

**REGULATORY UPDATE FOR JUNE 24, 2025
(WEEK OF JUNE 16, 2025)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

Resolution (Res) G-3610 (Southern California Gas Company’s request for recovery of the Distribution Integrity Management Program Balancing Account balance for September 1, 2019, to January 1, 2023). This Resolution approves Southern California Gas Company’s (SoCalGas) Advice Letter (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. The DIMPBA amount will be amortized via the allocation methodology described in the decision from the most recent Triennial Cost Allocation Proceeding.

Res E-5386 (Shell Energy North America (US), L.P. (Shell Energy)’s Request to Waive Procurement Obligations Related to its January, February, March 2020 Month Ahead Local Resource Adequacy Deficiencies). This Resolution reverses Energy Division’s Disposition to deny Shell Energy’s requests and grants local waivers for Shell Energy’s January, February, and March 2020 month-ahead Resource Adequacy (RA) requirements.

Res E-5403 (Pacific Gas and Electric Company’s Amendment to Contract with Energy Vault, Inc. to Develop a Clean Substation Microgrid Project). This Resolution grants Pacific Gas and Electric Company’s (PG&E) approval of an amendment to its procurement contract with Energy Vault, Inc. (Energy Vault) for the development of the Calistoga Clean Substation Microgrid pilot project. Specifically, the Resolution extends the initial delivery date for the Calistoga Clean Substation Microgrid project to June 1, 2025, and the guaranteed initial delivery date to September 1, 2025, makes clarifying changes to the contract language to reflect the development of the project, and clarifies in the contract that Energy Vault can operate the infrastructure during normal grid conditions when that does not interfere with their obligations to provide resiliency.

Application (A.) 23-05-012 (PG&E Electric Revenue Requirements and Rates Associated with its 2024 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges Forecast and Greenhouse Gas Forecast Revenue Return and Reconciliation Application). 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, San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) (the large electric

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.

utilities). The definition adopted in this proceeding will be used when evaluating each large electric utility's annual ERRA applications after the issuance of this decision.

A.24-11-007 (PG&E Application for Approval of Electric Rule No. 30 for Transmission-Level Retail Electric Service). This decision partly grants PG&E's January 24, 2025 motion for interim implementation of Electric Rule 30 (Motion). The Motion is filed as part of A.24-11-007 for an Electric Rule 30 tariff for large transmission-level customers (50-230 kilovolts) seeking retail service. This decision specifically addresses the interim relief sought by PG&E in its Motion for interim implementation while the Commission deliberates on the issues scoped in this proceeding. This decision allows for interim implementation for transmission-level customers who provide advance or actual cost payments and voluntarily prefund up to 100 percent 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, 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.

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's 2024 Natural Gas Leak Abatement (NGLA) Compliance Plan and the ratemaking forecasts as presented in AL 6277-G-B. SoCalGas requested a forecasted Total Revenue Requirement of \$483.12 million in AL 6277-G-B: \$385.549 million for Best Practices; \$14.526 million for Research, Development, and Demonstration (RD&D) projects; \$4.245 million for Program Administration; and \$78.8 million for under-recovered ongoing capital revenue requirement. This Resolution approves \$102 million for one Best Practice, 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 for potential recovery in a future general rate case or other proceeding, where it will be subject to a reasonableness review. The Resolution approves \$78.8 million for ongoing capital undercollections from previously approved compliance plans.

Rulemaking (R.) 24-09-012 (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 permits each gas utility subject to the Assigned Commissioner's Ruling Issuing Senate Bill (SB) 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 this proceeding, but may be addressed in each utility's next general rate case.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, CA on June 26, 2025 at 11:00 am PT. The following are energy related items on the [agenda](#):

Item 4. A.22-07-015 et al. (Crimson California Pipeline and San Pablo Bay Pipeline Rates). This decision authorizes Crimson California Pipeline, L.P. (Crimson) to increase the rate charged for the intrastate transportation of crude oil on its KLM pipeline to \$1.9566 per barrel transported effective September 1, 2022. The decision authorizes the retroactive charge and collection of the difference between the rates billed by Crimson and the approved rate beginning March 3, 2023. This decision also authorizes San Pablo Bay Pipeline Company LLC (SPBP) to increase the rates charged for the intrastate transportation of crude oil on its pipeline system to \$1.9566 per barrel transported effective March 1, 2023. The decision further authorizes the retroactive charge and collection of the difference between the rates billed by SPBP and the approved rate beginning March 1, 2023.

Item 5. 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 (CARB) 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 2026 PacifiCorp Energy Cost Adjustment Clause Application.

