, there is broad support for modifying the CCA FSR and Re-Entry Fees to: use the Resource Adequacy Market Price Benchmark (MPB) as proposed by the IOUs and CalCCA, use the IOU system average generation rates for residential and non-residential customers in FSR calculations as proposed by the IOUs and CalCCA, and to account for a potential mass involuntary return to POLR via CCA customers' CAM and DR RA allocations as proposed by CalCCA. Regarding the Staff Proposal, there is broad opposition to nearly all of the continuity of service approaches, but support (with modifications indicated) among parties for adoption of the financial monitoring and trigger metrics in the Staff Proposal.

Next Steps: PG&E requested the advice letter become effective on **June 9**. A proposed decision on FSR calculations is expected in Q3-Q4 2023.

Additional Information: [Joint Case Management Statement – Appendix](#) (May 26, 2023); PG&E [AL 6939-E](#) (May 10, 2023); ALJ [email Ruling](#) (Mar. 17, 2023); [ALJ Ruling](#) and [Staff Proposal](#) (Jan. 6, 2023); [Scoping Memo and Ruling](#) (Sep. 16, 2021); [OIR](#) (Mar. 25, 2021); Docket No. [R.21-03-011](#).

RPS Rulemaking

Background: This proceeding addresses ongoing Renewables Portfolio Standard (RPS) requirements, aspects of the new Voluntary Allocation/Market Offer (VAMO) process, and other tariffs for the purchase of renewable energy.

Recent Developments: On May 5, the Assigned Commissioner and the ALJ issued a [Ruling](#) (ACR) identifying the issues and review schedule for 2023 RPS Procurement Plans.

Analysis: The ACR on 2023 RPS Procurement Plans provides guidance for the content of the annual plans but made no significant changes to VCE's obligations. The ACR did include a new section on transmission that applies to electric companies that own transmission assets.

Next Steps: Draft 2023 RPS Procurement Plans are due **July 17**, and a motion to update draft plans is due August 15. A Decision approving Final 2022 RPS Procurement Plans and a Ruling on 2023 RPS Procurement plans is expected soon.

Additional Information: [Assigned Commissioner's Ruling](#) (May 5, 2023); VCE's [Amended Final 2022 RPS Procurement Plan](#) (May 2, 2023); [D.22-11-021](#) (Nov. 18, 2022); [Scoping Memo](#) (Apr. 6, 2022); Docket No. [R.18-07-003](#).

RA Rulemaking (2023-2024)

Background: This proceeding considers resource adequacy (RA) requirements for LSEs and introduced the Central Procurement Entity (CPE) to ensure grid reliability and sufficient capacity. The proceeding is divided into an implementation track and a reform track.

Recent Developments: On May 25, the CPUC issued a [Proposed Decision](#) that, if approved, adopts Local Capacity Requirements for 2024 - 2026, Flexible Capacity Requirements for 2024, makes refinements to the Resource Adequacy program scoped as Phase 3 of the Implementation Track, including modifying the planning reserve margin for 2024 and 2025 and modifying the demand response counting requirements, and closes the proceeding.

Analysis: The Proposed Decision includes a new requirement that a CCA that has had system RA deficiencies within the prior two calendar years must first be in RA compliance for two calendar years prior to submitting an implementation plan to expand the CCA's territory. The Proposed Decision potentially expands access to imported RA resources. Also, the Proposed Decision locks in an LSE's load forecasts for the full RA compliance year rather than the current monthly forecast process and eliminates the need for the incremental local and flexible true-up process, ultimately streamlining and simplifying the RA forecasting process for LSEs such as VCE.

Next Steps: The Proposed Decision may be heard as early as the **June 29** Commission meeting. Comments on the Proposed Decision are due **June 14**, and reply comments are due **June 19**.

