

Buchalter

Regulatory Happenings for the Week of January 8, 2018

* Shaded table entries indicate that information is new or updated since last weekly report.

California Public Utilities Commission

Issue	Latest Developments
CPUC Commissioner's Meeting	<p>The next Commission meeting is scheduled for 2/8/18.</p>
Renewable Portfolio Standard (RPS) (R.15-02- 020)	<p>On 5/26/17, the ALJ issued a proposed decision implementing new compliance requirements for the RPS program in response to SB350. These new rules for long-term contracts start with the compliance period beginning 1/1/21. The changes affect the role of long-term contracts in RPS procurement requirements and the methodology for determining how excess procurement in one compliance period may be applied to later compliance periods. Various parties filed comments on 6/20/17. The decision was approved by the Commission at the 6/29/17 meeting.</p> <p>On 5/26/17, the Assigned Commissioner and ALJ issued a ruling identifying issues and a schedule of review for 2017 RPS procurement plans, the ruling asks for comments on the RAM proposal. Comments on the RAM proposal were due by 6/19/17 and reply comments were due by 6/30/17. Procurement plans were due by 6/30/17.</p> <p>On 8/24/17, the Commission adopted the Final Decision (D17-08-021) revising eligibility requirements for the RPS Feed-In Tariff in accordance with AB 1979 and AB 1923. These changes make it possible for hydroelectric generation facilities with effective capacity up to 4 MWs and bioenergy generation facilities with effective capacity up to 5 MWs to be eligible for feed-in tariffs as long as they meet other eligibility criteria. On 9/27/17 SDG&E, PG&E, and SCE filed an application for rehearing of Decision 17-08-021. The utilities allege that the decision is contrary to law and an abuse of discretion because footnotes 8 and 11 violate California law in authorizing facilities participating in BioMAT and ReMAT to sell power in excess of the statutory 3 MW limit under other CPUC programs. On 10/12/17, the Utica Water and Power Authority filed a response, advocating that the application for rehearing be denied and the implementation of the decision should not be delayed.</p> <p>On 8/2/17, Shell Energy North America filed a petition for modification of D.17-06-026. Shell is requesting a modification of the decision to permit an LSE to count, for RPS compliance (including the 65% Long-term requirement), a long-term contract, ownership, and/or ownership agreement that is held by an LSE's customer, if the customer conveys or assigns eligibility of the renewable energy and credits to the LSE. In addition Shell is requesting a modification to eliminate the requirement that an LSE's repackaged portion of a long terms RPS contract have term of 10 years to qualify for the LSE's 65% long term requirement. On 9/1/17 PG&E, SCE and SDG&E filed a joint response in opposition to Shell's petition, ORA also filed a response in opposition.</p> <p>On 10/4/17, the ALJ issued a ruling requesting comment on a staff proposal for implementing AB 1923 provisions related to interconnection rules for bioenergy feed-in tariff under the California RPS. Comments were due by 10/24/17 and reply comments were due by 10/31/17.</p>

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	<p>On 11/14/17, the ALJs in the proceeding published a proposed decision accepting draft 2017 RPS procurement plans, including the related solicitation protocols filed by PG&E, SCE and SDG&E. The proposed decision approves the request by PG&E, SCE and SDG&E to forgo holding a 2017 RPS solicitation and authorizes the utilities to conduct solicitations for the short-term (5 years or less), sales of RPS volumes during the timeframe covered by the 2017 RPS Procurement Plans. The utilities are still required to submit Tier 1 Advice Letters for Commission approval of short-term sales resulting from a solicitation. In addition, the decision approves the request of the utilities to engage in bilateral transactions to sell RPS volumes, subject to the Commission review and approval via the Tier 3 Advice Letter process. The decision also approves the 2017 RPS Procurement plans filed by several small and multi-jurisdictional utilities, CCAs and ESPs. On 12/14/17, the decision was adopted by the Commission.</p> <p>On 1/4/18, the ALJ issued a ruling requesting comments on how SB350 impacts determination of RPS penalties for noncompliance with and waivers of RPS procurement requirements to inform a future Commission decision on revisions to RPS enforcement rules in light of SB350. The ruling identifies various issues for comment. Comments are due by 1/18/18 and reply comments are due by 1/29/18.</p>
<p>OIR to adopt rules and procedures governing Commission-regulated natural gas pipelines and facilities to reduce natural gas leakage consisted with SB1371 (R.15-01-008)</p>	<p>On 5/15/17, the Assigned Commissioner issued a proposed decision approving the Natural Gas Leak Abatement Program consistent with SB1371. Comments were due by 6/4/17. The decision (D.17-06-015) was signed by the Commission on 6/15/17.</p> <p>A workshop was held on 8/1/17 to discuss the development of a template for consistency in Best practices compliance plans that will be required as part of the gas safety plans commencing 3/15/18.</p> <p>On 7/21/17, the ALJ issued a ruling providing notice of a prehearing conference on 8/24/17 and directing joint pre-hearing conference statements. The purpose of the PHC was to discuss the scope and procedural schedule of the second phase of the proceeding. A joint pre-hearing conference statement was due by 8/18/17. (see email ruling correcting PHC date).</p> <p>On 9/20/17, the Commissioner issued an amended scoping ruling. The second phase of the proceeding will focus on the following broad policy issues: 1) what data is necessary in order for the CPUC to consider a “cost-effectiveness” framework in this proceeding; 2) how should the CPUC’s annual report requirements and 26 best practices be harmonized with information or action required by other entities such as the PHMSA, DOGGR, ARB and local air quality management districts; 3) pursuant to 975(f) how should rules and procedures including best practices and repair standards developed in this proceeding be incorporated into the applicable general orders; 4) how should ratemaking treatment for LUAF be structured and evaluated?</p> <p>On 11/30/17, the ALJ issued a ruling entering the ARB and CPUC’s joint staff annual report on analysis of 6/16/17 Utilities’ reports into the record. Comments are requested on 1) whether the Joint staff annual report clearly illustrate the trends of findings based on CPUC/ARB staff’s analysis of the June 2017 reports, and 2) what are “lessons learned” from this reporting and analysis process that were not identified by staff. Comments were due by 12/12/17.</p>
<p>OIR to cover policy and implementation refinements to the</p>	<p>On 1/10/17, the ALJ issued a ruling seeking comments on a joint report and staff proposal resulting from a workshop held with the CAISO on station power for energy storage resources. Comments were due by 1/24/17. Reply comments were due by 1/31/17.</p>

