

## VALLEY CLEAN ENERGY ALLIANCE

### Staff Report – Item 6

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To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: June 13, 2024

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Please find attached Keyes & Fox’s May 2024 Regulatory Memorandum dated June 5, 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 June 5, 2024.

# Valley Clean Energy Alliance

## Regulatory Monitoring Report

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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 5, 2024

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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.

### 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 May 9, the Assigned Commissioner issued a [Scoping Memo and Ruling](#) setting forth the initial issues and schedule for the RPS proceeding. The [Assigned Commissioner's Ruling](#) on 2024 RPS Procurement Plans was issued on May 17. This year's RPS Procurement Plan requirements have only minor changes from last year's requirements, such as removal of the Voluntary Allocation and Market Offer (VAMO) section.

**Analysis:** This first RPS Plan filing in the new Compliance Period contains the same content requirements as recent RPS Plans, but, as indicated in the Scoping Memo and Ruling, the RPS proceeding will be coordinated more closely with integrated resource planning and resource adequacy proceedings, and it will consider incorporation of greenhouse gas metrics and potentially higher RPS targets in subsequent RPS Plan filings.

**Next Steps:** Initial Draft RPS Plans are due July 12, and Motions to Update are due August 26. Comments on Draft filings are due August 15 and reply comments are due August 26. Motions requesting an evidentiary hearing are due August 12.

**Additional Information:** [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 is focused on priority issues including RA capacity requirements, SOD framework implementation, and RA compliance and penalties. Track 2 is focused on Central Procurement Entity framework issues, including potential structural modifications, and Track 3 is focused on remaining RA capacity issues.

**Recent Developments:** On May 1, the CAISO submitted its [Final 2025 Local Capacity Technical Report](#). On May 2, the ALJ issued a [Ruling](#) modifying the schedule for Track 2 and another [Ruling](#) modifying the schedule for Track 1 flexible capacity issues. On May 13, CAISO submitted the [Final 2025 Flexibility Capacity Needs Assessment Report](#). On May 17, the ALJ issued a [Proposed Decision](#) (PD) on adopting local capacity requirements for 2025-2027, flexible capacity obligations for 2025, and slice-of-day and other Resource Adequacy (RA) program refinements. In the Proposed Decision, the SOD framework will continue to be implemented starting with the 2025 RA year and a 17% planning reserve margin will be applied across all months for the initial year. The Proposed Decision does not include a system RA waiver process but did adopt an interim extended cure period allowing resources that come online between the 45-day advance month-ahead compliance showing and the start of the compliance month to count towards that month's RA compliance. Some proposals, such as CalCCA's load obligation trading proposal that would facilitate more efficient and cost-effective RA compliance among LSEs, were not incorporated in the Proposed Decision. On June 4, an ALJ [Ruling](#) modified the Track 2 scope to defer Issue 3 - Coordination with the IRP Proceeding until after the Commission issues a decision (expected in early 2025) on the Reliable and Clean Power Procurement Program (RCPPP) proposal in the IRP proceeding.

**Analysis:** Under the Proposed Decision, the SOD framework will be implemented in January 2025, which will require LSEs to demonstrate capacity to meet load in all hours of the “worst day” of every month. This will potentially place an additional RA burden on more renewable-intensive resource portfolios. The PD does little to alleviate the tight RA market conditions and high prices experienced in recent years as it does not address inefficiencies in the current bilateral-transaction based RA market or allow one LSE’s excess resource in one hour to be matched with another LSE’s resource shortage in that hour for compliance purposes. However, LSEs will be subject to significantly lower penalties when resources experience a slight delay in coming online, i.e. come online ahead of the start of the compliance month but after the 45-day advance showing for the compliance month.

**Next Steps:** Comments on the PD are due June 6, reply comments are due June 11 and the PD may be heard as early as the June 20 Commission meeting. The next Test Year 2024 SOD Month Ahead showing is due to Energy Division on September 1, and the first year-ahead SOD showing is due in November 2024. Track 2 proposals on the CPE framework and coordination with the IRP proceeding are due June 14, and a proposed decision in Track 2 is expected in November 2024.

