

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: September 12, 2024

Please find attached Keyes & Fox’s August 2024 Regulatory Memorandum dated September 4, 2024 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 September 4, 2024

Valley Clean Energy Alliance

Regulatory Monitoring Report

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

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

Subject: Monthly Regulatory Update

Date: September 4, 2024

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 two months.

RPS Rulemaking

Background: This proceeding addresses ongoing Renewables Portfolio Standard (RPS) requirements, including legislative mandates, and other matters related to the purchase of renewable energy. This proceeding will be the forum for review of VCE's next RPS Procurement Plan and RPS Compliance reports.

Recent Developments: On July 22 through July 24, Retail Sellers, including VCE, filed their Draft 2024 RPS Procurement Plans. On July 22, PG&E submitted [AL 7332-E](#) on Modifications to PG&E's Renewable Market Adjusting Tariff (ReMAT) Program tariff Pursuant to CPUC Resolution E-5323. Comments on the Draft 2024 RPS Procurement Plans were filed on August 22.

Analysis: N/A

Next Steps: Motions to update Draft RPS Plans and reply comments are due September 5. A proposed decision on 2024 RPS Procurement Plans is expected in Q4 2024.

Additional Information: VCE [Draft 2024 RPS Procurement Plan](#) (Jul. 22, 2024); PG&E [AL 7332-E](#) (Jul. 22, 2024); Resolution [E-5323](#) on ReMAT rates (Jun. 24, 2024); [Assigned Commissioner's Ruling](#) on 2024 RPS Procurement Plans (May 17, 2024); [Scoping Memo and Ruling](#) (May 9, 2024); ALJ [Ruling](#) (Mar. 7, 2024); [OIR](#) (Feb. 1, 2024); Docket No. [R.24-01-017](#).

RA Rulemaking (2025-2026)

Background: This proceeding considers resource adequacy (RA) requirements for LSEs and will address the 2025 and 2026 RA compliance years, local RA procurement obligations for the 2025-2028 compliance years, and further development of the 24-hour Slice-of-Day (SOD) framework. Track 1 was focused on priority issues including RA capacity requirements, SOD framework implementation, and RA compliance and penalties. Track 2 is focused on Central Procurement Entity (CPE) framework issues, including potential structural modifications, and Track 3 will be focused on remaining RA capacity issues. The Commission issued a decision (D.24-06-004) on Track 1 on June 26, 2024.

Recent Developments: On July 22, the ALJ issued a [Ruling](#) providing the Energy Division's Loss of Load Expectation (LOLE) Study. Opening comments on Track 2 proposals were filed August 9, and reply comments were filed August 23. VCE's Motion for party status was granted on June 28.

Analysis: N/A

Next Steps: The Commission recently published revisions to the SOD reserve margin calculation tool and translation into a monthly reserve margin. Parties may comment on those revised tools by September 9. Reply Comments are due by September 16. The first year-ahead SOD showing is due in November 2024. A proposed decision in Track 2 is expected in November 2024.

Additional Information: ALJ [Ruling](#) (Jul. 22, 2024); ALJ [Ruling](#) (Jun. 26, 2024); [D.24-06-004](#) (Jun. 26, 2024); [Scoping Memo and Ruling](#) (Dec. 18, 2023); [OIR](#) (Oct. 16, 2023); Docket No. [R.23-10-011](#).

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. Phase 1-Track A established an income-graduated fixed charge (IGFC) 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 then expanded VCE's AgFIT Pilot throughout PG&E distribution territory.

Recent Developments: On August 13, PG&E submitted [AL 7351-E](#) on Implementation of PG&E's Fixed Charge Pursuant to D.24-05-028. On August 13, PG&E submitted Second Supplemental [AL 7223-E-B](#) on Dual Participation in PG&E's Agricultural Pilot and Expanded Pilot 2, which was approved effective as of August 20. On August 22, the assigned commissioner issued a [Ruling](#) expanding the scope of issues in Phase 1 Track B to include consideration of specific rates for large commercial and industrial customers including, but not limited to, hydrogen and industrial heat producers. On September 3, VCE's AL 17-E was approved effective as of August 28.