Item 9. A.23-11-003 (SoCalGas Cost Recovery for Catastrophic Events and COVID-19 Protections). This decision authorizes partial recovery of costs recorded in SoCalGas's 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 14. R.22-07-005 (Rulemaking to Advance Demand Flexibility Through Electric Rates). This decision corrects two errors in Decision (D.) 25-01-039 related to tracking revenues for income-graduated fixed charges (IGFCs). D.25-01-039 corrected terms related to delivery rates that apply to IGFCs adopted in D.24-05-028. Shortly after D.25-01-039 was issued, Commission staff identified errors in Ordering Paragraph 1 and Ordering Paragraph 3, which modified how the electric utilities should track IGFC revenues. This decision confirms that the IGFC balancing accounts remain the appropriate mechanism for the electric utilities to use to track revenue adjustments associated with the IGFC.

Item 17. Res E-5392 (Annual Administrative Update to Fixed Avoided-Cost Rates for the Renewable Market Adjusting Tariff Program). This Resolution adopts updated contract prices by Product Category for the feed-in tariff program, known as the Renewable Market Adjusting Tariff (ReMAT), using price data from Renewables Portfolio Standard contracts executed between 2020 and 2024. In addition, it orders PG&E, SCE, and SDG&E to amend their ReMAT tariff to reflect the adopted fixed prices by Product Category. Only the prices for the “As-Available Peaking” category changed for 2025 and the prices for “As-Available Non-Peaking” and “Baseload” remain unchanged. The 2025 “As-Available Peaking” ReMAT price is \$67.99 per MWh and compared to the 2024 “As-Available Peaking” ReMAT price of \$71.94 per MWh.

Item 19. R.23-10-011 (Local Capacity Obligations, Flexible Capacity Obligations, and Refinements of the Resource Adequacy Program). This decision adopts Local Capacity Requirements for 2026-2028, Flexible Capacity Requirements for 2026, and refinements to the RA program. The RA program refinements include adopting an 18% planning reserve margin (PRM), with an extension of the effective PRM procurement target of 1,260-2,300 megawatts (MW) for June-October months, for the 2026 and 2027 RA compliance year, modifying the RA measurement hours to align with the California Independent System Operator’s availability assessment hours, and incorporating the central procurement entity data reporting requirements into the annual RA compliance filing process.

Item 22. R.25-02-005 (Resource Adequacy Market Price Benchmark). This decision implements revisions to the methodology the Commission uses when calculating the RA Market Price Benchmark (MPB) utilized in calculating the Power Charge Indifference Adjustment (PCIA). The Commission is statutorily mandated to ensure that the movement of customers from bundled electric services to unbundled service does not shift costs to customers that remain with the utility or those that depart for Community Choice Aggregator or Direct Access service. The first revision adopts a single RA MPB utilizing the time restriction on transaction data currently applicable to the local RA MPBs. The second revision removes affiliate, swap, and duplicative sleeve transactions from the calculation.

Item 23. A.24-06-005 (SoCalGas Year 30 Gas Cost Incentive Mechanism). This decision approves SoCalGas’s request for a shareholder reward of \$13,865,089 for Year 30 (2023–2024) of the company’s Gas Cost Incentive Mechanism performance. The Public Advocates Office at the CPUC verified that SoCalGas’s recorded gas costs were \$74,269,985 below the benchmark, which results in a reward of \$13,865,089 to SoCalGas’s shareholders and a ratepayer benefit of \$60,404,896.

Item 24. Res E-5381 (PG&E Request for Amendment of Mid-term Reliability Contract Approved in Res E-5202). This Resolution approves an amendment to the contract between PG&E and Corby Energy Storage, LLC, a subsidiary of NextEra Energy Resources Development, LLC, for 125 MW of lithium-ion battery storage. Whereas the delivery date for the previously approved contract was June 1, 2024, the delivery date in the amended contract is August 1, 2027. In addition, this Resolution approves the amended contract's price increase.

Item 26. Res E-5404 (SCE Request for Mid Term Reliability (MTR) Resource Contract and Amendments). This Resolution approves one MTR 100 MW battery energy storage system contract with Westminster Reliability Project, LLC / RWE Clean Energy, LLC, and amendments to two existing MTR geothermal contracts previously executed as part of Phases 2 and 3 of SCE's MTR Request for Offers. The two geothermal contracts are a 62 MW contract with Cape Generating Station 3, LLC / Fervo Energy, LLC and a 336 MW contract with Cape Generating Station 4, LLC / Fervo Energy, LLC.

