

**REGULATORY UPDATE FOR JULY 15, 2025
(WEEK OF JULY 7, 2025)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

Resolution (Res) G-3606. This Resolution denies SDG&E's 2024 Natural Gas Leak Abatement (NGLA) ratemaking forecasts as presented in Advice Letter (AL) 3285-G-A for costs for its 2024 Compliance Plan. The purpose of the 2024 Compliance Plan is to propose how the utility will reduce emissions and implement the 26 Best Practices for natural gas leak abatement adopted in Decision (D.) 17-06-015 and to detail their costs and cost effectiveness. This Resolution approves no funding for Best Practices because none of the practices are cost-effective. Costs for RD&D are also denied. SDG&E is authorized to record up to \$0.428 million for NGLA Program Administration, if applicable, in the Natural Gas Leak Abatement Program Memorandum Account for potential recovery in a future general rate case or other proceeding, where it will be subject to reasonableness review. The Resolution approves \$222,000 for unrecovered ongoing capital costs from previously approved Compliance Plans.

Res E-5407. This Resolution approves Southern California Edison's (SCE) SCE Annual Report on the Renewable Charging Status, Grid Charging Fees, and Other Costs and Revenues for Co-Located Resources, as required by Resolution E-5101. The Energy Division no longer requires the information provided in these reports as the concerns over possible grid charging fees associated with the contracts have not materialized. Therefore, future annual reports, pursuant to E-5101, are rescinded.

Rulemaking (R.) 24-01-017 (RPS Proceeding). This decision denies the request from Pacific Gas and Electric Company, SCE, and SDG&E, as made in their respective, individual 2024 Renewable Portfolio Standard (RPS) plans, for the Commission to adopt a framework for pre-approval of short-term RPS transactions based on the transactions' compliance with achievable, upfront standards. This decision maintains the California RPS program rule set forth in D.14-11-042 requiring investor-owned utilities to seek approval from the Commission concerning the review of short-term RPS transactions through submission of Tier 1 Advice Letters.

Res E-5409 (PG&E Mid-Term Reliability Procurement). This Resolution approves one PG&E mid-term reliability contract and related costs for 80 megawatts of nameplate battery energy storage capacity with Calpine Corporation's Pastoria Power, LLC (Pastoria Power Bank Project).

¹ Per the CPUC's Rules of Practice and Procedure Rule 14.3, comments on proposed decisions are due 20 days after issuance of the proposed decision, and reply comments are due five days thereafter. Comments on draft resolutions are due 20 days after the draft resolution appears in the CPUC's daily calendar, per Rule 14.5.

Voting Meeting

The CPUC will hold a voting meeting in San Francisco, CA on July 24, 2025 at 11:00 am. The following are energy related items on the agenda:

Item 3. Application (A.) 23-11-003 (Southern California Gas Company Cost Recovery for Catastrophic Events and COVID-19 Protections). This decision authorizes partial recovery of costs recorded in Southern California Gas Company's (SoCalGas) Catastrophic Event Memorandum Account (CEMA) and COVID-19 Pandemic Protections Memorandum Account (CPPMA). The total capital expenditure/operations and maintenance costs authorized for recovery is \$19,231,206, and the requested amount was \$58,396,224. Most of the disallowances are due to understatement of avoided costs in CEMA Subaccount F, which covers certain costs associated with the COVID-19 pandemic. This decision also authorizes recovery of \$2.068 million in waived charges and \$297,000 in interest expense associated with the CPPMA. Authorized costs will be recovered from customer classes using the Equal Cents Per Therm methodology on a 12-month schedule.