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<p>Energy Storage Procurement Framework and Design Program and related action plan of the Energy Storage Roadmap (R.15-03-011)</p>	<p>On 1/26/17, SCE filed a petition for modification of decision 16.01.032. SCE has requested that the energy storage contracts resulting from the 2016 RFO be submitted for Commission approval via the Tier 3 advice letter process rather than through an application. On 2/27/17, ORA and TURN filed responses to the petition. On 3/9/17, SCE filed a response to ORA and TURN. On 4/3/17, SCE filed a motion to withdraw its petition for modification. SCE has decided that it will no longer consider offers submitted through the Energy Storage and Distribution Deferral RFO for distribution deferral projects and therefore expedited contract approval is not required. On 4/4/17, the ALJ granted the motion.</p> <p>On 2/24/17, Commissioner Peterman issued a proposed decision on track 2 energy storage issues, except for the Multiple-Use Applications. Various parties filed comments on 3/16/17 and reply comments on 3/21/17. On 5/8/17, the Commission adopted the decision.</p> <p>On 5/18/17, the ALJ requested comments on the Joint Staff Proposal of 16 rules for the treatment of multiple-use applications for electric storage devices. A joint workshop was held on 6/2/17 to discuss the proposal, comments were due by 6/16/17 and reply comments were due 6/30/17.</p> <p>On 11/3/17, Commissioner Peterman issued a proposed decision on the multiple-use application issues. The decision adopts 12 rules to govern evaluation of multiple-use energy storage applications, along with definitions of service domains, reliability services and non-reliability services. This decision closes the proceeding but directs the creation of a working group and the Energy Division to report to the Commission in 2018 on the state of the energy storage industry. Various parties filed comments on 11/28/17 and reply comments on 12/4/17. The decision was signed by the Commission at the 1/11/18 meeting. (D.18-01-003).</p>
<p>OIR to Develop an Electricity Integrated Resource Planning Framework to Coordinate and Refine Long-Term Procurement Planning Requirements (R16-02-007)</p>	<p>On 10/7/16, the City of Lancaster, Sonoma Clean Power Authority, and Marin Clean Energy filed a motion requesting that the Commission take official notice of future load growth among operational CCA programs and the growing number of communities exploring CCA programs. On 10/24/16 SCE, SDG&E and PG&E filed a joint response requesting that the Commission deny the motion as the facts presented in the motion are not currently relevant in the proceeding.</p> <p>On 12/21/16 the ALJ and Assigned Commissioner issued a ruling requesting comments on disadvantaged communities and other aspects of SB350, and modifying the proceeding schedule. Comments were due by 2/17/17 and reply comments were due 2/27/17.</p> <p>On 1/12/17, a webinar was held by the Modeling Advisory Group to ensure that modeling work undertaken by Energy Division and individual LSE's as part of the 2017 IRP is transparent and objective.</p> <p>On 1/18/17, the ALJ issued a ruling seeking comment on assumptions and scenario for use in long term planning in 2017, with emphasis on the CAISO Transmission Planning Process. Comments were due by 2/3/17 and reply comments were due by 2/10/17.</p> <p>On 2/23/17, the CPUC and the CEC hosted a joint workshop on GHG Target Setting for the Integrated Resource Planning (IRP) Process.</p> <p>On 2/28/17, Commissioner Randolph issued a ruling adopting assumptions and one scenario for use in long-term planning in 2017.</p> <p>On 5/1/17, the ALJ sent an email to the service letter informing parties that several workshops scheduled in the CEC Integrated Policy Report process may be of interest to parties to this proceeding. The workshops are scheduled throughout the spring and summer. The first workshop</p>

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	<p>was on 5/12/17.</p> <p>On 5/16/17, the ALJ issued a ruling seeking comment from parties on a staff proposal titled “Proposal for Implementing Integrated Resource Planning at the CPUC: An Energy Division Staff Proposal.” The ruling formally enters the proposal into the record. Comments were due by 6/14/17 and reply comments were due by 6/26/17</p> <p>CPUC Energy Division staff held a webinar on the proposal for implementing IRP at the CPUC on 6/7/17.</p> <p>On 6/13/17, the ALJ issued a ruling modifying the schedule of the proceeding. The ruling extended the initial comment period on the IRP Staff Proposal to June 28, 2017 and reply comments to July 12, 2017.</p> <p>On 7/19/17, the ALJ noticed two modeling workshops. The first workshop was on 7/27/17 and allowed parties to ask clarifying questions and provide preliminary feedback on the first set of modeling results for the IRP process. The second workshop was held on 8/15/17. At this workshop, CES-21, a public-private collaborative research and development effort between PG&E, SCE, SDG&E and the Lawrence Livermore National Laboratory, presented its final report on the Grid Integration Flexibility Metrics and Standards Project. On 9/12/17, PG&E submitted the final report of the grid integration flexibility metrics and standards.</p> <p>On 9/19/17, the ALJ issued a ruling seeking comment a proposed reference system plan and related commission policy actions. Comments were due by 10/26/17 and reply comments were due by 11/9/17. On 10/3/17, the ALJ issued a ruling correcting Attachment C to the original 9/18/17 ruling.</p> <p>On 10/10/17, the ALJ granted a 10/7/16 motion from the City of Lancaster, Marin Clean Energy, and Sonoma Clean Power Authority for official notice of future load growth among operational CCA programs as well as the growing number of communities formally exploring and planning CCA programs. In the same ruling, the ALJ granted the separate 3/6/17 motion of Magellan Wind LLC seeking official notice of executive actions relating to the potential value of California’s offshore wind resources. However, both motions were granted for purposes of taking official notice that certain local, state and federal agency actions have occurred but not for purposes of reliance on any underlying facts associated with those actions.</p> <p>On 11/27/17, the ALJ denied a motion by the Protect Our Community Foundation (POCF) for evidentiary hearings. POCF had alleged that an informal process is insufficient to fulfill the requirements of SB350 and the RESOLVE model must be subject to verification via hearings.</p> <p>On 12/28/17, Commissioner Randolph issued a proposed decision setting requirements for load serving entities filing integrated resource plans. The earliest the decision may appear on the Commission’s agenda is 2/8/18. Comments are due 10 days before the meeting.</p>
<p>Policies, Procedures and Rules for Regulation of Physical Security for the Electric Supply Facilities of Electrical</p>	<p>On 3/10/17 the Assigned Commissioner issued a Phase 1 Scoping Memo and Ruling in this rulemaking regarding policies, procedures and rules for regulation of physical security for the electric supply facilities of electric corporations consistent with Public Utilities Code Section 364 and to establish standards for disaster and emergency preparedness plans for electrical corporations and regulated water companies pursuant to Public Utilities Code Section 768.6. Phase I of the proceeding will consider whether any new rules, standards or General Orders or modifications to other existing policies should apply to all electrical supply facilities within the jurisdiction of the Commission, including facilities owned by publicly owned utilities and rural</p>