Analysis: PG&E's Supplemental Advice Letter 7223-E-B adds language regarding working with CCAs and provides additional detail on assessment of load impacts.

Next Steps: The expanded AgFIT pilot is expected to go live in November. A proposed decision on Track B Working Group 1 proposals regarding rate design for marginal generation capacity costs is expected by the end of this year.

Additional Information: [Disposition Letter](#) on VCE AL 17-E (Sep. 3, 2024); Assigned Commissioner [Ruling](#) (Aug. 22, 2024); PG&E [AL 7223-E-B](#) (Aug. 13, 2024); PG&E [AL 7351-E](#) (Aug. 13, 2024); [Letter](#) granting PG&E dynamic rate pilot enrollment extension (May 31, 2024); PG&E [Request](#) for dynamic rate pilot enrollment extension (May 24, 2024); [D.24-05-028](#) (May 15, 2024); VCE [Substitute Sheet](#) AL 17-E (Apr. 18, 2024); PG&E [AL 7222-E-A](#) (Apr. 17, 2024); [D.24-01-032](#) (Jan. 26, 2024); [Phase 1 Scoping Memo and Ruling](#) (Nov. 2, 2022); [OIR](#) (Jul. 22, 2022); Docket No. [R.22-07-005](#).

EV Rates & Infrastructure

Background: This rulemaking is the successor to [R.18-12-006](#) and will focus on issues related to 1) timely energization of electric vehicle (EV) charging, 2) transportation electrification grid planning to support charging infrastructure deployment, 3) deployment of behind-the-meter (BTM) charging infrastructure to support state goals, 4) vehicle-grid integration (VGI), and 5) ongoing transportation electrification policy development and collaboration.

Recent Developments: Resolution [E-5326](#) was issued on July 17. Opening comments on the June 3 Ruling initiating Track 1 were filed on July 2 and reply comments were filed on July 18.

Analysis: PG&E's VGI pilots approved in Resolution E-5192 are programs to enable bi-directional EV connections to the power grid for residential, commercial, and microgrid customers. Resolution E-5326 addresses rate design for these pilot programs, including avoiding double compensation, and will inform future efforts to integrate EVs with the power grid as both a charging load and a resource supply.

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

Additional Information: [Resolution E-5326](#) (Jul. 17, 2024); [Letter](#) granting extension (Jun. 5, 2024); ALJ [Ruling](#) (Jun. 3, 2024); [Vehicle-Grid Integration Forum Report](#) (May 21, 2024); [Resolution E-5314](#) (Apr. 19, 2024); [Scoping Memo and Ruling](#) (Apr. 12, 2024); [Draft Resolution E-5314](#) (Mar. 8, 2024); ALJ [Ruling](#) (Dec. 27, 2023); [OIR](#) (Dec. 20, 2023); Docket No. [R.23-12-008](#).

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 August 9, the CPUC issued a [Proposed Decision](#) allowing the use of short-term bridge resources for temporary, alternative compliance with the Diablo Canyon replacement resource category procurement requirement in D.21-06-035. On August 29, the CPUC issued [D.24-08-064](#) that makes an initial need determination pursuant to AB 1373 (Stats. 2023, Ch.367) for procurement by the Department of Water Resources (DWR) of electricity from diverse long lead-time (LLT) resources on behalf of customers of all LSEs. The initial need determination in [D.24-08-064](#) totals up to 10.6 gigawatts (GW) of *nameplate capacity* (prior orders used NQC rather than nameplate capacity) of the following emerging technologies: up to 7.6 GW of offshore wind, up to 1 GW of geothermal systems, up to 1 GW of multi-day long-duration energy storage (LDES), and up to 1 GW of LDES with a discharge period of at least 12 hours.

