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R2106017

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to  
Modernize the Electric Grid for a High  
Distributed Energy Resources Future.

Rulemaking 21-06-017

**ADMINISTRATIVE LAW JUDGES' RULING  
SEEKING COMMENT ON STAFF PROPOSAL**

This Ruling introduces a staff proposal to improve the Distribution Planning and Execution Process (Staff Proposal) and directs parties to comment on the proposal. As directed below, parties are instructed to comment on relevant sections of the Staff Proposal to ensure a complete record on all aspects of the proposal. Parties shall present comments in the same order as the topics of the Staff Proposal. No later than 21 days from the issuance of this ruling, parties shall file comments as directed herein; reply comments shall be filed no later than seven days after the filing of opening comments.

**1. Procedural Background**

The Commission initiated Rulemaking (R.) 21-06-017 to prepare the electric grid for a high number of distributed energy resources. The first phase of this proceeding is to address near-term actions for the Distribution Planning and Execution Process (DPEP) and the Distribution Investment Deferral Framework (DIDF). The Assigned Commissioner's Amended Scoping Memo and Ruling (Amended Scoping Memo) set forth the issues for Track 1: Distribution Planning and Execution Process and Data Improvements, Phase 1: Near-Term Actions. The scope for Track 1, Phase 1 includes determining other work plan activities,

outside the three large investor-owned utilities'<sup>1</sup> (Utilities) distribution planning and execution process, to be reviewed in this proceeding; improvements to distribution forecasting; near-term actions for more effective and timely execution of infrastructure projects; mechanisms to allow flexibility in cost recovery for infrastructure projects; coordination with the transportation electrification framework from R.18-12-006 and other related transportation electrification efforts; improving the Integration Capacity Analysis data to enhance accuracy and usefulness for distributed energy resource planning, siting, and interconnection; and improving local engagement in utility distribution planning.

## **2. Overview of Staff Proposal**

The Staff Proposal provides reasoning for the need to improve upon the current DPEP and the DIDF. The Staff Proposal states that California anticipates entering a period of historic load growth related to ambitious electrification objectives, and current distribution planning may not be adequate to meet this change in load growth, potentially leading to longer energization timelines. The current methods for estimating load forecasts from the California Energy Commission Integrated Energy Policy Report (IEPR) and actual requests for energization from customers can distort grid planning. As a result, the DPEP has under-forecasted grid needs, particularly in later years, and may underestimate the necessary funding in utility general rate cases. Additionally, Pacific Gas and Electric Company (PG&E) has accumulated a backlog of distribution capacity projects, which presents particular challenges at a moment of load growth and limited funding, leading to project delays in the PG&E service territory.

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<sup>1</sup> The three large investor-owned utilities include Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company.

The Staff Proposal contends these distribution planning issues can be mitigated through improving methods for forecasting load growth and disaggregating load growth to specific locations on the grid. After presenting the details of the current DPEP issues, the Staff Proposal presents a series of proposals for utility action and changes in regulation. This is followed by a proposal to modify current reporting related to the DIDF and use this modified reporting to facilitate oversight of Utilities' DPEPs and provide useful data to the California Energy Commission to improve larger electric planning process. The Staff Proposal also provides an internal plan for increased Commission oversight of the Utilities' DPEPs that entails careful oversight of distribution planning and execution.

Relatedly, the Amended Scoping Memo indicated a review of the Integrated Capacity Analysis (ICA). The Staff Proposal makes several recommendations to modify the ICA maps to improve usability and to enable straightforward customer creation of limited generation profiles and modify the ICA methodology to make use of the limited generation profiles application information. The Staff Proposal also proposes developing new reports aimed at reducing the frequency of false negative zero load ICA values and providing information on both generation and load ICA accuracy.

The final section of the Staff Proposal discusses ideas for the future. These were proposals that the Staff Proposal asserts should be pursued in the future either in this proceeding or in another venue.