Item 4. Res E-5398 (PacifiCorp Cap-and-Trade Program). This Resolution directs PacifiCorp to remove costs for compliance with the Washington Cap-and-Invest Program from California rates from AL 751-E. The Commission finds that California PacifiCorp ratepayers would face additional costs if rates include costs from both the California Cap-and-Trade Program and the Washington Cap-and-Invest Program for the same emissions. The Resolution finds that this issue should be addressed once the state agencies responsible for each program finalize an agreement to harmonize the two systems. The respective state agencies responsible for these programs, the California Air Resources Board and the Washington Department of Ecology, are currently considering an agreement that would link their carbon markets and determine a unified compliance obligation for utilities, such as PacifiCorp, that operate under both systems. Lastly, the Commission directs PacifiCorp to determine Washington Cap-and-Invest Program costs already collected or costs owed from California ratepayers in either the 2025 or the 2026 PacifiCorp Energy Cost Adjustment Clause Application.

Item 5. Res E-5367 (PG&E and SCE DAC-GT Cost Containment Cap Proposal). This Resolution approves, with modifications, PG&E AL 7363-E-A and SCE AL 5362-E-A to update the cost containment cap for the Disadvantaged Communities Green Tariff (DAC-GT) program, pursuant to D.24-05-065.

Item 6. Res E-5400 (2024-2027 Energy Efficiency Portfolio Business Plans for Northern California Rural Regional Energy Network and Central California Rural Regional Energy Network). This Resolution approves the revised 2024-27 Energy Efficiency Portfolio Business Plan for Northern California Rural Regional Energy Network and the revised 2024-27 Energy Efficiency Portfolio Business Plan for Central California Rural Regional Energy Network (CCR REN). The cost is \$60,029,938 to PG&E customers, \$7,267,800 to SCE customers, and \$2,180,340 to SoCalGas customers for a four-year period.

Item 18. Res G-3610 (Southern California Gas Company’s Recovery of the Distribution Integrity Management Program Balancing Account for September 1, 2019, to January 1, 2023). SoCalGas filed AL 6224-G requesting recovery of \$81.4 million in undercollected revenue requirement for actual operations and maintenance and capital expenditures recorded in the DIMP Balancing Account (DIMPBA) through January 31, 2023. SoCalGas’ request to recover the undercollection recorded in its DIMPBA for September 1, 2019, to January 31, 2023, is approved. The DIMPBA amount will be amortized via the allocation methodology described in the decision from the most recent Triennial Cost Allocation Proceeding (A.22-09-015).

Item 19. Res E-5386 (Shell Energy North America, L.P. Procurement Obligations). This Resolution grants Shell Energy’s January, February, and March 2020 month-ahead local waiver requests in ALs 21-E, 22-E, and 24-E due to the significant delays in issuing the associated non-standard disposition letters denying them. Shell Energy filed the January, February, and March 2020 MA local waiver ALs in 2019 and 2020. Energy Division disposed of them in November 2024, which is almost five years after the initial filings.

Item 25. Res E-5403 (Amendment to PG&E’s Contract with Energy Vault for Development of Clean Substation Microgrid Project). This Resolution approves PG&E AL 7552-E without modification. In D.21-01-018 and Res E-5261, the Commission directed PG&E to develop a Clean Substation Microgrid (CSM) pilot project to mitigate Public Safety Power Shutoff events. PG&E selected the Calistoga substation for this project, entering into a contract with Energy Vault to develop a hybrid battery energy storage and hydrogen fuel cell microgrid to provide 48 hours of backup power. Through AL 7552-E, PG&E requests Commission approval to amend the contract with Energy Vault to (1) extend the project delivery milestones to reflect updated construction schedules and (2) clarify that Energy Vault may operate the microgrid in “Blue Sky” (non-islanded) mode during normal grid conditions, so long as such operations do not interfere with backup service obligations. This Resolution finds that the clarification is consistent with the original intent and context of the CSM pilot as set forth in D.21-01-018 and Resolution E-5261. Blue Sky operations were anticipated and encouraged as a way to better utilize project resources without introducing new ratepayer costs. This Resolution finds that PG&E’s proposed amendments are reasonable, do not introduce new ratepayer risks, and are supportive of broader Commission goals for clean energy and resiliency.