Additional Information: [Proposed Decision](#) (May 25, 2023); [D.23-04-010](#) on Reform Track Phase 2 (Apr. 7, 2023); [D.22-12-028](#) (Dec. 19, 2022); [Amended Scoping Memo and Ruling](#) (Sep. 2, 2022); Docket No. [R.21-10-002](#).

PG&E 2023 Phase 1 GRC

Background: Phase 1 General Rate Case (GRC) proceedings set PG&E's revenue requirement, including functionalizing costs into categories such as electric distribution or generation, and impact the costs recovered through rates from customers (e.g., bundled, unbundled, or both) for a set period (in this case, 2023-2026). Phase 2 GRC proceedings determine cost allocation among customer classes (e.g., Residential, Agricultural) and rate design issues. The proceeding is divided into two tracks. Track 1 addresses most matters, including PG&E's requested revenue requirement together with safety and environmental and social justice issues. Track 2 addresses the narrower matters of the reasonableness of the 2019-2021 actual costs recorded in the named memorandum accounts and balancing accounts and, to the extent relevant, safety and environmental and social justice.

Recent Developments: No recent development this past month.

Analysis: N/A

Next Steps: In Track 1, a proposed decision is expected in Q2 2023. The Track 2 schedule is currently held in abeyance per an email ruling issued December 13.

Additional Information: [D.23-01-005](#) ([Appendix 1](#) - Settlement Agreement) (Jan. 17, 2023); PG&E's [Amended Application](#) (Mar. 10, 2022); PG&E [Affordability Metrics Report](#) (Feb. 23, 2022); [PG&E Application](#) (Jun. 30, 2021); Docket No. [A.21-06-021](#).

NEW PG&E 2024 ERRA Forecast

Background: The annual Energy Resource and Recovery Account (ERRA) forecast proceedings establish the amount of the Power Charge Indifference Adjustment (PCIA) and other nonbypassable charges (NBCs) for the following year, as well as fuel and purchased power costs associated with serving bundled customers that utilities may recover in rates.

Recent Developments: On May 15, PG&E filed its 2024 ERRA Forecast [Application](#). PG&E's preliminary forecast for 2024 projects the system average bundled service customer rate will decrease by 1.6% and the system average CCA rate will decrease by 5%. After adjustments, PG&E's net revenue requirement request for 2024 is \$1.796 billion. PG&E will update its revenue requirements, forecasted end-of-year balancing account balances, balance transfer requests, and rate proposals in its Fall Update, including PCIA benchmarks for rate forecasting and true-up purposes relevant to the ERRA, PCIA, and PABA revenue requirements.

Analysis: PG&E's preliminary ERRA forecast indicates the possibility of a decrease in the PCIA rates (or an increase in the PCIA credit) paid by CCA customers across most vintages in 2024, but that forecast is expected to change significantly by the Fall Update (including likely increases to forecasted PCIA rates), based primarily on changes to brown power prices.

Next Steps: Protests and responses to PG&E's application will be filed on **June 16**. A scoping memo and procedural schedule are expected to be issued within the next few months.

Additional Information: PG&E 2024 ERRR Forecast [Application](#) (May 15, 2023); Docket No. [A.23-05-012](#).

PG&E 2019 ERRR Compliance

Background: The annual ERRR Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries. Phase 1 of the proceeding was resolved with issuance of [D.21-07-013](#). Phase 2 is ongoing and is addressing issues related to the 2019 Public Safety Power Shutoff (PSPS) events.

Recent Developments: On May 26, the CPUC issued both a [Revised Proposed Decision \(Redline Version\)](#) and an [Alternate Proposed Decision](#). Both documents would reduce the scope of the [December 2022 PD](#) to only address the methodology for calculating a utility's unrealized volumetric sales and unrealized revenues resulting from PSPS events - both the Alternate and Revised PDs adopt the same methodology for this calculation. In addition, both decisions conclude that contrary to the Joint CCA's arguments, unrealized wholesale generation revenue will not be included in any disallowance amount. However, the ALJ's Revised PD keeps the proceeding open to address the remaining issue in Phase Two of whether it is appropriate for the utilities to return the revenue requirement equal to the unrealized volumetric sales and unrealized revenue resulting from the 2019 PSPS events. The Assigned Commissioner's Alternate PD would close the proceeding and finds that the Commission's decision in the PSPS OII proceeding establishes that there can be no recovery of the revenue requirement equal to the unrealized volumetric sales and unrealized revenue resulting from the 2019 PSPS events. That remedy, according to the Commissioner, is reserved for PSPS events occurring after the date of the PSPS OSII decision.

