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TO PARTIES OF RECORD IN RULEMAKING 21-06-017:

This is the proposed decision of Commissioner Darcie L. Houck. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's October 17, 2024 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC:avs
Attachment

Decision **PROPOSED DECISION OF COMMISSIONER HOUCK**
**(Mailed 9/13/2024)**

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

| | |
|---|---|
| Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resource Future. | Rulemaking 21-06-017 |

# DECISION ADOPTING IMPROVEMENTS TO DISTRIBUTION PLANNING AND PROJECT EXECUTION PROCESS, DISTRIBUTION RESOURCE PLANNING DATA PORTALS, AND INTEGRATION CAPACITY ANALYSIS MAPS

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# DECISION ADOPTING IMPROVEMENTS TO DISTRIBUTION PLANNING AND PROJECT EXECUTION, DISTRIBUTION RESOURCE PLANNING DATA PORTALS, AND INTEGRATION CAPACITY ANALYSIS MAPS

## Summary

The purpose of Rulemaking 21-06-017 is to prepare the electric grid for a high number of distributed energy resources. In establishing this proceeding, the Commission recognized the need to review utility distribution planning processes. Track 1, Phase 1 of this proceeding has focused on near-term improvements to the distribution planning and execution process (DPEP). This decision marks the culmination of two years of work by the Commission and parties to review the current distribution planning and execution processes of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) and determine what near-term improvements to activities such as investment planning, prioritization, execution, and cost recovery could be made to effectively and efficiently execute infrastructure projects. The Commission also recognized that distribution planning does not occur in a vacuum. Hence, this proceeding looked at improving coordination with other Commission proceedings, including the Transportation Electrification and Energization proceedings, and local engagement in utility distribution planning.

Following a series of rulings and comments to review and better understand the current DPEP, a *Staff Proposal to Improve the Distribution Planning and Execution Process* (Staff Proposal) recommended 27 specific improvements. After reviewing each of the proposed improvements and the party comments on the improvements, this decision adopts the following requirements for Utilities.

With respect to the DPEP, Utilities are directed to:

- Use reliable bottom-up data to estimate load growth in a given year, defining reliable bottom-up data as customer energization requests and potentially certain types of pending loads, and allowing the estimate to exceed the forecasted load growth that is based on the Integrated Energy Policy Report (IEPR) data, with guardrails. The decision allows Utilities to select a newer IEPR vintage to use in distribution planning.
- Work with the Commission and the California Energy Commission to develop proposals to improve the method for setting caps on load growth from the IEPR.
- Extend the distribution planning forecast horizon to a minimum of 13 years and Utilities' planning horizons to 10 years but maintain the three-year minimum horizon for line section analysis.
- Implement the use of scenario planning in the DPEP beginning with the 2025-2026 Distribution Planning Process (DPP) cycle.
- Improve disaggregation methodologies for implementation in the 2026-2027 DPP cycle.
- Create a pending loads category in the DPP, provide evidence for types of pending loads to be considered "reliable bottom-up data" and present an evaluation of the outcomes no later than two years after implementation.
- Submit separate advice letters to propose project prioritization methods, methods for integrated planning, and bridging strategies to accommodate energization requests that trigger distribution capacity work.
- Prepare a load flexibility planning process assessment within the Electrification Impact Study Part 2 and propose how to integrate the assessment into the DPEP.
- Submit an annual community engagement plan to address equity in the DPEP.
- Eliminate distribution investment deferral solicitations and focus on improving transparency of the DPEP.

- Include metrics to evaluate equity in utility distribution plan reporting.
- Include additional details regarding ongoing and completed distribution capacity projects beginning with the August 15, 2025 Distribution Deferral Opportunity Report, now called the Distribution Upgrade Project Report.
- Track and report all known load projects to the California Energy Commission.

Relatedly, this decision provides flexibility to Utilities to use the results of the annual DPP as a basis for requesting forecasting distribution upgrade costs within a general rate case and removes Ordering Paragraph 2(h) and 2(i) of Decision 18-02-044 that limited such requests.

This decision also makes several improvements related to the Integration Capacity Analysis (ICA) results in the data portals and the data portals themselves. Utilities are directed to:

- Incorporate more detail of limiting criteria into Integration Capacity Analysis (ICA) results in the data portals.
- Remove customer registration requirements for data portal access.
- Use the 15/15 Rule for data redaction where the rule is defined as a data set containing 15 customers with no customer receiving no more than 15 percent of the load.
- Modify ICA maps to enable straightforward customer creation of Limited Generation Profiles and align with Resolution E-5230.
- Modify ICA methodologies to make use of Limited Generation Profile application information, incorporating all queued and active distributed energy resources with export limits in addition to resources with Limited Generation Profiles.

- Submit quarterly standalone ICA reports and hold quarterly ICA public workshops.
- Incorporate ICA results into internal energization business processes (for Pacific Gas and Electric Company only)
- Submit an advice letter describing the technical barriers to implementation (for San Diego Gas & Electric Company and Southern California Edison Company only).
- Immediately create a dedicated ICA contact email and implement other ICA usability and data portal improvements no later than December 2026.

The Commission considers these near-term improvements to be the first step in improving the DPEP and a first step in preparing the electric grid for a high number of distributed energy resources. The Commission recognizes that these planning efforts will require a significant investment. However, it is critical that Utilities ensure their distribution planning prioritizes cost-effective measures and efficiencies while maintaining safety and reliability obligations.

## 1. Background

The primary focus of this decision is the Distribution Planning and Execution Process (DPEP). This section provides the reader with relevant background information to understand the foundational elements and previous Commission actions discussed throughout this decision. Below, this decision presents (1) a description of elements adopted in the predecessor rulemaking, Rulemaking (R.) 14-08-013 et al.,[1] and used in the current DPEP; (2) an overview of the current DPEP steps; (3) a discussion of related legislation; (4) an overview

[1] Other related matters included the three applications filed by investor-owned utilities requesting approval of Distribution Resource Plan proposals (Application (A.) 15-07-002, A.15-07-003, and A.15-07-006).

of the procedural steps taken thus far in this rulemaking; and (5) an overview of a staff proposal to improve the DPEP (Staff Proposal).

### 1.1. Distribution Resources Plans Proceeding

R.14-08-013 et al. (the Distribution Resources Plans (DRP) proceeding) developed several elements currently used in the DPEP. The Commission established the DRP to guide electric investor-owned utilities[2] (Utilities) in developing DRP proposals that identify optimal locations for the deployment of distributed resources, as required by Assembly Bill (AB) 327 (Perea), Stats. 2013, ch. 611. AB 327 added Public Utilities Code (Pub. Util. Code) § 769 requiring Utilities to file DRP proposals and providing guidance to the Commission on the review, modification, and ultimate approval of the Utilities' DRP proposals (more details are provided in Section 1.3 below). Relevant to this proceeding, the DRP proceeding established the Integration Capacity Analysis (ICA), Data Portals, and the Distribution Investment Deferral Framework (DIDF). The following sections describe each of these elements.

#### 1.1.1. Data Portals

Data Portals are interactive web portals that leverage geospatial mapping data to allow for public access to certain utility electrical grid information. As such, the objectives of the Data Portals address the needs of various stakeholders and include: (1) to further the Utilities' efforts to support customer use of clean energy technologies; (2) to assist the Commission in streamlining the interconnection process; and (3) to help California meet its clean energy goals.

[2] The investor-owned utilities are Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE).

Utilities first published the Data Portals on July 15, 2015 simultaneously with the issuance of their DRPs.[3] The first iteration of the Data Portals included an ICA assessment for each line section or node in the distribution system and the Locational Net Benefit Analysis results for their distribution systems, as required by the February 6, 2015 *Assigned Commissioner's Ruling on Guidance for Public Utilities Code Section Pub. Util. Code §769.3 – Distribution Resource Planning*. The Portals have undergone multiple iterations to improve usability and accuracy. Today, the data available within each portal includes the following items:

- General locations of distribution circuits, substations, and subtransmission systems;
- Distributed energy resources ICA results (*i.e.,* hosting capacity);
- Current, queued, and total distributed generation interconnection amounts;
- Downloadable datasets (including Application Programming Interface (API) capabilities);
- Location Net Benefit Analysis (LNBA) results;
- Grid Needs Assessment (GNA) data;
- Distribution Deferral Opportunity Report (DDOR) data;
- Historical Public Safety Power Shutoff (PSPS) data;
- Future transmission projects; and
- High fire risk areas.

### 1.1.2. Integration Capacity Analysis

As required by Pub. Util. Code § 769(b), the DRP proposals were to, among other things, evaluate locational benefits and costs of distributed

[3] *See* February 6, 2015 *Assigned Commissioner's Ruling on Guidance for Public Utilities Code Section Pub. Util. Code §769.3 – Distribution Resource Planning*, Attachment at 7-9.

resources located on the distribution system based on reductions or increases in local generation capacity needs. Track 1 of R.14-08-013 directed the determination of issues related to an ICA. The ICA quantifies the maximum amount of power that can be injected to, or drawn from, the distribution system while requiring minimal to no distribution mitigations, upgrades, or operational restrictions.

Following the review of an ICA Working Group Final Report, the Commission adopted Decision (D.) 17-09-026 which considered many recommendations from the report and directed a workplan for a nine-month ICA rollout. In D.17-09-026, the Commission adopted two ICA use cases: (1) online maps and interconnection streamlining as well as (2) distribution planning. The decision also directed Utilities to use the iterative methodology for the online maps and interconnection streamlining use case with identified modifications including (1) updating ICA results for changed circuits on a monthly basis; (2) employing 576 hourly profiles in the calculation and presentation of ICA results; (3) presenting six ICA results in online maps and downloadable datasets;[4] (4) publishing specific criteria violations associated with the limiting ICA value; (5) modeling voltage regulating devices in initial system-wide rollout; (6) limiting the ICA by pre-existing conditions; (7) maintaining technology-agnostic approach to calculating ICA values; (8) standardizing a common mapping structure and mapping functionality; (9) displaying certain attributes in online ICA maps; (10) employing node reduction and limitation category reduction in the initial system-wide rollout; and (11) using the Demonstration A

[4] The six results include three different values (uniform generation, uniform load and fixed solar photovoltaic) for each of two operational flexibility scenarios (reverse flow up to substation low-side busbar and operational flexibility limit with no reverse flow). *See* D. 17-09-026 at 3.

method for developing localized load shape using Advanced Metering Infrastructure and other customer load data.

#### 1.1.3. Distribution Investment Deferral Framework

The Commission established the DIDF directing Utilities to attempt to defer traditional utility investments through the use of distributed energy resources. The DIDF built upon the Competitive Solicitation Framework adopted by the Commission in D.16-12-036, in the related *Rulemaking to Create a Consistent Regulatory Framework for the Guidance, Planning, and Evaluation of Integrated Distributed Energy Resources* (R.14-10-003 or IDER Proceeding). Within the DRP proceeding, the Commission adopted D.18-02-004, creating the annual DIDF process to identify, review, and select opportunities for third party-owned distributed energy resources to defer or avoid traditional capital investments by Utilities on their electric distribution systems. D.18-02-004 established DIDF as part of the annual utility distribution planning process.

After the establishment of the DIDF, the IDER Proceeding adopted two pilot programs to test alternate processes for soliciting distributed energy resources: the Partnership Pilot and the Standard-Offer-Contract pilot. The Commission directed that these two solicitation processes be integrated into the DIDF process.[5] The Standard-Offer-Contract pilot has since been closed to new

[5] D.21-02-006 at Ordering Paragraph 4 and Ordering Paragraph 6.

contracts due to a lack of interest.[6] Similarly, the Partnership Pilot has been discontinued.[7]

The DIDF process is a multi-step process that involves several players. The following description is a step-by-step overview of the current DIDF process.

The DIDF begins with Utilities proposing which forecast scenarios should apply to the next DPEP cycle (described in Section 1.2 below). Following a workshop with the Distribution Forecasting Working Group (DFWG) and review of informal party comments, Energy Division approves a forecast scenario.[8] Utilities submit their bi-annual DIDF Procurement Status Report to Energy Division, the Independent Professional Engineers (IPE), and Independent Evaluators. Utilities then launch the prescreening period for the Partnership Pilot solicitation mechanisms. The Independent Evaluators submit the Post-Procurement Utility Comparison Report. Utilities file GNA and DDOR for the current cycle. The IPE submits Preliminary Analysis of GNA/DDOR Data Adequacy reports. Utilities launch their Request for Offer (RFO) solicitations. All stakeholders convene for the Distribution Planning Advisory Group (DPAG) workshop where Utilities present their GNA/DDOR reports and details of the identified deferral opportunities and the IPE preliminary analysis. Following the DPAG, stakeholders have the opportunity to pose questions, which is followed

[6] May 19, 2023 *Administrative Law Judge's Ruling on recommended Reforms for the 2023 Distribution Investment Deferral Framework Process, the Partnership Pilot, and the Standard-Offer-Contract Pilot* (2023 DIDF Ruling) at 7-9 and at Ruling Paragraph 1.

[7] June 21, 2024 *Administrative Law Judges' Ruling Reforming the 2024/2025 Distribution Investment Deferral Framework Cycle (DIDF), Off Ramping the Partnership Pilot and Granting the Motions to Temporarily Suspend Portions of the DIDF* (2024 DIDF Ruling) at 17-19 and Ruling Paragraph 3.

[8] D.18-02-004 at Ordering Paragraph 1.a requires the use of the IEPR, D.18-02-004 at Ordering Paragraph 1.c. requires review from the Distribution Forecasting Working Group, and the May 11, 2020 DIDF Reform Ruling at Reform 3 establishes the process for Energy Division approval of Utility-proposed IEPR scenarios.

by subsequent workshops, meetings, and other communications. The IPE submits the DPAG Reports on each Utility's work for the current cycle. Utilities file one advice letter to launch their selected Partnership Pilot projects and a second advice letter for approval to not launch the unselected projects through any solicitation mechanism. Utilities then launch their Partnership Pilots and a second round of RFO. The Independent Evaluator sends out a survey to Partnership Pilot developers and aggregators to solicit feedback on the process. Utilities present their project shortlists to the Procurement Review Group, then subsequently submit an information-only advice letter notification of executed RFO projects. Utilities update their Partnership Pilot website with a notice of availability of procurement tranches for aggregators to bid for. Utilities submit their Annual Partnership Pilot Evaluation Reports, the Independent Evaluator submits the DIDF RFO report and their Annual Partnership Pilot Evaluation Report, and the IPE submits the Post-DPAG Report. There is a round of comments and replies on reforms to DIDF and the solicitation pilots, and the cycle ends with an Administrative Law Judge Ruling, informed by comments, that makes incremental reforms to the DIDF with the aim of improving the deferral process and sets the schedule for the next cycle.

### 1.2. Overview of Distribution Planning and Execution Process

As shown in Table 1 below, the DPEP is a ten-step process that can be divided into the five-step Distribution Planning Process (DPP) (where Utilities forecast future load on the distribution system and determine when and where upgrades will be needed) and the five-step Execution Process (where solutions

are designed, prioritized, and constructed.)[9] These steps are indicative of the general process and are not intended to perfectly capture each utility's process.

**Table 1**
**Ten-Step DPEP**[10]

| DPP (Steps 1-5) | Execution Process (Steps 6-10) |
|---|---|
| 1. Historical Load Profile Review | 6. Project Prioritization in Workplan |
| 2. Forecast Adoption | 7. Project Scoping |
| 3. Load and DER[11] Disaggregation | 8. Planning, Designing, and Estimating |
| 4. Grid Need Identification | 9. Permitting, Sourcing, and Release |
| 5. Solution Development | 10. Construction |

As further shown in Figure 1 below, the ten steps of the DPEP can occur concurrently, or even be skipped under certain conditions and can transpire over 14 to 96 months depending upon the utility and project.

[9] Staff Proposal at 17-22.

[10] Staff Proposal at 17-18.

[11] DER is the acronym for distributed energy resources.

**Figure 1**

Steps of the Distribution Planning and Execution Process Timeline
Time in Months, Forecast Adopted Before Process Begins, Historical Load Profile Review is Concurrent with Grid Load and DER Disaggregation.[12]

| | Grid Load and DER Disaggre-gation | Grid Need and Solution Identification | Project Prioriti-zation* | Project Scoping* | Plan, Design and Estimating | Permitting, Sourcing and Release | Construction | Close** | Total for Project Execution |
|---|---|---|---|---|---|---|---|---|---|
| SCE Circuit | 5 | 4 | | 4 - 6 | 4 - 7 | 4 - 11 | 3 - 4 | 2 - 4 | **20 - 36** |
| SCE Substation | 5 | 4 | | 8 - 9 | 6 - 9 | 4 - 40 | 11 - 18 | 3 - 6 | **36 - 88** |
| PG&E | 5 | 4 | 1 - 12 | 2 - 10 | 2 - 14 | 4 - 24 | 4 - 24 | | **14 - 96** |

*Note: SDG&E did not provide estimates for most of their execution process, only noting that timelines are variable, and so SDG&E is not included here.*

* Some projects identified because of a short-notice customer application may avoid the normal Distribution Planning Process and jump directly to these steps.

** SCE noted a final step after construction where the work is transmitted to mapping and accounting organizations to be logged.

## 1.3. Related Legislation

As described in Section 1.6 below, California has experienced an increase in load growth that, coupled with issues in the DPEP, has led to customer energization delays and long lead times for energization. Two California state bills, signed into law in October 2023, aim to address such delays. Both bills define customer energization as "connecting customers to the electrical distribution grid and establishing adequate electrical distribution capacity or upgrading electrical distribution or transmission capacity to provide electrical service for a new customer, or to provide upgraded electrical service to an existing customer."[13]

Recognizing the need for a large increase in the quantity of electricity and the functions for which electricity will be used, Senate Bill (SB) 410 (Becker), Stats. 2023, ch. 394, which establishes Pub. Util. Code §930 through §939.5, aims to improve the speed at which energization and service upgrades are performed.

[12] Staff Proposal at 18, Figure 2-1.

[13] *See* Pub. Util. Code §931 (b).

SB 410 (Pub. Util. Code §936) directs the Commission to require each electrical corporation to consider a variety of factors in distribution planning including decarbonization goals and plans; building and transportation sector electrification policies; state and local government plans related to housing, economic development, and critical facilities; known load and load projections provided by the California Energy Commission (CEC); and projections of load that exceed forecasts provided by the CEC. SB 410 also directs the Commission to require each electrical corporation to adopt and implement distribution plans (1) to satisfy the state policies listed in Pub. Util. Code §933, such as upgrading the distribution system as needed and in time to achieve decarbonization and air quality goals, and conducting advance planning, engineering and construction so that customers can be energized without substantial delay; (2) to support achieving the requirements from Pub. Util. Code § 936(a)(1); and (3) to generally meet the energization time periods required by Pub. Util. Code § 934. SB 410 (Pub. Util. Code § 936(b)) specifies that electrical corporations may only consider projections of load that exceed CEC forecasts if they provide the Commission with forecast details or what requests necessitated the alternate forecast.

AB 50 (Wood), Stats. 2023, ch. 317 also seeks to improve the accuracy of projected demand and facilitate timely electric service through energization. AB 50, which adds Pub. Util. Code § 933.5, requires each electrical corporation to evaluate and update its existing distribution planning processes and meet annually with stakeholders to discuss issues related to distribution planning listed in Pub. Util. Code § 933.5(c)(1). Further, AB 50 requires each electrical corporation to share relevant information, which may include, but is not limited to, data available through the integrated capacity analysis tool, upon request with local governments about those areas where existing capacity either exists or

could be easily added, and where existing capacity is planned to be added, within the distribution system to meet those objectives (Pub. Util. Code § 933.5(c)(3)).

**Table 2**
**Summary of SB 410 and AB 50 Requirements**

| Bill | Pub. Util. Code Section | Summary of Requirement |
|---|---|---|
| SB 410 | §936(a)(1) | The Commission shall require utilities to consider the following in their annual DPPs: (1) Federal, state, regional, and local air quality and decarbonization standards, plans, and regulations; (2) The transportation and building electrification policies of state law; (3) State agency, local agency, and local government plans and requirements related to housing, economic development, critical facilities, transportation, and building electrification; (4) Known load, and projections of load provided by the CEC; and (5) Projections of load that exceed forecasts provided by the CEC. |
| | §936(a)(2) | The Commission shall require utilities to adopt and implement plans (1) to satisfy the state policies listed in Pub. Util. Code §933, such as upgrading the distribution system as needed and in time to achieve decarbonization and air quality goals, and conducting advance planning, engineering and construction so that customers can be energized without substantial delay; (2) to support achieving the requirements from §936 (a) (1) above; and (3) to generally meet the energization time periods required by §934. |
| | §937(d) | (d) The Commission shall ensure that each electrical corporation improves upon energization planning, consistent with the requirements of Section 936, when requesting an authorized revenue requirement during the electrical corporation's general rate case, in order to minimize the need for any ratemaking mechanism authorized pursuant to this section. |
| AB 50 | §933.5(c)(1) | To improve the accuracy of projected demand and facilitate achievement of the goal of timely electric service |

| **Table 2**<br>**Summary of SB 410 and AB 50 Requirements** | | |
|---|---|---|
| **Bill** | **Pub. Util. Code Section** | **Summary of Requirement** |
| | | through energization, each electrical corporation shall evaluate and update, as necessary, its existing distribution planning processes. |
| | §933.5(c)(2) | To improve the accuracy of projected demand, each electrical corporation shall have annual meetings with interested parties and experts in customer energization, including representatives from local governments and the relevant county staff for each interested county in its service territory, which is presumed to include chief administrative officers, planning directors, public works directors, chief building officials, and economic development officials, to discuss relevant information, which may include, but is not limited to, customer service, existing capacity, planned capacity upgrades, projected local demand, local development plans, significant delays in customer energization in the county, distribution planning, existing workflows, and potential improvements to planning, timelines, processes, and customer communication and education. |
| | § 933.5 (c) (3) | To increase the pace and scale of local projects intended to meet state, regional, and local housing and economic development objectives, each electrical corporation shall share relevant information, which may include, but is not limited to, data available through the integrated capacity analysis tool, upon request with local governments about those areas where existing capacity either exists or could be easily added, and where existing capacity is planned to be added, within the distribution system to meet those objectives. Local government employees authorized to request information include chief administrative officers, planning directors, public works directors, chief building officials, economic development officials, and city managers. |

### 1.4. Procedural Background

On June 24, 2021, the Commission adopted the *Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resource Future* (Order) with the main purpose of preparing the electric grid for a high number of distributed energy resources, including those specific to transportation electrification and as defined in AB 327 and Pub. Util. Code § 769.[14, 15] Additionally, the Commission anticipated addressing unresolved and ongoing issues from the DRP proceeding (R.14-08-013) and IDER proceeding (R.14-10-003).

Following the filing of comments and reply comments on the Order, a prehearing conference, and workshop, on November 15, 2021, the Assigned Commissioner issued a Scoping Memo and Ruling (Scoping Memo). The Scoping Memo established three tracks to the proceeding with related phases. While the multiple tracks and phases of this proceeding are occurring concurrently, this decision will only address issues of Track 1, Phase 1. Track 1, Phase 1 set forth five issues, as shown in Table 3 below.

[14] "Distributed resources' means distributed renewable generation resources, energy efficiency, energy storage, electric vehicles, and demand response technologies" (AB 327 and Pub. Util. Code § 769(a)). The Federal Energy Regulatory Commission (FERC) defines distributed energy resources (DERs) "as any resource located on the distribution system, any subsystem thereof or behind a customer meter." … "These resources may include, but are not limited to, resources that are in front of and behind the customer meter, electric storage resources, intermittent generation, distributed generation, demand response, energy efficiency, thermal storage, and electric vehicles and their supply equipment" (FERC Order No. 2222, 86 FR 16511, June 1, 2021, at 11).