Analysis: The Proposed Decision would permit the use of short-term contracts for zero greenhouse gas or RPS-eligible resources for up to three years beyond the D.21-06-035 compliance deadline of June 1, 2025. D.24-08-064 constitutes the CPUC's determination of need for centralized procurement by DWR pursuant to AB 1373. LSEs may not opt out of their share of such centralized procurement and the costs and benefits of such procurement shall be allocated to LSEs by the CPUC.

Next Steps: The Proposed Decision on the use of bridge resources may be heard as soon as the September 12 Commission meeting. By March 1, 2025, the CPUC may request that DWR exercise the centralized procurement mechanism. VCE's next IRP filing is due November 1, 2025.

Additional Information: [D.24-08-064](#) on central procurement of LLT resources (Aug. 29, 2024); [Proposed Decision](#) on bridge resources (Aug. 9, 2024); ALJ [Ruling](#) (May 21, 2024); [Amended Scoping Memo and Ruling](#)

([Correction/Clarification](#)) (Apr. 18, 2024); [D.24-02-047](#) (Feb. 20, 2024); [D.23-12-014](#) (Dec. 19, 2023); [D.23-02-040](#) on Procurement (Feb. 28, 2023); Docket No. [R.20-05-003](#).

Diablo Canyon Cost Recovery

Background: This proceeding will establish rates effective January 1, 2025 to recover the forecast costs associated with extended operations of the Diablo Canyon Power Plant (DCPP) during the September 2023-December 2025 time period. Customers across the state – including CCA customers - will pay for the costs of extended operations at DCPP, and will be allocated the resource adequacy (RA) and greenhouse gas (GHG)-free benefits associated with those operations. PG&E proposes, in its application, certain changes to the allocation of RA and GHG-free benefits to load serving entities (LSEs). It also proposes specific uses for the volumetric performance fee revenue it will collect from customers in 2025.

Recent Developments: The August 15 ALJ [Ruling](#) scheduling evidentiary hearings was modified by an August 27 email [Ruling](#) scheduling evidentiary hearings for September 11 and 12. On August 30, PG&E submitted supplemental [AL 7295-E-A](#) on the allocation of GHG-free attributes from Diablo Canyon's extended operations to LSEs.

Analysis: PG&E is proposing changes to the RA and GHG-free attribute allocation methodologies established by D.23-12-036. CalCCA and other parties have objected to PG&E's proposal. Allocation of RA and GHG-free attributes will begin once Diablo Canyon Power Plant enters extended operations.

Next Steps: Evidentiary hearings are scheduled for September 11-12, opening briefs are due October 1, market price benchmarks will be issued on October 1, reply briefs are due October 21, and a proposed decision is expected in November 2024.

Additional Information: PG&E [AL 7295-E-A](#) (Aug. 30, 2024); ALJ [Ruling](#) (Aug. 27, 2024); ALJ [Ruling](#) (Aug. 15, 2024); [Scoping Memo and Ruling](#) (Jun. 18, 2024); PG&E [AL 7295-E](#) (Jun. 12, 2024); ALJ [Ruling](#) (May 15, 2024); [Amended Application](#) (Apr. 8, 2024); [Application](#) (Mar. 29, 2024); Docket No. [A.24-03-018](#).

Microgrids

Background: This proceeding was opened to implement the requirements of SB 1339 (Stern, 2018), requiring 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 (MIP), 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: No recent developments.

Analysis: N/A

Next Steps: A proposed decision on Track 5 Microgrid Multi-Property Tariffs is expected soon.

Additional Information: PG&E [AL 7042-E-B](#) (Jul. 23, 2024); CALSSA [PFM](#) (Jun. 11, 2024); [Order](#) denying Joint Application for Rehearing (Apr. 19, 2024); ALJ [Ruling](#) (Mar. 27, 2024); Microgrid Resources Coalition [proposal](#), Green Power Institute [proposal](#), Clean Coalition [proposal](#) (Dec. 15, 2023); PG&E [MIP Handbook](#) (Oct. 12, 2023); [Scoping Memo and Ruling](#) (Jul. 18, 2023); [D.23-04-034](#) on Microgrid Incentive Program Implementation (Apr. 14, 2023); Docket No. [R.19-09-009](#).