Analysis: Both versions adopt the same method for quantifying a utility's unrealized volumetric sales and unrealized revenues resulting from PSPS events, but the question of whether the costs of unrealized revenue resulting from PSPS events in 2019 will be allocated to utility shareholders or ratepayers such as VCE customers depends on whether the Commission adopts the Alternate or Revised Proposed Decision.

Next Steps: The Alternate and the Revised Proposed Decisions may be heard as early as the **June 29** Commission meeting. Comments on the Revised Proposed Decision are due **June 15**, and reply comments are due **June 20**.

Additional Information: [Revised Proposed Decision](#) and [Alternate Proposed Decision](#) (May 26, 2023); [D.23-03-017](#) extending statutory deadline (Mar. 21, 2023); [Proposed Decision](#) (Dec. 19, 2022); [D.22-07-009](#) extending statutory deadline (Jul. 18, 2022); [Ruling](#) amending schedule (Apr. 6, 2022); [Joint Case Management Statement](#) (Feb. 25, 2022); [D.21-07-013](#) resolving Phase 1 (Jul. 16, 2021); PG&E's [Application](#) and [Testimony](#) (Feb. 28, 2020); Docket No. [A.20-02-009](#).

PG&E 2020 ERRR Compliance

Background: The annual ERRR Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries. Phase 1 of this proceeding concluded in April 2022 with issuance of [D.22-04-041](#) approving a settlement agreement. Phase 2 issues related to unrealized sales and revenues resulting from PG&E's Public Safety Power Shutoff (PSPS) events in 2020 are under consideration.

Recent Developments: No recent developments in the past month.

Analysis: N/A

Next Steps: Phase 2 will not begin until after the Commission resolves issues related to the establishment of a common accounting methodology for PSPS events in Phase 2 of the 2019 ERRR Compliance proceeding (see above).

Additional Information: [D.22-08-009](#) extending statutory deadline (Aug. 11, 2022); [Scoping Memo and Ruling](#) (Jun. 21, 2021); [Application](#) (Mar. 1, 2021); Docket No. [A.21-03-008](#).

PG&E 2021 ERRR Compliance

Background: The annual ERRR Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries.

Recent Developments: No recent developments in the past month.

Analysis: N/A

Next Steps: The target date for a Proposed Decision is Q3 2023.

Additional Information: [ALJ Ruling](#) on schedule (Jan. 6, 2023); Assigned Commissioner's [Scoping Memo and Ruling](#) (Aug. 9, 2022); PG&E 2021 ERRR Compliance [Application](#) (Feb. 28, 2022); Docket No. [A.22-02-015](#).

PG&E 2022 ERRA Compliance

Background: The annual ERRA Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries.

Recent Developments: On May 10, PG&E submitted an email to the ALJ confirming that no testimony is required for PG&E's 2022 ERRA Compliance case as required by OP 1 of [D.21-06-014](#). On June 2, the Assigned Commissioner issued a [Scoping Memo and Ruling](#) identifying topics that will be considered for the 2022 period, including reasonableness of costs and whether PG&E administered resource adequacy procurement and sales consistent with its Bundled Procurement Plan.

Analysis: N/A

Next Steps: Intervenor testimony is due September 22, and settlement discussions are scheduled for November.

Additional Information: [Scoping Memo and Ruling](#) (Jun. 2, 2023); PG&E 2022 ERRA Compliance [Application](#) and [Notice of Availability](#) (Feb. 28, 2023); Docket No. [A.23-02-018](#).

