

REGULATORY UPDATE FOR JULY 8, 2026
(July 1, 2026 – July 7, 2026)

I. STATE REGULATORY AGENCIES

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

Resolution (Res.) E-5463. This Resolution approves, with modifications, San Diego Gas & Electric Company's (SDG&E), Pacific Gas & Electric Company's (PG&E), and Southern California Edison Company's (SCE) proposal to establish an annual cadence for submitting Low Carbon Fuel Standard (LCFS) program proposals to the Commission and aligning the Commission's LCFS directives with the most recent California Air Resources Board regulation amendments and subsequent guidance documents.

Voting Meeting

The CPUC held a voting meeting in Fort Bragg, California, on July 2, 2026, at 11 a.m. PT. The energy-related items results are below:

Item 4. Resolution (Res.) E-5461. This Resolution approves PacifiCorp's Advice Letter 771-E, which requests authorization under Public Utilities Code Section 851 and General Order 173 to partially decommission and sell certain assets of the Fall Creek Hydroelectric Development to the City of Yreka. **Held to August 13, 2026.**

Item 7. Application (A.) 26-02-007 (In the Matter of the Application of Southwest Gas Corporation). Pursuant to Public Utilities Code Sections 701.5 and 817 and the Commission's Rules of Practice and Procedure 2.1 and 3.5, this decision grants Southwest Gas Corporation (Southwest Gas) authority to issue up to \$1,150,000,000 of new debt. This decision also authorizes Southwest Gas to refinance previously issued short-term debt securities, to refinance previously authorized securities under the Evergreening Authority Guidelines, and to enter into interest rate risk management contracts. **Signed, Decision (D.) 26-07-004.**

Item 9. Application (A.)24-08-004 (Application of Pacific Gas and Electric Company for a Limited Capital Structure Adjustment). In this Application, PG&E requests permission to deviate from its authorized capital rate structure, governed by Affiliate Transaction Rule IX B. Specifically, PG&E seeks to exclude \$2.6 billion in expenses related to the Dixie Fire (\$277

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.

million at the time of filing), the Kincade Fire (approximately \$1.2 billion at time of filing), and the Department of Water Resources loan (approximately \$1.4 billion) when calculating its debt-to-equity ratio. The decision denies PG&E's requested relief and finds that (1) the request does not qualify for an Affiliate Transaction Rule waiver, and (2) it would not be in the public interest to grant a deviation from PG&E's recently adopted capital rate structure. **Held to July 16, 2026.**

Item 14. Resolution (Res.) TL-19156. This Resolution approves the Center for Sustainable Energy's (CSE) AL 1 and 1A submission of the initial Implementation Plan and Handbook for the Drivers Assistance Program (DAP) per the Clean Miles Standard (CMS) D. 24-03-001. This Resolution establishes the initial CMS incentive amounts, eligibility requirements, driver application process, procedures for tracking and verifying eligibility and disbursing incentives to drivers, program budget and implementation timeline, and reporting requirements and formats for CSE, the Program Administrator of the DAP. **Approved.**

Item 15. Rulemaking (R.) 25-10-003 (Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations). This decision adopts Local Capacity Requirements for 2027-2029, Flexible Capacity Requirements for 2027, and program refinements to the Resource Adequacy (RA) program scoped for Track 1. The refinements include adopting an Unforced Capacity framework for implementation in the 2028 RA year, clarifying requirements for bidding and revenue allocation for Residual Unit Commitment and Imbalance Reserve products in the California Independent System Operator market, clarifying the definition of "load migration" to account for changes to community choice aggregators' implementation plans, and modifying the RA penalty structure to account for deficiencies in charging sufficiency. The refinements also include various modifications to the qualifying capacity (QC) counting methodologies, including modifications to QC counting rules for storage resources to account for nonlinearity, modifications to the charging sufficiency rules to allow excess energy produced by a co-located energy only resource to count towards charging sufficiency requirements up to the Point of Interconnection limit, charging sufficiency requirements for long-duration energy storage resources, and modifications to QC counting for demand response resources on an interim basis to address misalignment issues. **Signed, D.25-07-008.**

Item 17. Resolution (Res.) E-5456. This Resolution approves SCE's request to create an option within its Capacity Bidding Program Elect (CBP-E) tariff to allow any customer, bundled or unbundled, to directly enroll in the CBP-E program. Accordingly, SCE would act as the aggregator for the directly enrolled customers. **Approved.**

Item 18. Resolution (Res.) E-5451. This Resolution approves, with modifications, PG&E AL 7738-E, regarding modifications to its Base Interruptible Program (BIP). The following proposed changes are approved:

- Allow a streamlined online enrollment process for making updates to customers enrollments in BIP through an aggregator, as an alternative to the current PDF Add/Delete Form.