Item 26. A.23-05-012 et al. (Large Electric Investor-Owned Utilities’ Energy Resource Recovery Account Applications). This decision adopts the definition of fixed generation costs as “costs that do not change based on the amount of electricity customers use or the amount of operating time associated with the electricity generation.” This decision applies to PG&E, SCE, and SDG&E. The definition adopted in this proceeding will be used when evaluating each large electric utility’s annual Energy Resource Recovery Account (ERRA) applications after the issuance of this decision. Each Investor-Owned Utility’s (IOU) ERRA filing, in part, seeks Commission review of a balancing account (or accounts) that tracks and allows utilities to seek recovery of costs associated with long-term electric generation contracts the utilities entered before some portion of their customers switched to other load serving entities. Other issues related to the common costs addressed in the large electric utilities’ ERRA applications are not addressed in this decision.

Item 27. Res G-3605 (SoCalGas's 2024 Compliance Plan, Forecasts, and Caps for Its Natural Gas Leak Abatement Program). This Resolution approves in part and denies in part SoCalGas' 2024 Natural Gas Leak Abatement Compliance Plan and the ratemaking forecasts as presented in AL6277-G-B. SoCalGas requested a forecasted total revenue requirement of \$483.12 million. This Resolution approves \$102 million blowdown reduction activities, as it is the sole cost-effective measure in the program. All other costs for Best Practices and RD&D are denied. An additional \$4.245 million for SoCalGas' NGLA Program Administration is authorized for recording in the Natural Gas Leak Abatement Program Memorandum Account (NGLAPMA) for potential recovery in a future general rate case or other proceeding, where it will be subject to reasonableness review. The Resolution approves \$78.8 million for ongoing capital undercollections from previously approved Compliance Plans.

Item 29. R.24-09-012 (Gas Utilities Memorandum Accounts to Record Expenses). This decision permits each gas utility subject to the Assigned Commissioner's Ruling Issuing Senate Bill 1221 Mapping Directions to Utilities, filed on April 18, 2025, to establish a memorandum account to record expenses related to complying with mapping activities per Public Utilities Code Section 661. The gas utility may record such expenses in its memorandum account effective April 21, 2025. Each gas utility may record expenses in its respective memorandum account until January 1 of the Test Year of its next general rate case upon which time recording in the memorandum account must cease and ongoing expenses related to mapping activities under Pub. Util. Code Section 661 must be covered in its new general rate case. The reasonableness and recovery of the expenses recorded in such memorandum accounts will not be reviewed in the proceeding, but may be addressed in each utility's next general rate case.

Item 52. A.24-11-007 (Motion for Interim Implementation of Electric Rule No. 30). This decision partly grants PG&E's January 24, 2025 motion for interim implementation of Electric Rule 30 (Motion). This decision allows for interim implementation for transmission-level customers who provide advance or actual cost payments and voluntarily prefund up to 100% of specific transmission network upgrades. The decision requires new transmission-level customers seeking retail services to be responsible for the initial costs of all transmission facilities, rather than those costs being borne by ratepayers. The Motion is partly denied for the interim implementation period regarding any refunds for advances, actual cost payments, or contributions, as well as associated accrued interest. These matters are deferred to the final decision of the proceeding, at which point the Commission will examine cost allocation and causation in light of the entire record. Similarly, the decision finds that repayments of pre-funded loans are also denied during this interim period, and their full repayment is not guaranteed. The specific cost causation and allocation mechanisms for these pre-funded loans will be decided in the final decision of this proceeding. Therefore, no rate recovery is authorized as part of this decision.

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

Interconnection Process Enhancements 5.0. CAISO is launching a new Interconnection Process Enhancements 5.0 initiative and is seeking stakeholder feedback on a

scoping document posted to its webpage. Comments are due July 16, 2025. Further information is available [here](#).

2026 Net Qualifying Capacity Values for Resource Adequacy Resources. CAISO has posted the preliminary 2026 Resource Adequacy Net Qualifying Capacity (NQC) list. Scheduling coordinators are requested to review their information and submit comments by August 4, 2025, for NQC. Further information is available [here](#).

