

**REGULATORY UPDATE FOR JUNE 3, 2025
(WEEK OF MAY 26, 2025)**

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC OR COMMISSION)¹

Proposed Decisions and Resolutions

None to report.

Voting Meeting

The CPUC will hold a voting meeting in Sacramento, CA on June 12, 2025 at 11:00 a.m. PT. The following are energy related items on the [agenda](#):

Item 2. Rulemaking (R.) 23-01-007 (Diablo Canyon Power Plant Operations Phase 2 Issues). This decision considers party proposals on Phase 2 issues and makes the following determinations: (1) Pacific Gas and Electric Company (PG&E) will continue to use the general framework and definitions for the use of the surplus performance-based fees as adopted in Decision (D.) 23-12-036 in the post-2024 period; (2) PG&E should consider affordability as a guiding principle when developing and implementing its Volumetric Performance Fee (VPF) spending plan; (3) PG&E's proposed templates reflecting the baseline review criteria for the annual compensation report are approved, in addition to the data templates, PG&E must report on total expense spending (relative to authorized amounts) for individual major work categories in which the maintenance activity type is located related to work funded by VPFs for the most recent five years in the Diablo Canyon annual cost forecast application; (4) PG&E must estimate, where feasible, the number of customers participating in or benefiting from each VPF project, with specific identification by customer class, and report it in its annual reporting review filing; (5) PG&E's proposal for adjustments to Diablo Canyon Independent Safety Committee's (DCISC) funding methodology is approved; and (6) DCISC membership terms remain the same.

Item 4. Resolution (Res) E-5374 (PG&E, Southern California Edison Company, and San Diego Gas & Electric Company Virtual Net Billing and Virtual Net Energy Metering Tariffs). This resolution adopts, with modifications, the virtual net billing tariff (VNBT) and the amended virtual net energy metering (VNEM) tariffs, including Solar on Multifamily Affordable Housing and Multifamily Affordable Solar Homes tariffs proposed by Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and PG&E. The resolution rejects the joint utility proposal to amend the VNBT and VNEM tariffs to permit emergency grid charging of integrated storage. Instead, this resolution directs PG&E, SCE, and SDG&E to establish a special condition in the VNBT and VNEM tariffs to allow benefiting account

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.

customers to access multiple tariffs for combined technologies. The resolution finds that this will enable a benefiting account customer to have behind-the-meter net billing tariff or non-export/non-net energy metering renewable energy and/or storage in addition to their VNBT or VNEM credit allocation, and satisfies D.23-11-068's intent to allow emergency grid charging of storage that can serve loads during an outage. The resolution clarifies existing policy, acknowledging and formally allowing VNBT and VNEM customers access to multiple tariffs, to increase resiliency options and allow emergency grid charging of (non-VNEM/non-VNBT) storage prior to a known or planned outage. The resolution directs the utilities to submit Tier 2 Advice Letters, one submittal per tariff, demonstrating conformance with the modifications adopted.

Item 8. R.20-05-003 (Rulemaking to Continue Electric Integrated Resource Planning and Related Procurement Processes). This decision grants, with some modifications, the petition for modification (PFM) of the Long Duration Energy Storage Council (LDES Council) of Decision (D.) 21-06-035, with respect to the requirements of load-serving entities (LSEs) for procurement of long-duration energy storage resources. The LDES Council PFM sought clarification to ensure that shorter-duration energy storage resources could not be derated to a lower capacity and discharged over the minimum eight-hour period in order to meet the requirements, because those types of resources are easier to procure and would create inequities between LSEs that are procuring true eight-hour storage resources and those that are not. The decision finds that the intent of D.21-06-035 was sufficiently clear from its plain language to reject grandfathering of LDES resources that are derated to a lower capacity to discharge over a longer period, from qualifying to meet D.21-06-035 requirements, even if the contracts were approved for rate recovery by Commission resolution. The decision finds that D.21-06-035 used the term "maximum capacity" to signal that resources discharging at less than that maximum capacity over an eight-hour period would not qualify. The decision further finds that D.21-06-035 also emphasized the importance of resource diversity and grid reliability benefits of longer-duration storage resources. The decision also provides clarification of the LDES requirements upon a finding that these requirements have been interpreted differently by some LSEs.