**Additional Information:** ALJ [Ruling](#) (Jun. 4, 2024); [Proposed Decision](#) (May 17, 2024); CAISO [Final 2025 Flexibility Capacity Needs Assessment Report](#) (May 13, 2024); ALJ [Ruling](#) on Track 1 flexible capacity schedule (May 1, 2024); ALJ [Ruling](#) on Track 2 schedule (May 1, 2024); CAISO [Final 2025 Local Capacity Technical Report](#) (May 1, 2024); CalCCA [Revised Proposal](#) (Feb. 23, 2024); CalCCA [Comments and Proposals](#) (Jan. 19, 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:** In Track A, [D.24-05-028](#), issued May 15, set the income-graduated fixed charge (IGFC) for customers of the large IOUs at \$6/month for CARE-enrolled customers, \$12/month for FERA-enrolled customers, and \$24.15/month for all other customers. PG&E will implement income-graduated fixed charges in early 2025. On May 16, [Assembly Bill 1999](#) was modified to (1) prohibit changes in the amount of fixed charges that exceed inflation, (2) render the authorization for fixed charges inoperative on July 1, 2028, (3) starting July 1, 2028 permit the Commission to authorize fixed charges for low-income CARE customers of \$5/month or less and for non-CARE customers of \$10/month, and (4) require modifications to fixed charges to be proposed in a stand-alone proceeding separate from general rate cases and to prohibit fixed charges to increase a utility’s revenue requirement compared to the revenue requirement under volumetric rates. Opening comments on Track B Working Group 1 proposals regarding rate design for marginal-cost based rates (i.e., real-time pricing or RTP) were filed on May 22. On May 31, the Commission issued a [Letter](#) granting PG&E’s May 24 [Request](#) for an extension from June 1 to November 1 to begin enrollment in its dynamic rate pilots and denying PG&E’s request for a four-month extension to report the number of megawatts enrolled in its pilots.

**Analysis:** The Decision’s IGFCs are significantly lower than many party proposals initially recommended, and they are expected to reduce volumetric rates for non-CARE/FERA IOU customers of PG&E by an average of \$0.047/kWh, SCE by \$0.046/kWh, and SDG&E by \$0.068/kWh. However, actual customer-specific rate impacts vary based on usage, climate zones, and other factors, and increased fixed charges will reduce the value of rooftop solar. Both CalAdvocates’ [Comments](#) and CalCCA’s [Comments](#) raise concerns about the inclusion of marginal distribution costs in RTP rates, particularly in regard to the transparency of that components and the rate update process. The IOUs’ joint Comments propose setting base marginal generation capacity cost rates using updated marginal cost studies prepared for Phase 2 general rate cases with annual updates in other year. PG&E’s request to delay customer enrollment in the dynamic rates pilots will mean that the expanded version of VCE’s AgFIT pilot will not go into effect until November 2024 at the earliest.

**Next Steps:** Reply comments on Track B Working Group 1 proposals regarding rate design for marginal generation capacity costs are due June 12 and a proposed decision is expected by the end of this year.

**Additional Information:** [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); PG&E [AL 7223-E](#) (Mar. 25, 2024); PG&E [AL 7222-E](#) (Mar. 25, 2024); [D.24-01-032](#) (Jan. 26, 2024); [D.23-04-040](#) on electric rate design principles (May 3, 2023); [D.23-04-008](#) (Apr. 14, 2023); [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:** The IOUs submitted their [Report](#) on the Vehicle-Grid Integration Forum on May 21. On June 3, the ALJs issued a [Ruling](#) initiating Track 1 and inviting party comment. Track 1 will consider issues related to D.22-11-040 such as a long-term transportation electrification policy framework funded by a ratepayer charge on electricity bills for a five-year, third-party administered statewide transportation electrification infrastructure rebate program (TE Rebate Program) that will initially focus on deploying charging infrastructure for the medium- and heavy-duty vehicle (MDHD) and Multi-Unit Dwellings (MUD) market segments, and providing technical assistance and funding for a pilot program called Locally Invested Transportation Equity (LITE). The Program is scheduled to begin in 2025 with \$600 million available in the first three years, and it involves a mid-cycle assessment in 2027 that will determine how much, if any, of an additional \$400 million should be used in the remaining two years.

**Analysis:** The integration of electric vehicles with the power grid has significant implications for future load growth, the potential for vehicles to supply power to the grid, and growth in transmission and distribution system capacity. Early discussions are focused on management of new EV load, approaches to meeting interconnection demand in capacity-constrained portions of the grid, and identifying emerging topics and issues for later discussion and exploration.

**Next Steps:** Opening comments on the Track 1 Ruling are due July 2 and reply comments are due July 18.

**Additional Information:** 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 May 21, the ALJ issued a [Ruling](#) requesting comments on the staff proposal to allow temporary non-emitting or RPS-eligible bridge resources to meet 2,500-MW system wide zero-emitting procurement requirements detailed in D.21-06-035. The bridge resources would be required to be zero-emitting, cover a bridge period of no more than three years, and otherwise meet all of the requirements for the Diablo Canyon replacement resources in D.21-06-035, including being required to be shown to be incremental. On June 3, LSEs filed compliance updates on the status of MTR procurement.