2026 Import Capability Assignment. CAISO has posted the CAISO Maximum Resource Adequacy Import Capability for Year 2026 document, as a first step to the 2026 import capability assignment process. Further information is available [here](#).

2025 Intra-Cluster Reliability Network Upgrade Prioritization. CAISO has posted its 2025 Intra-Cluster Reliability Network Upgrade Prioritization Study Plan and Methodology document, and a list of Interconnection Customer projects with qualifying Reliability Network Upgrades where available capacity to interconnect earlier may exist. Eligible interconnection customers will receive an email with application instructions. Further information is available [here](#).

Governance Changes from Pathways Step 1. CAISO has posted revised governance documents that implement the Step 1 recommendation of the West-Wide Governance Pathways Committee. These changes, which were approved November 7, 2024, became effective after Public Service Company of New Mexico executed an EDAM implementation agreement. Further information is available [here](#).

Greenhouse Gas Coordination Working Group. CAISO will host a Greenhouse Gas Coordination working group meeting on Monday, July 21 to review the Draft Final Proposal for the Accounting and Reporting approach. Further information is available [here](#).

Western Energy Markets (WEM) Governing Body, Joint, ISO Board of Governors, and Committee Meetings. CAISO has posted the draft agendas for the WEM Governing Body, Joint, ISO Board of Governors, Audit Committee and Department of Market Monitoring Oversight Committee meeting. An updated 2025-2026 governance meetings schedule has also been posted. Further information is available [here](#).

Transmission Development Forum. CAISO, in conjunction with the CPUC and participating transmission owners, will hold its biannual stakeholder call on July 30, 2025, to provide status updates on the transmission planning process and network upgrades identified in the generation interconnection process. Written comments on the stakeholder call discussion are due August 13, 2025. Further information is available [here](#).

CALIFORNIA ENERGY COMMISSION (CEC)

2025 Integrated Energy Policy Report (IEPR)

The CEC has released the 2025 IEPR [workshop schedule](#) and opened a new proceeding

number ([25-IEPR-01](#)) for the 2025 IEPR. Workshop topics and dates included in the notice are below (note: the workshop schedule is subject to change and the current schedule was released on July 2, 2025). Upcoming workshops and recent changes to the workshop schedule are reflected below:

- July 29, 2025: [IEPR Commissioner Workshop on Firm Zero-Carbon Resources and Hydrogen](#) (remote and in-person at the California Natural Resources Agency Headquarters, 715 P Street, Sacramento, CA 95814) – *note new time: 9:30 am-5:00 pm*
- August 6, 2025: IEPR Commissioner Workshop on Energy Demand Forecast Inputs & Assumptions (remote access only)
- August 11, 2025: [IEPR Commissioner Workshop on Accelerating Interconnection and Energization](#) (remote access only) – *rescheduled from July 14, 2025; note new time: 1:00 pm-5:00 pm*
- August 26, 2025: IEPR Commissioner Workshop on Energy Demand Forecast Load Modifier Scenario Design (remote access only)
- November 13, 2025: IEPR Commissioner Workshop on Load Modifier Results (remote access only)
- December 11, 2025: IEPR Commissioner Workshop on Forecast (remote access only) – *rescheduled from December 2, 2025*

AB 3 California Offshore Wind Advancement Act

On June 18, 2025, CEC staff hosted a remote access [workshop](#) to present CEC staff's proposed scope and strategy for developing the reports required by AB 3, and to receive public comment on staff's proposals. Staff's [Scoping Document](#) and [Literature Assessment](#), as well as all related workshop items, can be accessed [here](#). Under AB 3, the CEC is required to prepare and submit reports to the Governor and Legislature after consulting with various state agencies as follows:

- Report 1 is a second-phase plan for seaport readiness due by December 31, 2026 (Public Resources Code (PRC) section 25991.8).
- Report 2 is a feasibility study of achieving 50% and 65% in-state assembly and manufacturing of offshore wind energy projects due by December 31, 2027 (PRC section 25991.9).