Item 10. A.22-04-001 (SCE 2021 ERRA Compliance Application). This decision approves SCE's Energy Resource Recovery Account (ERRA) compliance application for the 2021 Record Year. The decision finds that during the 2021 Record Year, SCE complied with all the requirements that the Commission reviews during the ERRA compliance process, except for certain entries it recorded in the Portfolio Allocation Balancing Account (PABA). In 2021, SCE recorded entries in the PABA that included franchise fees it double-collected from departed load customers. This decision finds that SCE is responsible for the errors in the PABA tariff language that caused the double-collection of franchise fees, and directs SCE to refund \$3.7 million in double-collected franchise fees to departed load customers through a vintage-specific sur-credit to the affected customers' Power Charge Indifference Adjustment rates. This decision authorizes SCE to recover \$25.706 million in under-collected revenue requirement from rates. This under-collection was recorded across five of SCE's accounts: Residential Rate Implementation Memorandum Account, Integrated Resource Planning Costs Memorandum Account, Microgrid Memorandum Account, Summer Reliability Demand Response Program Memorandum Account, and Litigation Costs Tracking Account. In this decision, the Commission determines the

appropriate amount of financial disallowance to impose on SCE for the Public Safety Power Shutoff (PSPS) events that occurred during the 2021 Record Year. This decision finds that, using the approved methodology, SCE may not collect \$301,296 in PSPS Unrealized Revenues for the 2021 Record Year.

Item 12. A.24-02-012 (PG&E 2023 ERRa Compliance Application). This decision approves PG&E's ERRa compliance application for the 2023 Record Year. This decision also requires PG&E to complete a cause evaluation for any future outage caused by the failure of the engine water pump bearing in unit 6 at the Humbolt Bay Generating Station and to submit the cause evaluation in the next ERRa compliance proceeding following the outage. The decision also requires PG&E to submit independent evaluator reports for completed RA solicitations held during the quarterly reporting period in its quarterly compliance reports submitted to the Commission regardless of whether the solicitations award a transaction.

Item 15. 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 Advice Letter 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 16. Res E-5382 (PG&E Green Tariff Share Renewables Program). This Resolution approves, with modifications, PG&E's request to extend the December 31, 2024 deadline to use borrowed resources to meet demand of current customers enrolled in the Green Tariff Share Renewables (GTSR) program. The extension granted runs until PG&E replaces the borrowed GTSR pool with additional new renewable energy and adds stipulations on the terms of the extension. PG&E may only borrow up to the current subscriber enrollment as of the date of its submission of Advice Letter 7404-E (which is 88.7 MW). Such borrowing can continue until December 31, 2028, or when the modified GTSR program is operational (whichever comes first) as determined in the ongoing Application (A.) 22-05-022 proceeding. This Resolution rejects PG&E's request seeking to enroll waitlisted or new customers into the GTSR program. PG&E must procure additional renewable generation and/or demonstrate that it has sufficient additional Renewables Portfolio Standard (RPS) eligible resources to serve new customers, rather than borrowing further from its existing excess RPS portfolio.

Item 24. A.23-06-002 (SDG&E 2022 ERRa Compliance Application). This decision approves the Application of SDG&E related to the 2022 record year ERRa and related activities and costs. This decision also approves SDG&E's 2022 use of energy resources based upon its achievement of least cost dispatch. SDG&E is authorized to include a 2022 over-collection of

\$0.427 million in the Annual Electric Regulatory Account Update filing to be implemented in rates effective January 1 following the Commission's approval of SDG&E's ERRRA Application. To credit revenues from its Miguel Battery Energy Storage System to its bundled and unbundled customers, SDG&E is authorized to modify its preliminary statements for its ERRRA and Electric Distribution Fixed Cost Account (EDFCA) so that these revenues may be appropriately recorded in its EDFCA.

Item 56. R.19-01-011 (Order Instituting Rulemaking Regarding Building Decarbonization). This decision resolves the Phase 4 Track A issues identified in the Assigned Commissioner's Phase 4 Scoping Memo and Ruling issued on July 1, 2024, and the implementation issues relating to Assembly Bill 157 identified in the Assigned Administrative Law Judge's Ruling issued on October 8, 2024. Specifically, this decision: (1) authorizes up to \$5 million annually through the end of 2029 for California's electric utilities to provide electric service line upsizing to qualified under-resourced customers pursuing full electrification of their home or business; (2) adopts measures to help prevent unnecessary electric service line upsizing, including expanding the existing electric utility safety evaluation processes to authorize non-isolating devices that interface with utility metering equipment; (3) clarifies and modifies various aspects of D.23-12-037, including extending the energization deadline for mixed-fuel new construction projects to receive electric line extension subsidies, and requires, starting in 2026, all annual reports ordered pursuant to decisions in this proceeding to be submitted on April 15 of each year via an Advice Letter and made available on the utility's website; and (4) authorizes augmentation of the Technology and Equipment for Clean Heating Initiative budget by an additional \$40 million using funding from the Aliso Canyon Recovery Account, directed for use in SoCalGas service territory in a manner consistent with both new legislative direction and past precedent.