- Update the BIP Aggregator Agreement Form to remove references to facsimile communications.

The following proposed change is denied:

- Increase summer BIP incentive levels (May through October) by 10%.

Approved.

Item 19. Resolution (Res.) E-5444. This Resolution rejects SDG&E's AL 4569-E. In this AL, SDG&E requested approval to create a Capacity Bidding Program for residential customers and to transfer money between demand response budget categories to fund the new program. **Approved.**

Item 20. Resolution (Res.) E-5450. This Resolution approves, with modifications, PG&E's AL 7748-E. In this advice letter, PG&E requested six distinct changes to its Automated Response Technology (ART) Program. Requests to increase capacity incentives and to remove zeroing out of negative performance are denied. Requests to remove the optionality of Day of Adjustments, increase the Performance Evaluation timeline to 30 days, make tariff changes to comply with the tariff of the CAISO, and make clarifying and formatting changes to the ART tariff are approved. **Approved.**

Item 21. Resolution (Res.) E-5453. PG&E and SCE jointly submitted Tier 2 PG&E AL 7742-E et al. (the Joint AL) on October 28, 2025 (PG&E AL 7742-E and SCE AL 5658-E), and Tier 3 PG&E AL 7742-E-A et al. (Supplemental Joint AL) on March 31, 2026 (PG&E AL 7742-E-A and SCE AL 5658-E-A), proposing modifications to the Automated Demand Response Technology Incentive Program. The Supplemental Joint AL replaces the original Joint AL in its entirety. **Approved.**

Item 25. Application (A.) 25-02-012 (Application [of] SDG&E to Recover Costs Recorded in the Transmission Integrity Management Program Balancing Account from January 1, 2019 to December 31, 2023). This decision grants the Joint Motion by the Public Advocates Office at the Commission and SDG&E for adoption of a settlement agreement. The decision grants SDG&E \$6,985,215 in recovered costs. **Signed, D.26-07-010.**

Item 26. Application (A.) 24-11-005 (Application of PG&E for a Permit to Construct the Moraga-Oakland X 115 kV Rebuild Project Pursuant to General Order 131-D). This decision grants PG&E a permit to construct the Moraga-Oakland X 115 kV Rebuild Project; makes California Environmental Quality Act (CEQA) Findings and Statements of Overriding Consideration for the project; adopts mitigation measures required to be implemented for the project identified in the Mitigation Monitoring and Reporting Plan; and certifies the Final Environmental Impact Report (FEIR) prepared for the project pursuant to CEQA. As the lead agency for environmental review of the Project, the decision finds that the FEIR prepared for this project meets the requirements of CEQA. The total estimated cost of this project is \$276.8 million. **Signed, D.26-07-011.**

Item 47. Rulemaking (R.) 24-09-012 (Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning). This decision establishes the process for gas corporations to submit applications for neighborhood decarbonization pilot projects to the Commission. Senate Bill (SB) 1221 requires the Commission to establish a voluntary pilot program to facilitate the cost-effective decarbonization of priority decarbonization zones, not to exceed 30 pilot projects across the state. Each pilot project must demonstrate cost effectiveness by showing that the avoided costs of gas infrastructure investment would be greater than the costs of implementing the zero-emission alternative. This decision allocates those 30 projects among PG&E, SDG&E, Southern California Gas Company, Southwest Gas, and the smaller Commission-regulated gas corporations primarily in proportion to their share of gas demand. The decision sets three deadlines (December 15, 2026; December 15, 2027; and June 1, 2028) by which interested gas corporations may submit applications containing their proposals. The decision describes the information and high-level plans an application must contain in order for the application to comply with the requirements and goals set forth by SB 1221. The decision requires applications to put forward a proposal of whether to expense or amortize the costs incurred to conduct behind-the-meter work (e.g., appliance purchase and installation) and sets a framework for a shareholder incentive structure that would incentivize gas corporations to maximize cost savings for ratepayers. **Signed, D.26-07-030.**

CALIFORNIA ENERGY COMMISSION (CEC)

2026 Integrated Energy Policy Report (IEPR) Update

The CEC has set the following preliminary schedule for the 2026 IEPR. The schedule is available on the 2026 IEPR Update [page](#).