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Corporations (R15-06-009)	<p>electrical cooperatives. This phase will pertain to the requirements to address the physical security risks to the electrical supply facilities of electrical corporations and will also address whether the Commission should go beyond the physical security regulations of NERC's CIP-9-014-2. A proposed decision in Phase I is anticipated in February 2018. Phase II will address emergency and disaster preparedness plans. A workshop was held on 5/2/17.</p> <p>On 7/12/17, the ALJ issued a ruling issuing combined workshop notes and request for straw proposals. Comments on Attachment A to the proceeding were due by 7/28/17, straw proposals were due by 8/11/17 and comments on the straw proposals were due by 8/25/17. On 8/31/17 Bear Valley Electric Service, SCE, CMUA, LADWP, Liberty CalPeco, National Rural Electric Cooperative Association, Pacificorp, PG&E, SMUD, and SDG&E filed a joint draft straw proposal. The Office of Ratepayer Advocates and the Safety and Enforcement Division filed comments on 9/14/17. A workshop was held on 9/29/17 to review how SB699 informs the appropriate CPUC response and responsibility in addressing the physical security of California's system and the joint-utility proposal. The Office of Ratepayer Advocates and the Safety and Enforcement Division filed comments on 9/14/17.</p> <p>On 1/3/18, the ALJ issued an email ruling allowing parties to file legal briefs concerning the Commission's jurisdiction over publically owned electrical utilities and rural electric cooperatives. The scoping ruling in this proceeding asks the following question: "Should any new rules, standards, or General Orders or modifications to existing policies apply to all electrical supply facilities within the jurisdiction of the Commission, including publicly owned electrical utilities and rural electric cooperatives?" Legal briefs are due by 1/26/18. Reply briefs are due by 2/9/18.</p>
Streamlining Interconnection of Distributed Energy Resources and Improvements to Rule 21 (R17- 07-007)	<p>On 7/13/17, the Commission issued an order instituting the rulemaking to consider streamlining interconnection of distributed energy resources and improvements to rule 21. Various parties filed comments on 8/2/17, including CESA, Tesla, Chargepoint and CAISO.</p> <p>A pre-hearing conference was held on 9/13/17. Notice</p> <p>On 10/2/17, the Assigned Commissioner and the ALJ issued a scoping ruling in the proceeding. The ruling sets forth three phases. The first phase will deal with urgent issues, the second phase will deal with ratesetting issues requiring coordination with R1408013 and the third phase will deal with small and multi-jurisdictional utility rules. The schedule for the proceeding currently runs through 2020.</p>
Resource Adequacy, Consider Program Refinements and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years. (R17-09- 020)	<p>On 9/28/17, the commission opened a rulemaking to oversee the resource adequacy program, consider program refinements and establish annual local and flexible procurement obligations for the 2019 and 2020 compliance years. The proceeding is the successor to R14-10-010. Comments on preliminary matters pertaining to the scope, schedule, and administration of the proceedings were due 10/30/17 and reply comments were due 11/9/17.</p> <p>On 11/7/17, a working group meeting was held to discuss weather sensitive demand response, behind-the-meter resources and comments on the OIR.</p> <p>A prehearing conference was held on 12/4/17. Notice</p>

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Creation of a Shared Database or Statewide Census of Utility Poles and Conduit in California. (I17-06-027)	<p>On 6/29/17, the Commission instituted an Order Instituting Investigation into the creation of a shared database or statewide census of utility poles and conduit in California (I17-06-027, R17-06-028 and R17-03-009 have been consolidated into this proceeding).</p> <p>A prehearing conference was held on 12/5/17. Ruling</p> <p>On 1/11/18, the Assigned Commissioner and ALJ issued a ruling requesting comments on the creation of a shared statewide database of utility pole and conduit information. Input is requested on (1) whether a proposed listing of data fields is complete; (2) whether any information categories should be treated as confidential; (3) which data fields are most essential to accomplish the safety and goals of the OII and OIR; (4) whether each pole owner should be responsible for maintaining and providing access to its database, or whether a third party facilitator should be responsible for maintaining one global database; and (5) the manner in which the database should be shared. Comments are due by 2/8/18.</p>
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California Energy Commission

Issue	Latest Developments
CEC Business Meeting	<p>The next regularly scheduled Business Meeting will be held 1/17/18. The agenda and back up materials are now available. Agenda; Backup Materials</p> <p>The Commission will hold an offsite meeting on 1/26/18 in Sonoma, CA, including a general discussion by each Lead Commissioner of issues and topics related to their respective subject matter area. Notice</p>
Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP)	<p>On 11/7/17, the Lead Commissioner for Transportation and staff conducted a public meeting of the Advisory Committee for the ARFVTP. Input is being sought from the committee and the public regarding the proposed allocations to be included in the report of the 2018-2019 investment Plan Update for the ARFVTP. Notice</p> <p>On 11/30/17, the Fuels and Transportation Division staff conducted a workshop to provide a forum to discuss Hydrogen Refueling Infrastructure Alternative Funding Mechanisms. Workshop participants will discuss alternative funding ideas for inclusion in future draft solicitation concepts. Notice</p> <p>On 12/4/17, the Fuels and Transportation Division staff held a workshop to provide a forum for hydrogen stakeholders to discuss hydrogen refueling station technical requirements. Notice</p> <p>On 12/14/17, the Fuels and Transportation Division staff held a workshop to provide a forum for hydrogen stakeholders to discuss evaluation criteria for hydrogen refueling station applications. Critical milestones and data collection techniques will be discussed. Notice</p>
Building Energy Efficiency	<p>On 10/4 /17 and 10/5/17 Commission staff conducted a workshop to gather stakeholder input on the development of the Draft 2019 Building Energy Efficiency Standards. Notice</p>
Electric Program Investment Charge (Docket No. 17-	<p>On 10/18/17 the CEC, PG&E, SDG&E and SCE hosted the second annual electric program investment charge symposium. Notice Agenda</p> <p>On 11/2/17 Commission staff and staff from the CPUC hosted an energy technology workshop</p>