Item 28. R.25-06-XXX (Order Instituting Rulemaking for Oversight of Electric Integrated Resource Planning and Procurement Processes). This Order Instituting Rulemaking (OIR) will be the new primary venue for the Commission's oversight of the integrated resources planning (IRP) process, which was designed in R.16-02-007 and continued in R.20-05-003. The primary ongoing requirements for the IRP process are contained in Public Utilities Code Sections 454.51 and 454.52, which require the Commission to identify a diverse and balanced portfolio to ensure a reliable electric supply that can integrate renewable energy in a cost-effective manner. In addition to a focus on reliability, this proceeding is also the primary venue for plans to achieve the goals of SB 350 (Stats. 2015, Ch. 547) related to IRP and the environmental goals of SB 100 (Stats. 2018, Ch. 312) for reductions of greenhouse gas emissions from the electricity sector in California. This proceeding will also be, to the extent necessary, the venue for considering the bundled procurement plans and procurement rules applicable to the three large electric investor-owned utilities, including activities associated with Public Utilities Code Section 454.5 and other related issues pursuant to Assembly Bill (AB) 57 (Stats. 2002, Ch. 850, Sec. 3), which returned utilities to full procurement responsibilities. The OIR finds that an update to these procurement policies and processes may be necessary, and, to the extent relevant, activities will be coordinated with the rulemaking associated with the PCIA in R.25-02-005.

Item 30. Res O-0096 (Crimson California Pipeline L.P. Withdrawal of Northern Section of KLM Pipeline from Utility Service). This Resolution O-0096 approves Crimson's request to withdraw from service on the northern section of the KLM pipeline system extending from Kettleman to the Bay Area in California.

Upcoming Events

Integration Capacity Analysis. The CPUC Energy Division staff will host its quarterly Integration Capacity Analysis workshop on June 27, 2025 from 9:00 am to 3:00 pm PT. The workshop will be a hybrid format, and attendance is available both in person in the Auditorium Room at the CPUC and online via Webex. The registration link is available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)**Stakeholder Initiatives: Upcoming Meetings and Deadlines**

Congestion Revenue Rights Modeling and Settlement in the Extended Day-Ahead Market. CAISO has requested comments on the June 12, 2025, stakeholder workshop on Congestion Revenue Rights modeling and settlement in the Extended Day-Ahead Market by July 3, 2025. Further information is available [here](#).

Cluster 15 Intake Scoring Results. CAISO has rescheduled the June 18, 2025, public stakeholder call on the Summary of Cluster 15 Intake Scoring Results to June 26, 2025. Further information is available [here](#).

2024-2025 Transmission Planning Process. CAISO has posted the key selection factors for the two regional transmission solutions that are eligible for competitive solicitation to its website. Further information is available [here](#).

Annual Policy Initiatives. CAISO has published the 2025 Policy Catalog that describes 2025 stakeholder policy initiative proposals and reflects stakeholder support for these proposals. Further information is available [here](#).

Cluster 15 Queue. CAISO announced that the Cluster Study for Cluster 15 has begun, and the Queue Report has been posted. Further information is available [here](#).

Annual Policy Initiatives Roadmap. CAISO has published the Revised 2025 Policy Roadmap, which includes new initiatives and updated timelines for several existing initiatives through the end of 2025. CAISO incorporated stakeholder feedback from a prioritization survey and a Regional Issues Forum report to identify elements of current policy initiatives. Further information is available [here](#).

2025-2026 Transmission Planning Process. CAISO has published the 2025-2026 Transmission Planning Process final study plan to its website, available [here](#).

2024-2025 Transmission Planning Process. CAISO has posted the 2024-2025 Board approved Transmission Plan to its webpage. Further information is available [here](#).

Storage Design and Modeling. CAISO has posted the discussion paper on distribution-level storage and paired resources to its website. CAISO will host a virtual working group meeting for the Storage Design and Modeling initiative on June 30, 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. The current schedule was released on May 28, 2025), and upcoming workshops are reflected below:

- June 25, 2025: [IEPR Commissioner Workshop on Load Flex Goal Analysis Update](#) (remote access only)
- July 14, 2025: IEPR Commissioner Workshop on Interconnection (remote access only)
- July 29, 2025: IEPR Commissioner Workshop on Hydrogen (SB 1075) and Zero Carbon Resource (SB 423)
- August 6, 2025: IEPR Commissioner Workshop on Inputs & Assumptions (remote access only)
- August 26, 2025: IEPR Commissioner Workshop on Load Modifier 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 (rescheduled from December 2, 2025)

Written comments related to the June 6, 2025 workshop may be submitted to [Docket 25-IEPR-03](#) by 5:00 pm PT on June 20, 2025. Instructions for submitting written comments are available in the [workshop notice](#). Comments related to the upcoming June 25, 2025 workshop are due to the Docket Unit (Docket No. 25-IEPR-05) by 5:00 pm PT on July 9, 2025. Additional instructions for submitting written comments are available in the [workshop notice](#).

Assembly Bill 3 California Offshore Wind Advancement Act

On June 18, 2025, CEC staff will host 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 percent and 65 percent 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 PT 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, CA. Registration and event details are forthcoming.

Lithium Valley Vision

The CEC held a workshop on June 13, 2025 to discuss transportation planning and implementation challenges and opportunities to support the development of Lithium Valley. Written comments are due to [Docket 24-OIIP-02](#) by 5:00 pm PT on June 27, 2025. Additional information is available in the [workshop notice](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for July 10, 2025.