Task/Event	Date
• Final <i>2026 IEPR Update Scoping Order</i> released	April 2026
• Adopt order instituting informational proceeding	May 2026
• Public workshops on specific topics	May–December 2026
• Release draft <i>2026 IEPR Update</i>	October 2026
• Release proposed <i>2026 IEPR Update</i>	January 2027
• Adopt <i>2026 IEPR Forecast</i>	January 2027
• Adopt <i>2026 IEPR Update</i>	February 2027

The CEC’s 2026 IEPR Update [workshop schedule](#) (which remains subject to change) is set forth below. According to the workshop schedule, all workshops will be held via Zoom and the remaining workshops through December 2026 will run as follows:

July 9, 2026: [Commissioner Workshop on Geothermal Energy \(Part 2\)](#), 10 a.m.–5 p.m. PT.

August 20, 2026: Commissioner Workshop on Forecast Inputs and Assumptions, 1 p.m.–5 p.m. PT.

August 31, 2026: Commissioner Workshop on Load Modifier Inputs and Assumptions, 9 a.m.–4:30 p.m. PT.

November 12, 2026: Commissioner Workshop on Load Modifier Draft Results, 10 a.m.–5 p.m. PT.

December 14, 2026: Commissioner Workshop on Overall Forecast Results, 10 a.m.–5 p.m. PT.

For the two-day [Workshop on Geothermal Energy](#) held on June 19, 2026, and July 9, 2026, written comments are due to [Docket No. 26-IEPR-04](#) by 5 p.m. PT on July 23, 2026.

For the June 30, 2026 Commissioner Workshop held on [Energy Equity & Environmental Justice](#), written comments are due to the Docket Unit by 5 p.m. PT on July 14, 2026.

2025 Final IEPR

The CEC will consider approval of the [2025 Final IEPR](#) at the July 8, 2026 CEC Business Meeting. According to the [Notice of Availability](#), written comments are due to the Docket Unit by 5 p.m. PT on July 7, 2026.

Distributed Electricity Backup Assets (DEBA) Resource Planning and Reliability

The CEC is seeking public comments on the proposed draft solicitation for the Proposition 4 DEBA Grant Program docketed today. The draft solicitation is available at [Docket No. 22-RENEW-01](#). The proposed solicitation is focused on supporting the deployment of new Distributed Energy Resources (DER) that can improve the reliability of California's electrical grid during extreme events. The CEC hosted a virtual public workshop to discuss the proposed draft solicitation on June 23, 2026. Workshop information is available [here](#). Written comments are due on July 15, 2026.

DER Workshop

The CEC will host a workshop on July 15, 2026, 9 a.m.–5 p.m. PT, to provide an update on activities conducted under the Order Instituting Informational Proceeding on DERs in California's Energy Future. This workshop will primarily focus on CEC's use of advanced metering infrastructure data for DER planning, including demand flexibility, as well as the opportunities and challenges for front-of-the-meter DER in California. The workshop will be remote only, and access details are available [here](#).

Transportation Electrification

Electric School Bus Grant Funding. On April 6, 2026, the CEC released the [Reliable Electric Charging for Eligible School-bus Sites \(RECESS\)](#) grant solicitation, which makes up to \$22 million available for projects that will install charging infrastructure to support electric school buses. RECESS provides funding for projects that install new charging ports and/or replace eligible existing charging ports at an applicant's bus yard or depot. Complete project

requirements are provided in Section II.B. of the solicitation manual. Eligible applicants are encouraged to apply before August 31, 2026; applications may be submitted through the [Energy Commission Agreement Management System](#).

Land Use and Environmental Information for Energy Planning

CEC staff held a [virtual workshop](#) on June 11, 2026, to discuss updates to the CEC's Land Use Screens for Electric System Planning. According to the workshop [notice](#), "[l]and-use screens are map-based footprints delineating important environmental and physical characteristics of the land [and] are assembled from an integration of raw data into modeled results at the statewide scale." Land-use screens "can show access limitations or competing land-use priorities." According to the notice, written comments are due to Docket No. 26-LUEP-01 by 5 p.m. PT on July 13, 2026.

Electric Program Investment Charge (EPIC)

The CEC will host its annual EPIC Symposium on September 29, 2026, at the California Natural Resources Agency building at 715 P Street in Sacramento, California. More details will be provided when made available by the CEC.