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 service area). 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 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 July 17, CalCCA submitted the joint CCA [Advice Letter](#) on new CCA registration requirements. An August 6 ALJ [Ruling](#) scheduled the prehearing conference for August 23 to discuss the scope and schedule of Phase 2.

Analysis: The Joint CCA Advice Letter describes CalCCA's proposal for registration of new CCAs, in part to assist the Commission with anticipating potential POLR needs. Under the proposal, new CCAs' implementation plans should include annual assumptions of energy needs and costs, including RPS costs, the amount of leak demand to be served to determine resource adequacy costs and other operating costs. The proposal also identifies best practice milestones for successful implementation of a new CCA including a schedule for key actions, coordination with CAISO, and customer enrollment-related activities.

Next Steps: The first revised FSR posting under this Decision is due March 1, 2025, and subsequent FSR postings are due July 1 and January 1 of each year.

Additional Information: ALJ [Ruling](#) (Aug. 6, 2024); Joint CCA [Advice Letter](#) on new registration (Jul. 17, 2024); [Joint CCA Advice Letter](#) on financial modeling and reporting guidelines (Jul. 1, 2024); [D.24-04-009 / Appendix](#) (Apr. 22, 2024); [Amended Scoping Ruling and Memo](#) (Jun. 19, 2023); [OIR](#) (Mar. 25, 2021); Docket No. [R.21-03-011](#).

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).

Recent Developments: On July 16, the CPUC issued [D.24-07-008](#) authorizing a ratemaking mechanism for energization projects pursuant to Senate Bill 410. The proceeding remains open to provide further guidance on metrics relevant to auditor reports, to consider revisions to this energization cost recovery mechanism, and to establish reporting requirements for reviewing the reasonableness of PG&E's interim rate recovery in its next GRC.

Analysis: The Decision authorizes PG&E to record and track costs for energization projects (e.g., connecting new customers to the electrical distribution grid, upgrading electrical distribution capacity to existing customers, and building adequate electrical distribution and transmission capacity to accommodate future load) placed in service after January 1, 2024 that exceed the energization costs included in PG&E's annual revenue requirement authorized in Phase I of this proceeding. The maximum incremental revenue requirement associated with such capacity projects is capped at \$144.310 million in 2024, \$91.568 million in 2025, and \$99.071 million in 2026, corresponding to capital of \$975 million in 2024, \$618 million in 2025, and \$669 million in 2026, or \$2,262 million total (which is 45% or \$1,814 million less than the cumulative capital expenditures cap of \$4,076 million that PG&E requested). The authorized sums equate to an increase in electric distribution revenue requirement of 1.98% for 2024, 1.18% for 2025, 1.19% for 2026, and 4.03% cumulatively.

Next Steps: PG&E's Phase 2 GRC is expected to be filed September 30 ([letter ruling](#)).

Additional Information: [D.24-07-008](#) (Jul. 16, 2024); [Case Management Statement](#) (Feb. 26, 2024); [Third Amended Scoping Memo and Ruling](#) (Dec. 22, 2023); [D.23-11-069 / Appendices](#) (Nov. 17, 2023); [Second Amended Scoping Memo and Ruling](#) (Oct. 10, 2023); [Illustrative rates](#) (Sep. 27, 2023); [Scoping Memo and Ruling](#) (Sep. 5, 2023); PG&E's [Amended Application](#) (Mar. 10, 2022); [PG&E Application](#) (Jun. 30, 2021); Docket No. [A.21-06-021](#).

