

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 8

To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: October 12, 2023

Please find attached Keyes & Fox's September 2023 Regulatory Memorandum dated October 4, 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 October 4, 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: October 4, 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.

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 VCE's AgFIT dynamic rates 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 is now considering broad expansion of the AgFIT Pilot.

Recent Developments: On September 25, [VCE](#) and other parties filed opening comments on the August 15 ALJ [Ruling](#) and Track B [Staff Proposal](#) to significantly expand VCE's AgFIT pilot and SCE's dynamic rates pilot to support near-term summer reliability. On September 29, the ALJ issued an [email ruling](#) extending the deadline for the Track B Working Group proposal to October 11. On October 3, the ALJ issued an [email ruling](#) requiring SCE and PG&E to file detailed budgets for the expanded pilots by October 13 and inviting CCAs to do so by the same date, and inviting comments on such budgets by October 25.

Analysis: The Staff Proposal concludes that AgFIT has shown initial success in shifting load during ramp and peak hours. The Staff Proposal's Expanded Pilot #1 would open up AgFIT to all bundled and unbundled customers in PG&E territory and all types of agricultural load, lift the 5 MW cap and extend the length of this pilot by 3 years. No parties filed comments opposing Expanded Pilot #1. The Staff Proposal's Expanded Pilot #2 would apply the AgFIT model within PG&E territory to medium and large commercial customers and residential customers on EV charging, home battery and electric heat pump rates. In Track A, the gradual move towards IGFCs will provide additional time for consideration and analysis prior to full implementation of this novel approach to aligning the structure of retail electric rates with utility cost structures while recognizing the importance of access to affordable electricity and ensuring that the changes to rate structures does not disproportionately harm large numbers of ratepayers.

Next Steps: In Track B, reply comments on the Staff Proposal to expand pilot programs are due October 9, PG&E and SCE budget details are due October 13 and comments on such budgets are due October 25. The Track B Working Group proposals are due October 11, comments on the proposals are due November 13, and reply comments on the proposals are due December 22. In Track A, opening briefs on income-graduated fixed charges are due October 6, and a proposed decision is expected in March or April of 2024.

Additional Information: ALJ [Ruling](#) (Oct. 3, 2023); ALJ [Ruling](#) (Sep. 29, 2023); [VCE Comments](#) (Sep. 25, 2023); ALJ [Ruling](#) (Sep. 13, 2023); ALJ [Ruling](#) (Aug. 25, 2023); ALJ [Ruling](#) (Aug. 22, 2023); ALJ [Ruling](#) & [Staff Proposal](#) (Aug. 15, 2023); [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); [OIR](#) (Jul. 22, 2022); Docket No. [R.22-07-005](#).

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 September 7, the ALJ filed a [Proposed Decision](#) that would deny the Petition for Modification (PFM) of D.20-10-005 (filed 10/8/2021) by Burning Daylight, LLC, JTN Energy, LLC, Reido Farms, LLC, and Vote Solar. The PFM requested modifications to several aspects of the Renewable Market Adjusting Tariff (ReMAT). On September

8, the CPUC issued [Draft Comment Resolution E-5288](#), which will amend the Bioenergy Renewable Auction Mechanism (BioRAM) Program and authorize the procurement and/or extension of eligible contracts pursuant to Senate Bill 1109. All three major IOUs filed a report on the effectiveness of the VAMO process near the end of September in which the IOUs indicated that their excess RPS resources had been nearly fully subscribed and all three IOUs recommended no additional VAMO process in the future were necessary.

Analysis: The Draft Comment Resolution requires PG&E, SCE, and SDG&E to procure or extend BioRAM contracts through financial commitments of 5 to 15 years by December 1, 2023 for biomass facilities that were operating in 2022 partly as a means of removing forest materials from high-hazard zones. The Resolution is expected to result in new and/or extended energy procurement contracts which will lead to increased ratepayer costs through a non-bypassable charge established in D.18-12-003, although actual costs are not currently known. The VAMO process will likely be concluded given the lack of available IOU RPS resources to offer or allocate.

Next Steps: A proposed decision on draft 2023 RPS Procurement Plans is expected in late 2023.