CEC Business Meetings

The next CEC business meeting is scheduled for July 8, 2026. An agenda and supporting materials are available [here](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

California, Québec, and Washington Agree to Link Carbon Markets

On June 25, 2026, California and Québec [signed](#) an agreement with Washington State to link Washington's Cap-and-Invest program with the existing California-Québec carbon market. Before linkage can occur, California must still provide notice to the governor, conduct certain analyses, and obtain required findings, including considering the advice of the Attorney General. If completed, the linkage would create a larger, integrated carbon market spanning three jurisdictions and further expand one of North America's largest emissions trading systems.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

At the Commission's July 9, 2026, weekly agenda meeting, the MPUC will consider (1) the annual compliance filings of several small natural gas utilities for exemption to provide certain natural gas service without MPUC rate regulation (Docket No. G999/PR-25-15), (2) action to take on the scope of the Environmental Report for the PowerOn Midwest 765 kV and 345 kV High Voltage Transmission Line Project (Docket No. E002/ ET2, ET6675/CN-25-117), and (3) adoption of the Administration Law Judge's Report regarding the Lake Charlotte 150 MW Solar Facility and 150 MW/600MWh Lake Charlotte Battery Energy Storage System,

including issuance of the associated site permits (Docket Nos. IP7159/ESS-25-205; IP7159/ESS-25-206).

PACIFIC NORTHWEST (OPUC, WUTC, BPA)

Oregon Public Utility Commission (OPUC)

On July 7, 2026, the OPUC held a regular public meeting to consider: (1) its rulemaking on PURPA Standard Avoided Cost Rates, the Price Adjustment Mechanism, and House Bill 3863 Implementation (requiring the OPUC to establish a cap at no less than 10 MWs for standard terms and conditions for buying power from a qualifying facility) (Docket No. AR 684), (2) the proposed merger of several smaller water companies into Sunstone Water LLC (Docket No. UP 439), (3) Portland General Electric's updated rate schedules in response to Order No. 26-154 regarding large load costs and rates (Docket No. UM 2377), and (4) PacifiCorp's informational 2026 Distribution System Planning Report (Docket No. UM 2440). The full agenda is [here](#).

Bonneville Power Administration (BPA)

On July 8, 2026, BPA will host a workshop to develop and review the Provider of Choice Support Service contract provisions for the application of non-federal resources. More information is available [here](#).

II. U.S. DEPARTMENT OF ENERGY (DOE)

Coal Plant Emergency Order

On June 26, 2026, DOE [issued](#) a new emergency order directing the owners of Craig Station, a coal plant unit in Colorado that had been scheduled to retire, to remain available for operation through September 26, 2026. The order represents another 90-day extension for the facility, even as litigation challenging DOE's prior Craig Station orders remains pending before the D.C. Circuit.

III. FEDERAL ENERGY REGULATORY COMMISSION (FERC)

Supreme Court Eliminates Independent Agency Commissioner Removal Protection

In a 6-3 vote, the U.S. Supreme Court in [Trump v. Slaughter](#) overturned *Humphrey's Executor* to hold that for-cause removal protections for commissioners of independent agencies violated separation-of-powers principles and that therefore the President must be allowed in most cases to remove independent agency commissioners. In her dissent, Justice Sotomayor noted that FERC was one of dozens of independent agencies that "are now likely to become purely executive agencies."

June 2026 Commission Meeting

FERC held its June 2026 Commission Meeting on June 18, 2026. FERC issued the following orders and actions:

