

CPUC Public Agenda 3565

Thursday, June 26, 2025, 11:00 a.m.

Commissioners:

Alice Reynolds, President

Darcie L. Houck

John Reynolds

Karen Douglas

Matthew Baker

www.cpuc.ca.gov



California Public
Utilities Commission

CPUC Mission

We Empower California through:

- Assuring utility services are clean and safe.
- Providing for critical services and infrastructure.
- Designing rates that are fair and reasonable.
- Protecting the interests of consumers and ratepayers

CPUC Core Values



Accountability



Excellence



Integrity



**Open
Communication**



Stewardship

Commissioner Code of Conduct

- I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.
- II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.
- III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.
- IV. Commissioners are public officials who should uphold the integrity of their office at all times.

Public Comment

- Per Resolution ALJ-252, any member of the public (excluding parties and their representatives) who wishes to address the CPUC about matters before the Commission may comment in person at the Commission Meeting or may call in to the toll-free number:



1-800-857-1917

Passcode: 9899501

- ***Para escuchar esta reunión en español, por favor llame: (800) 857-1917, código de acceso: 3799627.***
- Once called, each speaker has 1 minute at the discretion of the Commission President. If there are a large number of callers wishing to speak, the time limit may be changed to accommodate all callers.
- A bell will ring when time has expired.
- **Written comments on a specific proceeding can be submitted via the CPUC's docket card. Please visit www.cpuc.ca.gov/docket, input the proceeding number, then click on the public comment tab. You can also visit the Public Advisor's Office webpage at www.cpuc.ca.gov/pao for further information.**
- Public Comment is not permitted on the following items:
 - 33, 44, 44A

Public Agenda Changes

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.

- Items on Today's Consent Agenda 1 are: **1, 4, 10, 12, 13, 15, 17, 18, 20, 23, 24, 26, 28, 30, 31, 32, 33, 34, 36, 38 and 43.**
- Items on Today's Consent Agenda 2 are: **11, 14, 19, 25, 29, 35, 37, 39, 40, 41, and 42.**
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- **No Item** from the Regular Agenda has been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- **No Item** has been withdrawn.
- **Items 21 and 22** have been moved to the Regular Agenda.
- The following items have been held to future Commission Meetings:

Held to 7/24/2025: 3, 5, 6, 7, 8, 9, 16, 27, and 45.

Held to 10/30/2025: 2.

Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's final decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: www.cpuc.ca.gov
- Late changes to agenda items are available on the Virtual Escutia Table; or in paper format or via QR Code at the Commission Meeting site.

Regular Agenda | Orders and Resolutions

Item #21 [23525] – Southern California Edison Company Microgrid Incentive Program

Res E-5401

Advice Letter (AL) SCE 5119-E filed October 11, 2023, AL 5119-E-A filed February 16, 2024, AL 5119-E-B filed September 10, 2024, and AL 5119-E-C filed October 15, 2024 - Related matters

PROPOSED OUTCOME:

- Approves Southern California Edison Company's Advice Letter 5119-E with Supplement AL 5119-E-A, 5119-E-B and 5119-E-C for grant awardees that are not local or tribal governments.
- Directs Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company to establish a new Microgrid Incentive Program (MIP) agreement with special provisions for local and tribal government MIP Grant Awardees.

SAFETY CONSIDERATIONS:

- Microgrids can provide power for critical infrastructure during black sky or grid outage conditions.

ESTIMATED COST:

- The MIP has a \$200 million budget that was approved by Decision 21-01-018. There are no additional costs associated with this Resolution.

Regular Agenda | Energy Orders

Item #22 [23526] – Resource Adequacy Market Price Benchmark

R.25-02-005

Order Instituting Rulemaking to Update and Reform Energy Resource Recovery Account and Power Charge Indifference Adjustment Policies and Processes.

Comr. John Reynolds - Judge Rambo

PROPOSED OUTCOME:

- Directs Energy Division to adopt a single Resource Adequacy (RA) Market Price Benchmark (MPB), eliminating the production and use of separate RA MPBs for system, local, and flexible RA.
- Requires the consideration of 3 years' transaction data for RA MPB forecasts and 4 years data for final RA MPB calculations.
- Directs Energy Division to remove from RA MPB calculations affiliate and swap transaction and to utilize only the initial transaction data in sleeve transaction.
- Adopts definitions for affiliate, swap, and sleeve transactions. Requires Load Serving Entities to identify all affiliate, swap, and sleeve transactions in their data submissions.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.

Regular Agenda | Energy Orders

Item #44 [23485] – William White vs. Pacific Gas and Electric Company (ECP) C.24-07-011

William White vs. Mindy Reed and Lynn Flavin for Pacific Gas and Electric Company.