[15] Pursuant to AB 327, Pub. Util. Code § 769 required the Commission to open the Distributed Resources Plan proceeding. Pub. Util. Code § 769 set forth directives regarding the integration of DERs into Utility electric distribution planning and a mandate for the Commission to review, modify, and approve Utility distribution resources plans.

| **Table 3**<br>**Track 1, Phase 1 Issues Adopted in Scoping Memo** |
|---|
| 1. Should the Utilities' DPPs be modified to address policy-based issues such as forecasting scenarios for increased electrification, improved data sharing, electric vehicle adoption,[16] adoption of real-time rates and related flexible load management technologies, and equity? Should policy-forecasting scenarios for higher electrification be used for determining potential grid investments needed to address electrification? |
| 2. How should Utilities' GNA/DDOR be coordinated with the draft Transportation Electrification Framework and/or any existing or future Utility transportation electrification planning efforts stemming from the transportation electrification proceeding (R.18-12-006) and any successor proceeding?[17] |
| 3. How can the GNA/DDOR better reflect the types of Transportation Electrification investments identified in the draft Transportation Electrification Framework and the legislative directives from AB 841 (Ting), Stats. 2020, ch. 372?[18] |
| 4. How should ICA data and calculations be improved to enhance accuracy and usefulness for distributed energy resources planning, siting, and interconnection, especially with respect to electrification load?[19] Should the |

[16] Including electrification of transportation, buildings, ports, rail, and industry.

[17] *See* Section 3.1 and Appendix C in the draft Transportation Electrification Framework, Energy Division Staff Proposal, February 2020, regarding the proposal for Utility strategic, long-term Transportation Electrification Plans. Available at https://www.cpuc.ca.gov/zev and https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M326/K281/326281940.PDF.

[18] Statutes of 2020, Chapter 372 (Ting) requires the Commission to adopt a policy that allows certain customer-side costs associated with installing electric vehicle infrastructure to be treated as common-facility costs for each Utility, to be recovered from all ratepayers. Resolutions E-5167 and E-5168, as adopted on October 7, 2021, approves the six Utilities' requests to establish new electric vehicle infrastructure rules and associated memorandum accounts to track costs associated with implementing AB 841.

[19] The January 27, 2021, *Administrative Law Judge's Ruling on Joint Parties' Motion for an Order Requiring Refinements to the Integration Capacity Analysis*, directs Utilities to retain an independent technical expert to review their data validation plans and efforts.

| |
|---|
| Data Portal design be improved to provide access to data for multiple stakeholders in the DPP?[20] |
| 5. What initial analysis is needed for the Commission to determine in Track 1, Phase 2, of this proceeding how best to improve local engagement in utility distribution planning? |

On August 11, 2023, the assigned Commissioner issued an *Assigned Commissioner's Amended Scoping Memo and Ruling* (Amended Scoping Memo), noting the Commission had anticipated the potential for future amendments in the scope of the proceeding. The Amended Scope of Track 1, Phase I is shown in Table 4 below.

**Table 4**
**Track 1, Phase 1 Issues Adopted in Scoping Memo**

1. Utilities forecast, identify, and plan infrastructure projects as part of the distribution planning process. However, the Utilities' larger distribution planning and execution process also includes activities such as investment planning, prioritization, execution, and a cost recovery mechanism associated with these projects.
    a. What other work plan activities outside the Utilities' distribution planning and execution process should be included in the proceeding?
    b. What near-term actions are needed for more effective and timely execution of infrastructure projects?
    c. Regarding cost recovery, what mechanism, such as a balancing or memorandum account or other process, is needed to allow flexibility to implement infrastructure projects in and outside the general rate case (GRC) cycles?

[20] Data Portals hosted by the three utilities provide ICA, LNBA, GNA/DDOR, and other data to the public. Confidentiality issues were resolved pursuant to the December 17, 2018 Ruling and July 24, 2018 Ruling for R.14-08-013. (A) The PG&E portal is available at https://www.pge.com/en/about/doing-business-with-pge/interconnections/distributed-resource-planning-data-and-maps.html; (B) the SDG&E portal is available at https://www.sdge.com/more-information/customer-generation/enhanced-integration-capacity-analysis-ica; and (C) the SCE portal is available at https://drpep.sce.com/drpep/.

| |
|---|
| 2. How should Utilities' GNA/DDOR be coordinated with the draft Transportation Electrification Framework and/or any existing or future Utility transportation electrification planning efforts stemming from the transportation electrification proceeding (R.18-12-006) and any successor proceeding?[21] |
| 3. How can the GNA/DDOR better reflect the types of Transportation Electrification investments identified in the draft Transportation Electrification Framework and the legislative directives from AB 841 (Ting), Stats. 2020, ch. 372)?[22] |
| 4. How should ICA data and calculations be improved to enhance accuracy and usefulness for distributed energy resources planning, siting, and interconnection, especially with respect to electrification load?[23] Should the Data Portal design be improved to provide access to data for multiple stakeholders in the DPP?[24] |
| 5. What initial analysis is needed for the Commission to determine in Track 1, Phase 2, of this proceeding how best to improve local engagement in utility distribution planning? |

[21] *See* Section 3.1 and Appendix C in the draft Transportation Electrification Framework, Energy Division Staff Proposal, February 2020, regarding the proposal for Utility strategic, long-term Transportation Electrification Plans. Available at https://www.cpuc.ca.gov/zev and https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M326/K281/326281940.PDF.

[22] Statutes of 2020, Chapter 372 (Ting) requires the Commission to adopt a policy that allows certain customer-side costs associated with installing electric vehicle infrastructure to be treated as common-facility costs for each Utility, to be recovered from all ratepayers. Resolutions E-5167 and E-5168, as adopted on October 7, 2021, approves the six Utilities' requests to establish new electric vehicle infrastructure rules and associated memorandum accounts to track costs associated with implementing AB 841.

[23] The January 27, 2021, *Administrative Law Judge's Ruling on Joint Parties' Motion for an Order Requiring Refinements to the Integration Capacity Analysis*, directs Utilities to retain an independent technical expert to review their data validation plans and efforts.

[24] Data Portals hosted by the three utilities provide ICA, LNBA, Grid Needs Assessment/Distribution Deferral Opportunity Reports, and other data to the public. Confidentiality issues were resolved pursuant to the December 17, 2018 Ruling and July 24, 2018 Ruling for R.14-08-013. (A) The PG&E portal is available at https://www.pge.com/en_US/for-our-business-partners/distribution-resource-planning/distribution-resource-planning-data-portal.page; (B) the SDG&E portal is available at https://www.sdge.com/more-information/customer-generation/enhanced-integration-capacity-analysis-ica; and (C) the SCE portal is available at https://ltmdrpep.sce.com/drpep.

Over the course of this proceeding, the Commission's Energy Division has held several public workshops. The record for this decision has been developed through the filing of comments in response to issued rulings. The workshops, rulings, and comment filings are provided in Table 5 below.

**Table 5**
**Track 1, Phase 1 Activities and Record Development for this Decision**

| Date | Activity |
|---|---|
| December 7, 2021 | Workshop: Electrification Impacts Study Research Plan |
| July 26, 2022 | Workshop: Data Portals Improvement |
| March 9, 2023 | Administrative Law Judges' Ruling Seeking Additional Information from Investor-Owned Utilities on Their Distribution Planning Process. |
| April 6, 2023 | Administrative Law Judge's Ruling Directing Responses to Questions on Track 1 Phase 1. |
| April 10, 2023 | Responses to March 9, 2023 Ruling filed by PG&E, SDG&E, and SCE. |
| May 9, 2023 | Administrative Law Judges' Ruling Setting a Workshop, Admitting into the Record Part 1 of the Electrification Impacts Study and Research Plan, and Seeking Comments. |
| May 17, 2023 | Workshop: Findings and Recommendations of Electrification Impacts Study and Research Plan, Part 1. |
| May 22, 2023 | Opening Comments on April 6, 2023 Ruling (Track 1, Phase 1 Questions) filed by California Independent System Operator (CAISO); Center for Biological Diversity (CBD), The Climate Center, 350 Bay Area, Clean Coalition, Vote Solar, and Sierra Club (CBD et al.); Clean Coalition; Coalition of California Utility Employees (CUE); Green Power Institute; Interstate Renewable Energy Council, Inc. (IREC); Joint Community Choice Aggregators (Joint CCAs);[25] Public |

[25] Joint CCAs include San Diego Community Power, Silicon Valley Clean Energy Authority, Sonoma Clean Power Authority, Peninsula Clean Energy Authority, and San Jose Clean Energy Authority.

| **Table 5**<br>**Track 1, Phase 1 Activities and Record Development for this Decision** | |
|---|---|
| Date | Activity |
| | Advocates Office of the Public Utilities Commission (Cal Advocates); Microgrid Resources Coalition; PG&E; SDG&E; SCE; and Utility Consumers' Action Network (UCAN). |
| June 2, 2023 | Administrative Law Judges' Email Ruling Granting [Utilities'] Request for Extension to [Electrification Impacts Study] Comment Schedule. |
| June 5, 2023 | Reply Comments on April 6, 2023 Ruling (Track 1, Phase 1 Questions) filed by Advanced Energy United; CAISO; Clean Coalition; Green Power Institute; IREC; Cal Advocates; PG&E; SDG&E; and SCE. |
| June 30, 2023 | Administrative Law Judges' E-mail Ruling Regarding a Second Extension to the Electrification Impacts Study Comment Schedule. |
| July 14, 2023 | Opening Comments on May 9 Ruling (Electrification Impacts Study Part 1 Question Set 1) (as extended by June 2, 2023 ruling and June 30, 2023 ruling) filed by Cal Advocates; Clean Coalition; PG&E; SDG&E; and SCE. |
| July 28, 2023 | Opening Comments on May 9 Ruling (Electrification Impacts Study Part 1 Question Set 2) (as extended by June 2, 2023 ruling and June 30, 2023 ruling) filed by 350 Bay Area; Cal Advocates; City of Long Beach; Joint CCAs; Mainspring Energy, Inc.; PG&E; SDG&E; Sierra Club; SCE; UCAN; Vehicle-Grid Integration Council; and Vote Solar. |
| August 7, 2023 | Reply Comments on May 9 Ruling (Electrification Impacts Study Part 1 Question Set 1 and Set 2) (as extended by June 2, 2023 Ruling then June 30, 2023 ruling) filed by 350 Bay Area, CBD, and The Climate Center (350 Bay Area et al.); Cal Advocates; Green Power Institute; Mainspring Energy, Inc.; PG&E; SDG&E; San Jose Clean Energy Authority; SCE; UCAN; and Vehicle-Grid Integration Council. |

| **Table 5**<br>**Track 1, Phase 1 Activities and Record Development for this Decision** | |
|---|---|
| Date | Activity |
| August 11, 2023 | Amended Scoping Memo and Ruling directing PG&E, SDG&E, and SCE to respond to questions attached to Ruling and allowing for replies by parties. |
| August 14, 2023 | Administrative Law Judge's Email Ruling High DER Amended Scoping Memo Appendix A and Due Dates to File Comments and Replies on Questions. |
| September 13, 2023 | Opening Comments responding to questions from Amended Scoping Memo (as extended by August 14, 2023 Ruling) filed by PG&E, SDG&E, and SCE. |
| September 15, 2023 | Reply Comments (Utility Responses to Amended Scoping Memo) (as extended by August 14, 2023 Ruling) filed by Small Business Utility Advocates (SBUA). |
| September 28, 2023 | Reply Comments (Utility Responses to Amended Scoping Memo) (as extended by August 14, 2023 Ruling) filed by Clean Coalition; Joint CCAs; Local Government Sustainable Energy Coalition; Protect Our Communities Foundation; and Rural County Representatives of California.[26] |
| October 17, 2023 | Administrative Law Judges' Ruling Soliciting Comments on Cal Advocates' Distribution Grid Electrification Model Study and Report (DGEM Study and Report). |
| October 31, 2023 | Opening Comments on Cal Advocates' DGEM Study and Report filed by City of Long Beach, CA; Local Government Sustainable Energy Coalition; PG&E; Sierra Club; SCE; and UCAN. |
| November 7, 2023 | Reply Comments on Cal Advocates' DGEM Study and Report filed by Cal Advocates; Green Power Institute; |

[26] RCRC members include Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Santa Barbara, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba counties.

| **Table 5**<br>**Track 1, Phase 1 Activities and Record Development for this Decision** | |
|---|---|
| Date | Activity |
| | GRID Alternatives; SBUA; and Vehicle-Grid Integration Council. |
| March 13, 2024 | Administrative Law Judges' Ruling Seeking Comments on Staff Proposal. |
| March 27, 2024 | Workshop: High DER Staff Proposal |
| April 4, 2024 | Administrative Law Judges' Ruling Memorializing Extension of Time to File Opening and Reply Comments on Staff Proposal and Correcting Staff Proposal Numbering Error. |
| May 28, 2024 | Opening Comments on March 13, 2024 Ruling (as extended by April Ruling) filed by 350 Bay Area; Cal Advocates; CALSSA; CALSTART, Inc. (CALSTART); Environmental Defense Fund with Natural Resources Defense Council (EDF/NRDC); Green Power Institute; IREC; Leapfrog Power, Inc.; Local Government Sustainable Energy Coalition; Long Beach; PG&E; Powering America's Commercial Transportation (PACT); SCE; SDG&E; Tesla; The Utility Reform Network (TURN);[27] UCAN; Vehicle Grid Integration Council; and Vote Solar. |
| June 18, 2024 | Reply Comments regarding March 13, 2024 Ruling (as extended by April Ruling) filed by Advanced Energy United (AEU); CALSTART; Cal Advocates; Clean Coalition; EDF/NRDC; Green Power Institute; IREC; Joint CCAs; Local Government Sustainable Energy Coalition; PG&E; PACT; Rural County Representatives of California (RCRC): SCE; SDG&E; SBUA; UCAN; Voltera Power, LLC. (Voltera); and Weave Grid, Inc. |

### 1.5. Submission Date

This matter was submitted on June 18, 2024 upon the filing of Reply Comments regarding the March 13, 2024 Staff Proposal.

[27] TURN filed their Opening Comments to March 13, 2024 Ruling on April 3, 2024.

### 1.6. Overview of Staff Proposal

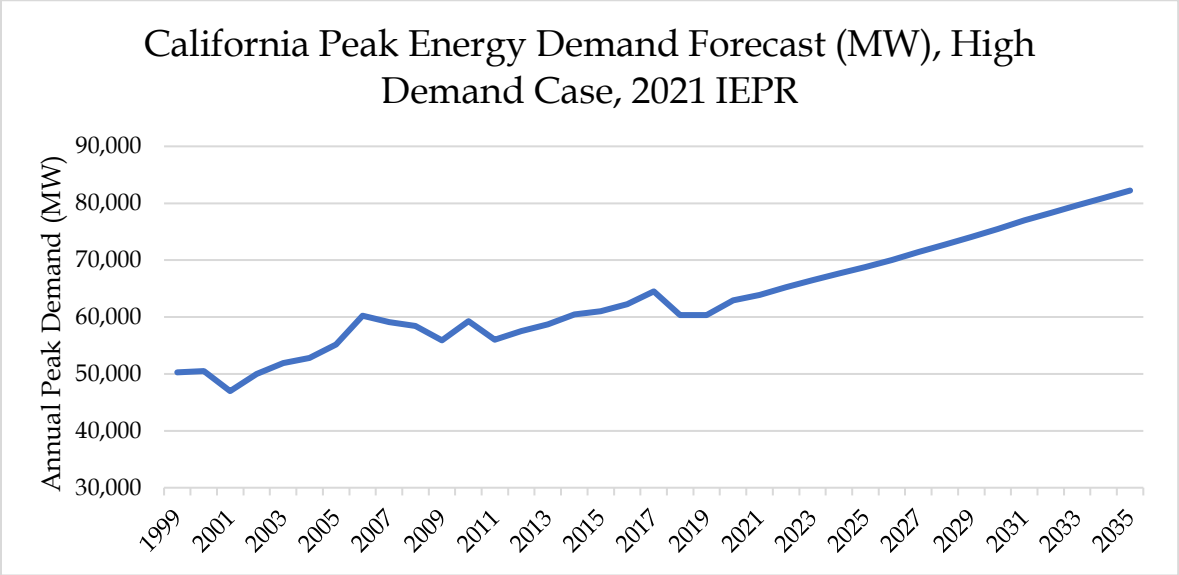
The March 13, 2024 Administrative Law Judge's Ruling introduced the Staff Proposal to address the challenge of integrating high levels of transportation and building electrification into utility distribution planning. The following sections present the reasons for developing the Staff Proposal, the objectives of the recommendations, and a list of the proposed recommendations. Additional details are provided in the discussion portion of this decision.

#### 1.6.1. Externalities Negatively Impacting the Existing DPEP

Over the past 25 years, California has experienced a relatively flat trend in electricity usage across the state due to state policies on energy efficiency and rooftop solar. The Staff Proposal states, however, that California has begun to encounter a historic change in load growth with transportation electrification playing a key part along with building electrification and energy-intensive sectors like data centers and indoor cannabis cultivation. Notably, the Staff Proposal highlights that the CAISO planned for a peak system demand of approximately 65 gigawatts (GW) in 2040. However, as shown by the chart below, this far exceeds historical demand.

**Figure 2**[28]

CEC Forecasts Show Historical Shift in Load Growth, Beginning Around 2022[29]




*Source: 2021 CEC IEPR Demand Forecast, https://efiling.energy.ca.gov/GetDocument.aspx?tn=241206*

The Staff Proposal contends this impending load growth requires a more robust and forward-looking DPEP. However, the Staff Proposal asserts that current utility processes and regulatory requirements may hinder the move toward an improved DPEP. In the case of PG&E, other extenuating circumstances, such as prioritizing wildfire hardening, may further exacerbate this hindrance. These external influences have also set the underlying conditions for an increase in customer energization delays, which led to the signing of SB 410 and AB 50 described above.

[28] MW is the acronym for megawatt.

[29] Staff Proposal at Figure 2-2: Historical Demand on the CAISO System.

### 1.6.2. Proposed Improvements

Table 6 below lists the current issues with the DPEP, the goal for the proposals, and the proposals. Each of the proposals is described in more detail in Section 3 of this decision.

**Table 6**

**DPEP Issues, Goals, and Proposals**

| DPEP Issue Category | Issue Description | Related Key Goals | Related Proposals |
|---|---|---|---|
| Planning Process | IEPR data as an input into Distribution Planning | Key Goal 1: Use the newest available data in distribution planning. | Provide flexibility on which IEPR vintage Utilities can use in distribution planning and develop methodology for incorporating newer IEPR into existing planning. |
| | Reconciling system-wide IEPR load forecasting and bottom-up circuit-level forecasting | Key Goal 1: Improve the method for creating load growth caps from IEPR forecasts. | Utilities to improve method for setting caps on load growth from IEPR data. |
| | | | Up-to-date utility known load project tracking and reporting with the CEC. |
| | | Key Goal 2: Allow flexibility for utilities to bring in reliable bottom-up data when available. | Allow Utilities to use bottom-up, known load data to determine load growth. |
| | Mid- and long-term load disaggregation | Key Goal 1: Improve mid-term (2-4 Years) load disaggregation. | Utilities to create a "Pending Loads" category in DPP. |
| | | Key Goal 2: Improve long-term (5-15 Years) load disaggregation. | Utilities to improve forecasting and disaggregation with scenario planning. |
| | | | Utilities to improve disaggregation methodology for |

| **Table 6**<br>**DPEP Issues, Goals, and Proposals** | | | |
|---|---|---|---|
| **DPEP Issue Category** | **Issue Description** | **Related Key Goals** | **Related Proposals** |
| | | | load growth currently based on economic modeling. |
| Coordination and Planning | Medium- and long-term load disaggregation | Key Goal 1: Use long term forecasting to proactively plan for electrification. | Utilities to expand the DPP forecast horizon to align with the IEPR and expand the planning horizon to 10 years (maintaining the horizon for project deferral at five years.) |
| | | | Utilities to improve forecasting and disaggregation with scenario planning. |
| | | | Utilities to improve disaggregation methodology for load growth based on economic modeling. |
| | | Key Goal 2: Integrate the DPP with other distribution level work. | Utilities to consider distribution planning results when doing other distribution work (*i.e.*, integrated planning.) |
| | | | Proposals in gray cells above also apply here. |
| Transportation Electrification Growth | Reliable anticipation of Transportation Electrification loads that apply for energization on short notice | Key Goal 1: Bringing Transportation Electrification loads into distribution planning early and accurately, to the extent feasible. | Utilities to create a "Pending Loads" category in DPP. |
| Delays and Long | Impact of distribution | Key Goal 1: Utilities to develop strategies, such as | Utilities to develop bridging strategies to better accommodate |

**Table 6**

**DPEP Issues, Goals, and Proposals**

| DPEP Issue Category | Issue Description | Related Key Goals | Related Proposals |
|---|---|---|---|
| Energization Timelines | capacity upgrades on customers | temporary distributed energy resources placement or limits on energy use as bridging solutions for energization requests that require distribution capacity projects. | energization request that trigger distribution capacity work. |
| | | Key Goal 2: Improved tracking of distribution capacity project execution and related funding. | Include metrics to track project execution in utility distribution plan reporting. |
| Cost Recovery | Load growth acceleration and cost recovery challenges | Key Goal 1: Utilities can meet funding needs for distribution capacity work, currently covered by the framework described in SB 410. | No Proposals, this is covered by the cost recovery mechanism in Senate Bill 410, as described above. |
| | | Key Goal 2: Provide More Flexibility for Utilities to Request Distribution Capacity Costs in the GRC. | Provide more flexible inputs for Utilities to request distribution capacity costs in GRCs. |

**Table 6**

**DPEP Issues, Goals, and Proposals**

| DPEP Issue Category | Issue Description | Related Key Goals | Related Proposals |
|---|---|---|---|
| Grid Modernization | Effective utilization of distributed energy resources and load flexibility | Key Goal 1: Prepare Utility Distribution Planning and Project Execution for Grid Modernization. | Utilities to prepare a load flexibility DPP assessment. |
| Community Engagement | Coordination and engagement with local and Tribal governments, planning agencies, ESJ communities, and local developers | Key Goal 1: Effective Utility coordination with local planning entities. | Utilities to submit community engagement plans that specifically address equity. |
| Equity | Equity consideration in distribution planning | Key Goal 1: Proactively consider equity as a priority in distribution planning. | Utilities to develop prioritization methods beyond the current consideration of project need dates. |
| | | | Utilities to submit community engagement plans that specifically address equity. |
| | | | Include metrics to evaluate equity in Utilities' distribution plan reporting. |
| Project Prioritization | Improving project prioritization when the prioritization is useful or necessary | Key Goal 1: Improve prioritization under constrained funding.<br><br>Key Goal 2: Incorporating | Utilities to develop prioritization methods beyond the current consideration of project need dates. |

| **Table 6**<br>**DPEP Issues, Goals, and Proposals** | | | |
|---|---|---|---|
| **DPEP Issue Category** | **Issue Description** | **Related Key Goals** | **Related Proposals** |
| | | equity considerations into prioritization.<br><br>Key Goal 3: Prioritizing the acceleration of future projects. | |

In addition to the DPEP, the Staff Proposal also addresses concerns related to the data portals and ICA maps. The Amended Scoping Memo asks how ICA data and calculations should be improved to enhance accuracy and usefulness for distributed energy resources planning and whether the portal design should be improved to provide access to data for multiple stakeholders. The Staff Proposal developed two key goals to address this scoping issue: 1) Enhance usefulness of the ICA as it relates to accuracy, detail level and context; and 2) Improve design or usability of the ICA. The Staff Proposal contends there are eight issues, with regard to the data portals and ICA maps, and provides eight recommendations. Table 7 below lists the data portal and ICA issues, the related key goal, and the recommendations.

| **Table 7**<br>**Data Portal and ICA Issues, Goals, and Proposals** | | | |
|---|---|---|---|
| **Issue Category** | **Issue Description** | **Related Key Goals** | **Related Proposals** |
| Generation and Load ICA and Data Portals | Data portal map popups containing ICA results currently do not include the type of limit that is constraining generation or load hosting capacity | Key Goal 1: Enhance Usefulness. | Direct Utilities to add the limiting criteria to data portal map popup window displays of ICA results. |
| | Data portal registration requirements diminish the accessibility and effectiveness of the portals by limiting the speed and ease with which users access the data. | Key Goal 2: Increase usability. | Require Utilities to remove registration requirements. |
| | Not all Utilities use the 15/15[30] rule resulting in more data redaction. | Key Goal 2: Increase usability. | Require all Utilities to use the 15/15 rule. |

[30] The 15/15 rule requires that information in a data set must be made up of at least 15 customers and any single customer's load must be less than 15 percent of an aggregation category. A July 24, 2018 Administrative Law Judge Ruling in R.14-08-013 directed Utilities to use this rule to ensure data confidentiality while maintaining data transparency.