Additional Information: SDG&E [VAMO Report](#) (Oct. 2, 2023); PG&E [VAMO Report](#) (Sep. 28, 2023); SCE [VAMO Report](#) (Sep. 21, 2023); [Draft Comment Resolution E-5288](#) (Sep. 8, 2023); [Proposed Decision](#) (Sep. 7, 2023); VCE [Draft 2023 RPS Procurement Plan](#) (Aug. 29, 2023); [D.23-08-003](#) (Aug. 17, 2023); [Ruling](#) (Jun. 12, 2023); [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](#).

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 24, the CPUC issued a [Proposed Decision](#) (PD) that would deny the [Petition for Modification](#) of [D.22-05-015](#) filed jointly by San Diego Clean Power and Clean Energy Alliance on October 28, 2022 that requested modification of the provision in D.22-05-015 allowing a one-time purchase of resource adequacy capacity to account for load migration to CCAs in between the issuance of D.19-11-016 and D.22-05-015. The Petition sought to use the year-ahead load forecast as the basis for determining the resource adequacy capacity available via the one-time purchase rather than the actual load being served at the time D.22-05-015 was issued. Responses to PG&E's and SCE's [Joint Expedited Petition for Modification](#) requesting an extension of the deadline for zero-emitting resource procurement were filed on September 8 by several parties. [CalAdvocates](#)' and [California Energy Storage Alliance](#)'s responses generally support the extension requested in the Petition, while the responses of [Environmental Defense Fund](#), [Alliance for Retail Energy Markets](#), [Large-scale Solar Association](#), and [Green Power Institute](#) are generally opposed to the extension.

Analysis: The Proposed Decision would clarify that the one-time provision for the purchase of resource adequacy capacity to account for load migration to CCAs during development of the Modified Cost Allocation Mechanism is based on load served at the time D.22-05-015 was issued rather than the year-ahead load forecast. The decision would reduce the quantity of resource adequacy available to CCAs from IOUs resulting from the one-time purchase provision. The Joint Expedited Petition for Modification, if granted, would provide two additional years for LSEs to procure the 5-hour storage or demand response resources for replacement of the Diablo Canyon facility, but have no impact on other MTR procurement obligations. VCE's share of the Diablo Canyon replacement is 10 MW and is planned to be met using the Gibson Solar + storage project that was modified to include a 5-hour battery.

Next Steps: The Proposed Decision is scheduled to be heard at the October 12 Commission meeting. A proposed decision on the May 30 Petition for Modification regarding long lead-time resource compliance deadlines is expected during the third quarter. A staff proposal on the Reliable and Clean Power Procurement Plan is also expected to be released during the third quarter. In Q4, the Commission will analyze the need for backstop procurement under D.19-11-016. VCE's next IRP will be due in November 2024.

Additional Information: [Proposed Decision](#) (Aug. 24, 2023); [Scoping Memo and Ruling](#) (Aug. 21, 2023); [Joint Expedited Petition for Modification](#) (Aug. 9, 2023); [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); [D.22-05-015](#) (May 23, 2022); [D.21-06-035](#) (Jun. 30, 2021); [Scoping Memo](#) (Sep. 24, 2020); Docket No. [R.20-05-003](#).

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 September 19, PG&E submitted the 2023 Annual Compliance Report for its Central Procurement Entity (CPE) as [AL 7027-E](#) showing the PG&E CPE has a negative (i.e., under-procurement) net local RA position in all months of the years from 2024-2026. On September 28, the Energy Division announced the release of the

final 2024 RA Guide and templates on the RA Compliance [website](#). On September 22, the demand response providers filed comments fully supporting CLECLA's [Petition for Rehearing](#) which raised concerns regarding the recent changes to Base Interruptible Program dispatch.

Analysis: The 2024 RA year is the final year of the current RA system and the test year for the slice-of-day RA system that will formally begin with the 2025 RA year. No significant changes were made to the RA templates or filing guide for the 2024 RA year. The CLECLA Petition seeks modifications to D.23-06-029's changes to emergency demand response dispatch procedures primarily to ensure that emergency demand response resources are only dispatched in response to actual events. The requested modifications would reduce the level of confusion and avoid unnecessary financial harm to program participants.