Comr. John Reynolds - Judge Toy

PROPOSED OUTCOME:

- Sustains Complaint in part and denies in part. Complainant shall receive a bill credit or refund from Pacific Gas and Electric Company due to overbilling and receive an extension on the Net Energy Metering 2.0 Application Deadline.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.

Regular Agenda | Energy Orders (continued)

Item #44A [23489] – Commissioner John Reynolds' Alternate to Item 23485 (ECP) C.24-07-011

William White vs. Mindy Reed and Lynn Flavin for Pacific Gas and Electric Company.

Comr. John Reynolds

PROPOSED OUTCOME:

- Sustains Complaint in part and denies in part. Complainant shall receive a bill credit or refund from Pacific Gas and Electric Company due to overbilling but is denied an extension on the Net Energy Metering 2.0 Application Deadline.
- Closes the proceeding

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.

Management Reports

Regular Agenda | Management Reports and Resolutions

Item #46 [23293]

Management Report on Administrative Actions and Consumer Protection and Safety Activities

CEC Proposed 2025-2026 Gas RD&D Investment Plan

The California Energy Commission will present on its proposed 2025-2026 Gas RD&D Investment Plan, Advice Letter 10-G.



Gas R&D Program Proposed FY 2025-2026 Budget Plan

CEC Staff Presentation to CPUC Commissioners

June 26, 2025



Gas R&D Program Background

Public Interest R&D established by Assembly Bill 1002 to be implemented by the CPUC. CEC was designated as a Gas R&D program administrator in 2004, with CPUC oversight (per D. 04-08-010).

\$24 million annual budget, funded by a surcharge on gas consumption.



Focus on energy efficiency, renewable technologies, conservation, and environmental issues



Support state energy policy



Provide benefits to ratepayers



Consider opportunities for collaboration and co-funding opportunities with other entities.



Gas R&D By the Numbers*

\$341M+

GAS R&D FUNDS INVESTED

311

PROJECTS

\$6.3B

FOLLOW-ON FUNDING
AFTER RECEIVING GAS R&D
SUPPORT

48%+

OF FUNDING IN ENVIRONMENTAL
AND SOCIAL JUSTICE (ESJ)
COMMUNITIES SINCE FY 16/17

*Through FY 2024



Benefits to Californians

Ratepayer Benefits:



Affordability



Equity



Safety & Reliability



Adaptation



Environmental Sustainability

Uniform Impact Analysis Principles:*

- Reasonable probability of providing benefits to ratepayers.
- Result in scalable and replicable innovations.
- Accurate and precise project and program impacts reporting.
- Clear and transparent methods of impacts evaluation.

*D.23-04-042 Appendix A



Proposed Research: FY2025-26



Environmental and Social Research



Social Sciences Research for Gas Decommissioning in the Mid and Long Term



Gas System Integrity



Pilot Projects to Advance Gas Decommissioning



Decarbonization



Networked Geothermal Heat Pumps



Social Science Research for Gas Decommissioning in the Mid and Long Term

Motivation: Support gas end use conversions, their coordination with energy infrastructure planning, and strategies to improve gas transition impacts.

Innovation: Use empirically-based social scientific approaches to create tools, insights, and recommendations to support gas transition stakeholders.

Supports: CPUC's Long-Term Gas Planning Rulemaking (R.20-01-007, R.24-09-012) and *2024 Joint Agency Staff Paper: Progress Towards a Gas Transition*



Signal Hill, County of Los Angeles, 1926. California Historical Landmark 580. Credit: Public Domain (<https://commons.wikimedia.org/wiki/>)



Social Science Research for Gas Decommissioning in the Mid and Long Term

Key Benefits*

- **Affordability:** Informs planners and ratepayers on costs and risks of transition pathways, impacts across ratepayer groups.
- **Equity:** Promotes engagement, resources to improve outcomes, and workforce development with ESJ and other communities.
- **Safety and Reliability:** Enables higher precision in addressing energy reliability and safety concerns in gas transition.
- **Environmental Sustainability:** Supports cleaner air by reducing gas combustion indoors and at power plants.

*Metrics for assessing benefits in alignment with D.23-04-042 Appendix A are included in the plan



Pilot Projects to Advance Gas Decommissioning

Motivation: Enhance zonal decommissioning of the gas system as a cost-effective strategy. Pilots are needed to assess its technical, social, and economic feasibility and improve implementation.

Innovation: Evaluate the challenges and implications of strategic gas decommissioning, support future demonstrations, and inform decommissioning policies, regulations, and broader gas decarbonization strategies.

Supports: Senate Bill 1221, CPUC's Long Term Gas Planning Rulemaking (R.20-01-007, R.24-09-012)



Credit: Rocky Mountain Institute - "A New Approach to America's Rapidly Aging Gas Infrastructure," January 6, 2020.