**Table 7**

**Data Portal and ICA Issues, Goals, and Proposals**

| Issue Category | Issue Description | Related Key Goals | Related Proposals |
|---|---|---|---|
| Generation ICA and Data Portals | Current ICA results focus on a minimum ICA value output, which will not enable future calculations of Limited Generation Profiles. | Key Goal 1: Enhance Usefulness | Modify ICA maps to enable straightforward customer creation of limited generation profiles. |
| | Current ICA maps and methodologies focus on standard generation profiles and will not enable incorporation of Limited Generation Profiles. | Key Goal 1: Enhance Usefulness | Modify ICA methodology to make use of limited generation profile application information. |
| | Stakeholders do not have access to certain information to compare ICA results to outcomes of hosting capacity and mitigation or upgrade needs assessments. | Key Goal 1: Enhance Usefulness | Require Utilities to create a new report that includes ICA results appended to current quarterly Electric Rule 21 (Rule 21) report. |

| **Table 7**<br>**Data Portal and ICA Issues, Goals, and Proposals** | | | |
|---|---|---|---|
| **Issue Category** | **Issue Description** | **Related Key Goals** | **Related Proposals** |
| Load ICA And Data Portals | Potentially false zero load hosting capacity results limit the optimal use of the Load ICA maps to identify existing capacity on the grid. | Key Goal 1: Enhance Usefulness | Require Utilities to develop new reporting aimed at understanding the frequency of potentially erroneous zero Load ICA values. |
| | Additional resources or increased efficiency on the part of Utilities is required in order to address the anticipated increase in the volume of load energization applications. | Key Goal 1: Enhance Usefulness | Require PG&E only to incorporate Load ICA results into internal Utility energization business processes and publish metrics. |

## 2. Issues Before the Commission

This decision addresses and resolves the five issues in Track 1, Phase 1 of the Amended Scoping Memo, as discussed previously in Section 1.4. Specifically, this decision addresses the Track 1, Phase 1 issues and the legislative requirements by considering whether to adopt the recommendations proposed by Energy Division in the March 13, 2024 Staff Proposal. In Table 8 below, this decision presents the Staff Proposal recommendations to improve the current DPEP and how each recommendation aligns with the Track 1, Phase 1 issues and the requirements of AB 50 and SB 410.

**Table 8**
**Staff Proposal Recommendations and**
**Associated Scoping Issue and Legislative Requirements of AB 50 and SB 410**

| Recommendation (Staff Proposal Recommendation No.) | Scoping Issue Number (from Table 3) | Legislation and Pub. Util. Code Section |
|---|---|---|
| Commission to allow utilities to use bottom-up, known load data to determine load growth. (3.3.1.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(1) and §937(d)(1) |
| Utilities to improve method for setting caps on load growth from Integrated Energy Policy Report (IEPR) data. (3.3.2.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(1), (a)(2) and §937(d)(1) |
| Commission to provide flexibility on which IEPR vintage utilities can use in distribution planning and develop method for incorporating newer IEPR data into existing planning. (3.3.3.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(1) and §937(d)(1) |
| Utilities to expand the DPP forecast horizon to align with the IEPR and expand the planning horizon to 10 years (maintaining the horizon for project deferral at 5 years). (3.3.4.) | 1.b | AB 50 §933.5(c)(1) |
| Utilities to improve forecasting and disaggregation with scenario planning. (3.3.5.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(2) and §937(d)(1) |
| Utilities to improve disaggregation methodology for load growth currently based on economic modelling. (3.3.6.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(2) and §937(d)(1) |

| **Table 8**<br>**Staff Proposal Recommendations and**<br>**Associated Scoping Issue and Legislative Requirements of AB 50 and SB 410** | | |
|---|---|---|
| Utilities to create a pending loads category in the DPP. (3.3.7.) | 1.b | AB 50 §933.5(c)(1) and SB 410 §936(a)(1), (a)(2) and §937(d)(1) |
| Utilities to develop prioritization methods beyond the current consideration of project need dates. (3.3.8.) | 1.b | |
| Utilities to consider distribution planning results when doing other distribution work (integrated planning). (3.3.9) | 1.a | |
| Utilities to develop bridging strategies (e.g. flexible service connection) to better accommodate energization requests that trigger distribution capacity work. (3.3.10.) | 1.a | SB 410 §936(a)(2) |
| Utilities to prepare a load flexibility DPP assessment. (3.3.11.) | 1.b | |
| Commission to allow more flexible inputs for utilities to request distribution capacity costs in their GRC. (3.3.12.) | 1.c | SB 410 §937(d)1 |
| Utilities to submit community engagement plans that address equity. (3.3.13.) | 5 | AB 50 §933.5(c)1, (c)(2), (c)(3) and SB 410 §936(a)(1), (a)(2) and §937(d)(1) |
| Utilities to deprioritize DIDF to free up stakeholder time. (3.4.3.) | 2 and 3 | |
| Utilities to include metrics to evaluate equity in utility distribution plan reporting. (3.4.4.) | 5 | |

| **Table 8<br>Staff Proposal Recommendations and<br>Associated Scoping Issue and Legislative Requirements of AB 50 and SB 410** | | |
|---|---|---|
| Utilities to include metrics to track project execution in utility distribution plan reporting. (3.4.5.) | 1.b | |
| Utilities to report up-to-date known load project tracking to the CEC. (3.4.6.) | 1.b | |
| Utilities to facilitate better coordination and data sharing between the DPP and transportation electrification planning. (3.4.7.) | 2 and 3 | |
| Utilities to incorporate more detail of the limiting criteria into ICA results in the data portal access. (5.3.1.) | 4 | |
| PG&E and SDG&E to remove all registration requirements for data portal access. (5.3.2.) | 4 | |
| Utilities to utilize the 15/15 rule, not the 15/100/15 rule, for decisions about data redaction protecting individual customer privacy for the ICA, GNA, and DDOR. (5.3.3.) | 4 | |
| Utilities to modify ICA maps to enable straightforward customer creation of limited generation profiles (LGPs). (5.4.1.) | 4 | |
| Utilities to modify ICA methodology to make use of LGP application information. (5.4.2.) | 4 | |
| Utilities to create a new report that includes ICA results appended to the current Rule 21 quarterly interconnection report which allows for a comparison between ICA values and the quarterly interconnection timelines report. (5.4.3.) | 4 | |
| Utilities to develop new reporting aimed at understanding the frequency of potentially erroneous zero load ICA values. (5.5.1.) | 4 | |
| Utilities to incorporate load ICA results into internal Utility energization business processes and publish metrics. (5.5.2.) | 4 | |

| Table 8<br>Staff Proposal Recommendations and<br>Associated Scoping Issue and Legislative Requirements of AB 50 and SB 410 | | |
|---|---|---|
| Other miscellaneous ICA usability and data portal improvements, included in appendix A. (6.1.) | 4 | |

## 3. Consideration of Staff Proposed Improvements

Below, this decision describes each staff proposed improvement, the rationale for the improvement, related background information, party comment, and the determination by the Commission as to whether to adopt, modify, or deny the proposed improvement, based on the record.

### 3.1. Allow Utilities to Use Bottom-up, Known Load Data to Determine Growth[31]

As described below, this decision adopts the proposal to allow Utilities to use bottom-up known load data to estimate load growth. However, the proposal is modified to define the term bottom-up data. This decision clarifies that reliable bottom-up data is defined as customer energization requests of known load but may include some types of pending loads if evidence suggests sufficient reliability, as discussed in Section 3.7.4 below. Furthermore, the record shows that the customer energization request data should be transparent. Hence, this decision requires Utilities to provide the data to be published for stakeholder review.

#### 3.1.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission allow Utilities to use reliable bottom-up data to estimate total load growth in a given year, even if it exceeds the forecasted load growth based on the IEPR for that year. In years

[31] Staff Proposal Recommendation No. 3.2.1.

without reliable bottom-up data, total growth should correspond to the forecast amount and not be adjusted downwards.

### 3.1.2. Background and Rationale

According to the Staff Proposal, "bottom-up known load data, and other similarly reliable near-term data on load growth, should be used to estimate load growth at the circuit level in utility distribution planning when available."[32] Further, the Staff Proposal contends that "using this reliable, near-term data should not distort the use of IEPR forecasts in later years, as it currently does in all utility processes."[33] As such, the Staff Proposal asserts that "utilities should not shift known load data to later years in order to adhere to the annual IEPR forecast capacity allowance, as SCE historically has."[34]

The Staff Proposal references previous comments from SCE that recommend a prior practice of reducing focus on disaggregation of a system level forecast and increasing focus on bottom-up forecasting methodologies.[35] SCE states that this has been its practice for previous GRCs in order to align the IEPR with other known load in the early years of a forecast and medium-duty and heavy-duty transportation electrification loads.[36] Other parties recommending the use of bottom-up forecasting include Clean Coalition, Green Power Institute, and Joint CCAs.[37] The Staff Proposal asserts that the use of

[32] Staff Proposal at 66.

[33] Staff Proposal at 66.

[34] Staff Proposal at 66.

[35] Staff Proposal at 66 citing to SCE Opening Comments to May 9, 2023 Ruling at 24.

[36] Staff Proposal at 66 citing to SCE Opening Comments to May 9, 2023 Ruling at 24.

[37] Staff Proposal at 66 citing Clean Coalition Opening Comments to May 9, 2023 Ruling at 9, Green Power Institute Opening Comments to May 9, 2023 Ruling at 4, and Joint CCAs Opening Comments to May 9, 2023 Ruling at 6.

bottom up known load that exceed the annual IEPR load growth meets requirement five of Pub. Util. Code § 936(a)(1), which directs Utilities to consider projections of load that exceed the IEPR forecast.[38]

### 3.1.3. Party Comment

All commenting parties support this recommendation with certain parties requesting clarifications or stipulations.[39] Specifically, Utilities support this recommendation with PG&E requesting the recommendation be optional and that the Commission clarify whether the bottom-up data can be a basis for project investment.[40]

Several parties propose definitions for reliable bottom-up data. Cal Advocates recommends the Commission define reliable bottom-up data as known load data provided in Utilities' energization applications.[41] Tesla prefers that reliable bottom-up data not have a fixed definition beyond data that Utilities have gathered that provide a reasonably reliable prediction of expected load on a circuit.[42] SCE recommends that the bottom-up approach be defined at an aggregated load data analysis at the structure level for each circuit.[43] Referencing

[38] Staff Proposal at 64-65.

[39] CALSTART Opening Comments to March 13, 2024 Ruling at 4, EDF/NRDC Opening Comments to March 13, 2024 Ruling at 15, Joint CCAs Opening Comments to March 13, 2024 Ruling at 8, PG&E Opening Comments to May 9, 2024 Ruling at 5, PACT Opening Comments to March 13, 2024 Ruling at 8, Cal Advocates Opening Comments to March 13, 2024 Ruling at 4, SDG&E Opening Comments to March 13, 2024 Ruling at 4, SCE Opening Comments to March 13, 2024 Ruling at 15, Tesla Opening Comments to March 13, 2024 Ruling at 9, and TURN Opening Comments to March 13, 2024 Ruling at 2.

[40] PG&E Opening Comments to March 13, 2024 Ruling at 5.; SCE Opening Comments to March 13, 2024 Ruling at 15; and SDG&E Opening Comments to March 13, 2024 Ruling at 4.

[41] Cal Advocates Opening Comments to March 13, 2024 Ruling at 4.

[42] Tesla Opening Comments to March 13, 2024 Ruling at 9.

[43] SCE Opening Comments to March 13, 2024 Ruling at 15.

AB 2700 (McCarty), Stats. 2022, ch. 354,[44] EDF and NRDC take Cal Advocates' definition a step further, proposing that reliable bottom-up data be defined as customer requests and energization plans as well as the data sources listed in Pub. Util. Code § 740.21(a): "fleet data produced by the Energy Commission pursuant to Section 25328 of the Public Resources Code, and other available data, to facilitate the readiness of their distribution systems to support the level of electric vehicle charging anticipated in its service territory."[45] PACT recommends expanding the data further to include load driven by regulatory compliance including the California Air Resources Board's (CARB) Advanced Clean Truck (ACT) and Advanced Clean Fleets (ACF) regulations, the U.S. Environmental Protection Agency's (EPA) recently announced Greenhouse Gas Phase III Final Rule, and local requirements such as the South Coast Air Quality Management District (SCAQMD) Rule 2305 pertaining to Warehouse Actions and Investments to Reduce Emissions (WAIRE).[46] Taking a different approach, CALSTART recommends the Commission require Utilities to work with stakeholders to develop a robust bottom-up forecasting methodology for determining load growth and include the development of a definition for reliable bottom-up data as part of that work.[47]

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[44] AB 2700 focused on transportation electrification and electrical grid upgrades, added § 740.21 to the Pub. Util. Code requiring (1) electrical corporations to (a) consider fleet data produced by the California Energy Commission to ready distribution systems to support anticipated increased electrical vehicle charging; and (b) identify in GRCs how investments made will support electric vehicle deployment; and (2) the Commission to review electrical corporation proposals to meet the requirements of this section and ensure proposed investments are consistent with the goals and regulations identified in the section.

[45] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 17.

[46] PACT Opening Comments to March 13, 2024 Ruling at 8.

[47] CALSTART Opening Comments to March 13, 2024 Ruling at 4.

Cal Advocates and TURN urge the Commission to ensure that data is transparent. Cal Advocates also requests such data be published for stakeholder review and TURN highlights that any divergence from the IEPR must be transparent and well justified, as mandated by D.18-02-004 and SB 410.[48]

### 3.1.4. Commission Determination

Upon review of the record, the Commission finds it reasonable to adopt the recommendation to allow Utilities to use reliable bottom-up data to estimate total load growth in a given year, even if it exceeds the forecasted load growth based on the IEPR for that year. Further, this decision directs that, in years without reliable bottom-up data, total growth should correspond to the forecast amount and not be adjusted downwards. There is no opposition to this recommendation. This decision finds this approach should result in a more current and, thus, accurate assessment of needs given that, as stated in the Staff Proposal, the IEPR does not necessarily reflect current needs for distribution capacity.

Using bottom-up known load data and other similarly reliable near-term load growth data is anticipated to result in a more accurate measurement and placement of expected load. Nevertheless, the Commission agrees that an adopted definition of reliable bottom-up data is needed to ensure clarity and transparency. This decision adopts the definition recommended by Cal Advocates: reliable bottom-up data is defined as customer energization requests. The term, customer energization request,[49] is also referred to as known load; the

[48] Cal Advocates Opening Comments to March 13, 2024 Ruling at 4 and TURN Opening Comments to March 13, 2024 Ruling at 2 and 4.

[49] The Commission considers a customer energization request to be a complete application for service that has been reviewed by one of the Utilities.

two terms are interchangeable. Even so, the Commission finds that the term, customer energization requests, is explicit and, thus, easy for stakeholders and the public to understand.

Other parties suggest a broader definition of reliable bottom-up data. The Commission finds that data regarding loads driven by regulatory compliance of information are more appropriately included in the pending loads category because these data are less certain and/or more ambiguous than customer energization requests. These loads are in response to regulatory compliance and their precise location and timing are uncertain, making them less reliable than customer energization requests. The Commission, however, recognizes the need for proactive planning and the possibility that some types of pending load may reliably anticipate load growth. In Section 3.7.4 below, this decision discusses a process for determining how some pending loads may be considered as reliable bottom-up data. Additionally, data sources such as the CARB ACT and ACF regulations, EPA's Greenhouse Gas Phase III Final Rule, and SCAQMD WAIRE rule are related to transportation electrification and may be considered in the Transportation Electrification rulemaking. That proceeding is developing a framework to produce a unifying set of inputs and assumptions that will be used to inform the DPP.[50]

### 3.2. Require Utilities to Improve Method for Setting Caps on Load Growth from Integrated Energy Policy Report (IEPR) Data[51]

As described below, this decision adopts the requirement for Utilities to improve the method for setting caps on load growth from the IEPR data but

[50] Rulemaking 23-12-008, Assigned Commissioner's Scoping Memo and Ruling, April 12, 2024 at 3-4. https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M529/K525/529525879.PDF.

[51] Staff Proposal Recommendation No. 3.2.2.

specifies that Utilities should work with the CEC and Commission staff in developing proposals for the method and accounting for discrepancies between the system and circuit level. The newly required collaboration will lead to a more successful outcome. Utilities should discuss the proposals, including implementation, in annual DPAG workshops or successor workshops. Relatedly, the record indicates that the objective of this recommendation should be the accurate estimation of load growth, rather than avoiding underestimation.

#### 3.2.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission direct Utilities to submit Tier 2 Advice Letters describing how they will improve their methods for setting caps on load growth based on the IEPR forecasts and other data.[52] The Staff Proposal suggests both near-term and long-term specifics. With respect to near-term, the Staff Proposal recommends temporary but immediate adjustments to account for differences between circuit-level peak loads and system-wide peak loads; this is to represent the differences between current estimates and actual load growth. [53] As to long-term improvements, the Staff Proposal recommends the advice letters describe how Utilities will transition to using data from the IEPR to ensure an understanding of system-wide and circuit-level peak loads.[54]

#### 3.2.2. Background and Rationale

The Staff Proposal asserts that the Utilities' current method for applying IEPR-based capacity forecasts to distribution planning can lead to an underestimation of actual circuit peak loading across the system.[55] The Staff

[52] Staff Proposal at 66.

[53] Staff Proposal at 67.

[54] Staff Proposal at 67.

[55] Staff Proposal at 67.

Proposal contends this can ultimately lead to underestimation of year-over-year growth caps, which creates problems in distribution forecasting and planning.[56] The Staff Proposal recommends that Utilities move toward cap-setting methods that do not underestimate load growth but, instead, make current load growth estimates realistic.

### 3.2.3. Party Comment

Generally, most parties[57] support this recommendation, with SDG&E and Tesla opposing it. SDG&E contends there is no reason to impose a cap on forecast load growth, as this could introduce unnecessary limitations without any clear benefit.[58] SDG&E asserts that the current process allows for use of a load forecast that differs from the IEPR, which also requires demonstration of reasonableness of deviation.[59] Telsa argues that setting load growth caps is unnecessary given the variability in circuit load growth and misalignment between IEPR forecast and circuits. However, Tesla recommends allowing for adjustments to current methods to account for differences between circuit-level peaks and system-wide peaks, in addition to IEPR and known load discrepancies.[60] While PG&E supports the proposal, it expresses concern regarding the implications on GRCs and maintains an advice letter is unnecessary since the IEPR forecast could be used as a basis for modelling.[61]

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[56] Staff Proposal at 67.

[57] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 16; Cal Advocates Opening Comments to March 13, 2024 Ruling at 15; SCE Opening Comments to March 13, 2024 Ruling at 15; and TURN Opening Comments to March 13, 2024 Ruling at 8.

[58] SDG&E Opening Comments to March 13, 2024 Ruling at 6.

[59] SDG&E Opening Comments to March 13, 2024 Ruling at 5-6.

[60] Tesla Opening Comments to March 13, 2024 Ruling at 9.

[61] PG&E Opening Comments to March 13, 2024 Ruling at 7.

Relatedly, TURN and Cal Advocates question the objective of this recommendation, contending that the focus should be accurate estimation of load growth rather than avoiding underestimation.[62] TURN proposes that Utilities not only look to avoid underestimates of need that could lead to service delays but also avoid over-estimates that "justify harmful overspending leading to underused, misplaced, and stranded investments."[63] Noting that electrification load growth may be a temporary issue, Cal Advocates agrees with TURN and submits that the Commission should also account for a future where load growth has plateaued or begins to decrease.[64]

Additionally, Cal Advocates contends that the time lapse between the IEPR and distribution planning could lead to "cases where [Utilities] observe changes in load shapes due to customer behavior or technology changes in their service territory."[65] Cal Advocates maintains the Commission should require Utilities to incorporate these changed load shapes in addition to IEPR load shapes.[66] Utilities object to this proposal. SCE and PG&E assert Utilities generally have Automated Metering Infrastructure data with actual load curves for these customers.[67]

[62] Cal Advocates Opening Comments to March 13, 2024 Ruling at 17-18 and TURN Opening Comments to March 13, 2024 Ruling at 8.

[63] TURN Opening Comments to March 13, 2024 Ruling at 8.

[64] Cal Advocates Opening Comments to March 13, 2024 Ruling at 17-18.

[65] Cal Advocates Opening Comments to March 13, 2024 Ruling at 19.

[66] Cal Advocates Opening Comments to March 13, 2024 Ruling at 19.

[67] SCE Reply Comments to March 13, 2024 Ruling at 2 and PG&E Reply Comments to March 13, 2024 Ruling at 3.

### 3.2.4. Commission Determination

This decision approves, with one modification, the recommendation to require Utilities to submit Advice Letters proposing how they will improve their methods for setting caps on load growth based on the IEPR forecasts and other data. Utilities shall file Tier 3 Advice Letters. As described below, the Commission agrees with Cal Advocates and TURN that the objective of this recommendation should be ensuring load growth estimates are as accurate as possible, while ensuring that measures to address load growth are cost effective and cost efficient for ratepayers.

The record of this proceeding indicates support for the recommendation, to varying degrees. The Commission disagrees with SDG&E's assessment stated above that the current process is sufficient, and an advice letter is unnecessary. While the original intent of this proposal was to avoid underestimation of load growth, the Commission agrees with Cal Advocates and TURN that a broader and longer-term focus on ensuring the accuracy of load growth.[68] The current process of proposing different load forecasts is insufficient for this broader focus. To ensure success, the Commission finds it reasonable to also require Utilities to work with Commission staff, and staff from the CEC as proposed by SCE,[69] in developing proposals for cap setting methods.

In response to this staff recommendation, Cal Advocates proposes Utilities use IEPR hourly forecasts as the basis for developing their load curves.[70] While this decision does not adopt Cal Advocates' proposal, the Commission agrees

[68] *See* Cal Advocates Opening Comments to March 13, 2024 Ruling at 19 and TURN Opening Comments to March 13, 2024 Ruling at 8.

[69] SCE Opening Comments to March 13, 2024 Ruling at 15.

[70] Cal Advocates Opening Comments to March 13, 2024 Ruling at 19.

with the importance of ensuring that load curves are designed to accurately estimate need. However, as previously described in the Staff Proposal, capacity need is not directly comparable between the system and circuit level; hourly load may similarly be incomparable.[71] At the system level, it makes sense to develop and plan for an average load curve for each load type. At the circuit level, however, the real possibility of higher-than-average loading from any specific electric vehicle charger on a specific circuit should also be taken into consideration. Accordingly, the Commission declines to adopt Cal Advocates' proposal.

### 3.3. Allow Utilities Flexibility on Which IEPR Vintage to Use in Distribution Planning and Direct Utilities to Develop Method for Incorporating Newer IEPR Data into Existing Planning[72]

This decision adopts the recommendation to allow Utilities flexibility in selecting a more recent IEPR vintage to use in their DPP. However, based on the record of the proceeding, this decision modifies the original recommendation to eliminate the requirement for each utility to provide an evaluation in the upcoming DDOR of how the newest IEPR data can be incorporated into distribution planning. As described below, the record indicates support for the proposal at a high level but highlights limited ability to incorporate an IEPR update into the ongoing DPP.