Microgrids

Background: This proceeding was opened to implement the requirements of SB 1339 (Stern, 2018), regarding the commercialization of microgrids for distribution customers of the large IOUs. The initial three tracks have concluded, and Track 4 and Track 5 address the establishment of a Microgrid Incentive Program, potential contributions that microgrids can make to mitigating capacity shortages in the near-term, the development of a multi-property microgrid framework, and examination of the value of resiliency from microgrids.

Recent Developments: On May 15, SCE and PG&E filed a [Joint Application for Rehearing](#) of [D.23-04-034](#) citing legal errors in the recovery of microgrid program costs and the limited rates of return allowed in the Decision.

Analysis: The Joint Application for Rehearing requests full recovery of the IOUs' return on capital for microgrid projects, and, if granted and approved, would increase the costs of the microgrid program or reduce funding available under the program.

Next Steps: In Track 4, an ALJ Ruling providing an Energy Division Staff Proposal for a Microgrid Multi-Property Tariff was expected in October 2022 but has been delayed. In Track 5, a staff proposal on Definitions, Metrics, Tools, and Methods and Informing Grid Planning was expected in Q1 2023. An ALJ Ruling establishing 2023 scheduling & activities was expected in Q1 2023 but has been delayed.

Additional Information: [Joint Application for Rehearing](#) (May 15, 2023); [D.23-04-034](#) on Microgrid Incentive Program Implementation (Apr. 14, 2023); [Scoping Memo](#) (Dec. 17, 2021); Docket No. [R.19-09-009](#).

Demand Response Programs (2023-2027)

Background: This proceeding addresses the IOUs' Demand Response (DR) Portfolio Applications required under [D.17-12-003](#) for the years 2023-2027.

Recent Developments: On May 23, the CPUC issued [Resolution E-5267](#) that approves, with modifications, the IOUs' proposed modifications to the Emergency Load Reduction Program (ELRP) (SCE 4950-E, PG&E 6826-E, SDG&E 4142-E). On May 31, comments (other than on Questions 1A and 1B) and opening testimony on the Demand Response Auction Mechanism were filed.

Analysis: The ELRP and Demand Response Auction Mechanism programs are tools that provide an opportunity to reduce load during critical times of grid stress. The increased flexibility these programs provide offers the potential to engage customers directly in grid management, increasing resiliency and potentially reducing the need for additional peak power procurement.

Next Steps: Opening briefs are due September 30, and a proposed decision is expected in January 2024. Opening briefs on Phase 2 are due **June 30**, and a proposed decision is expected in October 2023 for the 2024-2027 DR Program.

Additional Information: [Resolution E-5267](#) on ELRP (May 23, 2023); ALJ [Ruling](#) on DRAM (Mar. 3, 2023); ALJ [Ruling](#) on ELRP (Mar. 2, 2023); [Assigned Commissioner's Ruling](#) (Jan. 27, 2023); [D.23-01-006](#) (Jan. 13, 2023); [Scoping Memo and Ruling](#) (Dec. 19, 2022); [D.22-12-009](#) (Dec. 6, 2022); [Ruling](#) consolidating Applications (May 25, 2022); PG&E [Application](#) (May 2, 2022); Docket No. [A.22-05-002](#).

Transportation Electrification

Background: This rulemaking implements transportation electrification (TE) programs, tariffs, and policies. [D.22-11-040](#) established a \$1 billion rebate program for behind-the-meter EV charging equipment, focused on medium-duty/heavy-duty vehicles and disadvantaged communities and a \$25 million pilot program for innovative, equity-focused TE programs administered by CCAs and community-based organizations.

Recent Developments: On May 25, SCE filed a [Petition for Modification](#) of D.22-11-040 regarding the application of state contracting law requirements to the third-party program administrator of the statewide rebate program.

