

Regulatory Report and Proceeding Update - November 2019

<p>R.13-11-005 Energy Efficiency (EE) Rolling Portfolio <i>(Actively Participating)</i></p>	<ul style="list-style-type: none"> ● October 30-31, 2019: Potential and Goals Workshop at CPUC. The Commission will solicit feedback on how to overhaul the Navigant study to integrate DR, align with the IRPs and to possibly carve out analysis for RENs and CCAs. No due date as of yet on comments. ● November 12, 2019: Proposed Decision on RENs and Market Transformation are due. RENs continuation were affirmed, TRC does not apply to RENs, coordination of PAs (CCAs, IOUs, new and existing RENs) with geographic overlap was generally prescribed. For Market Transformation, \$250M over 5 years was authorized, a single Market Transformation PA will manage Initiatives, TRC was not prescribed, SCE will oversee initial applications and filings, and programs/initiatives will not likely start for 3-5 years from 2019. 	<p>Impact: RENs and CCAs</p> <p>Status:</p> <ul style="list-style-type: none"> ● Remainder of Phase III issues to be addressed ● Proceeding will close in May 2020 <p>Next Deliverable:</p> <ul style="list-style-type: none"> ● November 12 – Opening Comments on RENs and MT ● TBD – P&G Comments
<p>A.17-01-013 et. al. EE BP Applications <i>(Closed)</i></p>	<ul style="list-style-type: none"> ● August 1, 2019 Decision D.19-08-006 - Decision Adopting Standard Contract For Energy Efficiency Local Government Partnerships. Applications The docket is closed since the BPs have been approved. Standard contracts were generally favorable for LGs in the ability to pursue LGP contracts; however LGPs are significantly being ramped down. ● March 23, 2018: Ruling issued regarding Normalized Metered Energy Consumption (NMEC) Rulebook; the rulebook details the requirements for any programs or projects that utilize NMEC; Biggest concern is the classification that all programs and projects will be treated as “custom” and be required to be vetted through the “custom process” ● April 4, 2018: Proposed Decision (PD) issued regarding Business Plans; the PD removes SCR’s WE&T and C&S proposed funding; the PD also requires a Joint Cooperation Memo where the RENs are required to prove they are not duplicative to IOUs and justify current portfolio; PD puts in place a probationary process if PAs fail to meet CPUC requirements; ● April 24, 2018: Opening Comments filed by all parties including SoCalREN; ● April 30, 2018: Reply Comments filed by all parties 	<p>Impact: RENs</p> <p>Status:</p> <ul style="list-style-type: none"> ● BPs approved and Applications are closed ● TBD on new Applications if IOUs re-file a BP before 2025 <p>Next Deliverable:</p> <ul style="list-style-type: none"> ● None

	<p>including SoCalREN;</p> <ul style="list-style-type: none"> ● May 8, 2018: Revised PD issued; revision does include placing back SoCalREN's WE&T funding, however does maintain the Joint Cooperation Memo; ● May 14, 2018: Opening Comments filed regarding NMEC Ruling; SoCalREN filed comments addressing the custom classification of all programs and projects; 	
<p>R.14-10-003 Integrated Distributed Energy Resources (IDER) <i>(Monitoring)</i></p>	<ul style="list-style-type: none"> ● November 1, 2019: PG&E on behalf of the CPUC solicited Avoided Cost Calculator (ACC) feedback in a spreadsheet; evidentiary hearings were proposed to be November 18-19, 2020; this is part of D.19-05-019 that states a biennial process from August to December in odd numbered years to make updates to the ACC with May 1 of even numbered years for a final decision. ● August 30, 2019: Commission hosted a 1 day workshop to discuss Major Changes to the ACC where D.19-05-019 procedures were discussed and topics for modifiers to the ACC and SCT impacts were outlined. ● August 15, 2019: D.19-05-019 adopted a cost-effectiveness analysis framework for all DERs and accepted the TRC as the primary test for all commission activities except where expressly prohibited by statute; the Societal Cost Test (SCT) shall be tested through December 31, 2020 for the IRPs; it will also have new GHG adders, air quality adders and a lower discount rate (3%); it also approved a process and schedule for updating the ACC ● As of D.19-05-019 outstanding issues include: <ul style="list-style-type: none"> ○ Designing alternative sourcing mechanisms for distributed energy resources; ○ whether to streamline shorter term distributed energy resources sourcing mechanisms for distribution deferral opportunities; ○ and coordinating existing programs, incentives, and tariffs to maximize locational benefits and minimize costs of distributed energy resources ● August 30, 2019: ACC workshop to discuss major changes was held. ● March 14, 2018: Ruling issued with a Staff Amended proposal regarding a Societal Cost Test; the ruling proposes a modified TRC and PAC cost-effective test; in addition, the ruling proposes a SCT to be used for informational purposes only for IDER evaluation; it also proposes to GHG adders one to be used in the TRC and PAC and one to be used in SCT; one views GHG reductions in a cost perspective the other views GHG reduction impacts to society; ● April 20, 2018: Parties filed opening comments on SCT; IOUs oppose the new GHG adders; most 	<p>Impact: RENs and CCAs</p> <p>Status:</p> <ul style="list-style-type: none"> ● Working through the biennial update process through December 2019 to ACC updates ● Awaiting Final Decision on ACC in May 2020 <p>Next Deliverable:</p> <ul style="list-style-type: none"> ● Monitor ACC update process through December 2019