Upcoming Events

Solar for All Webinar. The CPUC Energy Division staff announced it will host a webinar on Wednesday, June 4, 2025 at 2:30 p.m. PT to discuss California's plan for implementing the U.S. Environmental Protection Agency's grant funding for the Solar for All Program. Additional information is available [here](#).

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

Stakeholder Initiatives: Upcoming Meetings and Deadlines

2026 Import Capability Allocation. All scheduling coordinators for LSEs serving load within the CAISO balancing authority area must submit completed import commitment data templates by June 17, 2025, as part of the 2026 import capability allocation. 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](#).

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

2025 CAISO Summer Loads and Resources Assessment. CAISO has posted its production cost simulation model and multihour stack model that was used to inform its 2025 Summer Loads and Resources Assessment. Further information is available [here](#).

2025 CAISO Summer Loads and Resources Assessment Report. CAISO has posted its 2025 Summer Loads and Resources Assessment on its website, available [here](#).

Subscriber Participating Transmission Owner Market Scheduling. CAISO has posted the final draft tariff language for the Subscriber Participating Transmission Owner Market Scheduling Options initiative to its website, available [here](#).

Storage Design and Modeling. CAISO held a virtual working group meeting for the Storage Design and Modeling initiative on May 28, 2025. Comments are due June 11, 2025. Further information is available [here](#).

Greenhouse Gas Coordination. CAISO held a virtual Greenhouse Gas Coordination working group meeting on May 22, 2025. The meeting focused on the Accounting and Reporting approach. Comments are due June 12, 2025. Further information is available [here](#).

Congestion Revenue Rights Enhancements. CAISO will host a virtual public stakeholder meeting for the Congestion Revenue Rights (CRR) Enhancements initiative on June 9, 2025. This session will include a review of stakeholder feedback on the draft goals and problem statements discussed at the previous meeting, an opportunity for stakeholders to present on their experiences with the CRR market, and further discussion on developing goals and problem statements. Written comments are due June 23, 2025. Further information is available [here](#).

Western Energy Markets Governing Body. CAISO has posted the draft agenda for the June 17, 2025, Western Energy Markets Governing Body hybrid meeting taking place at the Renaissance Reno Downtown Hotel in Reno, NV. 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):

- June 5, 2025: IEPR Commissioner Workshop on the Updated Impact Study of the Benefits of Day-Ahead Markets (remote access only) **NEW**
- June 6, 2025: [IEPR Commissioner Workshop on Gas Price Outlook](#) (remote access only)
- ~~June 16, 2025: IEPR Commissioner Workshop on Interconnection~~ **CANCELLED**
- 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)

The upcoming June 6, 2025 workshop is remote only and is scheduled to begin at 1:00 p.m. PT. Written comments may be submitted to [Docket 25-IEPR-03](#) by 5:00 p.m. PT on June 20, 2025. Instructions for remote attendance and for submitting written comments are available in the workshop notice.

2024 IEPR Update

The CEC will host a remote-access only workshop at 2:00 p.m. PT on June 5, 2025 regarding “the updated impact study of the benefits of day-ahead markets relating to the West-Wide Governance Pathways Initiative.” Written comments are due to [Docket 24-IEPR-01](#) by 5:00 p.m. PT on June 19, 2025. Additional information regarding the workshop, attendance, and written comment submissions instructions is available in the [workshop notice](#) as well as on the workshop page, where a [Fact Sheet](#) is also available.

Renewables Portfolio Standard

The CEC hosted a remote meeting on Wednesday, May 21, 2025 to present and receive feedback on the proposed scope of updates for the RPS Eligibility Guidebook, 10th Edition. The meeting agenda is available [here](#). Written comments may also be submitted to Docket No. 21-RPS-02 by 5:00 p.m. PT on June 5, 2025.

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. 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).

Written comments are due to [Docket No. 25-AB-03](#) by 5:00 p.m. on July 18, 2025. Instructions for submitting written comments are also available in the workshop [notice](#).

Zero-Emission Vehicles

The CEC [issued](#) a preview of its 2025-2026 Investment Plan Update for the Clean Transportation Program. The document sets forth guiding principles the CEC proposes to use to develop funding allocations for the 2025-2026 Investment Plan Update, which will be published in fall 2025, after the state budget is finalized. The guiding principles include the following: (1) funding allocations for multiple years; (2) funding for light-, medium-, and heavy-duty infrastructure; (3) increased support for multifamily homes and continued support for rural and disadvantaged communities; (4) stronger emphasis on public fast charging; and (5) an emphasis on flexibility and responsiveness.