- FERC [issued](#) six show-cause orders under the Federal Power Act section 206 to each of the six Regional Transmission Organizations (RTOs)/Independent System Operators (ISOs). The orders follow DOE's advance notice of proposed rulemaking issued earlier this year that requested FERC to expedite the integration of large load onto the grid. Each RTO/ISO must either justify why its tariff is just and reasonable in the absence of large-load provisions or propose updates to their tariffs. The order directs the RTOs/ISOs to (1) address efficient transmission service and study processes, including alternative transmission technologies; (2) prevent cost-shifting; (3) accommodate co-location arrangement and behind-the-meter generation; (4) provide new transmission service for flexible large loads; and (5) develop a process to study generating facilities serving electrically proximate large loads and co-located loads.
- FERC [affirmed](#) its prior finding that PJM Interconnection, LLC's (PJM) tariff is unjust and unreasonable due to a lack of clear rules governing co-located load and behind-the-meter generation, while partially granting a request for rehearing to refine the framework and expand its application. FERC requires PJM to clarify interconnection obligations, assign cost responsibility to interconnection customers, and establish three transmission service categories (NITS/Interim NITS, firm contract demand, and non-firm contract demand) to align charges with transmission system reliance. FERC also affirmed that existing behind-the-meter generation netting rules are no longer just and reasonable due to cost-shifting and reliability risks, directing revisions including a 50 MW materiality threshold (applied to load, not generation), a transition period, and limited exemptions (e.g., certain cogeneration Qualifying Facilities).
- FERC [accepted](#) with conditions Midcontinent Independent System Operator, Inc. (MISO) tariff revisions concerning the accreditation and participation of emergency demand-side and fast-response resources. The order allows MISO to split load-modifying resources into those that can deploy within a 30-minute window and those that can reduce demand within six hours when called for capacity accreditation purposes.
- FERC stated that conducting a cumulative effects analysis as a separate part of its environmental analysis exceeds what the National Environmental Policy Act (NEPA) requires, noting in its [order](#) that NEPA does not require such an analysis and therefore FERC would not be conducting separate cumulative impact analyses in environmental reviews going forward.

PJM Governance and Stakeholder Reforms Technical Conference

FERC issued a [second supplemental notice](#) for its upcoming technical conference on July 23, 2026, 9 a.m.–4 p.m. ET, which will examine PJM’s governance and stakeholder processes, with a focus on identifying actionable reforms to improve the RTO’s ability to address system needs efficiently and in a timely manner. The conference will be open to the public and will not address specific proceedings but rather focus on identifying reforms to improve PJM’s ability to address system needs in a timely and efficient manner. The technical conference will be in person at FERC and will be webcast. Advanced registration is not required. An agenda for the conference may be found [here](#).

Grid-Enhancing Technologies and Load Forecasting Technical Conference

FERC issued a [supplemental notice](#) of a technical conference on July 7 and 8, 2026, to discuss grid-enhancing technologies, load forecasting, and opportunities for increasing market and planning efficiency through improved software. The technical conference will be open to the public. An agenda for the conference may be found [here](#).

IV. INDEPENDENT SYSTEM OPERATORS (ISO) AND REGIONAL TRANSMISSION ORGANIZATIONS (RTO)

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

2026-2027 Adjustment of the Emergency Interconnection Network Upgrade Maximum Posted. The CAISO has posted the 2026-2027 adjustment to the Emergency Interconnection Network Upgrade Maximum, including the annual inflation factor. The CAISO and participating transmission owners may implement an emergency interconnection study process based on strict criteria in the CAISO tariff. The adjustment can be found [here](#).

Transmission Development Forum Call. The CAISO, the CPUC, and participating transmission owners will hold the biannual stakeholder call on July 29, 2026, to provide status updates on transmission projects approved in the transmission planning process and network upgrades identified in the generation interconnection process. Meeting information can be found [here](#).

Demand and Distributed Energy Market Integration Meeting. The CAISO will host a hybrid stakeholder meeting for the Demand and Distributed Energy Market Integration (DDEMI) initiative on July 9, 2026, from 9 a.m. to 12 pm. The focus of the meeting will be the Track 1 DDEMI Draft Final Proposal, which introduces targeted metering reforms to better capture behind-the-meter demand response by recognizing customer-level exports within a resource-level load curtailment network. Meeting registration details can be found [here](#).

2026-2027 Transmission Planning Process Study Plan Posted. The CAISO has posted the 2026-2027 Transmission Planning Process Study Plan, which can be found [here](#).

2026 CAISO Stakeholder Symposium. The 2026 CAISO Stakeholder Symposium will take place on October 6, 2026, at the SAFE Credit Union Convention Center in Sacramento, California. Registration is now open, and details can be found [here](#). The Welcome Reception is scheduled for October 5, 2025.

ISO NEW ENGLAND (ISO-NE)

Request for Abeyance on Show-Cause Order

ISO-NE and the region's transmission owners [announced](#) their intent to request a 90-day abeyance in FERC's new large-load show-cause proceeding on ISO-NE's tariff reforms related to data centers and other large or co-located loads. ISO-NE notes that the abeyance would allow for a stakeholder process ahead of the November 16, 2026 deadline for the ISO and regional transmission owners to file changes.