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<p>EPIC-01)</p>	<p>to demonstrate the energy software tool StorageVet. Notice</p> <p>On 11/9/17 the Commission moderated a one-hour networking webinar for individuals interested in applying for funding under “Measuring Innovation Progress to Guide Future Investment: Evaluation of EPIC Benefits Methodology (RFP-17-307).” The purpose of the webinar is for individuals subscribed to this LinkedIn subgroup https://www.linkedin.com/groups/13554675 to network and potentially form project teams for this funding opportunity. Notice</p> <p>On 11/15/17 the Commission moderated a one-hour networking webinar for individuals interested in applying for funding under “Research Roadmap for System Transformation to Enable High Penetration of Distributed Energy Resources (RFP-17-306).” The purpose of the webinar is for individuals subscribed to this LinkedIn subgroup https://www.linkedin.com/groups/13558981 to network and potentially form project teams for this funding opportunity. Notice</p> <p>On 11/16/17 the Commission moderated a one-hour networking webinar for individuals interested in applying for funding under “Research Roadmap for Cost and Technology Breakthroughs for Renewable Energy Generation (RFP-17-303).” The purpose of the webinar is for individuals subscribed to this LinkedIn subgroup https://www.linkedin.com/groups/13560003 to network and potentially form project teams for this funding opportunity. Notice</p> <p>On 12/21/17 Commission staff conducted a public workshop to discuss the current state of HVAC technologies needed to help meet California’s greenhouse gas (GHG) reduction and low global warming potential (GWP) refrigerant goals. Notice</p> <p>On 1/24/18 the CEC will host a webinar to share information on innovative projects focusing on efficient water heating technologies. Notice</p> <p>On 2/7/18 the CEC will host the 2018 EPIC Symposium at the Sacramento Convention Center. More Information</p>
<p>Integrated Energy Policy Report – (Docket No. 17-IEPR-01)</p>	<p>On 10/23/17 the Commission conducted a workshop to receive public comments on the Draft 2017 IEPR. Notice</p> <p>On 12/4/17 the Lead Commissioner conducted a workshop to present the revised transportation energy demand forecast as part of the 2017 Integrated Energy Policy Report (2017 IEPR) proceeding. Notice</p> <p>On 12/15/17 the Chair of the Commission conducted a workshop to explore a range of perspectives on the future of electricity and natural gas demand in California over the next 12 years. Staff from the Commission will present 12-year forecasts of electricity and natural gas consumption and electricity peak demand. Energy Commission staff will also present details regarding the treatment of additional achievable energy efficiency (including efforts to achieve SB 350 energy efficiency targets), self-generation, electricity rates, hourly load forecasts, and climate change impacts on electricity and natural gas demand. Notice</p>
<p>Research</p>	<p>On 12/5/17 Commission staff conducted a public workshop with the California Public Utilities Commission (CPUC), California Independent System Operator (California ISO), and other organizations to review the progress of research called for in the California Vehicle-Grid Integration Roadmap as part of the Governor’s Zero-Emission Vehicle Action Plan. The objectives of the workshop are to:</p> <ul style="list-style-type: none"> • Present state agency updates on the progress of technical vehicle-grid integration

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	<p>research and demonstration programs;</p> <ul style="list-style-type: none"> • Provide an opportunity to hear from researchers on the current progress of diverse vehicle-grid integration research and demonstration projects; and • Solicit stakeholder feedback on the direction of utility pilot programs and future research opportunities with a focus on medium- and heavy-duty vehicles and services. Notice <p>On 11/28/17 the Commission, California Public Utilities Commission (CPUC), California Independent System Operator (California ISO), and the Los Angeles Department of Water and Power (LADWP) released an assessment of the energy reliability for Southern California this winter and expressed concern about the ability of the local utility to meet customer demand and calling for conservation. Release; Assessment</p> <p>On 12/8/17 the Commission moderated a one-hour networking webinar for individuals interested in applying for funding under “Bringing Rapid Innovation Development to Green Energy (BRIDGE) GFO-17-308.” This webinar is for individuals subscribed to LinkedIn subgroup https://www.linkedin.com/groups/13565467 to network and potentially form project teams for this funding opportunity. Notice</p> <p>On 1/25/18 Commission staff will conduct a public workshop to discuss the Public Interest Natural Gas Research and Development (Natural Gas R&D) program’s proposed energy-related natural gas research initiatives for the 2018-19 fiscal year (FY) and the program’s proposed expansion request. Notice</p>
<p>SB 350- Clean Energy and Pollution Reduction Act of 2015</p>	<p>At the meeting on 11/8/17 the Commission considered adoption of the SB 350 Energy Efficiency Savings Doubling Targets. The targets were adopted. Press Release</p> <p>As part of the 12/13/17 meeting, the Commission considered adopting a resolution and Charter establishing the Senate Bill 350 Disadvantaged Communities Advisory Group (Advisory Group Charter). Notice; Charter The resolution was adopted and the Advisory Group was established at the 12/13/17 meeting. Press Release</p>
<p>Siting</p>	<p>On 1/25/18 the Commission’s Siting, Transmission and Environmental Protection (STEP) Division Compliance Office will host a workshop for power plant owners/operators and other stakeholders to discuss proposed revisions to the General Compliance Condition on Compliance Incident Reporting and the proposed Compliance Docketing Policy. Notice</p>