**Analysis:** Allowing bridge resources, as proposed, to temporarily fulfill D.21-06-035 MTR obligations will increase the likelihood that sufficient capacity of the intended nature is procured in a timely manner even if individual procurements are for short periods of time and will be replaced with similar long-term capacity. Recent capacity studies by the Commission determined that this procurement could not be delayed without threatening system reliability, and this bridge-resource solution would provide a flexible alternative for LSEs to meet their procurement obligations in the near-term.

**Next Steps:** VCE's next IRP filing is due November 1, 2025. Comments on May 21 Ruling are due June 11 and reply comments are due June 21. Reply comments on the April 18 ALJ Ruling are due June 5.

**Additional Information:** 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](#).

## 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:** [D.24-05-004](#) (issued May 10) denied, in its entirety, PG&E's Application to transfer its non-nuclear generation assets to Pacific Generation. The Decision concluded that PG&E's "novel and unprecedented" proposal could increase administrative costs and possibly rates by \$3 million per year or more and that there was no information indicating whether the enterprise's post-transaction cost of debt would be reduced below the current cost of debt by an amount sufficient to offset the increase in administrative costs.

**Analysis:** N/A

**Next Steps:** The proceeding is closed.

**Additional Information:** [D.24-05-004](#) (May 10, 2024); [Scoping Memo and Ruling](#) (Jan. 20, 2023); Docket No. [A.22-09-018](#).

## 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 DCP, 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:** Protests and responses to PG&E's Application were filed May 8. A May 15 ALJ [Ruling](#) set the prehearing conference for May 31, and the prehearing conference [transcript](#) was filed June 4.

**Analysis:** In response to assignment of some additional costs to PG&E's service territory, the utility proposed an adjustment to RA and GHG-free attributes in proportion to these additional costs. Such an adjustment would slightly increase the RA and GHG-free allocations to CCAs in PG&E's territory while slightly reducing allocations in other IOU territories. CalCCA's [Protest](#) to PG&E's Application was strongly against the Commission considering PG&E's proposal to adjust RA and GHG-free allocations to reflect the slightly higher additional costs assigned to PG&E customers, while CalAdvocates' [Protest](#) recommended including this issue in the proceeding scope.

**Next Steps:** A scoping memo and ruling is expected in June. A Tier 2 advice letter from PG&E on the process to allocate GHG-free attributes to LSEs is due in mid-June.

**Additional Information:** Prehearing Conference [Transcript](#) (Jun. 4, 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:** Comments on alignment of the microgrid tariff proposals with the Commission's Environmental and Social Justice Action Plan goals were filed on May 3 and reply comments were filed on May 17.

**Analysis:** N/A

**Next Steps:** A proposed decision on Track 5 Microgrid Multi-Property Tariffs is expected by mid-August.

**Additional Information:** [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:** No developments in the past month.

**Analysis:** N/A.

**Next Steps:** The joint CCA advice letter on CCA registration requirements is due July 17. 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:** [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:** A [Proposed Decision](#) (PD) ([Appendix](#)) that would authorize a ratemaking mechanism for PG&E's energization projects was issued on May 17.

**Analysis:** The PD would authorize 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:** The PD may be heard as early as the June 20 Commission meeting. Comments on the PD are due June 6 and reply comments are due June 11.

**Additional Information:** [Proposed Decision](#) (May 17, 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 ERRR Forecast

**Background:** The annual Energy Resource and Recovery Account (ERRR) 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' ERRR 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:** On May 1, an ALJ [Ruling](#) amended the Track 2 schedule.

**Analysis:** PG&E's proposed preliminary Track 2 scoping issues are centered on "allocation methodologies for Common Costs and clarification on accounting for outage costs arising from Replacement RA requirements", each of which could impact the allocation of PCIA-eligible portfolio costs between bundled and unbundled (i.e. CCA) customers. However, the April Scoping Memo clarified that PG&E's identified issues will not be in scope in the consolidated Track 2 of this proceeding.

**Next Steps:** Intervenor testimony 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); ERRR Trigger [Application](#) (Jul. 28, 2023); CalCCA [Protest](#) (Jun. 16, 2023); PG&E 2024 ERRR Forecast [Application](#) (May 15, 2023); Docket No. [A.23-05-012](#).

## NEW PG&E 2025 ERRR Forecast

**Background:** The annual Energy Resource and Recovery Account (ERRR) 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:** PG&E submitted an [Amended Application](#) for its 2025 ERRR forecast on May 24 in which it requested a net 2025 revenue requirement of nearly \$3.1 billion.