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 will hold a workshop on June 13, 2025 to discuss transportation planning and implementation challenges and opportunities to support the development of Lithium Valley. The workshop begins at 9:00 a.m. PT at Imperial Valley College in Imperial, CA, but is also available for remote attendance. Written comments are due to [Docket 24-OIIP-02](#) by 5:00 p.m. PT on June 27, 2025. Additional information, including remote attendance instructions, is available in the [workshop notice](#).

CEC Business Meetings

The next CEC Business Meeting is scheduled for June 11, 2025. The agenda and backup materials are available [here](#).

CALIFORNIA AIR RESOURCES BOARD (CARB)

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.

Opportunities for Public Comment

On July 24, 2025, CARB will conduct a [public meeting](#) to consider approving for adoption proposed amendments to the Advanced Clean Trucks regulation and the Zero-Emission Powertrain Certification test procedure. In October 2024, CARB adopted amendments to the ACT regulation and the Zero-Emission Powertrain Certification test procedure to provide manufacturers with greater flexibility to comply with the ACT regulation, including extending the period that manufacturers can offset deficits from one year to three years. The amendments also add a proposed pooling concept that permits a manufacturer with surplus credits in one state to use the credits to assist in meeting ACT compliance obligations in another state. The proposed pooling provision also provides manufacturers with more flexibility to continue selling both ZEVs and internal combustion engine vehicles while meeting varying market demand across California and the section 177 states.

Meetings and Workshops

On June 17, 2025, CARB will hold a kick-off workshop on the Fiscal Year 2025-2026 Clean Transportation Incentives Funding Plan (Funding Plan). The workshop will provide information about the incentive projects that may receive any potential funding this year and which projects may have policy changes, including vehicle purchase incentive projects, sustainable community-based transportation equity projects (mobility projects), and medium- and heavy-duty on- and off-road vehicle and equipment incentives.

MINNESOTA PUBLIC UTILITIES COMMISSION (MPUC)

At its June 5, 2025 weekly agenda meeting, the MPUC will consider: (1) granting the request of the Minnesota Department of Commerce to revoke Q Link Wireless, LLC's Lifeline ETC designation (Docket No. P6883/RV-24-408), and (2) approving Otter Tail Power's (OTP) investments in Solway and Abercrombie solar projects, eligibility of the projects for application toward OTP's Eligible Energy Technology Standard and Carbon-Free Standard obligations, authorization of future cost recovery for the projects, limitations on cost recovery to a capital cost cap, and authorization for OTP to charge its Minnesota ratepayers for North Dakota's share of the projects (Docket No. E017/M-24-404). Additionally, the Energy Infrastructure Permitting Act, which included process and organizational reforms to expedite approval of energy projects, will take effect in Minnesota on July 1, 2025. More information on the Act is available [here](#).

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

On June 2, President Trump nominated Laura Swett to replace Chairman Mark Christie when his term expires on June 30, 2025. Laura Swett is energy regulatory counsel at Vinson & Elkins LLP, and previously served as a senior legal and policy adviser to former FERC Chairman Kevin McIntyre and Commissioner Bernard McNamee.

On May 20, FERC issued a supplemental notice of a Commissioner-led technical conference in Docket No. AD 25-7-000. The two-day technical conference will take place from 9:00 a.m. to 4:00 p.m. ET on Wednesday, June 4, 2025, and Thursday, June 5, 2025. The purpose of the technical conference is to discuss issues related to RA constructs, including the roles of capacity markets in the Regional Transmission Organization (RTO)/Independent System Operator (ISO) regions that utilize them and alternative constructs in RTO/ISO regions without capacity markets.

The conference will start with a panel discussion on RA challenges across RTO/ISO regions, including regional differences. The remainder of the first day will include three panels specific to PJM Interconnection, L.L.C. (PJM) that will explore PJM's RA challenge, PJM states' perspectives, and additional perspectives on PJM's path forward. The second day will start with two panels specific to Midcontinent Independent System Operator, Inc. (MISO) that will explore MISO's RA challenges and perspectives on MISO's path forward. The remainder of the second day will include one panel to explore the RA challenge in ISO New England Inc. (ISO-NE) and New York Independent System Operator, Inc. (NYISO), and a final panel on the RA challenge in California Independent System Operator Corporation (CAISO) and Southwest Power Pool (SPP). The preliminary agenda for this conference provides more detail for each panel and is available [here](#).