Next Steps: D.23-06-029 closed the proceeding, but it has been reopened to address the Petitions for Modification and Applications for Rehearing. The next RA docket is expected to be opened within the next few months.

Additional Information: Demand Response providers' [Response](#) (Sep. 22, 2023); PG&E [AL 7027-E](#) (Sep. 19, 2023); CLECA [Petition for Rehearing](#) (Aug. 24, 2023); Demand Response providers' [Application for Rehearing, Joint Motion for Rehearing, Motion for Partial Stay](#) (Aug. 4, 2023); CalCCA [Application for Rehearing](#) (Jul. 26, 2023); [D.23-06-029](#) (Jul. 5, 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).

Recent Developments: On September 5, the Assigned Commissioner issued a [Scoping Memo and Ruling](#) that amends the Phase I Scoping Memo (issued October 1, 2021) to create a separate Phase II to consider electric distribution capacity additions driven by the accelerated need for new electric vehicle (EV) charging infrastructure.

On September 13, the CPUC issued a [Proposed Decision \(Attachment\)](#) from the ALJs and an [Alternate Proposed Decision \(Attachment\)](#) from the Assigned Commissioner. On the CCAs' issues, the Proposed Decisions are identical.

Both Proposed Decisions:

- (1) Reject the CCAs' request that the Commission re-vintage the 12 hydro assets at issue in this case;
- (2) "Decline to consider" the CCAs' proposed re-vintaging framework for use in future GRCs, but do adopt the portion of that framework requiring PG&E to submit testimony in any future GRC in which it is undertaking certain new investments in utility-owned generation (to justify its requested vintaging treatment for those investments); and
- (3) Decline to adopt the CCAs' proposed order requiring that, in future GRCs, if PG&E is seeking cost recovery for battery-related costs, it must provide testimony on the functions it proposes the batteries serve to inform its functionalization proposals.

The Alternate Proposed Decision differs from the Proposed Decision in treatment of Wildfire System Hardening and Escalation. These differences are summarized in detail in the digest summary in the linked Proposed Decisions.

[Illustrative rates](#) filed on September 27 show an average non-CARE residential bill increase of 11.9% for the ALJs' Proposed Decision, and an average non-CARE residential bill increase of 9.9% for the Alternate Proposed Decision.

Analysis: The CCAs submitted opening comments on the Proposed Decisions on October 3. Those comments focused primarily on countering the Proposed Decisions' erroneous conclusion that there is not sufficient record evidence to adopt the CCAs' re-vintaging proposals for the 12 hydro assets at issue. While the Proposed Decisions did not indicate how the Commission came to this conclusion, they erred in suggesting that the record did not address the issue of decommissioning cost recovery (*i.e.*, how to ensure unbundled customers pay their fair share of these costs if these assets are re-vintaged).

Next Steps: Reply comments on the Proposed Decisions are due October 9. An oral argument is scheduled for October 18. These items may be heard as early as the November 2 Commission meeting. The Track 2 schedule is currently held in abeyance per an email ruling issued December 13. For the EV Phase II portion of the proceeding, a Joint Case Management Statement is due October 27, and a proposed decision is expected in early February 2024.

Additional Information: [Illustrative rates](#) (Sep. 27, 2023); [Proposed Decision](#) and [Alternate Proposed Decision](#) (Sep. 13, 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.

Recent Developments: On September 15, the Assigned Commissioner issued an amended [Scoping Ruling and Memo](#) consolidating A.23-07-012, an expedited ERRA Trigger application filed by PG&E regarding a forecast undercollection in

its ERRAs, with this ERRA Forecast proceeding. PG&E's ERRA Trigger application, including the amortization of its trigger balance, will be addressed in its ERRA Forecast application. On October 2, the CPUC issued the updated [Market Price Benchmarks](#) (MPBs) calculation that will be used by PG&E in the October ERRA Forecast update. The GHG-free resource MPB for 2024 is \$0/MWh because the reported values did not meet the 1,000 GWh threshold set in D.23-06-006. The RPS adder MPB increased by \$1.43/MWh to \$31.73/MWh, the System RA MPB increased by \$0.86/MWh to \$15.23, the Flexible RA MPB increased by \$1.30/MWh to \$9.12/MWh, and PG&E's Local RA MPB increased by \$1.14/MWh to \$9.52/MWh. The 2024 MPBs also include new energy index MPBs which, for PG&E, are \$72.88/MWh for on-peak energy and \$65.77/MWh for off-peak energy.