	<p>stakeholders support SCT and GHG adders;</p> <ul style="list-style-type: none"> ● April 30, 2018: Proposed Decision issued adopting ORAs petition for modification (PFM) eliminating duplication of recovery costs by utilities for IDER pilot projects. ● May 7, 2018: Reply comments filed by various parties on SCT; 	
<p>R.16-02-007 Electricity Integrated Resource Planning (IRP) Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements</p>	<ul style="list-style-type: none"> ● November 6, 2019: ALJ Ruling seeking comment on proposed reference system portfolio (RSP) and related policy actions. This sets a GHG emissions target of 46 MMT for 2030 for the electric sector per CARB which is the same target set by the CPUC D.18-02-018. These targets will be used by CAISO for their Transmission Planning Process (TPP). ● Sept 12 and Oct 21, 2019: Proposed Decision and PD Revision 1 on electric system reliability procurement from 2021-2023. Load Serving Entities (LSEs) were assigned targets for resource adequacy procurement targets, which included 25 LSEs comprised of IOUs and CCAs. If the requirements for CCAs' RA capacities are not met, they shall notify the CPUC by May 1, 2020 at which time IOUs will be responsible to procure on their behalf with non-bypassable charges allocated to the CCA customers. Various once-through cooling generating stations were granted between 1-3 year extensions to comply with new clean electricity capacity. The original deadline was Dec 31, 2020 	<p>Impact: RENs, CCAs, LGs</p> <p>Status:</p> <ul style="list-style-type: none"> ● Awaiting PD on RSP after comments are filed on latest ruling <p>Next Deliverable:</p> <ul style="list-style-type: none"> ● November 27, 2019 comments due on RSP Ruling ● December 13, 2019 RSP Reply Comments Due
<p>R.17-07-007 Interconnection of IDERs and Rule 21 <i>(Monitoring)</i></p>	<ul style="list-style-type: none"> ● June 14: Working Group 3 filed its final report. This report focused on planning, construction, and billing of distribution upgrades issues. ● March 28, 2019: Final Decision issued on Working Group One Report (which was filed March 15, 2018 and was "Urgent/Quickly Resolved Issues and Smart Inverters). The Decision required IOUs to develop illustrative metering configurations and cost tables to provide more transparency in complex metering and interconnection and Screen Q of Rule 21; Screen Q is expanded up to 1MVA systems with less than 500kW of net exports under fast track interconnection (Screen Q), which avoids costly Transmission Cluster Studie; caps the cost of \$20,000 to any new/enhanced telemetry required for systems between 250kW and 9.9MW; Commission neither requires or incentives smart inverters, but allows customers to upgrade to smart inverters; encourages DC metering standards 	<p>Impact: RENs, CCAs, LGs</p> <p>Status:</p> <ul style="list-style-type: none"> ● Awaiting V2G AC Working Group Report (Est Dec 6, 2019) ● Awaiting Working Group 4 Activities ● June 2020 is anticipated closing of the proceeding