Analysis: The recent delay in program administrator selection will likely result in delayed publication of the program handbook and could adversely impact the timeline for distribution of EV charging rebate funding.

Next Steps: Responses to the Petition for Modification are due on **June 26**. Under D.22-11-040, the program administrator contract must be filed by September 30, 2023.

Additional Information: SCE's [Petition for Modification](#) (May 25, 2023); VCE's [Annual Vehicle-Grid Integration Report](#) (Mar. 15, 2023); [D.22-11-040](#) (Nov. 21, 2022); [Ruling](#) entering [Staff Proposal](#) on Transportation Electrification Framework to record (Feb. 25, 2022); Docket No. [R.18-12-006](#).

Wildfire Fund NBC 2024-2026

Background: This rulemaking will set the Wildfire Fund nonbypassable (NBC) charge for the years 2024 through 2026. This charge was established by Assembly Bill 1054 (Stats. 2019, ch. 79), and is a per-kilowatt-hour charge set annually based on the Fund's revenue requirement request from the Department of Water Resources (DWR).

Recent Developments: On May 22, the Assigned Commissioner issued a [Scoping Memo and Ruling](#) establishing that this proceeding will provide for Wildfire NBC collections in 2024, 2025, and 2026 using the process outlined in D.20-12-024 to determine the amount of the Wildfire NBC in each of those years.

Analysis: This proceeding determines the amount of the Wildfire NBC for the next three years in line with the existing schedule of notices starting 90 days before the start of the next calendar year.

Next Steps: The 90-day Notice on the 2024 Wildfire NBC from the DWR followed by a Ruling seeking comment from parties is expected in September, and then a Proposed Decision in November followed by a Final Decision in December.

Additional Information: [Scoping Memo and Ruling](#) (May 22, 2023); [Order Instituting Rulemaking](#) (Mar. 21, 2023); Docket No. [R.23-03-007](#).

Utility Safety Culture Assessments

Background: This rulemaking will define safety culture concepts and determine how the safety culture of PG&E and other utilities in California will be assessed and evaluated. The CPUC's Office of Energy Infrastructure Safety will conduct annual wildfire safety-specific assessments of investor-owned utilities as required by AB 1054, and an independent third-party evaluator will conduct safety culture assessments every five years per SB 901.

Recent Developments: On May 8, the ALJ issued a [Ruling](#) requesting comment on the "[Staff Proposal for Implementing Safety Culture Assessments for California's Large Investor-Owned Electric and Gas Utilities](#)" (Staff Proposal) pursuant to Senate Bill 901.

Analysis: Responses to the ALJ Ruling's questions will enable stakeholders to further influence the principles, guiding definitions, assessment framework, and measurement and monitoring of the safety culture framework being developed in this proceeding.

Next Steps: Comments on the Ruling are due **June 16** and reply comments are due July 14.

Additional Information: ALJ [Ruling](#) (May 8, 2023); [Draft Resolution SPD-3](#) (Sep. 16, 2022); ALJ [Ruling](#) (Sep. 13, 2022); [Scoping Ruling](#) with procedural schedule (April 28, 2022); [Order Instituting Rulemaking](#) (Oct. 7, 2021); Docket No. [R.21-10-001](#).

PCIA Rulemaking

Background: The Power Charge Indifference Adjustment (PCIA) is a nonbypassable charge levied on electric bills of customers who have departed from IOU service, such as CCA customers, to compensate IOUs for resources procured on behalf of former customers prior to their departure. The new Voluntary Allocation/Market Offer process was authorized in [D.21-05-030](#). Phase 2 issues related to PCIA data access and voluntary allocations in market-price benchmark (MPB) calculations were resolved in [D.22-07-008](#). Currently, the proceeding is evaluating the calculation of the MPB charges.