The CEC issued a 30-day [extension](#) to the original July 18, 2025 comment deadline. Written comments on the Scoping Document and the general workshop topics are now due to [Docket No. 25-AB-03](#) by 5:00 pm on August 18, 2025. Instructions for submitting written comments are also available [here](#).

Electric Program Investment Charge (EPIC)

On May 7, 2025, the CEC circulated a “Save the Date” for the 2025 EPIC Symposium. The symposium will be held on October 7, 2025, at the California Natural Resources Agency in Sacramento. Registration and event details are forthcoming.

Demand Analysis Working Group (DAWG) on Data Center Planning

The CEC will host a [meeting](#) on July 16, 2025, from 1:00 pm to 5:00 pm, to discuss its Demand Forecast updates for economic and demographic inputs and methodology for forecasting data centers. This meeting will be hybrid with options to attend either in person or by webinar. Key topics of discussion during the meeting will include (1) updated economic and demographic projections, (2) forecasting data centers, (3) a recap of 2024 IEPR data center forecasts and challenges, (4) CAISO overview of integrating data center forecasts into transmission planning, and (5) presentations from several utilities regarding queues and timelines, mid- and long-term methodology scenarios, and planning approaches at the transmission, distribution, and system levels, in addition to an opportunity for stakeholder comments and feedback.

An agenda and meeting materials will be posted [here](#) in advance of the meeting.

Hydrogen Refueling Infrastructure

On July 1, 2025, the CEC issued a “Notice of Pause” regarding its grant funding program for Medium- and Heavy-Duty Zero Emission Vehicle Port Infrastructure, a solicitation that had opened in March 2025. The notice states that the CEC has paused the solicitation and will not accept applications until the CEC completes updates and refinements to the requirements for the solicitation. Additional information is available [here](#).

On June 30, the CEC released the *Joint Agency Staff Report on Assembly Bill 126: 2024 Annual Assessment of the Hydrogen Refueling Network in California* pursuant to AB 126 (Reyes, Chapter 319, Statutes of 2023), which required the CEC and California Air Resources Board to jointly review and report on progress toward establishing hydrogen fueling infrastructure throughout the state. The report discusses existing station capacity, including closed and/or offline stations.

As of November 4, 2024, 42 hydrogen fueling stations were open to the public, and 20 additional stations had been offline for more than 30 days, many for more than a year, for various reasons. These 20 offline stations are expected to reopen in the future, and three new stations have opened since the last AB 126 report. The CEC’s Clean Transportation Program has allocated nearly \$234 million to public hydrogen infrastructure, primarily for light-duty vehicles, though this allocation reflects Shell’s cancelled agreement for 50 stations and one declined award from Phillips 66. Through CEC’s funding and private investments, California is expected to have 129 hydrogen refueling stations by 2030, with at least eight stations capable of fueling medium- and heavy-duty vehicles. As of November 4, 2024, grant recipients have contributed nearly \$100 million in match funding and will contribute another \$59 million by the end term (in 2026) of the CEC grant agreements funded under GFO-19-602. These contributions will bring

the total public and private investment in hydrogen refueling stations under the Clean Transportation Program to nearly \$420 million.

The report is available [here](#).

Electric Vehicle (EV) Charger Reliability

On June 27, 2025, the CEC issued a notice of proposed rulemaking to establish regulations for EV charger recordkeeping and reporting, reliability, and data sharing. These regulations would apply to EV charging ports installed in California, for purposes of tracking the reliability of publicly or ratepayer funded fast-charging ports and to set a 97% uptime standard. The proposed express terms are available [here](#) and a CEC staff report on the proposed regulations is available [here](#).