Pilot Projects to Advance Gas Decommissioning

Key Benefits*

- **Affordability:** Provide transparent cost-benefit analysis.
- **Equity:** Improve inclusion and low-cost electrification resources for ESJ communities.
- **Safety:** Inform best practices for safely decommissioning or repurposing portions of the gas system.
- **Environmental Sustainability:** Reduce long-term GHG emissions and local air quality impacts.

*Metrics for assessing benefits in alignment with D.23-04-042 Appendix A are included in the plan

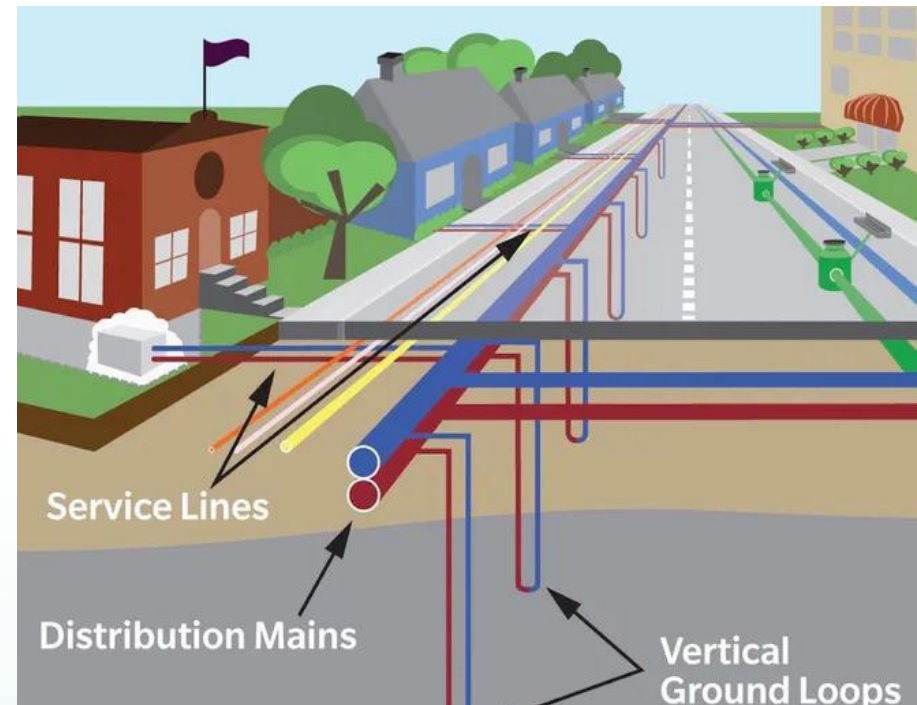


Networked Geothermal Heat Pumps

Motivation: Develop efficient community-scale decarbonization of heating and cooling in support of infrastructure transition from fossil gas.

Innovation: Assess feasibility and demonstrate networked geothermal heat pump solutions in the context of CA's climate, geology, population, and policy landscape.

Supports: CPUC's Long-Term Gas Planning Rulemaking (R.20-01-007, R.24-09-012) and *2024 Joint Agency Staff Paper: Progress Towards a Gas Transition*



Credit: [Eversource](#)



Networked Geothermal Heat Pumps

Key Benefits*

- **Affordability:** Decrease peak energy demand. Facilitate customer bill savings. Explore business models for utility adoption.
- **Equity:** Explore pilot potentials within ESJ communities. Reduce exposure to volatile market prices.
- **Safety:** Minimize combustion risks.
- **Environmental Sustainability:** Reduce GHG and criteria air pollutant emissions.

*Metrics for assessing benefits in alignment with D.23-04-042 Appendix A are included in the plan



Key Dates for the Gas R&D Program

- Budget Plan Report
 - FY2025-2026: Submitted March 28, 2025
 - Supplement forthcoming
- Annual Report:
 - 2024: <https://www.energy.ca.gov/publications/2025/gas-research-and-development-program-2024-annual-report>
 - 2025: Due October 31, 2025

Thank you!

Management Reports

Commissioner's Reports



President
Alice Busching Reynolds



Commissioner
Darcie L. Houck



Commissioner
John Reynolds



Commissioner
Karen Douglas



Commissioner
Matthew Baker

The CPUC thanks you for
participating in today's meeting

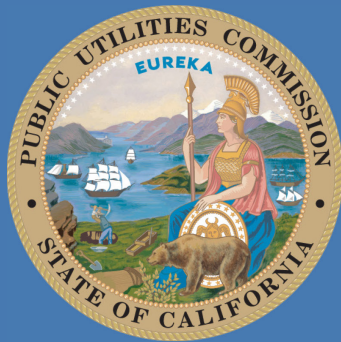
The next Public Meeting will be:

July 24, 2025

11:00 a.m.

San Francisco, CA





California Public Utilities Commission

cpuc.ca.gov