Recent Developments: On June 6, the ALJ submitted a [Revised Proposed Decision](#) that would modify the calculation of the PCIA by (a) establishing a new MPB and an allocation mechanism to address the "greenhouse gas-free" incremental value of large hydroelectric energy resources above fossil fuel resources, and (b) revising the calculation of the Energy Index MPB to improve accuracy and transparency. The PD would not modify the calculation of the RPS MPB or modify access to confidential data for energy service providers. The revised PD modified the May 4 PD to adopt a multi-year allocation period for GHG-free resources that aligns with RPS compliance periods rather than the original PD's three-year allocation period.

Analysis: The Proposed Decision, if adopted, will add some additional value to greenhouse gas-free resources and enhance the MPB calculations without fundamentally modifying the MPB mechanism.

Next Steps: The Proposed Decision may be heard as early as the **June 8** Commission meeting, and if approved, will close the proceeding.

Additional Information: [Revised Proposed Decision](#) (June 6, 2023); ALJ [Ruling](#) (Mar. 3, 2023); [D.22-01-023](#) on Phase 2 (Jan. 27, 2021); [D.18-09-013](#) Track 1 Decision approving PG&E Settlement Agreement (Sep. 20, 2018); Docket No. [R.17-06-026](#).

Demand Flexibility

Background: This rulemaking was opened to update the CPUC's rate design principles and guidance for advancing demand flexibility, and the proceeding may also modify, consolidate, or eliminate existing dynamic rate pilots. VCE is a party to this proceeding as its scope relates to the AgFIT Pilot. Phase 1-Track A will establish an income-graduated fixed charge for residential rates for all investor-owned electric utilities in accordance with Assembly Bill 205 (Stats. 2022, ch. 61). Phase 1-Track B first adopted rate design and demand flexibility principles and will consider expansion of the AgFIT Pilot.

Recent Developments: Reply testimony on Track A was filed on June 2.

Analysis: N/A

Next Steps: A workshop on expanding existing pilots, including AgFIT, and an opportunity for the filing of post-workshop comments is expected to be scheduled in 2023.

Additional Information: [D.23-04-040](#) on electric rate design principles (May 3, 2023); [D.23-04-008](#) (Apr. 14, 2023); CalCCA [Reply Comments on Scoping Memo](#) (Jan. 4, 2023); [Phase 1 Scoping Memo and Ruling](#) (Nov. 2, 2022); [VCE and Polaris Ex Parte Notice](#) (Oct. 10, 2022); [OIR](#) (Jul. 22, 2022); Docket No. [R.22-07-005](#).

IRP Rulemaking

Background: This proceeding governs the biennial Integrated Resource Plan (IRP) process, including load serving entity (LSE) procurement requirements, the establishment of a variety of state- and LSE-level load and procurement forecasts, greenhouse gas (GHG) reduction targets, and ongoing reliability obligations.

Recent Developments: On May 30, the California Energy Storage Alliance and the Western Power Trading Forum filed a [Petition for Modification](#) of [D.23-02-040](#) and [D.21-06-035](#) requesting the Commission allow LSEs to make earlier requests at any time for extensions to the commercial operation date requirement for long lead-time resources to come online beyond June 1, 2028 but no later than June 1, 2031 as long as the LSE has made a good-faith effort and can demonstrate the need for an extension, or, alternatively, at a minimum, clarify that penalties to the LSE or backstop procurement will not be assessed for long lead-time resources based on the June 1, 2028 compliance deadline if good-faith efforts are demonstrated and accepted by Commission staff.

Analysis: The requested modifications to [D.23-02-040](#) and [D.21-06-035](#) would provide LSEs more flexibility and greater probability of success in the procurement of long lead-time resources whose development is subject to rapidly changing global supply chain conditions as well as continually evolving grid connection and permitting requirements.

Next Steps: Responses to the Petition for Modification are due **June 29**. The IRP stakeholder process will re-start in Q2 2023.