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. In the ERRA Trigger Application, PG&E's requested rate increase is expected to increase the system average bundled rate by up to 1.95 cents/kWh, or approximately 6.3% above the current level, effective November 1, 2023 through April 30, 2024.

Next Steps: Opening briefs will be filed October 13 and reply briefs on October 23. The Energy Division will provide its market price benchmark update on October 2, and PG&E will provide its fall update on October 16. A proposed decision is expected on November 22. Comments on the ERRA Trigger Application are due November 1 and reply comments are due November 6.

Additional Information: [Market Price Benchmarks](#) (Oct. 2, 2023); [Scoping Ruling and Memo](#) (Sep. 15, 2023); ERRA Trigger PG&E [Reply to Protest](#) (Aug. 15, 2023); ERRA Trigger CalCCA [Protest](#) (Aug. 10, 2023); [Scoping Memo and Ruling](#) (Aug. 3, 2023); ALJ [Ruling](#) (Aug. 1, 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 2020 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. 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 is expected to begin soon since the Commission recently resolved issues related to the establishment of a common accounting methodology for PSPS events in Phase 2 of the 2019 ERRA 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 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: PG&E filed supplemental testimony regarding unrealized sales associated with 2021 Public Safety Power Shutoff (PSPS) events on August 8. The ALJ issued an e-mail ruling amending the procedural schedule on September 27.

Analysis: N/A

Next Steps: Intervenor testimony regarding PG&E's 2021 PSPS events is due October 13 and rebuttal testimony is due October 27. The target date for a Proposed Decision is Q3 2023.

Additional Information: 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 ERRA 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: The ALJ issued a [Ruling](#) modifying the procedural schedule on September 25 rescheduling the evidentiary hearing and the status conference.

Analysis: N/A

Next Steps: The status conference is no scheduled for January 17, 2024 and the evidentiary hearing is now scheduled for January 24-25, 2024.

Additional Information: ALJ [Ruling](#) (Sep. 25, 2023); [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](#).

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 September 8, the ALJ issued a [Ruling](#) authorizing party comment on the Department of Water Resources' "90-day Notice Regarding 2024 Wildfire Non-Bypassable Charge" (90-day Notice).

Analysis: The projected 2024 NBC of \$5.61/MWh, or \$0.00561/kWh, is expected to produce \$888.4 million along with the projected \$14 million carry over from 2023, resulting in the \$902.4 million revenue requirement for 2024.

Next Steps: A Proposed Decision is expected in November followed by a Final Decision in December.

Additional Information: ALJ [Ruling](#) and [90-day Notice](#) (Sep. 8, 2023); [Scoping Memo and Ruling](#) (May 22, 2023); [Order Instituting Rulemaking](#) (Mar. 21, 2023); Docket No. [R.23-03-007](#).

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 August 8, the ALJ issued a [Ruling](#) directing the IOUs to develop and submit a draft pro-forma standard microgrid multiproperty tariff, including any necessary utility-specific deviations by October 9. On September 5, the CPUC sent a [letter](#) granting the Joint IOUs' request for an extension of time to comply with OP 6 of D.20-06-017, which ordered the Joint IOUs to temporarily remove the storage sizing limit for large net energy metering (NEM)-paired storage for a period of three years while maintaining existing metering requirements. The new deadline is August 16, 2025.

Analysis: The Pro-Forma Standard Multi-Property Microgrid Tariff will reduce barriers to microgrid deployment and enable microgrids to increase resiliency by allowing local generation and storage resources to be used in participating areas without dependence on the broader electrical grid.