California Air Resources Board

Issue	Latest Developments
<p>Cap and Trade</p>	<p>On 7/25/17 AB398 was signed by the Governor and chaptered by the Secretary of State – Chapter 135, Statutes of 2017. The bill extends the Cap and Trade program and requires update to the scoping plan. The bill will require amendments to the regulation to impose price ceilings, containment points, offset credit compliance limits and industry assistance factors for allowance allocation.</p> <p>On 7/17/17 ARB posted the Final Environmental Analysis and responses to comments on the environmental analysis relating to the regulation amendments.</p>

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	<p>On 7/27/17 ARB approved the proposed amendments to the Cap and Trade Regulation. Notice of Determination; Final Regulation Order. On 8/4/17 the amendments were submitted to OAL on 8/4/17. OAL has until 9/18/17 to make a determination. Request; Informative Digest. On 9/18/17 OAL approved the rulemaking and filed it with the Secretary of State. The effective date was 10/1/17. Final Regulation Order; Final Statement of Reasons.</p> <p>On 9/22/17 it was announced that Ontario had entered into an agreement with California and Quebec to participate in cap and trade. The agreement goes into effect on 1/1/18.</p> <p>A workshop was held on 10/12/17 to discuss the next steps for the cap and trade regulation. Notice Presentation.</p> <p>On 11/21/17 ARB posted the results of the 11/14/17 Joint Auction #13 report.</p>
<p>GHG Reporting</p>	<p>On 3/14/17 ARB hosted a webinar on GHG emissions data reporting for electric power entities. Registration</p> <p>On 4/13/17 ARB posted a proposed second 15-day modifications to the regulation. Comments were due 4/28/17 by 5pm. Notice The board approved the proposed amendments at the 6/29/17 Board Meeting. Agenda.</p> <p>On 7/21/17 the proposed amendments were submitted to the California Office of Administrative Law. Updated Informative Digest. On 9/1/17 OAL approved the rulemaking and filed it with the Secretary of State. Notice Final Regulation Order Final Statement of Reasons. The amended regulation became effective on 1/1/18.</p>
<p>Short Lived Climate Pollutants</p>	<p>On 4/11/16, ARB posted a proposed SLCP Strategy. Comments were due by 6/26/16. A workshop to discuss the proposed strategy was held on 4/26/16 and additional workshops were held on 5/3/16 in Bakersfield and Modesto. The Board discussed the matter on 5/19/16. Notice Comments on the workshop were due by 5/26/16.</p> <p>On 11/28/16, ARB posted the revised draft SLCP Strategy. Public workshops were held on 12/12/16 in Fresno, 12/15/16 in Diamond Bar, and 12/16/16 in Sacramento. Adoption of the strategy will be considered at the 3/23-24/17 Board meeting in Riverside. Notice. The Comment period ended on 1/17/17. Presentation On 3/14/17 ARB posted the Final Proposed SLCP Reduction Strategy, which includes the final environmental analysis and responses to comments on the analysis.</p> <p>Subgroup meetings were held on the following dates: Subgroup 1 – Non-digester projects 10/16/17. Subgroup 2 – Digester Projects 10/12/17.</p> <p>A workshop to discuss Hydrofluorocarbons Reduction Measures was held on 10/24/17. Notice Presentation Draft Regulatory Language</p> <p>On 12/29/17 ARB posted a summary of policies to encourage dairy biomethane projects and other projects to reduce methane emissions.</p>

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<p>2030 Scoping Plan</p>	<p>On 1/20/17, ARB posted the 2030 Scoping Plan Update. The scoping plan was discussed at ARB board meetings on 1/27/17 and 2/16-17/17 board meetings. The public comment period ended on 4/10/17. Notice</p> <p>On 3/28/17 ARB staff presented an overview of the 2017 scoping plan update.</p> <p>On 4/26/17 the ARB and the AB32 Environmental Justice Advisory Committee held a joint meeting to discuss the Committee's recommendations on the Scoping Plan. Notice Agenda</p> <p>On 10/12/17 ARB staff presented updated modeling results reflecting the direction provided in AB398 and discussed the schedule for finalization of the 2017 scoping plan. Notice Presentation</p> <p>On 10/27/17 ARB released a revised 2017 climate change scoping plan.</p> <p>On 11/30/17 ARB released the proposed final 2017 climate change scoping plan. On 12/14/17 the Board approved the scoping plan along with the finalized environmental documents. Meeting Notice Press Release Final Plan</p>
<p>U.S. EPA Proposed Rules to Regulate Power Plants</p>	<p>On 3/28/17 President Trump issued an executive order ordering his administration to review and possibly rescind several Obama-era energy rulings, including the Clean Power Plan. The executive order also rescinded White House Council on Environmental Quality guidance on how federal agencies are to quantify ghg emissions when conducting NEPA reviews.</p> <p>On 4/28/17, the D.C. Circuit granted the US EPA's request to pause litigation for 60 days over the Clean Power Plan and ordered briefing on whether the case should be remanded to the agency or just kept on hold. Briefs were due by 5/15/16. The panel also issued a similar stay order for the EPA's rule capping carbon emissions from new or reconstructed power plants. On 8/8/17 the D.C. Circuit postponed the litigation for 60 more days, granting the US EPA's request for more time to review its options about what to do with the rule. The court ordered the EPA to submit status reports at 30-day intervals.</p> <p>At the 7/27/17 ARB board meeting the board approved California's proposed compliance plan for the Federal Clean Power Plan, certified the Final Environmental Analysis and approved the written responses to comments received on the Draft Environmental Analysis.</p> <p>On 10/10/17 the EPA issued a notice of proposed rulemaking proposing to repeal the Clean Power Plan.</p> <p>On 12/18/ 17 the EPA issued an advanced notice of proposed rulemaking soliciting comments on a future rule to replace the Clean Power Pan rule.</p>

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California Independent System Operator

Issue	Latest Developments
Board of Governors Meeting	The next scheduled Board meeting is 2/15-16/18. Schedule