**Analysis:** PG&E forecasts rising Resource Adequacy (RA) prices and claims the RA Market Price Benchmark (MPB) methodology does not fairly value RA for PCIA ratemaking purposes. To mitigate anticipated rate impacts on bundled customers, PG&E proposes to freeze the RA MPB for 2025 ratesetting purposes *to the extent that* the 2025 Forecast RA MPB published in the fall exceeds the current 2024 Forecast System RA MPB (\$15.23/kW-month). PG&E's proposal would inflate PCIA rates and artificially hold bundled rates down.

**Next Steps:** A prehearing conference is expected, followed by a scoping memo and ruling. PG&E expects to file its fall update on October 16.

**Additional Information:** 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 in the past month.

**Analysis:** N/A

**Next Steps:** A proposed decision was expected in early 2024.

**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:** On May 16, an ALJ [Ruling](#) removed opening and reply briefing dates from the procedural schedule. A May 22 ALJ [Ruling](#) denied CalCCA's Motion for Commission Review and directed PG&E, Cal Advocates and CalCCA to submit briefs by June 6 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.

**Analysis:** N/A

**Next Steps:** Briefing on PG&E's resource adequacy sales during the summer of 2022 is due June 6.

**Additional Information:** 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 developments in the past month.

**Analysis:** N/A

**Next Steps:** A scoping memo and procedural schedule are expected.

**Additional Information:** [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 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 developments in the past month.

**Analysis:** N/A

**Next Steps:** Phase 3B concluded with issuance of [D.23-12-037](#), and an updated scoping memo and procedural schedule is expected.

**Additional Information:** TECH Clean California [Annual Report](#) (Mar. 13, 2024); [D.23-12-037](#) (Dec. 21, 2023); [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](#).

## Other Dockets

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

Docket	Name	Status
<a href="#">R.18-07-003</a>	RPS Rulemaking	On April 8, the Energy Division Staff provided formal approval of VCE's 2023 RPS Procurement Plan in a <a href="#">Notice of Approval</a> . On June 4, the CPUC issued <a href="#">D.24-05-038</a> closing the proceeding.

<a href="#">R.21-10-002</a>	RA Rulemaking (2023-2024)	The proceeding was closed by <a href="#">D.23-12-038</a> , and closed again by issuance of <a href="#">D.24-03-004</a> (issued March 12, 2024) denying the California Large Energy Consumers Association's <a href="#">Petition for Rehearing</a> .
<a href="#">A.21-03-008</a>	PG&E 2020 ERRRA Compliance	The proceeding was closed by <a href="#">D.23-12-019</a> in December 2023.
<a href="#">R.18-12-006</a>	Transportation Electrification	The proceeding was closed by the December 2023 <a href="#">OIR</a> establishing <a href="#">R.23-12-008</a> , but it was re-opened to address a <a href="#">Petition for Modification</a> (PFM) of <a href="#">D.22-11-040</a> . <a href="#">D.22-11-040</a> , issued June 4, denied the PFM and re-closed the proceeding.
<a href="#">R.21-10-001</a>	Utility Safety Culture Assessments	The proceeding has been inactive since July 2023 and is awaiting issuance of a proposed decision.
<a href="#">R.23-03-007</a>	Wildfire Fund NBC 2024-2026	The next 90-day Notice for the 2025 Wildfire NBC is expected in September 2024.
<a href="#">R.17-06-026</a>	PCIA Rulemaking	The proceeding was closed by <a href="#">D.23-06-006</a> , but SCE's <a href="#">Petition for Modification</a> of <a href="#">D.23-06-006</a> , filed on September 12, 2023, that requests clarification on certain points regarding the valuation of previously banked RECs, remains outstanding.
<a href="#">I.15-08-019</a>	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, 2023 the CPUC issued <a href="#">D.23-05-009</a> adopting the Safety Policy Division's <a href="#">Modified Staff Report</a> and closing the proceeding.
<a href="#">A.20-06-011</a>	PG&E Regionalization Plan	<a href="#">D.22-06-028</a> 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. PG&E's <a href="#">Q1 2024 Quarterly Report</a>
<a href="#">A.20-10-011</a>	Commercial EV Real-Time Pricing Pilot	Opt-in enrollment for the real-time pricing export compensation pilot was <a href="#">extended</a> and now expected to begin by February 28, 2025. A status update is due by August 28, 2024. <a href="#">D.23-07-003</a> closed the proceeding.
<a href="#">A.22-05-002</a>	Demand Response Programs (2023-2027)	<a href="#">D.24-04-006</a> , issued April 24, 2024, ended the Demand Response Auction Mechanism (DRAM) pilot programs of PG&E, SCE, and SDG&E and closed the proceeding.