#### 3.3.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission allow Utilities to update the forecast used in distribution planning with an equivalent forecast

[71] Staff Proposal at 36.

[72] Staff Proposal Recommendation No. 3.2.3.

used from a more recent IEPR.[73] The Staff Proposal also suggests that Utilities should provide an evaluation of how to incorporate the newer forecast into the next DDOR. The evaluation should analyze the timing of such use in the DPP and its effectiveness. The goal of this proposal is to use the newest and most updated IEPR forecasts in the DPP.

### 3.3.2. Background and Rationale

The Staff Proposal asserts that the use of outdated IEPR forecasts has a negative effect on distribution planning.[74] The Staff Proposal contends using outdated IEPR forecasts should be avoided and recommends improving flexibility for using more recent forecasts. Acknowledging that review and approval of growth forecasts made sense when the Commission first adopted DIDF, the Staff Proposal asserts that Utilities' requests to use more recent forecasts are normal and have never been denied.

In previous filings, parties contend the use of older IEPR forecasts in the DPP leading to issues in the process and note this is especially true when significant policy or other changes affect the IEPR.[75] SDG&E recommends a process that would allow Utilities to use an IEPR forecast that is one year newer.[76]

### 3.3.3. Party Comment

No party expresses opposition to providing Utilities more flexibility on selection of the IEPR vintage used in distribution planning. However, without

[73] Staff Proposal at 68.

[74] Staff Proposal at 68.

[75] Staff Proposal at 67 citing PG&E Opening Comments to April 6, 2023 Ruling at 25 and UCAN Opening Comments to April 6, 2023 Ruling at 5.

[76] Staff Proposal at 67 citing SDG&E Response to March 9, 2023 Ruling at 9.

providing any specifics, EDF/NRDC propose the Commission modify the proposal to reflect AB 2700 and, thus, Pub. Util. Code § 740.21 requirements on Utilities and the Commission.[77]

Utilities each express concern regarding the feasibility of incorporating a newer IEPR or IEPR update in an ongoing DPP. Recommending the Commission adopt this as an option, PG&E "cautions that there is limited ability to act upon IEPR updates in a timely manner," and asserts that load forecasting is nearly completed by the time the newest IEPR is released.[78] SDG&E asserts that there are significant practical limitations to this proposal including "the amount of time it takes the CEC to assemble and process the inputs for each IEPR cycles, the date by which the CAISO needs the IEPR results for the CAISO's annual [Transmission Planning Process] and the date by which the utilities need the IEPR results for their respective annual DPPs."[79] SDG&E contends Utilities already have flexibility to use a forecast different from the most current IEPR vintage.[80] While conceding use of the most recent IEPR forecast would be ideal, SCE maintains that using any IEPR forecast or update released later than the end of October 2024 cannot be incorporated in the current planning cycle.[81]

### 3.3.4. Commission Determination

This decision adopts the recommendation to provide Utilities the flexibility to use a more recent IEPR vintage in distribution planning but does not require Utilities to use the most recent IEPR forecast or update. The Commission

[77] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 18.

[78] PG&E Opening Comments to March 13, 2024 Ruling at 7-8.

[79] SDG&E Opening Comments to March 13, 2024 Ruling at 6.

[80] SDG&E Opening Comments to March 13, 2024 Ruling at 7.

[81] SCE Opening Comments to March 13, 2024 Ruling at 5.

recognizes the difficulties in using a newer IEPR in the DPP as this would require a significant rework of multiple processes across multiple agencies, as indicated above by Utilities. In addition, as noted by SCE in its comments, "the limits of the current IEPR forecast are addressed by allowing utilities to augment the forecast with more recent information, such as local load growth applications and early customer insights."[82] Accordingly, the decision eliminates any requirement to include an evaluation, in the upcoming DDOR report, of how the newest IEPR data can be incorporated into distribution planning.

### 3.4. Require Utilities to Expand the DPP Forecast Horizon to Align with IEPR and Expand the Planning Horizon to 10 Years[83]

As described below, this decision adopts the proposal to require Utilities to extend distribution planning forecast horizons to a minimum of 13 years and extend their planning horizon to a minimum of 10 years. However, as discussed below, the record shows that applying this requirement to line section analysis would require greater precision, leading to greater costs. Accordingly, Utilities will maintain the current three-year horizon for line section analysis.

#### 3.4.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to extend distribution planning forecast horizons to a minimum of 13 years and extend their planning horizon to a minimum of 10 years.[84] The Staff Proposal explains that the GNA, DDOR, and any related reports should include at least a 13-year forecast with planned projects for the subsequent 10 years. However, the Staff Proposal states that a full power flow analysis does not need to be

[82] SCE Opening Comments to March 13, 2024 Ruling at 5.

[83] Staff Proposal Recommendation No. 3.2.4.

[84] Staff Proposal at 69.

conducted beyond the first five years. Instead, Utilities can evaluate thermal capacity needs through other simplified means.

### 3.4.2. Background and Rationale

The Staff Proposal asserts Utilities already forecast and plan beyond the typical horizon.[85] Further, the Staff Proposal contends that with increased electrification—including large loads that can lead to acute local capacity constraints—there is a need to plan for electric loads and associated substation expansion and new construction, further out in the future.[86] Finally, the Staff Proposal maintains that a longer forecast and planning horizon will allow for better integration between distribution capacity work and other distribution work.[87]

Previous party comments indicate support for extending the forecast and planning horizon. Utilities propose longer forecast horizons.[88] Also supporting a longer forecast horizon, Cal Advocates asserts that a 10-year planning horizon is inconsistent with state policy goals.[89]

### 3.4.3. Party Comment

There is no consensus among Utilities on this proposal. SCE supports extending the forecast horizon to 13 years to align with the IEPR forecast horizon and advocates for the company's current planned expansion timeline of 2026.[90]

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[85] Staff Proposal at 69.

[86] Staff Proposal at 69.

[87] Staff Proposal at 69.

[88] Staff Proposal at 68-69 citing PG&E Opening Comments to April 6, 2023 Ruling at 8, SCE Opening Comments to April 6, 2023 Ruling at 8, and SDG&E Opening Comments to April 6, 2023 Ruling at 6.

[89] Staff Proposal at 69 citing Cal Advocates Opening Comments to April 6, 2023 Ruling at 7.

[90] SCE Opening Comments to March 13, 2024 Ruling at 16.

PG&E supports aligning the forecast horizon with the IEPR forecast horizon and expanding the planning horizon to 10 years for banks and feeders but argues that expanding the planning horizon for line sections requires greater precision.[91] SDG&E opposes extending the planning horizon from five to 10 years, contending such an undertaking would demand "substantial resources" such as "additional computing power and time."[92] Acknowledging the need to identify long-lead time infrastructure addition needs, such as those for substation expansion and new substations, SDG&E maintains the company "already identifies the needs."[93] SDG&E argues that given that long-term planning is already occurring," there is no need for a 10-year planning horizon.[94]

With respect to other parties, EDF/NRDC, AEU, PACT, and CALSTART all support this proposal, with EDF/NRDC and AEU suggesting that the Commission extend the horizons even further. [95]

### 3.4.4. Commission Determination

This decision first clarifies that there are two horizons being discussed in this proposal, the DPP forecast horizon and a Utility's planning horizon. As described in the Staff Proposal, for distribution planning purposes, the DPP forecast horizon is how far into the future the IEPR is analyzed to identify grid needs.[96] The IEPR itself has a forecast horizon of 15 years. The Staff Proposal

[91] PG&E Opening Comments to March 13, 2024 Ruling at 8.

[92] SDG&E Opening Comments to March 13, 2024 Ruling at 7.

[93] SDG&E Opening Comments to March 13, 2024 Ruling at 7.

[94] SDG&E Opening Comments to March 13, 2024 Ruling at 8.

[95] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 17; EDF/NRDC Reply Comments to March 13, 2024 Ruling at 4-5; AEU Reply Comments to March 13, 2024 Ruling at 4-5; PACT Reply Comments to March 13, 2024 Ruling at 4; and CALSTART Reply Comments to March 13, 2024 Ruling at 4.

[96] Staff Proposal at 10.

describes a planning horizon as how far into the future a workplan is created to address the specific deficiencies identified based on the forecasted load growth. Further, the Staff Proposal explains that Utilities each have different planning horizons according to how long they anticipate different levels of grid upgrades to take.[97]

This decision adopts the staff recommendation to expand the DPP forecast horizon to a minimum of 13 years to align with the IEPR. With respect to the utilities' planning horizon, this decision expands the planning horizon to 10 years. The Commission determines that a 10-year planning horizon reasonably balances the need to look further in the future with the potential costs of a longer planning horizon (*e.g.*, 20 years). The Commission also finds that a 10-year planning horizon is currently available through the IEPR forecast. The IEPR does not currently publish a 20-year forecast, creating a challenge for expanding the forecast or planning horizon to that extent.

Given the record of the proceeding, however, the Commission finds it reasonable to exclude the applicability of this requirement to line sections. The Commission acknowledges both SDG&E's and PG&E's concerns regarding the increased costs resulting from the needed precision for line section analysis.[98] The Staff Proposal suggested that, for this proposal, Utilities "do not need to conduct a full power flow analysis to evaluate all grid needs but can simply evaluate thermal capacity needs by assigning load growth to specific circuits, substation banks, and other key assets, or use another simplified method at their own discretion."[99] The omission of line sections is consistent with this direction.

[97] Staff Proposal at 48.

[98] PG&E Opening Comments to March 13, 2024 Ruling at 8.

[99] Staff Proposal at 68.

To ensure transparency, Utilities shall provide a description of the thermal capacity evaluation methodology in the annual GNA report.

### 3.5. Require Utilities to Use Scenario Planning to Improve Forecasting and Disaggregation[100]

As described below, this decision adopts the proposal requiring Utilities to improve forecasting and disaggregation with scenario planning. However, based on concerns regarding a lack of technical capability to implement scenario planning as proposed in the staff recommendation, the Commission concludes that it is reasonable to make the following five modifications to the original proposal: (1) eliminate the requirement to implement scenarios prior to the stakeholder workshop; (2) specify the objectives and requirements for scenario planning; (3) specify the objectives and requirements for the mandated stakeholder workshop; (4) require Utilities to submit a framework for implementing scenario planning in the 2025-2026 DPP cycle; and (5) specify the method for making changes to the scenario planning framework.

#### 3.5.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission direct Utilities to conduct forecast scenario planning in the DPP forecast and report the results in the GNA.[101] The Staff Proposal proposes a grid needs forecast with adjustments to create both a low and high forecast scenario.[102] To transition from the current single forecast planning to the use of scenarios, the Staff Proposal recommends the Commission require Utilities to host a workshop with stakeholders to discuss barriers and feasibility of the scenario-based planning process, which would be

[100] Staff Proposal Recommendation No. 3.2.5.

[101] Staff Proposal at 71.

[102] Staff Proposal at 71.

followed by the submission of a Tier 2 Advice Letter identifying the transition steps and timeline.[103]

### 3.5.2. Background and Rationale

The Staff Proposal asserts the use of forecast scenarios will provide a better picture of the likelihood that forecast grid needs will occur, especially for later forecast years.[104] Further, the Staff Proposal contends that assessments of the likelihood of grid needs actually occurring can be used in integrated planning and project prioritization.[105]

In previous comments, PG&E and SCE expressed support for sensitivity analysis or scenarios to varying degrees. PG&E supports sensitivity analysis in the DPP forecast for inclusion in future GNA. However, PG&E states that results will be provided in one set of solutions and will not be reported in the DDOR.[106] SCE supports limited incorporation of scenarios that consider high unaccounted-for Transportation Electrification loads.[107] However, SDG&E opposes additional scenarios, calling the work overly intensive and contending that local demand is already captured by known load.[108]

### 3.5.3. Party Comment

Parties support this recommendation to varying degrees.

Utilities cautiously support scenario planning in theory, with SDG&E opposing its requirement. Contending first that it would not be feasible to

[103] Staff Proposal at 71.

[104] Staff Proposal at 71.

[105] Staff Proposal at 71.

[106] Staff Proposal at 70 citing PG&E Opening Comments to April 6, 2023 Ruling at 4.

[107] Staff Proposal at 70 citing SCE Opening Comments to April 6, 2023 Ruling at 7.

[108] Staff Proposal at 70 citing SDG&E Opening Comments to April 6, 2023 Ruling at 4.

implement this recommendation in time for the 2024-2025 DPP cycle, SDG&E maintains scenario planning would "add a significant strain to an already demanding DPP cycle."[109] SDG&E criticizes the subjective nature of the scenarios and the lack of process details provided in the Staff Proposal.[110] Pointing to the additional and significant technical and policy complexity, SCE also seeks further Commission guidance with more stakeholder input.[111] However, SCE encourages the Commission to "affirm *now* that this general concept is reasonable," and advocates for the creation of a single "least regrets" investment scenario as one of the most critical aspects of the transition to scenario planning.[112] Also asking for additional details from the Commission, PG&E reiterates its request to not require forecasting scenario planning for line sections, but only for banks and feeders.[113]

Other parties[114] echo support for this staff recommendation with Cal Advocates and CALSTART encouraging the opportunity for stakeholder input on the methodology.[115] CALSTART encourages the use of bottom-up forecasting with stakeholder input versus top-down disaggregation approaches.[116] Cal Advocates suggests the use of DPAG workshops as a venue

[109] SDG&E Opening Comments to March 13, 2024 Ruling at 8-9.

[110] SDG&E Opening Comments to March 13, 2024 Ruling at 9-10.

[111] SCE Opening Comments to March 13, 2024 Ruling at 16-17.

[112] SCE Opening Comments to March 13, 2024 Ruling at 17.

[113] PG&E Opening Comments to March 13, 2024 Ruling at 9.

[114] *See*, for example, Vote Solar Opening Comments to March 13, 2024 Ruling at 2; EDF/NRDC Opening Comments to March 13, 2024 Ruling at 19; and Tesla Opening Comments to March 13, 2024 Ruling at 10.

[115] CALSTART Opening Comments to March 13, 2024 Ruling at 9.

[116] CALSTART Opening Comments to March 13, 2024 Ruling at 9.

for stakeholder input for forecast scenario planning or other workshops as an improved way to facilitate stakeholder engagement.[117]

### 3.5.4. Commission Determination

This decision adopts the use of scenario planning in the DPP. However, as discussed below, the Commission finds that the technical and policy complexities warrant a one DPP cycle delay in implementation. Further, the Commission agrees that additional technical clarifications and details are needed. Hence, this decision provides certain details but requires that other details be determined through the stakeholder workshop and subsequent advice letter process.

Party concerns regarding the proposal to use scenario planning in the DPP focus primarily on the significant complexity involved,[118] the lack of detail in the proposal,[119] and, in the case of SDG&E, a concern regarding the amount of time and resources needed.[120] These concerns do not dissuade the Commission from conveying a commitment to use scenario planning in the DPP. As argued by SCE, "[r]unning multiple scenarios can have great benefits to analyzing and understanding [distributed energy resource] adoption and customer behavior."[121] The Commission agrees. However, based on the comments from both SCE and SDG&E, it is clear there is significant complexity involved as well as limited resources to implement scenario planning in the immediate future.

[117] Cal Advocates Opening Comments to March 13, 2024 Ruling at 21-22.

[118] SCE Opening Comments to March 13, 2024 Ruling at 16-18.

[119] SCE Opening Comments to March 13, 2024 Ruling at 16 and SDG&E Opening Comments to March 13, 2024 Ruling at 9.

[120] SDG&E Opening Comments to March 13, 2024 Ruling at 8.

[121] SCE Opening Comments to March 13, 2024 Ruling at 17.

The Commission also agrees that additional clarification and details are necessary. Accordingly, this decision delays the implementation of the use of scenario planning in the DPP to the 2025-2026 DPP cycle, as further described below.

The Staff Proposal recommends a stakeholder workshop to discuss scenario planning.[122] As parties have conveyed the need to provide for more stakeholder input for a change of this magnitude,[123] the Commission sees an opportunity to use this workshop (and additional workshops, as needed) as the developmental step of this proposal, instead of as an educational or informational step. Hence, the workshop will be held during the first quarter of 2025 and will be used to assist Utilities in the development of scenario planning. The objectives of the workshop are to: (1) discuss the barriers and plans to transition the DPP to a scenario-based process in which multiple scenarios can be performed to evaluate the impact of different levels of demand, distributed energy resource adoption, and customer behaviors; (2) determine how to integrate the various scenarios into a single investment plan, and (3) develop an implementation plan for scenario planning. In exploring each of these items, workshop participants shall account for ratepayer costs and affordability.

As previously stated, the scenario planning recommendation requires additional clarification and details. Parties discussed several technical concerns such as the burden level of running multiple scenarios for power flow analysis,[124]

[122] Staff Proposal at 70.

[123] *See* SCE Opening Comments to March 13, 2024 Ruling at 16 and SDG&E Opening Comments to March 13, 2024 Ruling at 8.

[124] PG&E Opening Comments to March 13, 2024 Ruling at 9.

the specifics of the investment plan,[125] the purpose of scenarios,[126] and guardrails.[127] Parties also had varying ideas on how scenarios can be created and used.

First, this decision clarifies that the results of the scenarios shall be used to inform a single investment plan but that results are not required to be identified in all scenarios in order to be included in the investment plan. The Commission notes that CALSTART's proposed scenario approaches that consider transportation electrification tools may be addressed in the transportation electrification proceeding.[128] Further, SCE's proposal for incremental investment is overly ambitious for this first iteration of scenario planning.[129] What these ideas confirm, however, is the need to consider a process for modifying the scenario planning framework in the future while not losing sight of potential costs for included scenarios.

With these needs in mind, the workshop will be used to also discuss and develop responses to the following technical aspects, at a minimum: (1) the number of scenarios Utilities should annually run in their DPP and the purpose of these scenarios; (2) whether scenarios could or should be combined; (3) the selection process for scenarios and selection flexibility for Utilities; (4) the appropriate forecast elements to be included in the scenarios; (5) coordination of scenario planning with the Transportation Electrification rulemaking; (6) development of a single investment plan based on multiple scenario

[125] SCE Opening Comments to March 13, 2024 Ruling at 17.

[126] SCE Opening Comments to March 13, 2024 Ruling at 16.

[127] SCE Opening Comments to March 13, 2024 Ruling at 16.

[128] CALSTART Opening Comments to March 13, 2024 Ruling at 9-11.

[129] SCE Opening Comments to March 13, 2024 Ruling at 16.

outcomes; (7) Utility flexibility and process to identify incremental grid investments to the base scenario (*i.e.*, scenario based on IEPR forecast) and the identification of predefined load metrics to trigger incremental load investments; (8) guardrails needed for use of scenarios in the development of a single investment plan; (9) a future process, if necessary, to modify the scenario planning framework and (10) how cost considerations should be factored into the scenario planning process.

Following the workshop or workshops, Utilities shall jointly submit a Tier 3 Advice Letter that (1) summarizes the workshop; (2) identifies the outcomes of the workshop; (3) proposes a framework for implementation of scenario-based planning; and (4) identifies the steps to be taken to facilitate the transition to using scenarios and a timeline for using them in the 2025-2026 DPP cycle. Ultimately, Utilities shall develop scenario planning capabilities that enable them to: (1) analyze multiple forecasts; (2) identify capacity deficiencies for each scenario and report them in the annual GNA; and (3) develop one investment plan informed by the multiple scenarios and reported in the DDOR or successor filing.

Cal Advocates proposes that the Commission require Utilities to solicit stakeholder input on scenario planning annually in the DPAG workshops.[130] While the Commission agrees that annual stakeholder input is valuable and promotes transparency in the DPP, the more appropriate venue for such input is the Distribution Forecasting Working Group, as the development of scenarios is an early step corresponding with forecast development and approval.

[130] Cal Advocates Opening Comments to March 13, 2024 Ruling at 21.

### 3.6. Require Utilities to Improve Disaggregation Methodology for Load Growth[131]

As described below, this decision adopts the proposal to require Utilities to improve disaggregation methodology for load growth. However, the Commission finds the proposed timeline does not provide adequate time for implementation. Accordingly, this decision modifies the timeline for implementation from the 2025 GNA to the 2027 GNA in the 2026-2027 distribution planning cycle. As discussed below, an implementation delay allows time for modeling efforts.

#### 3.6.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to submit plans for improving load and distributed energy resources disaggregation in later forecast and planning years.[132] The Staff Proposal recommends that the Tier 2 Advice Letter submission propose specific improvements for implementation in the 2025 GNA and consider modeling thermal capacity constraints using statistical methods to approximate the probability that future load growth may lead to grid needs.[133]

#### 3.6.2. Background and Rationale

The Staff Proposal asserts that there is no reliable way to determine the exact premise, circuit, or substation where new load or distributed energy resources will appear in later forecast years.[134] The Staff Proposal explains that, in forecasting future load to determine where upgrades are needed, Utilities

[131] Staff Proposal Recommendation No. 3.2.6.

[132] Staff Proposal at 72.

[133] Staff Proposal at 72.

[134] Staff Proposal at 72.

currently disperse forecasted load among circuits using economic modeling even though new load often appears in large discrete amounts at specific locations on the grid.[135] The Staff Proposal asserts that methods currently exist to randomly model this situation, and that requiring such methods, coupled with reliable mid- and long-term load forecast and disaggregation to allow for better integration with other distribution work, would improve integration with other distribution work.

### 3.6.3. Party Comment

Tesla, EDF/NRDC, Cal Advocates, and RCRC generally support the staff recommendation, with Cal Advocates requesting additional stakeholder input.[136] Utilities have differing opinions on the recommendation. PG&E contends the Staff Proposal does not justify the move from power flow modeling to Monte Carlo simulations. PG&E argues that the company already "uses a variety of disaggregation methods" and that establishing a "new process to approve specific methodologies is unnecessary and will hinder innovation."[137] Similarly, SDG&E maintains that developing new methods to improve load and distributed energy resources disaggregation requires "extensive analysis, modeling, and coordination efforts," which leads to increased use of resources and "potentially diverting resources from other critical projects or initiatives."[138] SDG&E asserts that there is no logic or benefit in mandating Utilities to submit plans to enhance disaggregation methodologies when such efforts are ongoing and evolve over

[135] Staff Proposal at 72.

[136] Tesla Opening Comments to March 13, 2024 Ruling at 11; EDF/NRDC Opening Comments to March 13, 2024 Ruling at 19; Cal Advocates Opening Comments to March 13, 2024 Ruling at 23; and RCRC Opening Comments to March 13, 2024 Ruling at 7.

[137] PG&E Opening Comments to March 13, 2024 Ruling at 10.

[138] SDG&E Opening Comments to March 13, 2024 Ruling at 10.

time.[139] At the other end of the spectrum, SCE agrees that improved disaggregation methodologies, including a probabilistic study, have value. SCE supports revising its current methodology for statistical modeling in a fashion similar to that of the Staff Proposal, along with the filing of an Advice Letter.[140]

### 3.6.4. Commission Determination

This decision adopts the recommendation to require Utilities to improve disaggregation methodologies for load growth but delays implementation to the 2027 GNA and the 2026-2027 DPP cycle. Many parties support the addition of probabilistic modeling for long-term scenarios.[141] To balance concerns by PG&E and SDG&E regarding any negative impact implementing such modeling would have on higher priority work, the Commission finds it reasonable to delay the timeline for implementation by two years to the 2026-2027 DPP cycle. This will enable Utilities time to consider other methodologies, including probabilistic modeling, and time to prepare for actualization of these ideas. Given the staff recommendation focuses on the later years of the forecast, Utilities will be able to prioritize urgent and near-term work, alleviating the concern by SDG&E of negative impacts of this proposal on other priorities. To track progress toward improved disaggregation in the interim, Utilities shall report annually in the GNA on the development of advanced disaggregation methodologies and present these at the DPAG workshops or successor workshops. There is no intention of creating a "new process to approve specific methodologies" as

[139] SDG&E Opening Comments to March 13, 2024 Ruling at 11.