The CEC will host a public hearing on the proposed regulations on Wednesday, August 13, 2025 at 10:00 am. The public hearing can be attended either in person (715 P Street, Sacramento, CA 95814) or remotely via Zoom. Additional information and attendance instructions are available [here](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for August 13, 2025.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Update on Climate-Related Disclosure Laws

CARB released a [guidance document](#) last week with responses to frequently asked questions (FAQs) related to the development of California's Corporate Greenhouse Gas Reporting Program, established by Senate Bill (SB) 253, and the Climate-Related Financial Risk Disclosure Program, authorized by SB 261. The FAQ document also provides additional guidance from CARB to covered entities and the public about reporting emissions and climate-related financial risk.

Meetings and Workshops

On July 17, 2025, CARB is hosting a public meeting for the Assembly Bill 32 Environmental Justice Advisory Committee (EJAC). EJAC was created under AB 32 (Chapter 488, Statutes of 2006), the California Global Warming Solutions Act of 2006, to help advise CARB in developing the Climate Change Scoping Plan and on pertinent issues related to AB 32. The California Global Warming Solutions Act of 2006 calls for CARB to convene the EJAC, advise CARB in developing the Scoping Plan, and review any other pertinent matter in implementing AB 32.

On July 18, 2025, CARB will hold a community meeting to discuss ongoing concerns related to landfill odors and air emissions, and discuss potential changes to the California

Landfill Methane Regulation. CARB staff will provide an overview of the current Landfill Methane Regulation, share information about potential updates under consideration, and listen to community feedback to inform future regulatory and program development. Further information is available [here](#).

CARB and other state regulatory agencies will hold a series of dialogue sessions meant to generate public discussion around proposed measures to support increased zero emission vehicle adoption in California. Governor Gavin Newsom signed an [executive order](#) on June 12, 2025, which directed CARB, the CEC, the Governor's Office of Business and Economic Development, the California State Transportation Agency, and the Department of Consumer Affairs to assess additional actions to spur light-, medium-, and heavy-duty zero emission vehicle adoption in California, and to deliver formal recommendations for additional actions to the governor in August. The agencies are planning to host three in-person sessions during business hours and one evening session online:

Fresno:

July 21, 1:00-5:00 pm
San Joaquin Valley AQPSD
1990 E. Gettysburg Ave.

Sacramento:

July 23, 9:00 am -1:00 pm
CalEPA Headquarters
1001 I Street (10th & I)

Long Beach:

July 31, 1:00-5:00 pm
Civic Center Chambers
411 W. Ocean Blvd.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

FERC will hold its July Open Meeting on July 24, 2025 from 10:00 to 11:00 am ET. The agenda and webcast link will be available the week of the Commission Meeting.

On June 30, in [191 FERC ¶ 61,237](#), FERC issued a Final Rule to remove references to the Council on Environmental Quality's (CEQ) rescinded regulations from FERC's part 380 Regulations Implementing the National Environmental Policy Act (NEPA) and part 385 Rules of Practice and Procedure. FERC states that this effort was directed by President Trump's Unleashing American Energy, Executive Order (E.O.) 14154 issued on January 20, 2025, which calls for unleashing American energy dominance through efficient permitting. In response to E.O. 14154, the CEQ rescinded its NEPA implementing regulations. FERC's revisions remove all references to the now inoperative CEQ regulations. The Final Rule finds that under 5 U.S.C. § 553(b)(B), notice-and-comment rulemaking procedures are not required because it merely clarifies and corrects FERC's NEPA procedures by removing references to

CEQ's rescinded regulations. The Final Rule becomes effective 45 days after publication in the Federal Register.

In connection with the Final Rule, FERC also released a [Staff Guidance Manual on Implementation of the National Environmental Policy Act](#). The FERC staff manual provides details on how staff will assess what actions are subject to NEPA's procedural requirements and the requisite level of NEPA review; ensure that relevant environmental information is identified and considered early in the process to support informed decision making; conduct coordinated, consistent, predictable, and timely environmental reviews, and reduce unnecessary burdens and delays; and implement NEPA's mandates regarding lead and cooperating agency roles, time limits, and applicant preparations of environmental documents.