Additional Information: [Petition for Modification](#) (May 30, 2023); [D.23-02-040](#) on Procurement (Feb. 28, 2023); ALJ [Ruling](#) & [Reliable and Clean Power Procurement Program: Staff Options Paper](#) (Sep. 8, 2022); [Scoping Memo](#) (Sep. 24, 2020); Docket No. [R.20-05-003](#).

Building Decarbonization

Background: This proceeding explores reduction of greenhouse gas (GHG) emissions associated with energy use in buildings. [D.20-03-027](#) established the Building Initiative for Low-Emissions Development and the Technology and Equipment for Clean Heating program. [D.21-11-002](#) adopted guiding principles for layering building decarbonization incentives, adopted incentives to help wildfire victims rebuild all-electric, and directed the IOUs to study bill impacts from electrification.

Recent Developments: No recent developments in the past month.

Analysis: N/A

Next Steps: There is no current procedural schedule for this proceeding.

Additional Information: [D.23-02-005](#) (Feb. 3, 2023); [D.21-11-002](#) ([Appendices A-E](#)) Decision on Building Decarb Phase II (Nov. 9, 2021); [D.20-03-027](#) Establishing Building Decarbonization Pilot Programs (Apr. 6, 2020); [OIR](#) (Feb. 8, 2019); Docket No. [R.19-01-011](#).

PG&E Asset Transfer

Background: This proceeding addresses PG&E's Application to transfer its non-nuclear generating assets to a new subsidiary, Pacific Generation, and sell up to 49.9% of its equity interest to third-party investors.

Recent Developments: No recent developments in the past month.

Analysis: N/A

Next Steps: Intervenor direct testimony is due **June 16** and rebuttal testimony is due July 7. Evidentiary hearings are scheduled August 21-22, 24-25, and 28, and opening briefs are due September 18.

Additional Information: ALJ [Ruling](#) (Mar. 30, 2023); [Scoping Memo and Ruling](#) (Jan. 20, 2023); PG&E [Application](#) (Sep. 28, 2022); Docket No. [A.22-09-018](#).

Commercial EV Real-Time Pricing Pilot

Background: This proceeding approved PG&E’s proposed commercial EV rate pilot featuring day-ahead hourly real-time pricing. This pilot includes real-time pricing for both imports from and exports to the grid by commercial EVs.

Recent Developments: No recent developments in the past month.

Analysis: N/A

Next Steps: Opt-in enrollment for the real-time pricing export compensation pilot now begins in February 2024. The proceeding was previously closed but reopened to address PG&E’s Petition which requests additional budget flexibility and authorization for billing system, program management changes, and extends the timeframe for implementation by about four months.

Additional Information: [Letter granting extension](#) (Apr. 26, 2023); PG&E [AL 6850-E](#) (Jan. 30, 2023); PG&E [Petition for Modification](#) (Nov. 4, 2022); [D.22-10-024 \(Export Compensation Settlement\)](#) (Oct. 26, 2022); [Corrected MGCC Study](#) (Mar. 17, 2022); [Application & Testimony](#) (Oct. 23, 2020); Docket No. [A.20-10-011](#).

Other Dockets

The following table identifies other tracked dockets that are closed or inactive.

Docket	Name	Status
I.15-08-019	Investigation into PG&E Organization, Culture, and Governance	This proceeding was opened as part of an investigation into whether PG&E’s organizational culture and governance prioritize safety, and currently serves to monitor the progress of PG&E in improving its safety culture. On May 19, the CPUC issued D.23-05-009 adopting the Safety Policy Division’s Modified Staff Report and closing the proceeding.
A.20-06-011	PG&E Regionalization Plan	D.22-06-028 closed the proceeding. PG&E will continue to convene quarterly “town hall” meetings in each region and conduct broader meetings with the Regionalization Stakeholder Group. Town Hall Report Q1 2023 (May 12, 2023) and Quarterly Regionalization Report for Q1 2023 (May 15, 2023).The next Quarterly Regionalization Stakeholder meeting is scheduled for June 9 from 11 AM to 12:30 PM.