[140] SCE Opening Comments to March 13, 2024 Ruling at 19.

[141] Tesla Opening Comments to March 13, 2024 Ruling at 11; EDF/NRDC Opening Comments to March 13, 2024 Ruling at 19; and SCE Opening Comments to March 13, 2024 Ruling at 18.

previously described by PG&E.[142] Rather, this serves as a singular directive for Utilities to improve disaggregation without the requirement for any specific disaggregation methodology.

### 3.7. Require Utilities to Create a Pending Loads Category in the DPP[143]

This decision adopts the proposal to require Utilities to create a pending loads category in the DPP. Based on party comments, however, the Commission modifies the proposal to add the following specificity: (1) adoption of a requirement that pending loads be reported in the GNA/DDOR or successor reports; (2) adoption of a requirement that Utilities submit a Tier 3 Advice Letter updating the Commission on the accuracy and usefulness of pending loads data; (3) adoption of the agenda details for the pending loads workshop; (4) adoption of a provision to allow certain categories of pending loads to exceed the IEPR; and (5) replacement of the advice letter informing the Commission of changes in the pending loads category with an annual report in the GNA/DDOR or successor reports, as well as the DPAG or successor workshop. The justification for adoption of and modifications to this staff proposal is provided below.

#### 3.7.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to develop and implement a pending loads category in their DPP that would be informed by existing coordination efforts, planning programs, and an aggregation of publicly available information. Explaining that pending loads are less certain than a known load (*e.g.*, a customer request for service) but more certain than economic disaggregation of the IEPR forecast based on trends, the

[142] PG&E Opening Comments to March 13, 2024 Ruling at 10.

[143] Staff Proposal Recommendation No. 3.2.7.

Staff Proposal asserts that creating a pending loads category will inform scenario planning and increase utility awareness of where loads will likely appear in the mid-term years (*i.e.,* year two through year five) of the DPP.

With a goal of balancing the reliability of current information with the importance of proactive planning and investment, the Staff Proposal also recommends requiring a utility-facilitated public workshop to discuss two objectives: (1) how to gather energization plans from customers; and (2) how to formalize a process to utilize energization plans to plan and build infrastructure in advance of energization requests, while being mindful of cost considerations and impacts to ratepayers. Following the workshop, Utilities would be directed to submit a Tier 3 Advice Letter (Pending Loads Implementation Advice Letter) proposing the method for developing the pending loads category and incorporating the category into the DPP, defining the types of information considered in the pending loads category and the general criteria applied to each category, and discussing the risk of pending loads that do not materialize and how to mitigate the risk. As described in the Staff Proposal, the advice letter would also include a workshop report and a description of how information gathered from the workshop influenced the proposal.

### 3.7.2. Background and Rationale

In previous comments filed in this proceeding, SCE described their method of ranking the certainty of known load, which they use to prioritize the timing of distribution upgrade projects.[144] Additionally, several parties

[144] Staff Proposal at 73 citing SCE's *2023 GNA and DDOR* at 40 and the 2023 Independent Professional Engineer *Final IPE Post DPAG Repor*t at 10.

commented on advancements used in the forecasting of Transportation Electrification loads.[145] These are the foundation of the pending loads category.

The Staff Proposal contends that the use of a pending loads category in the DPP will address the decrease in known load during the mid-term years of the DPP horizon, which occurs because customers often do not submit service requests to utilities far in advance of their need.[146] The Staff Proposal explains that when disaggregating forecasted load to specific locations on the grid, Utilities use known load and economic modeling. Known load data is based on existing energization requests, and economic modeling is based on general trends and economic and demographic characteristics to estimate load growth.[147] Further, the Staff Proposal maintains that while known load has a high level of certainty in the first year of the forecast, this certainty declines due to uncertainty by customers. Asserting that a pending loads category provides greater certainty than economic modeling, the Staff Proposal contends this category would represent a response to early engagement from customers and proactive forecasting to identify least-regrets distribution system upgrades. The Staff Proposal maintains that in addition to greater certainty, the pending loads category would fill the gap between applications for service at specific locations that are underway and trend-based dispersed load growth across the system.[148]

Additionally, the Staff Proposal submits that the use of a pending loads category would address directives in SB 410 and AB 50. First, because the

[145] Staff Proposal at 73 citing CUE Opening Comments to April 6, 2023 Ruling at 2; PG&E Opening Comments to April 6, 2023 Ruling at 23; Joint CCAs Opening Comments to April 6, 2023 Ruling at 11; and Clean Coalition Opening Comments to April 6, 2023 Ruling at 21.

[146] Staff Proposal at 76.

[147] Staff Proposal at 76.

[148] Staff Proposal at 76.

implementation of a pending loads category would improve the DPP process, adopting this recommendation would meet the directive of Pub. Util. Code § 936(a)(1) that requires the Commission to direct utilities to make several considerations in their annual DPPs including projections of load. Second, this recommendation, if adopted, would also meet the directive of Pub. Util. Code § 936(a)(2) that requires the Commission to direct utilities to adopt and implement plans that meet Pub. Util. Code § 936(a)(1). Third, if adopted, this recommendation would improve the accuracy of projected demand and facilitate timely electric service, as required by Pub. Util. Code § 933.5(c)(1).

#### 3.7.3. Party Comment

With the exception of SDG&E, parties commenting on this proposal support its adoption but recommend further implementation details.[149] Below is a brief overview of each party's comments on this proposal, beginning with SDG&E's opposition.

SDG&E contends that introducing a new pending loads category is unnecessary as SDG&E is already undertaking efforts to enhance its understanding of where future loads are likely to occur. SDG&E contends that in combination with customer engagement, these efforts are "expected to provide increasingly reliable projections of location-specific load additions in the outer years of the planning horizon."[150] SDG&E maintains this proposal will add administrative overhead to the DPP with no benefit.[151]

Cal Advocates supports the use of a pending loads category but recommends that pending loads be within the IEPR growth cap because of

[149] Joint CCAs Opening Comments to March 13, 2024 Ruling at 8.

[150] SDG&E Opening Comments to March 13, 2024 Ruling at 11.

[151] SDG&E Opening Comments to March 13, 2024 Ruling at 11.

uncertainty.[152] To maximize the likelihood of load materializing where and when the pending load is forecasted, Cal Advocates proposes the adoption of guardrails and requirements specific to the method used to estimate pending loads.[153] Cal Advocates contends these guardrails and requirements should focus on minimizing the risk of building in areas where load will not materialize, thus protecting ratepayers.[154] Supporting the inclusion of a workshop to develop the pending loads category, Cal Advocates questions how stakeholders will provide feedback on the methodology and implementation. Cal Advocates also recommends the Commission provide time for substantive and thorough feedback on the pending loads methodology.[155]

Supporting the creation of a pending loads category, CALSTART recommends the following: (1) inclusion of a robust bottom-up forecasting approach; (2) an evaluation of whether pending loads are reliable and can justify exceeding the IEPR load growth cap; and (3) consideration in the workshop of how Utilities can ensure efficient exchange of information with customers.[156]

EDF/NRDC maintain that a pending loads category will capture system needs driven by end-use electrification such as medium- and heavy-duty vehicles.[157] Cautioning that a pending loads category should not be a back door for Utilities to make unnecessary investments, EDF/NRDC recommends the Commission look at the use of the pending loads category in least-regrets areas,

[152] Cal Advocates Opening Comments to March 13, 2024 Ruling at 24.

[153] Cal Advocates Opening Comments to March 13, 2024 Ruling at 25.

[154] Cal Advocates Opening Comments to March 13, 2024 Ruling at 25.

[155] Cal Advocates Opening Comments to March 13, 2024 Ruling at 26.

[156] CALSTART Opening Comments to March 13, 2024 Ruling at 15.

[157] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 20.

environmental justice areas, and high-priority zones.[158] Further, EDF/NRDC highlights a significant overlap between this proposal and the *Order Instituting Rulemaking Regarding Transportation Electrification Policy and Infrastructure* (Rulemaking 23-12-008) and recommends coordination efforts between the two.[159] Relatedly, EDF/NRDC contends that AB 2700, requires more fundamental changes to the DPEP than those envisioned under the Staff Proposal and, therefore, the IEPR is no longer the only input to DPPs and GRCs.[160]

Joint CCAs contend that creating a pending loads category is likely a worthwhile exercise only if identifying pending loads helps Utilities identify necessary distribution upgrades and reduces energization timelines.[161] Joint CCAs suggest that the required advice letter provide details on the method for incorporating pending loads into DPP.[162]

Also supporting this proposal, PG&E states that the creation of a pending loads category offers a way to include information in the planning forecast about likely load growth. In creating the pending loads category, PG&E proposes the Commission develop a tool to measure the level of confidence that the load will materialize. PG&E also recommends that the source of pending loads information should be recorded. Suggesting that such information could be obtained via incorporating local planning knowledge and community engagement, PG&E cautions that difficulties may exist in providing such

[158] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 21.

[159] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 20.

[160] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 2.

[161] Joint CCAs Opening Comments to March 13, 2024 Ruling at 8.

[162] Joint CCAs Opening Comments to March 13, 2024 Ruling at 8-9.

information to third parties due to the confidential nature of the information.[163] With respect to more regulatory issues, PG&E asserts that to implement a pending loads category, the company will need authorization in order to justify project investment in its GRC.[164]

PACT supports requiring Utilities to include loads driven by various compliance requirements including EPA Greenhouse Gas Phase III Final Rule and local requirements such as the SCAQMD WAIRE.[165] PACT also urges the Commission "to rely more extensively on vehicle telematics data from today's conventional fleets and GIS data on the locations of freight distribution depots, instead of customer surveys."[166]

SCE agrees that pending loads are "uncertain but likely loads in years two to four of the forecast," and agrees with extending such a category to year ten of the forecast to incorporate loads identified in an implemented Freight Infrastructure Plan (FIP).[167,168] Opposing both limiting pending loads to least-regrets areas and preventing them from exceeding the annual IEPR cap, SCE asserts these actions would contradict the purpose of pending loads to assess the needs of incrementally more load growth and render pending loads less useful.[169]

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[163] PG&E Opening Comments to March 13, 2024 Ruling at 11.

[164] PG&E Opening Comments to March 13, 2024 Ruling at 11.

[165] PACT Opening Comments to March 13, 2024 Ruling at 8.

[166] PACT Opening Comments to March 13, 2024 Ruling at 9.

[167] The FIP is an outdated term and has since been replaced with Transportation Electrification Proactive Planning (TEPP). To avoid confusion, all references to the FIP have been replaced with TEPP.

[168] SCE Opening Comments to March 13, 2024 Ruling at 19.

[169] SCE Opening Comments to March 13, 2024 Ruling at 19.

Having implemented a certain level of pending loads in the Transportation Electrification Grid Readiness analysis and in prior DPP cycles with the Electric Vehicle Vendor Forecast, SCE anticipates significant changes in its planning process when fully implementing pending loads as suggested in the Staff Proposal.[170] SCE proposes the following risk mitigations to prevent investing in upgrades for loads that do not materialize: 1) focus on locations with the highest transportation electrification growth potential and lowest grid availability and expandability; (2) incorporate approved government and city plans as high confidence pending loads into grid capacity planning process; (3) amend CEQA guidelines to include consultation with affected utility to confirm adequate capacity to serve a project's power needs; (4) develop criteria to integrate additional pending loads from low confidence project applications and early customer insights obtained through community and fleet operator engagement.[171]

Tesla supports the proposal and the required workshop, which Tesla recommends could be used to resolve implementation questions. Tesla proposes such workshop discussions include methods, such as derating pending loads capacity estimate, to prevent stranded investments.[172] Maintaining the pending loads concept has the potential to bring much needed accuracy to distribution planning, Tesla asserts it should be widely used. Further, Tesla suggests that implementing pending loads in the three-to-six-year planning horizon is appropriate because business plans are more certain at this timeframe.[173] Tesla

[170] SCE Opening Comments to March 13, 2024 Ruling at 19.

[171] SCE Opening Comments to March 13, 2024 Ruling at 19.

[172] Tesla Opening Comments to March 13, 2024 Ruling at 11.

[173] Tesla Opening Comments to March 13, 2024 Ruling at 12.

contends that because the IEPR has historically underestimated load growth, pending loads should be allowed to exceed the IEPR cap.[174]

Bay Area 350 and Vote Solar also state their support of creation of a pending loads category to assist the Commission in its oversight.[175]

### 3.7.4. Commission Determination

As indicated by Section 3.7.3 above, there is support by most parties commenting on this proposal. As such, this decision adopts the recommendation to direct Utilities to create a pending loads category in the DPP. However, party comments lead the Commission to make several modifications to the proposal.

First and foremost, the Commission agrees with parties that planned investments should not unnecessarily overburden ratepayers with stranded investments. As noted by Cal Advocates and Joint CCAs, a purpose of the pending loads category should be to help Utilities identify necessary distribution upgrades and reduce energization timelines. [176] Ensuring timely energization and a prudent planning process that factors in costs should result in a process that protects ratepayers. However, SCE contends that limiting the pending loads category to the confines of the IEPR cap will significantly limit its usefulness and contradict its purpose of assessing the needs of incrementally more load growth.[177] Tesla and EDF/NRDC also support allowing pending loads to exceed the IEPR cap, with EDF/NRDC pointing out that the Staff Proposal recognizes

[174] Tesla Opening Comments to March 13, 2024 Ruling at 12.

[175] 350 Bay Area Opening Comments to March 13, 2024 Ruling at 2 and Vote Solar Opening Comments to March 13, 2024 Ruling at 2.

[176] *See* Joint CCAs Opening Comments to March 13, 2024 Ruling at 8 and Cal Advocates Opening Comments to March 13, 2024 Ruling at 4. *See* also TURN Opening Comments to March 13, 2024 Ruling at 5 stating support to maintain limitations of divergence from the IEPR.

[177] SCE Opening Comments to March 13, 2024 Ruling at 19.

that the IEPR load growth cap is likely not an accurate estimate of distribution level capacity needs given the disconnect between system-wide IEPR forecast and circuit-level capacity needs.[178]

CALSTART states that it anticipates that pending loads will serve as reliable bottom-up data early on after adoption and that eventually pending loads should become more reliable and certain, allowing for the IEPR load growth cap to be exceeded. As such, CALSTART proposes the Commission allow for a re-evaluation of pending loads in two years to determine whether sufficient certainty has been reached to allow for pending loads to exceed the IEPR load growth cap.[179]

The proposals adopted in this decision require many changes to the DPEP in the near term. Broadly allowing pending loads to exceed the IEPR load growth cap may compound the impact of these changes. However, the Commission agrees that limiting the pending loads category to the confines of the IEPR cap may limit its usefulness. The Commission finds that, instead of limiting the ability of all pending Loads from the start, it is prudent to allow Utilities to propose, in the workshop and the subsequent Tier 3 Advice Letter, certain types of pending Loads (*e.g.*, loads associated with freight electrification, critical facilities, and housing) to exceed the IEPR. To protect ratepayers, the Commission should establish a check-in process to serve as a guardrail. An evaluation of the pending loads category, two years after implementation, provides a reasonable amount of data to analyze and ascertain whether pending

[178] Tesla Opening Comments to March 13, 2024 Ruling at 12 and EDF/NRDC Opening Comments to March 13, 2024 Ruling at 24 citing the Staff Proposal at 66-67.

[179] CALSTART Opening Comments to March 13, 2024 Ruling at 15.

loads have been sufficiently useful and whether there are subsections or sources of pending loads data that are more reliable than others.

The evaluation shall be conducted through Utilities' joint submission of a Tier 3 Advice Letter (Pending Loads Evaluation Advice Letter). The required contents of the Pending Loads Evaluation Advice Letter and the data needed to be collected shall be considered during the proposed workshop and finalized in the approval of the Pending Loads Implementation Advice Letter. However, at a minimum the Pending Loads Evaluation Advice Letter shall include: (1) an analysis of the percentage of pending loads that became energization requests in the form of a table that includes each pending load used in forecasting to date; (2) deviance of load size from pending load to actual known load; (3) deviance of load timing between pending loads and actual known load; (4) differences in the accuracy and usefulness of pending loads by load category (end use); and (5) differences in the accuracy and usefulness of pending loads by information source and/or methodology.

In addition to the evaluation of the pending loads category, parties offer other modifications to the proposal.

PG&E recommends citing the source of pending load information.[180] The Commission agrees that this information is important to be able to validate Utility assumptions that define how pending load data is translated into loads in the DPP. Providing the source of the data will ensure transparency. Accordingly, Utilities are directed to provide pending load data and include the source of the data in the annual known load tracking filing, as part of the GNA/DDOR or successor report and orally reported during the DPAG or successor workshop.

[180] PG&E Opening Comments to March 13, 2024 Ruling at 11.

For administrative simplicity, this proposal is revised to eliminate the Tier 1 Advice Letter submissions to inform the Commission of methodological or procedural changes in the pending loads category. This requirement is replaced with an annual report on pending loads as previously described.

As part of the proposal to require Utilities to create a pending loads category, the Staff Proposal recommends a workshop be held to discuss aspects of this proposal. Parties support holding a workshop and offer recommendations on the contents of the workshop. In addition to discussing the contents of the Tier 3 Pending Loads Evaluation Advice Letter, the Pending Loads Workshop shall include the following agenda items: (1) the specific sources of information, at minimum, to inform the pending loads category; (2) uses of pending load to inform the forecast and the investment plan; (3) how to coordinate the pending loads data with the transportation electrification rulemaking; (4) the types of pending loads that should be allowed to exceed the IEPR in the near term and justification; (5) appropriate guardrails for each pending load category; (6) strategies to reduce any ratepayer risk association with pending loads; and (7) additional reporting requirements to be implemented for pending loads evaluation.

As described in Section 3.7.3, several parties propose data sources for transportation electrification loads specifically be included in the pending loads category. While the Commission agrees that this information may be helpful, it is prudent to consider all matters relating to transportation electrification in a coordinated manner with the transportation electrification rulemaking. Currently, the transportation electrification rulemaking is developing the Transportation Electrification Proactive Planning (TEPP) framework with the objective of creating unified inputs and assumptions for planning processes.

These inputs and assumptions may include electricity demand forecasts, which will be critical for scenario development and the pending loads category in the DPP. The Commission recognizes the importance of coordination between these two proceedings and includes this as an agenda item in the previously discussed workshop. Hence, it is prudent to develop the data sources through the workshop, after the TEPP is adopted, to be implemented in the 2025-2026 DPP.

Cal Advocates recommends the Commission provide more stakeholder engagement in developing the pending loads category. Cal Advocates questions the lack of clarity regarding substantive feedback on the methodology and implementation strategy and, if parties are confined to providing feedback solely on the Pending Loads Implementation Advice Letter, whether 20 days is sufficient time for thorough review. Taking these comments into account, this decision allows for informal comments on the workshop report and directs Utilities to address these comments in the Implementation Advice Letter.

The following schedule for implementation of this proposal is adopted:

**Table 9**
**Pending Loads Implementation Schedule**

| Deadline | Activity |
|---|---|
| April 1, 2025 | Pending Loads Implementation Workshop and Report |
| May 1, 2025 | Informal Comments on Workshop Report |
| June 30, 2025 | Pending Loads Implementation Tier 3 Advice Letter Submission |
| September 2025 (and annually thereafter) | Reporting on Use and Impact of Pending Loads in September DPAG Meetings (or successor meetings) |
| June 30, 2027 | Pending Loads Evaluation Workshop |
| September 30, 2027 | Pending Loads Evaluation Advice Letter Submission |

### 3.8. Require Utilities to Develop Prioritization Methods Beyond the Current Consideration of Project Need Dates[181]

As described below, this decision scales down the original proposal. While remaining focused on prioritization, the adopted proposal requires Utilities to report annually in the DDOR or successor report how the identified projects throughout the planning horizon are prioritized for execution. As discussed below, the record indicates that parties value transparency over unnecessary prescriptive administration. Accordingly, the Tier 1 advice letter is replaced with inclusion of a description of project prioritization in the DDOR or successor report.

#### 3.8.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission require Utilities to submit an advice letter proposing how to prioritize between projects outside of the current consideration of project need date. The advice letter would contain information listed in Table 10 below and could be current or proposed practices. The Staff Proposal also recommends that following disposition of the advice letters, the Commission require Utilities to describe in future DDOR, or any successor filings, the extent to which the prioritization plans are being used in the DPEP, including the number of projects to which the plans have been applied and their ranking relative to other prioritization metrics.[182]

[181] Staff Proposal Recommendation No. 3.2.8.

[182] Staff Proposal at 78.

| **Table 10**<br>**Proposed Practices for Prioritizing Projects**<br>**Advice Letter Inclusions** | |
|---|---|
| The potential basis for or driver of the need for prioritization. | |
| Prioritizing long lead-time capacity projects to mitigate difficulties with project execution. | |
| How to take equity into consideration. | |
| Potential Metrics | Grid need in low, medium, and high forecast scenarios. |
| | Likelihood that grid need will occur. |
| | Number of grid needs addressed. |
| | Timing, frequency, and duration of grid need. |
| | Types of grid needs addressed by the planned investment. |
| | Whether the grid needs are fully addressed by the planned investment. |
| | Cause of the grid need. |
| | Number of customers served. |
| | Types of customers served. |
| | Disadvantaged community status of the service area. |
| | Grid need related to state policy goals or plans. |

### 3.8.2. Background and Rationale

SBUA and Joint CCAs inquired about utility prioritization methods used in the DPP process.[183] In response to this inquiry, SCE and SDG&E contend prioritization is not necessary, as it is their goal to complete all projects by the time they are needed.[184] The Staff Proposal contends Utilities should be prepared

[183] Staff Proposal at 77 citing SBUA Opening Comments to Amended Scoping Memo at 6 and Joint CCAS Reply Comments to Amended Scoping Memo at 5.

[184] Staff Proposal at 77 citing SCE Opening Comments to Amended Scoping Memo at 9 and SDG&E Opening Comments to Amended Scoping Memo at 4

to prioritize projects in an equitable and reasonable manner. Further, the Staff Proposal proposes that Utilities inform the Commission of its prioritization methods through the DDOR.[185]

### 3.8.3. Party Comment

Telsa supports a requirement that Utilities submit high-level plans describing the prioritization of projects beyond considering project need date.[186] Similarly, EDF/NRDC conveys support for the recommendation that Utilities provide details on prioritization methods and explain how the criteria support policies and regulations.[187] Cal Advocates, however, calls for additional stakeholder input in the annual DPAG workshops, or other workshops, contending this facilitates stakeholder engagement rather than Utilities providing a plan through a Tier 1 Advice Letter.[188]

Summing up the Utilities' position, SCE states that it is not clear that the current process is problematic nor is it clear how additional prioritization metrics would be used in this process.[189] All three Utilities follow a similar process in that each tries to complete a project by the need date and use other current prioritization approaches to manage the schedule of activities across the portfolio of projects.[190] Utilities contend the submission of a Tier 1 Advice Letter is unnecessary. SDG&E argues that "[d]eveloping a different process that

[185] Staff Proposal at 78.

[186] Tesla Opening Comments to March 13, 2024 Ruling at 12.

[187] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 23.

[188] Cal Advocates Opening Comments to March 13, 2024 Ruling at 27-28.

[189] SCE Opening Comments to March 13, 2024 Ruling at 21.