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. The April 2 [Scoping Memo and Ruling](#) consolidated all three major IOUs' ERRA forecast proceedings for the sole purpose of addressing issues related to the definition of and accounting for "fixed generation costs" in a Track 2.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: Intervenor testimony in Track 2 is due October 8, rebuttal testimony is due November 22, a status conference is set for December 3, and evidentiary hearings may be held, if needed, in January 2025. A proposed decision is expected in March 2025.

Additional Information: ALJ [Ruling](#) on Track 2 schedule (May 1, 2024); Joint CCA [Motion](#) (Apr. 26, 2024); IOU [Motion](#) (Apr. 25, 2024); [Scoping Memo and Ruling](#) (Apr. 2, 2024); [Joint Prehearing Conference Statement](#) (Mar. 26, 2024); PG&E [AL 7180-E](#) (Feb. 15, 2024); [D.23-12-022](#) (Dec. 19, 2023); ALJ [Ruling](#) (Dec. 18, 2023); ALJ [Ruling](#) (Nov. 20, 2023); [Market Price Benchmarks](#) (Oct. 2, 2023); [Scoping Ruling and Memo](#) (Sep. 15, 2023); ERRA Trigger [Application](#) (Jul. 28, 2023); CalCCA [Protest](#) (Jun. 16, 2023); PG&E 2024 ERRA Forecast [Application](#) (May 15, 2023); Docket No. [A.23-05-012](#).

PG&E 2025 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 August 1, the Assigned Commissioner issued a [Scoping Memo and Ruling](#) which excluded PG&E's proposal to freeze the Resource Adequacy Market Price Benchmark (RA MPB) for 2025 ratesetting purposes for bundled customers from the scope of this proceeding and encouraged PG&E to submit a Petition for Rulemaking to address its RA MPB concerns.

Analysis: CalCCA and other intervenors filed direct testimony on September 3. The testimony did not address PG&E's RA MPB proposal as that proposal is no longer in the scope of this proceeding. CalCCA's testimony did, however, address PG&E's proposal to change its common cost allocation methodology and its treatment of RPS volumes for PCIA ratemaking purposes among other subjects.

Next Steps: A status conference is scheduled for September 27, evidentiary hearings are scheduled for October 2 - 3, and opening briefs are due October 21. PG&E expects to file its fall update on October 16.

Additional Information: [Scoping Memo and Ruling](#) (Aug. 1, 2024); ALJ [Ruling](#) (Jun. 13, 2024); PG&E's [Amended Application](#) (May 24, 2024); PG&E 2025 ERRR Forecast [Application](#) (May 15, 2024); Docket No. [A.24-05-009](#).

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.

Analysis: N/A

Next Steps: A proposed decision was expected in early 2024 but is delayed.

Additional Information: ALJ [Ruling](#) (Nov. 9, 2023); ALJ [Ruling](#) (Sep. 27, 2023); [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 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: Following June 6 briefs on the issue of whether the Commission addresses or should address PG&E's sales or attempts to sell Resource Adequacy during the Summer of 2022 in a forum other than PG&E's ERRR Compliance proceeding, a July 26 ALJ [Ruling](#) authorized CalCCA to pursue discovery on these issues. On September 3, an ALJ [Ruling](#) established the remaining procedural dates in this proceeding.

Analysis: N/A

Next Steps: Parties' motions for the admission of exhibits and testimonies are due September 6. Parties' motions to strike or exclude evidence are due September 13. Parties' responses to motions for the admission of exhibits and testimonies are due September 20. Opening briefs are due October 4. Reply briefs are due October 11.

Additional Information: ALJ [Ruling](#) (Sep. 3, 2024); ALJ [Ruling](#) (Jul. 26, 2024); ALJ [Ruling](#) (May 22, 2024); ALJ [Ruling](#) (May 16, 2024); ALJ [Ruling](#) (Apr. 16, 2024); PG&E and CalAdvocates' [Joint Motion](#) for Settlement (Mar. 7, 2024); CalCCA [Motion](#) (Mar. 1, 2024); ALJ [Ruling](#) (Feb. 15, 2024); ALJ [Ruling](#) (Sep. 25, 2023); [Scoping Memo and Ruling](#) (Jun. 2, 2023); PG&E 2022 ERRR Compliance [Application](#) and [Notice of Availability](#) (Feb. 28, 2023); Docket No. [A.23-02-018](#).