### **3. Developing the Record**

In order to fully develop the record so that the Commission can consider the content of the Staff Proposal, parties are directed to file opening comments providing feedback to the Commission on the Staff Proposal. Party feedback

shall be presented in the same order as the Staff Proposal using the same headers and sub headers as those used in the Staff Proposal. Parties not adhering to these format instructions will be directed to refile their comments.

Parties are instructed to provide feedback on substantive sections of the Staff Proposal as listed in the table below. This includes sections conveying interpretations of current processes to ensure accuracy of the record. The table below provides guidance on each section of the Staff Proposal for parties to keep in mind when reviewing the proposal and developing comments.

<b>Suggested Guidance for Comments on Staff Proposal Sections</b>	
<b>Section/Subsection</b>	<b>Guidance for Comments</b>
2. Current DPEP	<ul style="list-style-type: none"> <li>• Parties should provide any additional details relevant to the process as well as differing interpretations of the process.</li> <li>• Parties should present arguments on disagreements on the narrative presented in this section regarding load growth and distribution planning.</li> </ul>
3.1 Issues with the Current DPEP	<ul style="list-style-type: none"> <li>• Parties should discuss concerns or disagreements regarding each of the Staff Proposal’s issues with the current DPEP or the underlying goals to address these issues.</li> </ul>
3.2 Proposals Related to Distribution Planning, and Execution	<ul style="list-style-type: none"> <li>• Parties should explain support or opposition to each of the proposals and requirements laid out in the Staff Proposal.</li> <li>• Parties should offer details of any additional proposals or requirements the Commission should consider.</li> </ul>
3.3 From DIDF to Transparency in Distribution Planning	<ul style="list-style-type: none"> <li>• Parties should provide additional details relevant to the current DIDF as well as differing interpretations of the process.</li> <li>• Parties should explain support or opposition to each of the DIDF modification proposals laid out in the Staff Proposal.</li> </ul>

<b>Suggested Guidance for Comments on Staff Proposal Sections</b>	
<b>Section/Subsection</b>	<b>Guidance for Comments</b>
3.4 Commission Oversight	<ul style="list-style-type: none"> <li>Parties should explain support or opposition to the internal plan for increased oversight of utility distribution planning and execution as presented in the Staff Proposal.</li> </ul>
4. DRP, Data Portals and ICA Goals and History	<ul style="list-style-type: none"> <li>Parties should provide any additional details relevant to the process as well as differing interpretations of the process or additional background</li> </ul>
5.3 Generation and Load ICA and Data Portal Improvements	<ul style="list-style-type: none"> <li>Parties should explain support or opposition to each of the Staff Proposal recommendations for Generation and Load ICA and Data Portal Improvements.</li> </ul>
5.4. Generation ICA and Data Portal Improvements	<ul style="list-style-type: none"> <li>Parties should explain support or opposition to each of the Staff Proposal recommendations for Generation ICA and Data Portal Improvements.</li> </ul>
5.5 Load ICA and Data Portal Improvements	<ul style="list-style-type: none"> <li>Parties should explain support or opposition to each of the Staff Proposal recommendations for Load ICA and Data Portal Improvements.</li> </ul>
6. Additional ICA Usability and Data Portal Improvements	<ul style="list-style-type: none"> <li>Parties should explain support or opposition to each of the recommendations regarding improvements for the future or improvements to be addressed in other venues.</li> </ul>

**IT IS RULED** that:

1. Parties shall file opening comments on the attached Staff Proposal no later than 21 days after the issuance of this ruling.
2. Parties shall file reply comments on the attached Staff Proposal no later than seven days after filing opening comments.

3. Parties shall adhere to the format guidance provided in this ruling and are encouraged to follow the comment content guidance provided in the table above. Parties not complying with the format guidance will be directed to refile.

Dated March 13, 2024, at San Francisco, California.

/s/ KELLY A HYMES

Kelly A. Hymes  
Administrative Law Judge

/s/ MANISHA LAKHANPAL

Manisha Lakhanpal  
Administrative Law Judge

ATTACHMENT 1

Staff Proposal to Improve the Distribution Planning and Execution Process