CAISO Stakeholder Initiatives

Issue	Latest Developments
Flexible resource adequacy criteria and must offer obligations (FRAC-MOO)	<p>On 5/1/17 the CAISO posted the revised straw proposal. The CAISO held a stakeholder call on 5/8/17 to discuss the revised straw proposal. Comments were due by 5/22/17. Market Notice Presentation</p> <p>A Phase 2 Working Group call was held on 8/2/17. Market Notice. Comments were due by 8/18/17. Brattle Presentation</p> <p>A Phase 2 Working Group Meeting was held on 9/26/17. Market Notice; Presentation</p> <p>On 11/2/17 CAISO postponed the stakeholder meeting originally scheduled for 11/9/17 because more time is needed to analyze the data and publish the proposal. A stakeholder meeting was held on 11/29/17. Market Notice. On 11/21/17 CAISO posted the draft proposal. Comments were due by 12/13/17. Presentation</p>
Energy Imbalance Market (EIM)	<p><u>Participants</u></p> <p>On 10/1/16 Arizona Public Service and Puget Sound Energy joined EIM. On 10/18/16, Mexico Grid Operator CENACE announced it was exploring EIM participation for Baja California Norte.</p> <p>On 2/24/17 BANC agreed to join the EIM, acting on behalf of SMUD beginning in April 2019. News Release</p> <p>On 5/30/17 CAISO and Powerex announced that Powerex would participate in the EIM beginning in April 2018. Powerex will be the first non-U.S. participant to join the market. On 10/3/17 an information call to discuss the Powerex EIM Implementation Agreement was held. Market Notice</p> <p>On 6/1/17 CAISO and LADWP announced that they had signed an agreement for LADWP to join the EIM beginning in April 2019.</p> <p>On 10/1/17 Portland General Electric became the fifth western utility to begin full participation in the EIM.</p> <p>On 12/14/17 CAISO approved a proposal by CAISO management to enhance the EIM. The decision directs CAISO to move forward with a tariff change to use ISO modeling of energy storage (non-generator resources) more broadly and support participants in the western EIM in modeling their aggregated resources. The Board also accepted EIM enhancements that will automate some manual processes, support financial settlements and expand the market's general modeling capabilities. News Release</p>

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	<p><u>Miscellaneous</u></p> <p>On 6/13/17 the CAISO announced a new initiative. Consolidated Energy Imbalance Market Initiatives. The initiative combines three EIM initiatives from the 2017 roadmap. Third Party Transmission Contribution for EIM Transfers, Management of EIM Imbalance Settlement for Bilateral Schedule Changes, and EIM Wheeling Rate Charges. A call to discuss the Issue Paper was held on 6/20/17. Comments were due by 6/30/17. Market Notice Presentation. A stakeholder meeting was held on 8/7/17 to discuss the straw proposal. The straw proposal was posted on 7/31/17. Comments were due by 8/17/17. Market Notice. On 8/28/17 CAISO announced that the Business Requirements Specification for the new EIM functionality is now available. The new functionality will automate manual processes and facilitate EIM participation by entities both in and outside of the US. Market Notice</p> <p>A call was held on 9/12/17 to discuss the Draft Final Proposal. Presentation Market Notice. The comment deadline was 9/27/17. On 10/4/17 CAISO announced that it would accept supplemental comments until 10/11/17. Notice</p> <p>On 11/3/17 CAISO posted draft tariff language. Comments were due by 11/22/17 and a web conference to discuss was held on 11/30/17. Market Notice</p> <p>On 12/1/17 CAISO posted revised draft tariff language and held a call on 12/7/17 to discuss. Market Notice. On 12/13/17 CAISO posted the Final Draft Tariff Language.</p>
<p>Reliability Services</p>	<p>On 2/2/17, CAISO posted the Phase 1B and Phase 2 Draft Tariff language. A call to discuss was held on 2/21/17. Market Notice</p> <p>On 4/7/17 the CAISO posted the Phase 1B and Phase 2 Draft Tariff language. A call to discuss was held on 4/24/17. Market Notice</p> <p>On 4/18/17 CAISO posted the Business Requirements Specifications v. 2.0.</p> <p>On 5/8/17 CAISO announced that the implementation date for the initiative had been extended to 2/13/18 from 11/1/17. The new effective date will be 4/1/18. The extension was discussed at the Market Performance and Planning Forum on 5/16/17.</p> <p>A technical working group call was held on 6/13/17 to clarify the tariff processes proposed in the initiative. Market Notice.</p> <p>On 7/7/17 The Second Revised Draft Tariff Language – Phase 1B and 2 was posted. A web conference to discuss was held on 7/21/17. Market Notice Comments were due by 7/14/17.</p> <p>On 8/3/17 CAISO posted the Phase 2 - Third Revised Draft Tariff Language. Market Notice. On 9/29/17 CAISO filed the tariff amendment for phase 1B and Phase 2 at FERC in docket ER18-1. On 10/23/17 various parties filed comments and protests and the CPUC filed a limited protest. The CPUC has requested that FERC reject the proposed tariff amendments regarding “listed local capacity.” On 11/13/17 CAISO filed a motion for leave to file answer and answer to the various protests. On 11/30/17 CAISO filed another motion for leave to file answer and answer to SDG&E’s filing.</p>