PG&E 2023 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.

Analysis: N/A

Next Steps: Intervenor testimony is due September 20, a status conference is scheduled for November 1, opening briefs are due December 19, and a proposed decision is expected by mid-March 2025.

Additional Information: [Scoping Memo and Ruling](#) (Jun. 12, 2024); [Joint Prehearing Conference Statement](#) (Apr. 15, 2024); CalCCA's [Protest](#) (Apr. 5, 2024); PG&E 2023 ERRR Compliance [Application](#) (Feb. 28, 2024); Docket No. [A.24-02-012](#).

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. The current Phase 4 will consider whether modifications to electric line extension rules would assist under-resourced customers, electric baseline allowance modifications to encourage building decarbonization, and new programmatic approaches to building decarbonization.

Recent Developments: On July 18, the ALJ issued a [Ruling](#) requesting party comment on the attached Phase 4 Track A [Staff Proposal](#). Comments on the Phase 4A Staff Proposal and on the Amended Scoping Memo and Ruling were filed on August 7 and replies were filed on August 19.

Analysis: The Phase 4A Staff Proposal provides Energy Division’s recommendations for preventing unnecessary main electric panel and service line upsizing.

Next Steps: A proposed decision on Phase 4, Track A considerations is expected in Q3 2024 and a Phase 4, Track B staff proposals is expected in Q4 2024, followed by proposed decisions in Q2 2025.

Additional Information: ALJ [Ruling](#) and Track A [Staff Proposal](#) (Jul. 18, 2024); [Scoping Memo and Ruling](#) (Jul. 1, 2024); [OIR](#) (Feb. 8, 2019); Docket No. [R.19-01-011](#).

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. Phase 1 of this proceeding is focused on developing safety culture assessments for the large investor-owned electric and natural gas corporations, and Phase 2 of this proceeding will be focused on developing safety culture assessments for the small multi-jurisdiction utilities and the gas storage operators.

Recent Developments: Parties filed comments on safety culture assessment reporting and the compliance process on July 12 and reply comments on July 25. In comments, the [IOUs](#) supported an advice letter process for submission and review of safety culture assessments and suggested a publicly noticed meeting to discuss the findings of the third-party evaluator’s assessment is unnecessary, while [CalAdvocates](#) recommended against the advice letter process in favor of a process more similar to the Annual Safety Performance Metrics Report to provide parties more opportunity for engagement with the safety culture assessments and supported a public meeting for presentation of the third-party evaluator’s assessment.

Analysis: N/A

Next Steps: A proposed decision on Phase 1 is expected later this year.

Additional Information: ALJ [Ruling](#) (Jun. 10, 2024); ALJ [Ruling](#) (May 8, 2023); [Scoping Ruling](#) with procedural schedule (Apr. 28, 2022); [Order Instituting Rulemaking](#) (Oct. 7, 2021); Docket No. [R.21-10-001](#).

Other Dockets

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

Docket	Name	Status
R.23-03-007	Wildfire Fund NBC 2024-2026	The next 90-day Notice for the 2025 Wildfire NBC is expected in September 2024.
R.17-06-026	PCIA Rulemaking	The proceeding was closed by D.23-06-006 . D.24-08-004 (issued Aug. 2, 2024) denied SCE’s Petition for Modification of D.23-06-006 and re-closed the proceeding.
A.22-05-002	Demand Response Programs (2023-2027)	D.24-04-006 , issued April 24, 2024, ended the Demand Response Auction Mechanism (DRAM) pilot programs of PG&E, SCE, and SDG&E and closed the proceeding. The proceeding was re-opened to address the June 27 Petition for Modification filed by Leapfrog Power.