	<ul style="list-style-type: none"> October 31, 2018 Working Group 2 Final Report which focused on Integration Capacity Analysis and Streamlining Interconnection Issues The remaining working groups include: <ul style="list-style-type: none"> Application Processing and Review Issues (Working Group Four) Smart Inverter Issues and Coordination with Rulemaking 14-10-003 (Working Group Five/Smart Inverter Working Group) Smart Inverter Issues and Coordination with Rulemaking 14-10-003 (Working Group Five/Smart Inverter Working Group) Ratesetting Issues Requiring Coordination with Rulemaking 14-08-013 (Working Group Seven) Small and Multi-Jurisdictional Utility Rules (Working Group Eight) 	<p>and WG 1-8 issues resolved</p>
<p>R.18-12-006 “DRIVE Rulemaking” Development of Rates and Infrastructure for Vehicle Electrification <i>(Monitoring)</i></p>	<ul style="list-style-type: none"> August 23, 2019: Ruling to create subgroup and schedule to develop a proposal on mobile inverter technical requirements for Rule 21 (This ruling was filed under R.17-07-007 and R.18-12-006). The Vehicle to Grid Alternating Current (V2G AC) Interconnection Working Group was formed to bridge the gap between the two proceedings. The V2G AC WG was proposed by the California Energy Storage Association and the motion was granted in this ruling. This originally closed 13-11-007 and aims at developing a comprehensive framework for electrification of CA’s transportation sector “Transportation Electrification Framework” (TEF) May 2, 2019 OIR Filed: Issues include: <ul style="list-style-type: none"> Topic 1: Issues related to the Transportation Electrification Framework Topic 2: Cost Recovery Mechanisms for TE Investments Topic 3: Rates for ZEVs and Hydrogen-Fueled Vehicles Topic 4: Vehicle Grid Integration Topic 5: Coordination with Existing ZEV Programs Topic 6: Safety Topic 7: Other The rulemaking started with SB 350, SB 1000, and AB 2127 	<p>Impact: RENs, CCAs CCAs</p>
		<p>Status:</p> <ul style="list-style-type: none"> Awaiting V2G AC Working Group Report (Est Dec 6, 2019)
		<p>Next Deliverable:</p> <ul style="list-style-type: none"> Dec 17, 2019 workshop on V2G AC Proposal Jan 6, 2020 Post Workshop Comments Due Jan 13, 2020 Workshop Reply Comments Due
<p>R.19-01-011 Rulemaking Regarding Building Decarbonization</p>	<ul style="list-style-type: none"> February 8, 2019: Rulemaking opened on Building Decarbonization. The focus will be on: <ul style="list-style-type: none"> SB 1477 Implementation (TECH and BUILD) Pilots to redevelop wildfire areas Coordinate T24, 20 and further 	<p>Impact: RENs, CCAs and LGs</p>

<p><i>(Monitoring)</i></p>	<ul style="list-style-type: none"> ○ decarbonization potential <ul style="list-style-type: none"> ○ Policy framework issues on programs, rules, rates and decarbonization topics to meet State GHG goals ● Initial funding source is Cap and Trade funds 	<p>Status:</p> <ul style="list-style-type: none"> ● Awaiting Proposed Decision (PD) on SB 1477 Implementation ● SoCalREN is a party to the proceeding
<p>A.19-08-013 SCE Authority to Increase its Authorized Revenues for Electric Service in 2021 <i>(Monitoring)</i></p>	<ul style="list-style-type: none"> ● September 28, 2019: Resolution setting Oct 28, 2019 for a joint case management statement on the procedural schedule for this application ● SCE requested an Authorized Base Revenue Requirement (ABRR) of \$7.601 billion effective January 1, 2021; this represents a \$1.295 billion or 20.1% increase in 2020 over the currently authorized and requested base rates ● Justifications include wildfire safety and meeting SB 100 while “keeping the lights on” 	<p>Impact: RENs, CCAs and LGs</p> <p>Status:</p> <ul style="list-style-type: none"> ● Awaiting follow-up from joint case management statement <p>Next Deliverable:</p> <ul style="list-style-type: none"> ● None