

JUNE 3, 2022

Regulatory Update



Regulatory Highlights

- Resource Adequacy (RA) proposed decision (PD)
- Voluntary Auction and Market Offer (VAMO) process
- Net Energy Metering (NEM) 3.0
- PG&E 2022 Energy Resource Recovery Account (ERRA) & Power Charge Indifference Adjustment (PCIA) Forecast filing

RA PD

- PD issued May 20, 2022
 - CPUC Voting Meeting adoption as early as June 23, 2022
 - Key Issues
 - Reduces 2023 ELCC values for solar and wind
 - Adopts 24-hour Slice-of-Day RA Framework, with implementation in 2025
 - Rejects Hourly Resource/Load trading within the 24-hour RA framework
 - Next steps
 - CalCCA will comment, may have additional *ex parte* meeting
 - EBCE considering parallel comments and other outreach (e.g., support for 24-hour slice-of-day is *contingent* on hourly resource/load trading)
- Opening comments due June 9, Reply comments due June 14

VAMO

- Process for PG&E to transfer RPS resources from PG&E to CCAs/ESPs
- Allows CCAs to accept an allocation of a share of PG&E RPS resources in whole or in part, for short term or long-term purposes.
- Finalizing the allocation process
 - PD on May 20 clarified certain RPS accounting rules
 - ALJ Ruling on May 20 clarified certain scheduling issues
 - CalCCA is discussing with PG&E remaining scheduling issues
- Decision on accepting allocation tentatively **due July 25, 2022.**

NEM 3.0

Administrative Law Judge (ALJ) ruling issued May 9 asking for responses to 14 questions covering three topic areas:

- **Glide Path Approach**
 - ALJ questions revolve around idea of an "ACC Plus" proposal which would provide an adder on top of the CPUC's Avoided Cost Calculator (ACC)-based hourly export credits in the Proposed Decision (PD)
- **Non-Bypassable Charges (NBCs) on Gross Consumption**
 - ALJ questions revolve around whether all NEM customers should pay NBCs, what amount of consumption the NBCs should be based on, and which NBCs should be included
- **Community Distributed Energy Resources**
 - ALJ questions revolve around comparing the existing Community Solar Green Tariff program to one based on the NEM tariff structure, and whether any community solar program should guarantee low-income participants rate savings

Next steps:

- Comments on ruling due June 10; reply comments scheduled for June 24
- Awaiting Oral Arguments (to be scheduled)
- Anticipating a revised PD (rewrite by Administrative Law Judge) or Alternate PD (rewrite by Commissioner)
- Unclear when PD will be voted on, given awaiting revisions and an updated schedule

2022 ERRA Forecast

The ERRA Forecast proceeding:

- Sets the bundled generation rate for PG&E customers
- Sets the Power Charge Indifference Adjustment (PCIA) rate

PG&E will file for new generation/PCIA rates on May 31, 2022

Rates may go into effect as early as January 1, 2023