[190] *See* SCE Opening Comments to March 13, 2024 Ruling at 1; SDG&E Opening Comments to March 13, 2024 Ruling at 12-13; and PG&E Opening Comments to March 13, 2024 Ruling at 12-13.

prioritizes long lead-time distribution upgrades ahead of other distribution upgrades, is unnecessary and creates an administrative burden without any offsetting benefit.[191] Further SDG&E cautions that this proposal "could introduce subjective criteria and potentially lead to inequitable outcomes."[192] With respect to concerns of transparency, SCE asserts that the company has shared and will continue to share its prioritization process without the need for an advice letter.[193] PG&E proposes the Commission use the Distribution Forecasting Working Group as an approach to share prioritization specifics with stakeholders and allow such stakeholders the opportunity to ask questions and provide comments.[194]

### 3.8.4. Commission Determination

The Commission finds that transparency is the true concern of the current process. The record shows that Utilities have already developed prioritization methods beyond project need dates.[195] As RCRC offers, a utility "needs to be able to accurately pinpoint areas of the grid that are most in need of upgrades or enhancements to ensure that resources are located efficiently and effectively while preventing bottlenecks and reliability issues."[196] While additional prioritization criteria may be needed in the future, the record of this proceeding shows no particular additional criteria are necessary. The Commission continues to provide Utilities flexibility on prioritization methods. However, to ensure

[191] SDG&E Opening Comments to March 13, 2024 Ruling at 13.

[192] SDG&E Opening Comments to March 13, 2024 Ruling at 13.

[193] *See* SCE Opening Comments to March 13, 2024 Ruling at 11.

[194] PG&E Opening Comments to March 13, 2024 Ruling at 11-12.

[195] PG&E Opening Comments to March 13, 2024 Ruling at 11-12; SDG&E Opening Comments to March 13, 2024 Ruling at 13; and SCE Opening Comments to March 13, 2024 Ruling at 13.

[196] RCRC Reply Comments to March 13, 2024 Ruling at 8.

transparency, this decision modifies the proposal to require Utilities to report, during the annual Distribution Forecasting Working Group (as proposed by PG&E),[197] how projects identified throughout the distribution planning horizon have been prioritized for execution. As requested by Cal Advocates, a public workshop versus an advice letter submission will provide stakeholders an opportunity to provide feedback and ask questions.[198] This decision also requires inclusion of this information in the annual GNA/DDOR or a successor report instead of the previously required Advice Letter.

### 3.9. Require Utilities to Consider Distribution Planning Results in Other Distribution Work[199]

As described below, this decision adopts the proposal to require Utilities to consider distribution planning results when performing other distribution work. Based on the record of this proceeding, however, this decision revises the proposal to make corrections to the proposal, add two workshops, and adjust the timeline. The addition of the workshop will allow Utilities to explain their proposals for integrated planning and provide stakeholders an opportunity to provide input.

#### 3.9.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission direct Utilities to consider, in their other workstreams, upgrading the capacity of any primary distribution infrastructure in order to avoid the need for future distribution capacity upgrades. To accomplish this, the Staff Proposal recommends the submission of an advice letter proposing a method for referencing DPPs when

[197] PG&E Opening Comments to March 13, 2024 Ruling at 13.

[198] Cal Advocates Opening Comments to March 13, 2024 Ruling at 27-28.

[199] Staff Proposal Recommendation No. 3.2.9.

designing projects in other distribution workstreams. The proposed method should balance the increased project costs from the increased sizing of any related asset with the risk-adjusted benefit from avoiding future projects to upgrade grid capacity. Additionally, the Staff Proposal recommends that changes to the adopted method would be made through a Tier 1 Advice Letter if the change improves the method's accuracy and the decision whether to increase the capacity of distribution infrastructure remains the same.[200]

### 3.9.2. Background and Rationale

In past filings, PG&E and SCE commented that an objective of their companies is to implement integrated planning by prioritizing across multiple objectives, addressing multiple needs with one solution, considering multiple drivers for infrastructure upgrades, and proposing optimal solutions to mitigate grid needs and least regret investments.[201] Building on this theme of integration, the Staff Proposal maintains that forecasting and disaggregation in the DPP can be leveraged to determine future capacity needs of assets that are being built or replaced.[202] As such, the Staff Proposal contends that distribution assets should be sized to consider their expected lifetime and usefulness.[203] However, the Staff Proposal cautions that "this proposal should not hinder the development of the DPP."[204]

[200] Staff Proposal at 79.

[201] Staff Proposal at 78 citing PG&E Opening Comments to Amended Scoping Memo at 16 and SCE Opening Comments to Amended Scoping Memo at 3.

[202] Staff Proposal at 79.

[203] Staff Proposal at 79-80.

[204] Staff Proposal at 80.

### 3.9.3. Party Comment

EDF/NRDC support the proposal to consider distribution planning results when doing other distribution work contending such strategies mitigate the need for duplicative investments and help contain costs and decrease risks.[205] Cal Advocates generally supports the proposal but proposes changes to the process including (1) requiring two workshops prior to the submission of the Tier 2 Advice Letters to better develop the record necessary for the Commission to make a determination[206] and (2) requiring Utilities to solicit stakeholder input for Utilities' integrated planning proposals during the annual DPAG workshops, or successor workshops.[207] PG&E supports a workshop to provide transparency, insight into the process, and its evolution over time.[208] 350 Bay Area also supports such integrated planning, noting that distributed energy resources can and should mitigate new loads and offer increased flexibility.[209]

SDG&E contends the proposal is unnecessary, as coordination currently occurs between distribution planning personnel and other personnel working on primary distribution infrastructure.[210] PG&E supports the direction to consider upgrades in other distribution workstreams to avoid future distribution capacity upgrades but opposes the prescriptive requirements to the two advice letters. PG&E argues the company already prioritizes across multiple objectives and rather than creating another advice letter when an improvement is needed, the

[205] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 23.

[206] Cal Advocates Opening Comments to March 13, 2024 Ruling at 28.

[207] Cal Advocates Opening Comments to March 13, 2024 Ruling at 29.

[208] PG&E Reply Comments to March 13, 2024 Ruling at 6.

[209] 350 Bay Area Opening Comments to March 13, 2024 Ruling at 3.

[210] SDG&E Opening Comments to March 13, 2024 Ruling at 13.

company should have the authority to consider planning results and load forecasts for such changes.[211] SCE states that the company has identified integrated planning as a goal with workstreams to support it and, in some cases, this is already happening. SCE further states it will share details of the company's plan for integrated planning through an advice letter by the first quarter of 2025.[212]

### 3.9.4. Commission Determination

The Commission agrees with Cal Advocates that two workshops are needed for this proposal to ensure parties have a solid understanding of integrated planning and can adequately participate. While the Commission acknowledges that Utilities are either planning or already conducting integrated planning, transparency is one of the objectives here and neither stakeholders nor the Commission have a window into the processes Utilities undertake to integrate planning. Hence, while PG&E may consider advice letters—and now two workshops—to be prescriptive, the Commission considers these steps to be necessary for transparency.

Accordingly, a workshop shall be held by Utilities during the third quarter of 2025 to present Utility proposals for integrated planning and solicit feedback from stakeholders on issues presented, including cost containment considerations. A second workshop shall be held by Utilities no more than eight weeks following the first workshop to present updated proposals based on feedback from the first workshop.

[211] PG&E Opening Comments to March 13, 2024 Ruling at 13-14.

[212] SCE Opening Comments to March 13, 2024 Ruling at 22.

No later than the end of the fourth quarter of 2025, Utilities shall submit a Tier 3 advice letter to provide proposed method(s) where the increased project costs from the increased sizing of any related assets are less than or equal to the risk-adjusted benefit from avoiding future projects to upgrade grid capacity. Utilities' proposal shall allow for future evolution of the DPP and should not become a barrier to future changes in that process.

The Tier 3 Advice Letter that proposes the methodology shall also answer the following questions: (1) How does the proposed method maintain the flexibility of the distribution planning process, and allow for that process to develop over time; (2) How does the proposed method estimate the increased costs for current projects, and how can this estimate change or improve over time? Include increased costs for wildfire mitigation and associated R.20-07-013 Risk-based Decision-making Framework (RDF) cost benefit ratio data; (3) How does the proposed method incorporate cost effectiveness and cost efficiencies? (4) How does the proposed method adjust for risk and potential risk reduction when considering potential future capacity projects, and how can this adjustment change or improve over time; (5) How does the proposed method estimate cost of future distribution capacity projects (including increased costs for wildfire mitigation and associated R.20-07-013 cost benefit ratio data), and how can this estimate change or improve over time; and (6) How does the proposed plan address projects planned in the high fire threat districts or in areas of wildfire risk, or projects that will require new lines to be built that cross into the high fire threat districts?

## 3.10. Require Utilities to Develop Bridging Strategies to Better Accommodate Energization Requests that Trigger Distribution Capacity Work[213]

This decision adopts the proposal to require Utilities to develop bridging strategies to accommodate energization requests that trigger distribution capacity work.

### 3.10.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission direct Utilities to file, no later than December 31, 2024, a proposal for various strategies that could be deployed to accommodate energization requests that trigger upstream distribution capacity work. The plan should include options such as: (1) improvements to utilities reactive process upon receiving an energization request that requires a distribution capacity upgrade; (2) temporary constraints on the power the customer is allowed to draw; and (3) acquiring and deploying mobile distributed energy resources capable of managing and preventing grid deviation during the construction of a distribution capacity project.[214] Additionally, the Staff Proposal recommends that the Commission require Utilities to describe progress in implementing this plan in the annual DDOR, or its successor report.[215]

### 3.10.2. Background and Rationale

SCE and PG&E report in prior filings that the companies each have processes in place to address energization requests that require a distribution upgrade in the current DPP cycle. Both utilities state they are considering

[213] Staff Proposal Recommendation No. 3.2.10.

[214] Staff Proposal at 80.

[215] Staff Proposal at 81.

strategies to energize customer load prior to such projects being completed.[216] Contending that customers will continue to request energization on short notice, the Staff Proposal submits that Utilities will be unable to plan for distribution capacity that will prevent these requests from requiring upstream distribution capacity upgrades. Further, the Staff Proposal maintains that often the risk of exceeding the capacity limit is only during peak summer hours and, therefore, customers with flexible loads could be accommodated through time-limited restraints.[217] Additionally, the Staff Proposal asserts that for some grid issues, the answer could be a temporary distributed energy resource placement to mitigate the grid issue until a long-term solution is executed. Therefore, the Staff Proposal recommends requiring improvement on how Utilities handle energization requests that are impacted due to the need for upgrades to the distribution system.[218]

### 3.10.3. Party Comment

Party comments on this proposal were limited. Tesla offers its support.[219] CALSTART supports the proposal but recommends the Commission provide more detail on the proposal by requiring Utilities to develop standardized static and dynamic flexible service connection options for loads that would be integrated into the energization process.[220] Also supporting this proposal, EDF/NRDC asserts that flexible energization should be widely available to

[216] SCE Opening Comments to April 6 Ruling at 13 and PG&E Opening Comments to April 6 Ruling at 13.

[217] Staff Proposal at 81.

[218] Staff Proposal at 81.

[219] Tesla Opening Comments to March 13, 2024 Ruling at 12.

[220] CALSTART Opening Comments to March 13, 2024 Ruling at 17-18.

customers making energization requests.[221] As such, EDF/NRDC proposes the Commission direct Utilities to begin a flexible energization pilot to collect data to inform subsequent full-scale programs while the Commission identifies the appropriate proceeding to take stakeholder input on the subject.[222]
Cal Advocates [223] questions the type of filing, expressing concern that a compliance filing does not provide parties with opportunity to review and provide feedback on the Utilities' proposals.[224] Cal Advocates proposes a Tier 2 Advice Letter with annual reporting in the DPAG workshops.

SCE and PG&E support the proposal in theory but express reluctance. Stating that the company is already working on similar efforts, PG&E cautions that processes for long-term, scalable load management as a bridging solution do not exist for evaluation and execution.[225] While recognizing the importance of bridging strategies for managing the influx of large load requests and improving customer experience, SCE states it has already developed bridging solutions and is working toward different strategies.[226] Asserting this proposal has no value since energization requests triggering upstream distribution capacity upgrades are being accommodated, SDG&E opposes this proposal and recommends the Commission allow Utilities to develop targeted bridging strategies for specific customer and grid constraints as needed.[227]

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[221] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 23.

[222] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 23.

[223] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 24.

[224] Cal Advocates Opening Comments to March 13, 2024 Ruling at 30-31.

[225] PG&E Opening Comments to March 13, 2024 Ruling at 14.

[226] SCE Opening Comments to March 13, 2024 Ruling at 22.

[227] SDG&E Opening Comments to March 13, 2024 Ruling at 14.

#### 3.10.4. Commission Determination

This decision adopts the proposal with modifications. The Staff Proposal would require that Utilities file a plan describing various bridging strategies that can be deployed for energization requests that trigger upstream capacity upgrades. This is a first step in improving how Utilities handle energization requests impacted by the need for distribution system upgrades. The Commission finds that the administrative burden for filing a plan is light as PG&E and SCE are already exploring this issue.[228] Further, the Commission declines to broaden this proposal because, as PG&E has asserted, processes for long-term, scalable load management as a bridging solution do not exist for evaluation and execution.[229] Utilities shall submit their compliance reports in this proceeding and the Energization proceeding (R.24-01-018) by December 15, 2024.

### 3.11. Require Utilities to Prepare a Load Flexibility DPP Assessment[230]

This decision adopts the proposal to require Utilities to prepare a load flexibility DPP assessment. Based on party comments, however, the proposal is modified to incorporate the load flexibility DPP assessment into the Electrification Impact Study Part 2 currently being conducted by Utilities, which is briefly described below. As discussed below, the work anticipated by this proposal is well aligned with the work Utilities are performing in the Electrification Impact Study Part 2.

[228] See PG&E Opening Comments to March 13, 2024 Ruling at 14 and SCE Opening Comments to March 13, 2024 Ruling at 22.

[229] PG&E Opening Comments to March 13, 2024 Ruling at 14.

[230] Staff Proposal Recommendation No. 3.2.11.

### 3.11.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission require Utilities to prepare a load flexibility DPP assessment. The goal of the assessment would be to enable Utilities to strategically incorporate load management and load flexibility techniques (including, but not limited to, use of load splitters, throttling products, and other tools) into their distribution planning with the objective of efficient utilization of distribution capacity and cost containment for incremental build, while providing transparency and stakeholder input.

### 3.11.2. Background and Rationale

While parties assert that load flexibility could be an important resource that could also reduce needed upgrades, Utilities contend that load flexibility is not developed enough to be a standard alternative to distribution capacity.[231] The Staff Proposal posits that incoming electrification load may apply for energization faster than Utilities can upgrade their system. Hence, the Staff Proposal offers that load management techniques (*i.e.*, strategies to control or adjust electricity demand on the grid) and flexible loads (*i.e.,* devices or systems that can adjust power consumption in response to price fluctuations, grid conditions, or specific commands) will be crucial in optimizing energy usage and controlling distribution upgrade costs.[232] Further, the Staff Proposal contends that with the expected increase in electrification-related load, "flexible loads are going to be a resource of significant scale in the medium- to long-term with the potential to mitigate distribution infrastructure cost."[233]

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[231] Staff Proposal at 81 citing PG&E Opening Comments to April 6 Ruling at 13 and SCE Opening Comments to April 6 Ruling at 13.

[232] Staff Proposal at 82-82.

[233] Staff Proposal at 83.

### 3.11.3. Party Comment

Concurring that load flexibility is useful for potentially reducing needed upgrades, SCE maintains that a system level assessment will help the Commission better understand load flexibility impact.[234] However, SCE contends that the Load Flexibility Assessment can be incorporated into the Electrification Impact Study Part 2 being conducted by the Utilities.[235] Further, PG&E asserts that the analysis needed in this proposal is duplicative of the work Utilities will conduct in the Electrification Impact Study.[236] SDG&E argues that the load flexibility assessment is centered on a customer's ability and willingness to shift loads from one time period to another and is highly dependent on a customer's electricity use, incentives, and program structure for those incentives.[237] As such, SDG&E believes the Demand Flexibility Rulemaking is the more appropriate venue to assess customer responsiveness to economic incentives and therefore this proposal is premature.[238] SDG&E proposes to defer this proposal until after the Demand Flexibility Rulemaking concludes.[239]

Other parties favor the load flexibility assessment.

In support of this proposal, CALSTART recommends the Commission also require Utilities to consider different load shapes and flexibility assumptions and how the assessment could be incorporated into load management assumptions

[234] SCE Opening Comments to March 13, 2024 Ruling at 22.

[235] SCE Opening Comments to March 13, 2024 Ruling at 22.

[236] PG&E Opening Comments to March 13, 2024 Ruling at 14.

[237] SDG&E Opening Comments to March 13, 2024 Ruling at 14-15.

[238] SDG&E Opening Comments to March 13, 2024 Ruling at 15.

[239] SDG&E Opening Comments to March 13, 2024 Ruling at 16.

as part of the bottom-up forecasting approach.[240] CALSTART asserts incorporating a load flexibility assessment into Utilities' load forecasts will play a fundamental role in understanding the impact of flexible load on distribution planning.[241]

While also supporting the concept of this recommendation, UCAN contends that refinements are needed to avoid artificially constraining technologies and recommends that the strategies in the recommendation consider that distributed energy resources can be aggregated and coordinated to provide energy to alleviate grid constraints.[242] Thus, UCAN proposes the staff recommendation be modified to develop a Net Load DPP Assessment.[243]

Recognizing the importance of load flexibility, Cal Advocates also supports adoption of this proposal with two proposed process changes. First, Cal Advocates recommends the Commission require Utilities to hold two workshops to develop the record prior to submission of the Tier 2 Advice Letter.[244] Second, Cal Advocates proposes the Commission require Utilities to perform an annual demand flexibility analysis and integrate data from pilots, research and other reliable sources.[245]

Noting that multiple recent analyses have found that load management of electric vehicles and other end use can provide system value, EDF/NRDC urges the Commission to consider combining this work with the limited generation

[240] CALSTART Opening Comments to March 13, 2024 Ruling at 19.

[241] CALSTART Opening Comments to March 13, 2024 Ruling at 20.

[242] UCAN Opening Comments to March 13, 2024 Ruling at 3-5.

[243] UCAN Opening Comments to March 13, 2024 Ruling at 5.

[244] Cal Advocates Opening Comments to March 13, 2024 Ruling at 32.

[245] Cal Advocates Opening Comments to March 13, 2024 Ruling at 32-33.

profiles and limited load profiles, as well as work in the demand flexibility proceeding.[246]

### 3.11.4. Commission Determination

This decision modifies the proposal to allow Utilities to fulfill the requirements of this proposal by conducting the load flexibility analysis within the Electrification Impact Study Part 2, with which Utilities have been tasked. Several parties asserted the load flexibility work could and should be conducted within the confines of other proceedings or other work being performed. PG&E and SCE consider the work of the load flexibility analysis to be duplicative of the Electrification Impact Study. The Commission finds this efficient and prudent.

The Electrification Impact Study Part 2 is the successor to the Electrification Impact Study Part 1, published in this proceeding on May 9, 2023.[247] The Part 1 Study was conducted by Commission consultant, Kevala, to examine the potential impacts of high adoptions of distributed energy resources on the distribution grid, identify when and where investments would be needed, and estimate the cost of meeting those needs. It examined scenarios in which no mitigation strategies were employed to limit the amount of infrastructure upgrades needed and can therefore be seen as an upper-bound estimate of the expected costs. The Part 2 study will be conducted by Utilities within the 2024-2025 DPP cycle, with each Utility examining its service territory.

[246] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 24.

[247] The *Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future* (Order) identified prior use of funds for hiring consultants to conduct the Electrification Impact Study, Part 1 and Part 2. *See* Order at 24-25. In D.23-05-005, the Commission authorized the Energy Division to retain the previously hired consultants to continue this work with funding, not to exceed $1.6 million, reimbursed by Utilities. *See* D.23-05-005 at Ordering Paragraph 1.

The focus of the Electrification Impact Study Part 2 is to estimate and assess potential impacts (*e.g.*, potential costs of upgrading the primary and secondary distribution grid) of meeting electrification needs under multiple scenarios. It will include scenarios that estimate a range of costs and resources required to address identified grid needs. The study should produce learnings that translate into improvements for each utility's DPEP. The study will include the load flexibility mitigation scenario proposed in the Staff Proposal. The study may also include other scenarios such as those that support equity analysis and planning for transportation and building electrification.

As the Electrification Impact Study Part 2 is on track to begin in the near term, the Commission finds it timely to consider the outcomes of this analysis in the 2025-2026 DPP cycle. As such, this decision eliminates the proposal requirement for Utilities to separately publish their inputs and assumptions for party comments. Instead, no later than 30 days after the completion of the Electrification Impact Study Part 2, Utilities shall hold a public workshop to present the findings and receive stakeholder comment on how the findings should be incorporated into the DPEP. Further, after considering feedback from the workshop and no later than 120 days after completion of the Electrification Impact Study Part 2, Utilities shall file and serve the study in this proceeding for party comment. In addition to the study, the filing shall include a description of how the study meets the requirements and objectives of the Load Flexibility DPP assessment proposed in the Staff Proposal and any other Commission requirements. The filing shall include a detailed proposal and timeline of how the load flexibility assessment will be integrated into the DPEP to inform distribution planning and execution in the future. The intention is to ensure the outcomes of the analysis inform the 2025-2026 DPP cycle. Utilities shall also serve

a notice of the public workshop and serve the study to the service list of the demand flexibility proceeding (R.22-07-005.)

The Commission will consider the proposed Electrification Impact Study Part 2 submitted by the Utilities and party comments prior to finalizing the study. This study is consistent with the work currently being tracked by the Utilities through the Distribution Resource Tools Memorandum Account and should be treated in the same manner.

### 3.12. Allow Utilities More Flexibility in Requesting Distribution Capacity Costs in GRCs[248]

This decision adopts the proposal to allow Utilities more flexibility in requesting distribution capacity costs in GRCs. Based on the record, the proposal is modified to specify that Utilities are permitted to use the results of the annual DPP as a basis for requesting forecasting distribution upgrade costs within the GRC and that Utilities may present alternative analysis based on the most recent Utilities' DPP. Allowing this flexibility in GRC funding requests merely allows for flexibility and does not create the opportunity for unlimited utility spending. As further discussed below, such requests and their validity will continue to be reviewed in the GRC, or other applications, with due diligence by the Commission and with stakeholder participation and input.

#### 3.12.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission encourage Utilities to conduct and submit additional supplemental analysis on grid needs and forecasts in GRCs to mitigate the time lag between the IEPR, DPP, and GRC

[248] Staff Proposal Recommendation No. 3.2.12.

cycles; this would require the Commission to remove paragraphs 2(h)[249] and 2(i)[250] from Ordering Paragraph 2 of D.18-02-044.[251] Any supplemental analysis would also require a discussion of the differences between the forecast used for the GRC and the IEPR.[252] The Staff Proposal specifies that such supplemental analysis should be encouraged when emergency needs, including changes in state electrification policies, or changing forecasts occur.[253]

### 3.12.2. Background and Rationale

The Commission requires that Utilities' GRC testimony be consistent with the GNA and DDOR data of that same year and discourages, but allows, Utilities to update GRC testimony due to emergent needs or changing forecasts that arise following the filing of the GNA and DDOR.[254] The Staff Proposal contends this unnecessarily restricts the Utilities from using more current information in GRCs, which can lead to funding issues for distribution capacity work.[255] In

[249] D.18-02-004 at Ordering Paragraph 2(h) states: "The information each investor-owned utility (IOU) presents in its GRC testimony shall be consistent with that which the IOU presents in that year's GNA and DDOR reports, while affirming the IOU's ability to update any aspect of its GRC testimony due to emergent needs or changing forecasts that arise following that year's GNA and DDOR filings. The IOUs must explain any discrepancies between the GNA and DDOR reports and GRC testimony within the GRC testimony."

[250] D.18-02-004 at Ordering Paragraph 2(i) states: The Commission orders that the GNA and DDOR filed the year after a GRC filing year is inadmissible in the evidentiary record of that GRC proceeding and may not be used to update the underpinning assumptions of GRC testimony that was filed the previous year.