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	<p>CAISO held a call on 1/4/18 to discuss process changes for resource adequacy and outage coordination as part of the Reliability Services Initiative. These changes will be implemented in April 2018. Training will be provided on 1/10/18. Presentation. Market Notice.</p>
<p>Energy Storage and Distributed Energy Resources Participation (Phases 2 and 3)</p>	<p>On 5/4/17 CAISO hosted a meeting to discuss the third revised straw proposal. Comments were due by 5/18/17. Market Notice. On 4/13/17 CAISO posted the 2017 Baseline Accuracy Work Group Proposal prepared by Nexant. On 4/17/17 CAISO posted the Third Revised Straw Proposal. Presentation</p> <p>On 5/11/17 the CAISO announced that it was exploring options to determine whether market enhancements are appropriate to manage certain outage reporting limitations of energy storage resources with physical limitations. Market Notice</p> <p>On 6/2/17 a joint workshop was held with the CPUC to discuss Storage. Agenda</p> <p>On 6/9/17 the CAISO posted the Draft Final Proposal. A web conference was held on 6/15/17 to discuss. Market Notice Presentation</p> <p>On 6/28/17 ISO management formally notified the Board of Governors and the EIM Governing Body of their initial decisional classification of this initiative. Management concluded that the initiative falls within the EIM Governing Body's advisory role, which means that the initiative will be presented to the Board for approval. Any objection to this classification was due by 7/5/17.</p> <p>On 9/29/17 CAISO posted the Phase 3 issue paper. A stakeholder call was held on 10/12/17. The Phase 3 initiative will continue to identify and evaluate opportunities for increased participation of transmission grid-connected energy storage and distribution-connected resources in the CAISO market. Unresolved topics suggested by stakeholders in Phase 2 will also be considered. Market Notice</p> <p>A workshop to discuss the Phase 3 scope originally scheduled for 12/11/17 has been cancelled. The workshop will not be held until 2018. Market Notice</p> <p>On 11/6/17 CAISO hosted a workshop to discuss proposed topics for phase 3. Several Stakeholders gave presentations. Market Notice On 11/17/17 CAISO posted the draft tariff language for phase 2. A web conference to discuss was held on 12/12/17. Market Notice.</p> <p>A customer partnership group call was held on 12/13/17 to discuss implementation of demand response current changes associated with phase 2 of the proceeding. Questions and comments to be discussed during the call were due by 12/6/17. Market Notice</p> <p>A workshop to discuss Phase 3 is scheduled for 1/16/18. Market Notice Agenda Presentation</p>

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Transmission Access Charge Options for Integrating New Participating Transmission Owners.	<p>CAISO held a stakeholder meeting in Folsom on 12/13/16 to review the draft final proposal for the TAC Options Initiative. On 12/6/16, CAISO posted the draft final proposal. Market Notice Presentation. The comment deadline ended on 1/11/17.</p> <p>On 12/20/16, CAISO posted an addendum to the draft regional framework proposal. The addendum is intended to provide clarifications in light of questions raised at the 12/13/16 workshop. Comments were due by 1/11/17. Market Notice</p> <p>On 3/2/17 CAISO posted a summary of stakeholder comments and the CAISO's responses. Summary</p>
Regional Resource Adequacy	<p>On 12/1/16, CAISO posted a Regional Framework Proposal. A meeting was held on 12/8/16 to review the draft final proposal. Market Notice. The comment deadline was 1/11/17.</p> <p>On 3/1/17 CAISO posted the draft regional framework proposal stakeholder comments and CAISO responses.</p>
Regional Integration California GHG compliance	<p>The CAISO held a stakeholder meeting on 5/31/17 to discuss the draft final proposal for the initiative. On 5/25/17 CAISO posted the Draft Final Proposal.</p> <p>On 6/22/17 CAISO held a call to discuss a revised draft final proposal. Market Notice Presentation. On 6/26/17 CAISO posted the Revised Draft Final Proposal. Comments were due by 7/6/17.</p> <p>A stakeholder call was held on 12/4/17 to continue discussions on the initiative and the attribution accuracy report. Comments on materials presented were due by 12/18/17. Market Notice. Presentation. CAISO presentation</p>
Miscellaneous Tariff Revisions	<p>On 2/10/17, CAISO announced that it was expediting three minor tariff language revisions in advance of the broader tariff clarifications filing process. These changes include (i) revising section 34.13.12 to be consistent with other provisions in the tariff allowing for automatic acceptance of bids from SC's when they do not act within a specified time period; (ii) aligning periods for negotiated default energy bids, and (iii) removal of the obligation to post effective flexible capacity factors for resources under construction. Proposal</p> <p>A call to discuss these proposed changes was held on 2/23/17. Market Notice. On 3/9/17 CAISO filed the tariff changes at FERC in docket ER17-1132. Tariff Filing. On 4/24/17 FERC issued a letter order accepting the tariff amendment.</p>
Review Transmission Access Charge Structure	<p>On 4/12/17 CAISO posted a background white paper entitled "How Transmission Cost Recovery Through Transmission Access Charge Works Today."</p> <p>On 6/30/17 CAISO posted the issue paper. A stakeholder meeting was held on 7/12/17. Market Notice Presentation. A working group meeting was held on 8/29/17 to discuss the 6/30/17 issue paper. An additional meeting to discuss is scheduled for 9/25/17. Comments following the meeting are due by 10/13/17. Market Notice On 9/15/17 CAISO posted Supporting Materials. On 9/20/17 CAISO posted the questions submitted by stakeholders on Clean Coalition's proposed solution presenting during the 8/29/17 working group meeting. These questions were discussed at the 9/25/17 meeting. Market Notice.</p> <p>On 10/18/17 CAISO announced that the straw proposal has been postponed.</p>