CALIFORNIA AIR RESOURCES BOARD (CARB)

Advanced Clean Trucks and Low-NOx Omnibus Waiver Revocation

On June 12, 2025, President Trump signed three resolutions officially revoking EPA waivers granted to CARB for its Advanced Clean Trucks and Low-NOx Omnibus rules. Shortly thereafter, Governor Gavin Newsom signed an executive order further advancing California’s clean vehicle transition and kickstarting development of next-generation policy to spur innovation, updating state vehicle purchasing requirements, and directing the state to develop new actions to accelerate affordable clean vehicle adoption. A group of 11 states had already filed suit challenging a repeal by Congress of California’s 2035 electric vehicle rules and heavy-duty truck requirements.

Low Carbon Fuel Standard Update

On May 16, 2025, CARB resubmitted proposed amendments to the Low Carbon Fuel Standard (LCFS) to the Office of Administrative Law (OAL), as updated to address clarity issues identified by OAL, as well as to follow board direction and, according to CARB, further improve alignment with the objectives of the rulemaking. OAL has up to 30 working days from the resubmittal date to make a determination on the resubmitted LCFS rulemaking package. If OAL approves the rulemaking package and grants CARB’s requested effective date, the updated LCFS regulation would be effective on July 1, 2025.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

At this week’s agenda meeting on June 26, 2025, the MPUC will consider: (1) approval of Otter Tail Power Co.’s petition to true-up its Energy Adjustment Rider (Docket No. E017/AA-23-181), (2) approval of Minnesota Power’s (MP) 2024 Annual Fuel and Purchased Energy Charge Rider true-up (Docket No. E015/AA-23-1800), (3) approval of Xcel Energy’s (Xcel) 2024 Fuel Forecast True-Up Report and Refund (Docket No. E002/AA-23-153), (4) acceptance

of MP's 2024 Annual CARE Program Report and approval of MP's proposed reduction to its Affordability Surcharge, (5) whether to reopen the record on the issue of MP's claimed prepaid pension asset (PPA) remanded to the MPUC by the Court of Appeals, and other associated matters (Docket No. E015/GR-21-335), and (6) whether to reopen the record on the issue of Xcel's claimed PPA remanded to the MPUC by the Court of Appeals, or reopen the record to make additional findings regarding executive compensation, among other related matters (Docket No. E002/GR-21-630).

On appeal of MP's request to recover PPA through its rate base, which the MPUC had excluded from rate base treatment, the appellate court reversed and remanded to the Commission for further review. The appellate court's opinion is accessible [here](#). Regarding Xcel, on appeal, the court reversed and remanded the MPUC's decision to exclude PPA from rate base treatment, finding its decision was not supported by substantial evidence and therefore arbitrary and capricious. Regarding Xcel's executive compensation issue, the appellate court partly upheld and partly reversed the MPUC's determination that Xcel failed to persuasively show why ratepayers should bear Xcel's full executive compensation request and that for its top ten executives, ratepayers should be reasonable for paying an amount comparable to the Minnesota Governor's salary (i.e., the top executive in the state government). The appellate court reversed the MPUC's decision to apply the governor's salary as a proxy for Xcel's top ten executives. The appellate court's opinion is accessible [here](#).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On June 26, from 10:00 am to 11:00 am ET, FERC will hold its June Open Meeting. The sunshine notice with the agenda and a webcast [link](#) will be available the week of the FERC meeting.

On June 16, FERC posted the [Order No. 1920 compliance filings schedules](#). Order No. 1920 requires transmission providers to submit two compliance filings. The first compliance filing encompasses all of Order No. 1920's requirements except for those related to interregional transmission coordination. The second compliance filing concerns only interregional transmission coordination requirements for transmission providers. Since FERC issued Order No. 1920 and subsequent rehearing orders, and following motions filed by transmission providers or Relevant State Entities, FERC has provided extensions of time to submit both compliance filings. The new deadlines are summarized by transmission planning region.

Order No. 1920 additionally requires transmission providers to hold a six-month Engagement Period during which Relevant State Entities may participate in a forum for negotiating (1) an *ex ante* cost allocation method or methods for selected Long-Term Regional Transmission Facilities; and/or (2) a State Agreement Process – a process by which one or more Relevant State Entities may voluntarily agree to a cost allocation method for Long-Term Regional Transmission Facilities (or a portfolio of such Facilities) either before or no later than six months after the facilities are selected in the regional transmission plan for purposes of cost allocation. In Order No. 1920-A, FERC stated that it will grant an extension of the Engagement Period for up to six additional months, if Relevant State Entities request additional time. The

schedule also notes where FERC has granted Relevant State Entities' requests to extend the Engagement Period.