[251] Staff Proposal at 83-84.

[252] Staff Proposal at 83-84.

[253] Staff Proposal at 83-84.

[254] SCE reported that the company submitted an additional analysis to their GRC in order to produce more reliable funding forecasts. See Staff Proposal at 83 citing SCE Opening Comments to April 6 Ruling.

[255] Staff Proposal at 84.

previous comments, Utilities pointed to the use of outdated DPP results in GRCs as a factor in funding issues.[256]

### 3.12.3. Party Comments

TURN supports the limitations of divergence from the IEPR established in D.18-02-004, as well as SB 410, contending these limitations "prevent utilities from requesting unneeded capacity funding."[257] TURN recommends the Commission require Utilities to continue to submit forecasts rooted in the most recent IEPR, and maintains that bottom-up forecasting should only be used if it is sufficiently transparent and applies local knowledge.[258] Further, TURN notes that D.18-02-004 already provides Utilities with flexibility to stray from the IEPR.[259]

Cal Advocates supports using the most up-to-date information and forecasts as a matter of principle. However, Cal Advocates contends this new data should be a result of potential changes or updates to the IEPR and should not be confidential or less robust than the IEPR.[260] Further, Cal Advocates requests clarity whether the removal of paragraph 2(h) and 2(i) of D.18-02-004 would allow Utilities to file additional analysis subsequent to the initial GRC filing and, if so, how stakeholders would be afforded reasonable time to prepare a response.[261]

EDF/NRDC support the proposal noting that removing the ordering subparagraphs would not remove the Commission's ability to scrutinize the

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[256] Staff Proposal at 83 citing SDG&E Opening Comments to March 9 Ruling at 9 and PG&E Opening Comments to March 9 Ruling at 25.

[257] TURN Opening Comments to March 13, 2024 Ruling at 5.

[258] TURN Opening Comments to March 13, 2024 Ruling at 6.

[259] TURN Opening Comments to March 13, 2024 Ruling at 8-9.

[260] Cal Advocates Opening Comments to March 13, 2024 Ruling at 34.

[261] Cal Advocates Opening Comments to March 13, 2024 Ruling at 33-34.

specific cost recovery requested or the methodology Utilities use to justify the request.[262] Tesla also supports the proposal.[263]

PG&E supports the proposal of more flexibility and the removal of paragraphs 2(h) and 2(i) from D.18-02-004. Asserting the company already can provide additional information to their GRC testimony, PG&E states the adoption of this proposal will make it clear that the Commission does not discourage such flexibility.[264]

While supporting the recommendation, SCE requests the Commission adopt concrete guidance for reasonable methodologies, without which adoption of the proposal could result in litigation and reduced investment certainty.[265] Pointing to its own Transportation Electrification Grid Readiness analysis as an example of stakeholder derision, SCE contends that, without Commission guidance, Utilities may not have confidence when using innovative approaches in funding requests.[266] SCE requests that such guidance be provided for "on the bubble" investments.[267]

### 3.12.4. Commission Determination

The Staff Proposal states that the key goal for this issue is to provide more flexibility for Utilities to request capacity costs in the GRC. Noting that "the DPP does not currently produce an accurate forecast of grid needs that matches the actual needs over the entire GRC window," the Staff Proposal underscores that

[262] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 25.

[263] Tesla Opening Comments to March 13, 2024 Ruling at 13.

[264] PG&E Opening Comments to March 13, 2024 Ruling at 15.

[265] SCE Opening Comments to March 13, 2024 Ruling at 23.

[266] SCE Opening Comments to March 13, 2024 Ruling at 23-24.

[267] SCE Opening Comments to March 13, 2024 Ruling at 24.

"some utilities have found it challenging to provide sufficient justification for their distribution planning funding requests."[268]

While generally supported by parties, this decision begins the deliberation of this proposal with a discussion of concerns from TURN and Cal Advocates. TURN supports the limitations of divergence from the IEPR established in D.18-02-004 as a way to prevent Utilities from requesting unneeded capacity funding. TURN, as well as Cal Advocates, expresses concern about third party studies being used to justify spending. Cal Advocates recommends the Commission provide guidance to only allow updates in response to changes in the IEPR. SCE also requests guidance in that the Commission explicitly state the methodologies and approaches that would be appropriate to use in the GRC.

First, as the goal here is to provide flexibility, the Commission finds it reasonable to adopt this proposal and remove subparagraphs (h) and (i) from D.18-02-004. Subparagraph (i) orders that the GNA and DDOR filed the year after a GRC filing year is inadmissible in the evidentiary record of that GRC proceeding and may not be used to update the underpinning assumptions of GRC testimony that was filed the previous year. This order limits relevant and useful information from being incorporated into the GRC for decision making. This also limits the Commission from ensuring that Utilities improve energization planning when requesting a revenue requirement to minimize the need for a new ratemaking mechanism.[269] Considering that the changes required in this decision will have a material improvement on the DPP and as a result

[268] Staff Proposal at 55.

[269] SB 410 937. (d) The commission shall ensure that each electrical corporation improves upon energization planning, consistent with the requirements of Section 936, when requesting an authorized revenue requirement during the electrical corporation's general rate case, in order to minimize the need for any ratemaking mechanism authorized pursuant to this section.

GRC requests, the outputs of an improved DPP may be submitted as testimony or allowed as supplemental testimony in GRC proceedings. However, the intent of this flexibility is not to delay GRC proceedings. If a GRC has progressed significantly in its schedule, and an updated GNA and DDOR is submitted into the GRC proceeding, the presiding officer of the proceeding has the discretion to move the new information into a separate phase of the GRC or require a separate application.[270] This flexibility is not a universal change as D.18-02-004 already allowed for flexibility, as pointed out by TURN. The Commission's intention in eliminating the barrier of these two subparagraphs is to ensure the Commission has the most up-to-date information to ensure that the most recent distribution planning is taken into account in the GRC.

TURN argues that is the Staff Proposal would eliminate measures that prevent Utilities from requesting unneeded capacity funding. The Commission is not convinced by this argument. The proposal adopted here simply allows for more flexibility in **updating** funding requests in GRCs based on **current** distribution planning data. This is reasonable because the Commission should make decisions based upon the most up-to-date distribution planning data. Further, while this decision allows for flexibility in updating funding requests in GRCs, these funding requests still must be reviewed by parties and the Commission in the GRC proceeding for reasonableness, and Utilities have the burden of proof to demonstrate the reasonableness of such costs.

[270] SB 410 established a provision that allows electrical corporations to, until January 1, 2027, file a request for a ratemaking mechanism to track costs for energization projects placed in service after January 1,2024, that exceed the costs included in the electrical corporation's annual authorized revenue requirement for energization.

Relatedly, Cal Advocates and SCE request the Commission to provide further clarity on what can and cannot be used to update funding requests in GRCs. Cal Advocates also requests the Commission to provide clarity on stakeholder participation with respect to updated funding requests. While the Commission assures parties of their due process rights, including the ability to comment in a reasonably timely fashion to the updated funding requests, the Commission declines to decide in this proceeding what methodologies or approaches to providing the results of the annual DPP or responding to those results should be allowed in a GRC.

### 3.13. Require Utilities to Submit Community Engagement Plans to Address Equity[271]

This decision adopts the proposal to require Utilities to submit annual community engagement plans to address equity in the DPP. The Commission anticipates this proposal will facilitate Utilities in developing a standardized and consistent outreach program. As discussed below, the Commission clarifies that coordination and customer outreach efforts are a minimum requirement of the pending loads category.

#### 3.13.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to submit a service territory Community Engagement Plan that will address (1) how community feedback is incorporated into Utilities' DPPs, (2) how Utilities will comply with the AB 50 requirements for an annual community DPP meeting, and (3) how Utilities will meet the data sharing requirements established in AB 50. The Staff Proposal specifies that the plan should address three areas: Tribal community needs, environmental justice and equity concerns,

[271] Staff Proposal Recommendation No. 3.2.13.

and disadvantaged community needs. Table 11 below lists the specific topics the Staff Proposal recommends the plan should address.

| **Table 11**<br>**Required Topics to Be Described in**<br>**Utility Service Territory Community Engagement Plans** |
|---|
| • Plan to conduct regular two-way communication with local governments, Tribal governments, and communities. |
| • Plan to coordinate with and incorporate findings from existing engagement activities. |
| • Plan to ensure language accessibility and disability accessibility. |
| • Plan to promote energy literacy and understanding of the DPP. |
| • Plan to provide transparency into the DPP. |
| • Plan to comply with the requirements of Pub. Util. Code § 933.5(c)(2) and § 933.5(c)(3) |
| • Plan to address community feedback in DPP through the use of pending loads, etc. |
| • Plan to use information from local governments, planning agencies, and Tribal governments relating to potential new local energy needs to inform distribution planning. |

### 3.13.2. Background and Rationale

In 2022, the Commission conducted several community engagement discussions for this proceeding. The Staff Proposal contends that development of a Community Engagement Plan addresses inclusivity, transparency, and partnership, which were emphasized in the community discussions.[272] Specifically, the Staff Proposal asserts the plan will improve visibility for the larger community into Utilities' distribution planning and address community concerns regarding the DPP.[273]

[272] Staff Proposal at 85.

[273] Staff Proposal at 85.

Utilities and Joint CCAs support community engagement but SDG&E contends such activities should be streamlined across proceedings.[274] Utilities maintain engaging communities should be done directly by Utilities and not through a third-party. The Staff Proposal concurs with Utilities, stating the Community Engagement Plan will improve efficiency, reduce costs, and allow for improved relationships.[275]

### 3.13.3. Party Comment

While each of the Utilities support community engagement, each has a slightly different view of the adoption of this staff recommendation. Opposing a mandate to develop a Community Engagement Plan, SDG&E maintains the company already consults with Tribes and key communities on a wide range of electric matters and addresses many of the proposed requirements of this staff recommendation.[276] SDG&E cautions that requiring a separate plan specific to proceedings will result in fragmentation, duplication, customer fatigue, and information saturation, all leading to participation decline and declining success of such engagement.[277] Also pointing to the many community engagement efforts currently underway in their service territories, PG&E contends the company is best positioned to conduct outreach related to the distribution planning process.[278] Taking a slightly different angle, SCE recommends the Commission provide additional guidance on incorporating community feedback into the planning process. Specifically, SCE asks the Commission to clarify

[274] Staff Proposal at 84 citing SDG&E Opening Comments to April 6 Ruling at 2.

[275] Staff Proposal at 85.

[276] SDG&E Opening Comments to March 13, 2024 Ruling at 16-17.

[277] SDG&E Opening Comments to March 13, 2024 Ruling at 16-17.

[278] PG&E Opening Comments to March 13, 2024 Ruling at 15-16.

whether the concept of pending loads could be employed as a mechanism for Utilities to address the specific needs of the communities they serve.[279]

Joint CCAs also comment on this proposal, expressing support and highlighting that such engagement is already occurring between Utilities and CCAs on a more than annual basis but needs more consistency.[280] Pointing to Tribal communities "left behind in building the modern distribution system," Vote Solar supports the requirement of a Community Engagement Plan and its shift from reactive application-based engagement to proactive community engagement.[281] Vote Solar recommends more coordination between findings from the Climate Adaptation & Vulnerability Assessment (CAVA) Report and the annual GNA/DDOR.[282] Tesla, EDF/NRDC, Local Government Sustainable Energy Coalition, and SBUA also support this proposal, with EDF/NRDC calling for improved coordination and streamlining across proceedings.[283]

### 3.13.4. Commission Determination

This decision adopts the Staff Proposal recommendation to require Utilities to submit a service territory Community Engagement Plan that will address: (1) how community needs (including the Tribal community, disadvantaged community, and environmental social justice and equity concerns are incorporated into Utilities' DPPs; (2) how Utilities will comply with the AB 50

[279] SCE Opening Comments to March 13, 2024 Ruling at 24-25.

[280] Joint CCAs Opening Comments to March 13, 2024 Ruling at 9-10.

[281] Vote Solar Opening Comments to March 13, 2024 Ruling at 4-5.

[282] Vote Solar Opening Comments to March 13, 2024 Ruling at 5.

[283] Tesla Opening Comments to March 13, 2024 Ruling at 13; EDF/NRDC Opening Comments to March 13, 2024 Ruling at 2-5; Local Government Sustainable Energy Coalition Opening Comments to March 13, 2024 Ruling at 22; and SBUA Reply Comments to March 13, 2024 Ruling at 4-5.

requirements for an annual community DPP meeting; and (3) how Utilities will meet the data sharing requirements established in AB 50. As the Community Engagement Plan is part of the DPP, Utilities shall provide one plan annually prior to the commencement of the DPP; *i.e.*, May 1 of each year. The Commission's intention in adopting this annual requirement is to ensure compliance with the requirements of AB 50.

Utilities contend they already have community engagement activities in place.[284] The Commission agrees that the record shows such engagement activities are occurring. In response to SDG&E's concerns of duplication and customer fatigue discussed in Section 3.13.3, the Commission clarifies it is not asking Utilities to duplicate these activities, rather the Commission is asking Utilities to provide documentation, on an annual basis, how the community engagement activities (many of which may already be occurring) address the specific topics laid out in the table above. If any listed topic is not addressed by current community engagement activities, Utilities should explain what new activity will address the topic. Regarding concerns of duplication and inconsistency, the Commission intends that the Community Engagement Plan should help facilitate Utilities' implementation of standardized and consistent outreach.

SCE asks the Commission to provide additional guidance on how to incorporate feedback from community engagement meetings regarding load growth and the pending load category. The Commission agrees that the pending load category could be employed as a mechanism for Utilities to address the

[284] PG&E Opening Comments to March 13, 2024 Ruling at 15-16; SCE Opening Comments to March 13, 2024 Ruling at 24-25; and SDG&E Opening Comments to March 13, 2024 Ruling at 16-17.

specific needs of communities they serve.[285] As stated in the Staff Proposal, coordination and customer outreach efforts should be included as a minimum requirement of the pending loads category.[286]

### 3.14. Require Utilities to Deprioritize DIDF to Free Up Stakeholder Time[287]

This decision adopts Option 3 of this proposal that changes the focus of the DIDF to facilitating transparency in distribution planning and monitoring distribution planning improvements. The DDOR shall be replaced by the Distribution Upgrade Project Report and the DPAG shall be maintained to provide transparency of this report and other related distribution planning reports and the DPP as a whole. As discussed below, the record shows that the DIDF has and will likely continue to have little success in its current form.

#### 3.14.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission deprioritize the DIDF process and provides three options: 1) continue the DIDF process as is until after the Track 1 Phase 2 DIDF evaluation; 2) continue the DIDF process as is, but with no reforms, until after the Track 1 Phase 2 DIDF evaluation; and 3) shift focus of the DIDF now from investment deferral to facilitating DPP transparency and monitoring DPP improvements. The Staff Proposal highlights that meeting California's electrification goals requires Utilities to build additional distribution capacity and contends that continued focus on deferring distribution infrastructure projects "is potentially counterproductive."[288]

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[285] *See* SCE Opening Comments to March 13, 2024 Ruling at 24.

[286] Staff Proposal at 74.

[287] Staff Proposal Recommendation No. 3.4.3.

[288] Staff Proposal at 89.

### 3.14.2. Background and Rationale

Recognizing that previous attempts at deferring distribution infrastructure projects have not been successful, parties generally agree that DIDF reform is necessary but to different degrees. Utilities support pausing any form or the use of the DPAG until Track 1, Phase 2. Whereas Cal Advocates also supports reform while continuing the DPAG, calling it a transparent window into the DPP.[289]

With the anticipated evaluation of the DIDF in Track 1, Phase 2, the Staff Proposal recommends the Commission act now as a step toward wholistic reform because of the lack of success for point-specific deferral projects. The Staff Proposal agrees with Cal Advocates that the current process is valuable for the public. With respect to Option 1, *i.e.*, status quo, the Staff Proposal notes that some stakeholders continue to be in favor of making incremental changes to the DIDF process leading up to the wholistic reform in Track 1, Phase 2.[290] However, the Staff Proposal notes that with Option 2, *i.e.*, no reform or DPAG, less staff and party resources would be needed.[291] Finally, with Option 3, a refocus of DIDF from deferral to transparency and improving DPP, the Staff Proposal contends this would be a more obvious move to wholistic DIDF reform.[292]

### 3.14.3. Party Comment

Parties generally agree that the DIDF success was limited. As discussed below, many parties support deprioritizing DIDF, but a few advocate for the

[289] Staff Proposal at 89 citing Cal Advocates Opening Comments to April 6 Ruling at 17.

[290] Staff Proposal at 89-90 citing to Clean Coalition Opening Comments to April 6 Ruling at 23 and Microgrid Resources Coalition Opening Comments to April 6 Ruling at 4.

[291] Staff Proposal at 90.

[292] Staff Proposal at 90.

continued pursuit of the use of distributed energy resources in deferral opportunities.

While not disputing the lack of success of the DIDF, the Joint CCAs oppose "scrap[ping] the deferral component of DIDF without replacing it with any other mechanism for point-specific competitive procurements for distribution grid services."[293] Joint CCAs assert that Option 3 of this proposal is not well-supported and ignores issues contributing to the DIDF's lack of success.[294] Instead, Joint CCAs support continuing DIDF in its current form until a "holistic re-evaluation of DIDF in Track 1, Phase 2."[295]

Clean Coalition echoes Joint CCAs concerns about Option 3 asserting that the DIDF needs to be amended to truly give the full opportunities for distributed energy resource deferral.[296]

Tesla supports Option 3 given the problems with DIDF and the disappointing number of successful projects, as well as the urgent need to focus on building out the distribution grid to accommodate transportation and building electrification.[297] While not specifically supporting a particular option, PACT states that it agrees that the current DIDF should be prioritized but that Utilities should continue to look at deferral options.[298] EDF/NRDC support the overarching goal of deprioritizing the DIDF but support the consideration of

[293] Joint CCAs Opening Comments to March 13, 2024 Ruling at 12.

[294] Joint CCAs Opening Comments to March 13, 2024 Ruling at 12 citing April 18, 2022 Reply Commissions of Silicon Valley Clean Energy Authority, Peninsula Clean Energy Authority, Marin Clean Energy, San Jose Clean Energy Authority, and Sonoma Clean Power Authority.

[295] Joint CCAs Opening Comments to March 13, 2024 Ruling at 12.

[296] Clean Coalition Opening Comments to March 13, 2024 Ruling at 4.

[297] Tesla Opening Comments to March 13, 2024 Ruling at 14.

[298] PACT Opening Comments to March 13, 2024 Ruling at 15.

alternative tools in Track 1 Phase 2 "to support the deployment of grid-beneficial distributed energy resources and load flexibility, including where they facilitate deferral of grid upgrade needs."[299]

Cal Advocates supports suspension of the annual DIDF reform processes and, based on expended resources and costs, the solicitation component of the DIDF.[300] However, Cal Advocates proposes the Commission should ensure a successor to DIDF preserves the core oversight mechanisms of the DIDF, including identifying grid needs. Hence, Cal Advocates supports retaining the GNA and DDOR, or its equivalent, as it provides transparency in planning and identifying distribution solutions.[301] Cal Advocates also proposes the retention of the DPAG workshops, or their equivalent, as these allow attendees to raise questions and make comments and could be expanded to discuss other elements of the DPEP.[302] Further, while supporting the elimination of the DIDF solicitation, Cal Advocates asks the Commission to consider alternative processes to offer ways of incorporating non-wires alternatives in the DPEP.[303]

Utilities all support the adoption of Option 3 for this proposal, including the discontinuation of DIDF, which SCE contends has limited deferral opportunity as it relies on post-planning single asset deferral.[304] SCE proposes that a holistic and dependable load management strategy, which identifies load management opportunities early in the planning process, could utilize and

[299] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 27.

[300] Cal Advocates Opening Comments to March 13, 2024 Ruling at 36-38.

[301] Cal Advocates Opening Comments to March 13, 2024 Ruling at 35-36.

[302] Cal Advocates Opening Comments to March 13, 2024 Ruling at 36.

[303] Cal Advocates Opening Comments to March 13, 2024 Ruling at 37-38.

[304] SCE Opening Comments to March 13, 2024 Ruling at 27.

manage existing capacity and efficiently deploy capacity expansion.[305] PG&E supports pausing the deferral aspects of the DIDF until completion of the Track 1 Phase 2 re-evaluation, asserting that this will allow a reallocation of resources and a focus shift from deferral to providing capacity for customers.[306] SDG&E advocates for the refocusing of DIDF but cautions against excessive reporting that detract from grid needs reporting without clear benefits.[307]

### 3.14.4. Commission Determination

This decision adopts the Staff Proposal recommendation to refocus the entire DIDF process from a distribution investment deferral solicitation process to a process focused on the facilitation of improving transparency of the DPP and monitoring distribution planning improvements. The Commission agrees with Cal Advocates that continuing the DPAG meetings will assist the Commission in providing transparency of the Distribution Upgrade Project Report, the successor to the DDOR adopted in this subsection, and any other annual reports related to distribution planning. This will allow for stakeholder participation and input into the DPP, creating that transparency. Further, the lack of success in the DIDF over the past five years—despite the significant amount of dedicated resources—weighs heavy on the Commission's determination. Additionally, as discussed below, this determination also takes into consideration the Track 1 Phase 2 objective of re-evaluating the DIDF on a wholistic basis.

While all parties agree that DIDF had limited success, this decision begins the discussion with the proposal by Joint CCAs to continue DIDF until the

[305] SCE Opening Comments to March 13, 2024 Ruling at 27-28.

[306] PG&E Opening Comments to March 13, 2024 Ruling at 18.

[307] SDG&E Opening Comments to March 13, 2024 Ruling at 17.

Commission can conduct a thorough evaluation in Track 1 Phase 2.[308] Joint CCAs assert that the Staff Proposal's justification for this proposal and for Option 3 is not well-supported and ignores issues contributing to the DIDF's lack of success. Responding to this proposal, EDF/NRDC maintain that the Commission's focus should be on load management and load flexibility and, as recommended by SCE, a review of distributed energy resources earlier in distribution planning.[309] 350 Bay Area agrees, contending that distributed energy resources are an integral component of evolving load and supply in grid planning and operation.[310] In reply comments, SCE also suggests that demand flexibility is another avenue to animate deferral opportunities.[311]

The Commission finds that based on the record of this proceeding, the DIDF is insufficient at soliciting distributed energy resources to defer grid investments.[312] The Commission concludes that it is not prudent to continue to use Commission and party time and resources to take small steps (*i.e.*, the annual DIDF Reform process) to correct an insufficient framework, when what is needed is a wholistic evaluation, as previously envisioned in the Order opening this rulemaking and the subsequent Scoping Memo. The Commission agrees with EDF/NRDC and SCE that distributed energy resources should be considered as part of the DPP and early in the process.

[308] Joint CCAs Opening Comments to March 13, 2024 Ruling at 12.

[309] EDF/NRDC Reply Comments to March 13, 2024 Ruling at 12 and SCE Opening Comments to March 13, 2024 Ruling at 27-28.

[310] 350 Bay Area Opening Comments to March 13, 2024 Ruling at 6.

[311] SCE Reply Comments to March 13, 2024 Ruling at 8.

[312] See, for example, Staff Proposal at 87-88.

It should be noted that a June 21, 2024 *Administrative Law Judges' Ruling Reforming the 2024/2025 Distribution Investment Deferral Framework Cycle (DIDF), Off Ramping the Partnership Pilot and Granting the Motions to Temporarily Suspend Portions of the DIDF* granted Utilities' motion to suspend the solicitation aspects of the DIDF for the 2024-2025 cycle. In that ruling, Utilities showed that due to interconnection barriers presented by a CAISO cluster study delay, conducting a DIDF solicitation for the 2024-2025 cycle would likely result in no contracts. That ruling also found that granting the motion would save utility, Commission, and stakeholder time and resources, and ultimately ratepayer funds. This decision affirms the June 21, 2024 ruling.