Next Steps: The IOUs will submit their Pro-Forma Standard Multi-Property Microgrid Tariff on October 9, and comments are due October 27. A staff proposal on Multi-Property Microgrid Tariffs is expected in January 2024. The Joint Application for Rehearing is pending.

Additional Information: CPUC [letter](#) (Sep. 5, 2023); ALJ [Ruling](#) (Aug. 8, 2023); [Scoping Memo and Ruling](#) (Jul. 18, 2023); [Draft Resolution M-4868](#) (Jun. 9, 2023); [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](#).

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 September 6, the CPUC adopted [Resolution E-5257](#) approving PG&E's and SCE's requested modifications to per se reasonableness metrics regarding the extension of program timelines. On September 15, the IOUs filed Vehicle-Grid Integration Strategies [Semi-Annual Reports](#) for September 2023.

Analysis: In the first half of 2023, PG&E's vehicle-grid integration activities include completion of several studies on using electric vehicles as demand response resources, the launch of its residential and commercial vehicle-to-everything pilots in April, opening its EV submetering protocol to customer enrollment, and progress on several EV integration programs for homes and microgrids.

Next Steps: Under D.22-11-040, the program administrator contract must be filed by September 30, 2023.

Additional Information: PG&E [Semi-Annual Report](#) (Sep. 15, 2023); [Resolution E-5257](#) (Sep. 6, 2023); SCE's [Motion for Clarification](#) (Jun. 7, 2023); 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); [Scoping Memo and Ruling](#) (May 2, 2019); Docket No. [R.18-12-006](#).

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: No recent developments in the past month.

Analysis: N/A

Next Steps: Opening briefs on Phase II DRAM issues are due October 2 and reply briefs on Phase II DRAM issues are due November 3. A proposed decision on the Demand Response Auction Mechanism (DRAM) is expected in January 2024, and a proposed decision is expected in October 2023 for the 2024-2027 DR Program.

Additional Information: ALJ [Ruling](#) (Aug. 24, 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](#).

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: Parties filed opening briefs in this case on September 18.

Analysis: At a high level, CalCCA's brief focused on the message that this transaction is not a good deal for ratepayers: there are no tangible ratepayer benefits of the transaction, but there will be incremental ratepayer costs; further, the transaction also presents new risks, including risks of detrimental market impacts.

Next Steps: Reply briefs are due October 5. A proposed decision is expected by the end of December.

Additional Information: PG&E [Notice](#) (Jun. 8, 2023); ALJ [Ruling](#) (Mar. 30, 2023); [Scoping Memo and Ruling](#) (Jan. 20, 2023); PG&E [Application](#) (Sep. 28, 2022); Docket No. [A.22-09-018](#).

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: No recent developments in the past month.

Analysis: The Financial Security Requirement (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.

Next Steps: A proposed decision on FSR calculations is expected in October 2023.

Additional Information: [Amended Scoping Ruling and Memo](#) (Jun. 19, 2023); [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](#).

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 3B will consider building decarbonization efforts regarding the reasonableness of modifying or ending electric line extension allowances, refunds, and discounts for "mixed-fuel" new construction (i.e., building projects that use gas and/or propane in addition to electricity).

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: [Amended Scoping Memo and Ruling](#) (Jul. 26, 2023); [D.23-02-005](#) (Feb. 3, 2023); [D.21-11-002 \(Appendices A-E\)](#) Decision on Building Decarbonization 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](#).

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: No recent developments in the past month.

Analysis: N/A

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

Additional Information: ALJ [Ruling](#) (May 8, 2023); [Draft Resolution SPD-3](#) (Sep. 16, 2022); ALJ [Ruling](#) (Sep. 13, 2022); [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.17-06-026	PCIA Rulemaking	The proceeding was closed by D.23-06-006 , but SCE filed a Petition for Modification of D.23-06-006 on September 12 requesting clarification on certain points regarding the valuation of previously banked RECs.
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).
A.20-10-011	Commercial EV Real-Time Pricing Pilot	Opt-in enrollment for the real-time pricing export compensation pilot now begins in February 2024. D.23-07-003 closed the proceeding.