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	<p>On 1/11/18 CAISO posted the Straw Proposal. A meeting to discuss is scheduled for 1/18/18. Comments are due by 2/15/18. Market Notice</p>
<p>2017 Expedited GIDAP Enhancements</p>	<p>On 7/21/17 CAISO announced a new initiative entitled “2017 Expedited GIDAP Enhancements.” Issue Paper and Straw Proposal. The initiative addresses two issues that CAISO believes merit immediate attention and expedited resolution. The first extends GIDAP parking provisions and the second revises the interconnection request window and validation timeframe. In light of the slowdown in procurement by utilities CAISO proposes to extend the parking period for an addition year (for 2 years total) and commits to examine the TP Deliverability qualification criteria comprehensively in a 2017 initiative. Second, CAISO proposes to shorten the interconnection request window and lengthen the time for correction and validation. CAISO proposes that the next open interconnection request window will run from 4/1 to 4/15 and the validation process will be extended by 15 days. Market Notice Presentation. A call to discuss was held on 8/4/17, comments were due by 8/11/17.</p> <p>On 8/30/17 CAISO posted a Revised Straw Proposal. A call to discuss the revised straw proposal was held on 9/6/17. Comments were due by 9/13/17. Market Notice Presentation.</p> <p>On 10/10/17 CAISO posted the draft final proposal. Comments were due by 10/23/17. A call to discuss was held on 10/16/17. Market Notice. On 11/30/17 CAISO posted draft tariff language. Comments were due by 12/13/17. A call to discuss was held on 12/20/17. Market Notice</p> <p>On 1/9/18 CAISO filed the tariff amendment with FERC (ER18-626). The amendment is comprised of two sets of revisions. The first set of revisions are associated with extending the current “parking” period from one year to two years for interconnection requests still seeking a ppa before committing to Full Capacity Deliverability Status. The second set is associated with shortening the interconnection request window by two weeks and lengthening the time for correction and validation. This revision would shorten the interconnection window to two weeks, April 1 – April 15.</p>
<p>Imbalance Conformance Enhancements</p>	<p>On 11/29/17 CAISO announced a new initiative Imbalance Conformance Enhancements. An issue paper and straw proposal was posted and a call to discuss was held on 12/8/17. Market Notice. Presentation Issue Paper and Straw Proposal</p> <p>The scope of the initiative is to clarify the CAISO’s authority to conform for imbalance in both real time and the day ahead. The initiative will also propose enhancements for the conformance limiter to ensure price spikes do not result. Comments were due by 12/20/17.</p>
<p>Reliability Coordinator</p>	<p>On 1/2/18 CAISO announced that it would become its own Reliability Coordinator and offer these services to other balancing authorities and transmission operators in the western US. These services include outage coordination, day-ahead planning and real-time monitoring for reliability. In order to accomplish this task, CAISO gave notice of withdrawal to its current reliability coordinator Peak Reliability. CAISO also provided withdrawal to the agencies funding the agreement with Peak Reliability, including, but not limited to, BANC, WAPA, LADWP, APS, BPA, IID, MID, PacifiCorp, SMUD, Salt River Project, and TID. An informational call was held on 1/4/18 and public meetings in Folsom, Portland and Phoenix follow on 1/17/18; 1/18/18 and 1/19/18 respectively. Market Notice</p>

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Interconnection Process Enhancements 2018	On 1/4/18 CAISO launched a new initiative, Interconnection Process Enhancements 2018. The issue paper will be published on 1/17/18 and a stakeholder meeting is scheduled for 1/24/18. Comments are due by 2/7/18. The initiative will evaluate potential changes to enhance the CAISO generator interconnection procedures and agreements. Market Notice
2018 Final Policy Initiatives Roadmap Posted	Annually CAISO produces a policy roadmap that includes updating the Policy Initiatives Catalog. A web conference is scheduled for 1/17/18 to discuss the 2018 roadmap. The final draft of the roadmap was published on 1/12/18.

Federal Energy Regulatory Commission

Issue	Latest Developments
Large Generator Interconnection Reforms NOPR RM17-8-000	<p>On 12/15/16 FERC proposed reforms to its large generator interconnection processes aimed at improving the efficiency of processing interconnection requests, removing barriers to needed resource development, and assuring continued reliability of the grid. The NOPR revises regulations, the pro forma Large Generator Interconnection Procedures and the pro forma LGIA. While the NOPR applies to large generating facilities (>20MW), the NOPR does seek comment on whether any of the proposed changes should be applied to small generating facilities. News Release NOPR. Comments were due 60 days after publication in the Federal Register.</p> <p>On 2/23/17, the Commission extended the comment deadline to 4/13/17. On 4/28/17 MID filed an answer.</p> <p>On 7/3/17 Sunflower Electric Power Corporation Mid-Kansas Electric Company requested leave to submit out of time comments. On 7/20/17 Renewable Energy Systems Americas, Inc. submitted a motion to intervene out of time.</p>
DOE Pricing Rule (RM18-1-000)	<p>On 9/28/17 The Secretary of Energy sent a letter to FERC pursuant to Section 403 of the Department of Energy Organization Act and enclosed a rulemaking proposal for consideration by the Commission under its authority under sections 205 and 206 of the Federal Power Act. The proposal would have the Commission impose rules on Commission-approved ISOs and RTOs to ensure certain reliability and resilience attributes of electric generation resources are fully valued. Numerous parties have filed comments in opposition and in support. Both CAISO and the CPUC oppose the rule, although CAISO states that it would be inapplicable to California.</p> <p>On 1/8/18 FERC rejected and terminated the proposal by unanimous decision. Instead of adopting DOE's proposal FERC initiated a new proceeding (AD18-7-000)</p>
Grid Reliability and Resilience Pricing (AD18-7)	<p>On 1/8/18 FERC initiated this proceeding after terminating RM18-1, a rulemaking tasked with evaluating the DOE pricing proposal. This proceeding will holistically examine the resiliency of the market and asks RTOs and ISOs to provide information on whether the Commission needs to act regarding resiliency. Each RTO must submit the requested information within 60 days.</p>

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Upcoming Meetings

January 2018				
Monday	Tuesday	Wednesday	Thursday	Friday
<p>15 Holiday</p>	<p>16 CAISO Energy Storage and Distributed Energy Resources Phase 2 Workshop 10am</p>	<p>17 CPUC Workshop for SB1371 2017 Natural Gas Emissions Reporting Templates 10am</p> <p>CAISO Reliability Coordinator Informational Meeting 10am</p> <p>CEC Business Meeting 10am</p> <p>CAISO 2018 Final Policy Initiatives Roadmap call 1pm</p> <p>CAISO Resource Adequacy Reliability Services Initiative Phase 1B web training 1pm</p>	<p>18 CAISO Transmission Maintenance Coordination Committee 9:30am</p> <p>CAISO Review TAC Structure – Straw Proposal meeting 10am</p> <p>CPUC Time of Use Working Group Meeting 10am</p> <p>CPUC RPS Workshop on ELCC Methodology 10am</p> <p>CAISO Reliability Coordinator Informational Meeting in Phoenix 12pm</p>	<p>19 CAISO Reliability Coordinator Informational Meeting in Portland 10am</p>
<p>22 CPUC workshop on technical issues related to pairing of energy storage with virtual net energy metering generators 9:30am</p>	<p>23 CPUC Least-Cost Best-Fit Reform public workshop 9:30am</p>	<p>24 CAISO Interconnection Process Enhancements 2018 Issue Paper meeting 10am</p>	<p>25 CEC Staff Workshop on Proposed Natural Gas Research Initiatives 9am</p> <p>CEC Staff Workshop on Jurisdictional Power Plants Compliance Incident Reporting 10am</p>	<p>26 CEC Offsite Meeting (Sonoma) 9am</p>

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