For these reasons, the Commission should adopt Option 3 from the Staff Proposal. However, two modifications are required.

First, Cal Advocates, while supporting the elimination of the DIDF solicitation and reform efforts, proposes maintaining the DPAG meetings or an equivalent. Cal Advocates maintains this will promote stakeholder engagement and transparency. Transparency is an objective of the Staff Proposal, and an objective of the Commission. Accordingly, the DPAG, or its equivalent, and the related meetings are maintained by this decision.

Second, adoption of this proposal results in a change of emphasis from distribution deferral to distribution upgrades. Accordingly, it is reasonable to rename the DDOR; the new name shall be the Distribution Upgrade Project Report.

### 3.15. Require Utilities to Include Metrics to Evaluate Equity in Utility Distribution Plan Reporting[313]

This decision adopts the proposal to require Utilities to include metrics to evaluate equity in utility distribution plan reporting. The record indicates value in exploring these metrics to analyze equity in the DPP. The Commission agrees that additional stakeholder details are required and directs Utilities to hold a workshop to develop these details. As further discussed below, following the workshop, Utilities shall submit an advice letter proposing the metrics.

#### 3.15.1. Description of Proposed Improvement

The Staff Proposal recommends the Commission require Utilities to include the following additional equity data in their GNA and DDOR filings when the equipment/facility clearly serves a set of customers: (1) percentage of customers served by the relevant equipment/facility that are enrolled in the Commission's California Alternate Rates for Energy (CARE) and/or the federal Family Electric Rate Assistance (FERA) programs; (2) the CalEnviroScreen 4.0, or the most recent update at the time of filing, percentile for the area served by the relevant equipment/facility; and (3) whether the equipment/facility serves a disadvantaged community.[314]

#### Background and Rationale

The Staff Proposal contends this data will help the Commission and stakeholders evaluate the extent to which equity is present in the DPP.[315] Additionally, the Staff Proposal maintains that reporting this information over

[313] Staff Proposal Recommendation No. 3.4.4.

[314] Staff Proposal at 91.

[315] Staff Proposal at 91.

time will assist the Commission in tracking how equitably distribution grid upgrades are distributed.

### 3.15.2. Party Comment

PG&E supports this proposal with the three proposed metrics, and asserts that the metrics, which align well with other proceedings, will bring increased transparency into which investments support income-qualified customers and those facing environmental and socioeconomic impacts.[316] Questioning how developing these metrics will translate into more equitable distribution planning, SDG&E opposes this staff recommendation and maintains the company has an obligation to serve all customers regardless of demographics.

SDG&E maintains that, through current distribution planning forecasts and processes, the company engages with stakeholders and community organizations to deploy equity programs and initiatives in those communities and prioritizes deployment of clean resources in low-income and disadvantaged communities through those programs.[317]

Neither supporting nor opposing the staff recommendation, SCE cautions modifying the DPEP to use equity as an input without further clarification and definition.[318] SCE states that it is unclear what questions the three metrics intend to answer. Further, SCE contends that "high level data that compares upgrades in various regions will have little value without the consideration of other data.[319] Hence, SCE proposes the Commission define how to determine whether

[316] PG&E Opening Comments to March 13, 2024 Ruling at 19.

[317] SDG&E Opening Comments to March 13, 2024 Ruling at 18.

[318] SCE Opening Comments to March 13, 2024 Ruling at 28.

[319] SCE Opening Comments to March 13, 2024 Ruling at 28.

lack of equity is a problem in the DPP and what variables are correlated with improved equity.[320]

EDF/NRDC support this proposal stating that it is critical the Commission ensures that Utilities' distribution system investments do not leave behind vulnerable communities. EDF/NRDC state that it supports a proposal to require this in the energization proceeding and recommends alignment between the two reporting mechanisms, if adopted.[321] Vote Solar supports this recommendation and encourages the Commission to require this in the 2025 DPP Cycle with the year 2018 as a baseline for comparison.[322] Tesla and GPI also support this proposal.[323]

### 3.15.3. Commission Determination

Based on the support indicated by the record, this decision adopts the proposal to require Utilities to evaluate equity in distribution plan reporting. There is value in exploring these metrics to analyze equity in the DPP. However, the Commission agrees that additional stakeholder input is required to ensure that the appropriate correlated variables are taken into account when analyzing the metrics and equity. Accordingly, this decision directs Utilities to hold a workshop to discuss further exploration of the metrics and correlated variables. Utilities shall hold the workshop no later than 90 days from the issuance of this decision. Within 45 days following the workshop, Utilities shall submit a Tier 3 Advice Letter requesting approval of a final set of metrics and any correlated

[320] SCE Opening Comments to March 13, 2024 Ruling at 28.

[321] EDF Opening Comments to March 13, 2024 Ruling at 27.

[322] Vote Solar Opening Comments to March 13, 2024 Ruling at 3.

[323] Tesla Opening Comments to March 13, 2024 Ruling at 14 and GPI Opening Comments to March 13, 2024 Ruling at 19.

variables. This timeline will allow for consideration of these metrics in the 2026 DPP cycle.

The Commission clarifies that while these metrics are requested for evaluation purposes, there is no framework wherein equity metrics are used for forecasting or planning distribution. The intention of this proposal is an evaluation and does not involve modifying the planning process based on equity considerations. The Commission notes that Utilities are required to serve all customers, regardless of demographics.

### 3.16. Require Utilities to Include Metrics to Track Project Execution in Utility Distribution Plan Reporting[324]

As described below, this decision adopts the Staff Proposal on metrics to track project execution but requires additional data to be included, based upon external direction. The record shows that collection of this data will provide more transparency of the execution of distribution capacity projections and the distribution planning process and fulfill the requirements of Pub. Util. Code § 933.5 (a)(2).

#### 3.16.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to include additional details on all ongoing and the prior three years completed distribution capacity projects in their public DDOR filings. Table 12 provides the list of proposed distribution capacity project additional details. In addition, each DDOR filing should include a section on current total spending on distribution capacity, including actual spending in the previous year, actual spending in the

[324] Staff Proposal Recommendation No. 3.4.5.

current year to date, and approved funding from the most recent GRC for equivalent time periods.

| **Table 12**<br>**Additional Details for All Ongoing and Prior Three Years Completed Distribution Capacity Projects** |
|---|
| • DDOR Project ID from all past DDOR reports. |
| • Year the project was first identified within distribution planning. |
| • Associated Grid Needs identified within distribution planning. |
| • A list of any known load associated with the project. |
| • Original expected operating date from first identification within distribution planning. |
| • Current project status. |
| • Current expected or actual operating date. |
| • Difference between original expected and current expected operating date, if applicable. |
| • Difference between original expected and actual operating date, if applicable. |
| • Related substation and circuit, if applicable. |
| • A 'Yes' or 'No' response to whether the related pieces of infrastructure are currently included or have been included in the past 5 years in any other distribution workstream, for example included within a wildfire hardening project or tagged for asset repair. For every 'Yes' response, include a simple categorization of the other workstreams where related infrastructure has been included, *e.g.* 'Asset Repair' or 'Wildfire.' |
| • For completed projects, a 'Yes' or 'No' response to whether historical loading from the most recent planning cycle confirms the need for the project (For example, whether the most recent historical loading on a circuit, as adjusted to 1 in 10 for use in distribution planning, exceeds the capacity of the old infrastructure). This should look at adjusted historical loading data and not future forecasts. |
| • For completed projects, a 'Yes' or 'No' response to whether forecast loading for the next 5 years in the most recent planning cycle confirms the need for the project (For example, whether the most recent forecast |

| **Table 12**<br>**Additional Details for All Ongoing and Prior Three Years Completed Distribution Capacity Projects** |
|---|
| for circuit loading over the next five years, as used in distribution planning, exceeds the capacity of the old infrastructure). |
| • For completed projects, cost of the project and expense account where the cost is recorded. |

### 3.16.2. Background and Rationale

According to the Staff Proposal, distribution capacity project delays and lengthy energization timelines in the PG&E service territory have been caused by the redirecting of funds to wildfire-related work.[325] The Staff Proposal asserts that requiring this additional data will provide the Commission and stakeholders transparency with respect to the execution of distribution capacity projects as well as the DPP.

### 3.16.3. Party Comment

SCE supports the tracking and reporting of load growth capacity projects in this proceeding but opposes the proposal to incorporate cost tracking, as that should be done exclusively in a cost recovery application.[326] SCE recommends the Commission establish a process where Utilities, stakeholders, and the Commission develop reasonable reporting and tracking requirements taking into account stakeholder needs and technical requirements.[327] SCE cautions against the required spending comparison or tracking of any costs, as this could lead to contention around a topic that is not part of the annual DPP.[328]

[325] Staff Proposal at 92.

[326] SCE Opening Comments to March 13, 2024 Ruling at 29.

[327] SCE Opening Comments to March 13, 2024 Ruling at 29.

[328] SCE Opening Comments to March 13, 2024 Ruling at 29.

Contending this proposal could lead to redundancy and administrative burden, SDG&E submits that a GRC, not this proceeding, is the appropriate forum for the prudency of distribution investments to be assessed.[329] Hence, SDG&E opposes the inclusion of metrics to track project execution in this proceeding.

PG&E supports the proposal but not the inclusion of all proposed metrics. PG&E asserts the data should only be forward-looking because PG&E does not have some of the historical data available for all projects.[330] PG&E further asserts that data for other distribution workstreams "would be extremely challenging to determine and provide.[331] Additionally, since investment justification is based on a forward-looking forecast, PG&E contends it is not possible to determine a completed investment's justification using historical data. Last, PG&E asserts restricting the reporting requirement to projects in the past year is prudent because PG&E would otherwise need to expend incremental ratepayer funds to create forecasts without completed projects.[332]

EDF/NRDC support this proposal but propose that, in order to minimize the burden from duplicative reporting, the Commission should align these metrics with those developed in the ongoing proceeding to establish energization timelines and other relevant requirements.[333]

Vote Solar recommends increased coordination from Utilities' CAVA Report and the annual GNA DDOR. Further, Vote Solar proposes the

[329] SDG&E Opening Comments to March 13, 2024 Ruling at 18.

[330] PG&E Opening Comments to March 13, 2024 Ruling at 19.

[331] PG&E Opening Comments to March 13, 2024 Ruling at 19.

[332] PG&E Opening Comments to March 13, 2024 Ruling at 20.

[333] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 27-28.

Commission develop a method to evaluate how well each Utility does toward operating an open and fair distribution system and reward or penalize utility revenue requirements depending on progress.[334]

Cal Advocates supports this proposal but proposes a process change whereby the Commission requires Utilities to include a section on total distribution capacity spending compared to approved GRC funding in the next DDOR, or its successor. [335]

### 3.16.4. Commission Determination

Pub. Util. Code § 932 (a)(1) states that to "improve the speed at which energization and service upgrades are performed, each electrical corporation that distributes electricity must improve its advance planning, engineering, and construction of increased distribution and transmission system capacity." Further, Pub. Util. Code § 932 (a)(11) states that the Commission "should establish reporting requirements requiring each electrical corporation that distributes electricity to report the extent to which it complied with the target deadlines and the reasons for its noncompliance." Accordingly, Pub. Util. Code § 933.5 (a)(2) directs the Commission to establish "annual reporting requirements, while leveraging existing reporting requirements for interconnections of generation and storage wherever possible, for the electrical corporations to report customer energization projects in order to evaluate the electrical corporation's fulfillment of timely electric service."

The Staff Proposal proposes this recommendation to provide more transparency of the execution of distribution capacity projections and the

[334] Vote Solar Opening Comments to March 13, 2024 Ruling at 5-6.

[335] Cal Advocates Opening Comments to March 13, 2024 Ruling at 39.

distribution planning process.[336] This additional data in the DDOR filings will also lead to fulfillment of Pub. Util. Code § 933.5 (a)(2).

As discussed in the prior section, EDF/NRDC recommend the Commission collect this data within the Energization Rulemaking. In the March 28, 2024 *Assigned Commissioner's Scoping Memo and Ruling* for R.24-01-018 (*Order Instituting Rulemaking to Establish Energization Timelines*), the assigned Commissioner includes the establishment of reporting requirements. It is the intent of the Commission to coordinate between these two proceedings. The Commission recognizes that the data listed above that needs to be collected fits with the known load tracking data established in this proceeding and is best added as incremental data collected in this proceeding rather than creating a new reporting requirement that would need to be matched with the known load data. However, to ensure both proceedings have access to this useful data, the Commission requires that Utilities also file this information in R.24-01-018.

As described above, SCE and SDG&E request that cost data not be included as part of this proceeding and, instead, be collected through a GRC or other cost recovery application. The DDOR already reports on cost data with the Locational Net Benefit Analysis. The Commission finds it is necessary to consider costs of infrastructure projects in order to understand the benefit of avoiding such a project.

Relatedly, PG&E requests that the data be forward looking only, contending a lack of historical data. The Commission recognizes this challenge and directs Utilities to develop the ability to report on past projects so that all data can be filed in the future when available.

[336] Staff Proposal at 92.

Because of the need for a coordinated effort, the project execution tracking data shown in Table 13 below is added to this proposal. Utilities shall track and report these dates for new or upgraded feeder lines; substation upgrades; and new substations.

| **Table 13**<br>**Additional Project Execution Tracking Data** |
|---|
| • The date a customer submits an energization request |
| • The date the upstream capacity project is initiated |
| • The date for completing the capacity project |
| • Utilities shall record and report the time taken for each of the distribution capacity project steps: (1) Engineering study or Needs Identification; (2) Scoping or Solutioning; (3) Design; (4) Easements, Permitting, Licensing and Sourcing; and (5) Construction. |

Accordingly, the proposal to include metrics to track project execution in utility distribution plan reporting is adopted with one modification. Utilities shall develop the report to include data listed in Table 12 and Table 13 above. Historical data shall be presented once available. This data shall be included in the annual DDOR and known load data to be filed on August 15, 2025 and annually thereafter.

### 3.17. Require Utilities to Track and Report Up-to-Date Known Load Projects to the CEC[337]

This decision adopts the proposal to require Utilities to track and report known load projects to the CEC. As discussed below, a prior ruling directed Utilities to coordinate with the CEC regarding all large known load projects. Hence, this decision modifies the proposal to omit the creation of a database and

[337] Staff Proposal Recommendation No. 3.4.6.

directs Utilities to supplement currently provided data to include all known load. Further, the record shows that this data is and should remain confidential.

### 3.17.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to create and share a single current database of known load projects with the Commission and the CEC. The Staff Proposal anticipates that through the database, the Commission and CEC will be able to track whether specific known load projects materialize. Table 14 provides a list of the required details of the known load data.

| **Table 14**<br>**Known Load Data Requirements** |
|---|
| • Unique project identifier. |
| • Impact circuit. |
| • Original requested in-service date. |
| • Load amount. |
| • Forecast in-service date. |
| • Customer type: Residential, Commercial, or Industrial. |
| • Customer load category: Agricultural Water Pump, Mega Tract Homes, Cultivation, Medium/Heavy Duty Commercial Electric Vehicle Charger, etc. |
| • Designate whether it is a Transportation Electrification-related load. |
| • Type of Transportation Electrification load, if applicable: Light Duty, Medium Duty, Heavy Duty, Offroad. |
| • Designate whether the load is embedded or incremental. |

### 3.17.2. Background and Rationale

Pointing to two prior DIDF Reform Rulings, the Staff Proposal states that these rulings require Utilities to track known load in GNA/DDOR filings, provide data to determine whether the loads materialize, identify the types of

customer requests that lead to known load, and develop a uniform list of customer types and customer load categories.[338] Hence, the Staff Proposal asserts Utilities are already tracking this data. The Staff Proposal contends providing this data to the Commission and CEC will provide improved insight into the DPP and inform IEPR load growth forecast.[339] In addition, the Kevala DIDF Evaluation and Recommendations also recommended implementation of a known load database to share with CEC.[340] This recommendation was supported by Joint CCAs.[341]

### 3.17.3. Party Comment

Vote Solar supports the creation of a known-load database with all Utility data. Vote Solar proposes the database be available in 2024 to assist the CEC in the development of the IEPR and argues that waiting to incorporate this data into the 2027 IEPR would widen the climate gap.[342] Similarly, EDF/NRDC proposes alignment with requirements of AB 2700, that Utilities "employ a wide array of data, including data collected by the CEC, as part of their DPP for transportation electrification."[343] Tesla also supports this proposal.[344]

SCE supports the sharing of load project tracking information with the Commission and the CEC, asserting this will aid in data visibility and joint

[338] Staff Proposal at 93 citing June 16, 2022 DIDF Reform Ruling and May 19, 2023 DIDF Reform Ruling.

[339] Staff Proposal at 93.

[340] Staff Proposal at 92 citing *Distribution Investment Deferral Framework: Evaluation and Recommendations*, Kevala, Inc. at 15.

[341] Staff Proposal at 92 citing Joint CCAs Opening Comments on April 6 Ruling.

[342] Vote Solar Opening Comments to March 13, 2024 Ruling at 6.

[343] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 28.

[344] Tesla Opening Comments to March 13, 2024 Ruling at 14.

tasks.[345] However, SCE contends this information is not public because of customer confidentiality provisions.[346] To avoid these concerns, SCE proposes that Utilities collaborate with Commission staff to develop an alternative reporting framework that could include aggregated data.[347]

PG&E supports this proposal with the caveat that all confidentiality concerns are addressed. Noting the company already provides known load data to CEC prior to publishing the GNA and DDOR, PG&E cautions that development of the new data and database will take time and cannot occur before the fourth quarter of 2025.[348]

SDG&E submits that Utilities supplement the CEC's system-level load forecast with the most up-to-date known load information, which SDG&E contends has proven effective to SDG&E in meeting its customers' needs.[349] SDG&E questions how a dynamic changing database as proposed in this staff recommendation can be effectively incorporated into the system level IEPR annual update.[350] SDG&E also questions whether the GPI call for a discount factor for known load is consistent with Utilities' obligation to serve.[351] Furthermore, SDG&E argues that the Staff Proposal does not explain why this database is necessary when the information on known load is already required

[345] SCE Opening Comments to March 13, 2024 Ruling at 30.

[346] SCE Opening Comments to March 13, 2024 Ruling at 30.

[347] SCE Opening Comments to March 13, 2024 Ruling at 30.

[348] PG&E Opening Comments to March 13, 2024 Ruling at 20.

[349] SDG&E Opening Comments to March 13, 2024 Ruling at 19.

[350] SDG&E Opening Comments to March 13, 2024 Ruling at 19.

[351] SDG&E Opening Comments to March 13, 2024 Ruling at 19-20.

by previous rulings and sharing this database may pose data management, compatibility, security protocol and logistical integration challenges.[352]

### 3.17.4. Commission Determination

In the June 21, 2021 DIDF Reform Ruling, Reform #5 directed Utilities to "coordinate with the CEC for all large known load projects prior to filing GNA/DDOR."[353] Further, the June 16, 2022 DIDF Reform Ruling found it reasonable to facilitate tracking of known load year after year to determine if they materialize." As such, this ruling directed Utilities to include a spreadsheet of known load projects with their 2022 GNA DDOR filing.[354] Noting that because Utilities were already tracking this data and reporting some of the data to CEC, the Staff Proposal proposed a database of all known load project data be provided to the CEC.

In consideration of the data collection already being conducted and the potential confidentiality of the data, as cautioned by SCE and PG&E, the Commission finds a separate database of known load data would be redundant and burdensome. However, as Utilities are currently providing the CEC with certain known load data, requiring Utilities to provide CEC with all known load data is reasonable and, as noted by SCE, will aid CEC and the Commission in data visibility and joint tasks. Accordingly, Utilities shall supplement currently provided data to include **all** known load that would be reported in the GNA/DDOR, the circuit and substation the known load is associated with, the geographic designation at the most granular level that is consistent across known load, (i.e., zip code) and include all used load shapes associated with customer

[352] SDG&E Opening Comments to March 13, 2024 Ruling at 20.

[353] June 21 2021 DIDF Reform Ruling at 5.

[354] June 16, 2022 DIDF Reform Ruling at 11.

type and category. Data shall be provided in such a way that it is possible to track which known load become actual projects and the timeframe in which they do so.

This decision determines that the data provided to CEC is not intended for public use. SCE and PG&E caution against the data being made publicly available. As discussed above, both SCE and PG&E maintain that the Commission must honor customer confidentiality provisions. In the alternative, SCE proposes a framework that could include aggregated data. The Commission finds it unnecessary to make this data available because known load data is already published annually in the DPP with the GNA and DDOR.

### 3.18. Require Utilities to Facilitate Better Coordination and Data Sharing Between the DPP and Transportation Electrification Planning[355]

This decision directs Utilities to support implementation of the upcoming TEPP framework, and integration of relevant inputs and assumptions from the framework into the DPP.

#### 3.18.1. Description of Proposed Improvement

In preparation for the increased load on the grid and accelerated capacity demand from transportation electrification, the Commission and CEC has undertaken efforts to define and locate areas of the grid that will require upgrades to accommodate electric vehicles.[356] The Staff Proposal recommends that the Commission require Utilities to be prepared to provide any data required to implement the TEPP, if adopted by the Commission, and to incorporate the outputs of the adopted TEPP into the DPP.[357]

[355] Staff Proposal Recommendation No. 3.4.7.

[356] Staff Proposal at 93-94.

[357] Staff Proposal at 94.

### 3.18.2. Background and Rationale

Explaining that the TEPP will identify areas of high electric vehicle charging load growth, the Staff Proposal states that the TEPP will produce outputs for use in the DPP and may use information from the DPP as inputs. The Staff Proposal contends that while the pending loads category recommended for development in the Staff Proposal is primarily aimed at identifying uncertain but likely loads in year two to year four of the forecast, the pending loads category could be expanded in year 10 of the forecast to incorporate the areas of electric vehicle loading identified in the implemented TEPP.[358] The Staff Proposal asserts this would satisfy the requirement to incorporate the outputs of the TEPP.[359]

### 3.18.3. Party Comment

Tesla supports this proposal. Tesla stated that given the purpose of the TEPP is to identify the grid areas needing to be updated to accommodate medium and heavy-duty vehicles, "it makes sense that this effort would be closely integrated with the DPP."[360] EDF/NRDC concurs but highlights other resources such as the National Zero-Emission Freight Corridor Strategy and Lawrence Berkeley National Laboratory' Medium- and Heavy-Duty Electric Vehicle Infrastructure – Load Operations and Deployment Modeling tool.[361]

Agreeing the incremental transportation electrification load is an impactful challenge, SCE supports the planning for such load in the mid- and long-term planning years. Noting the development commencement of the TEPP Framework, SCE contends this framework should develop transportation

[358] Staff Proposal at 94.

[359] Staff Proposal at 94.

[360] Tesla Opening Comments to March 13, 2024 Ruling at 14.

[361] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 28-30.

electrification related assumptions and methodologies that can be applied in DPP.[362] As such, SCE proposes that when this framework has adopted such assumptions and methodologies, Utilities can "use those inputs to support developing load forecasts."[363]

SDG&E confirms the company's commitment to supporting the transportation electrification rulemaking and recognizes coordination between the two proceedings is important. However, SDG&E asserts the need for a clear process for such coordination to ensure that outputs of the TEPP initiative are incorporated effectively into elements of this proceeding.[364]

PG&E also supports this proposal but requests the Commission confirm that the outputs of the TEPP "should be a reasonable basis for a forecast to justify project investment in the GRC, not just for planning."[365] PG&E cautions the commission that without this explicit approval, the DPP will no longer align with the GRC.[366]

### 3.18.4. Commission Determination

This decision directs Utilities to be prepared to support implementation of the TEPP framework. The Commission issued the Order Instituting Rulemaking Regarding Transportation Electrification Policy and Infrastructure on December 20, 2023. On April 12, 2024, the Assigned Commissioner issued the Assigned Commissioner's Scoping Memo and Ruling stating the intention to establish a TEPP framework with the objective of creating unified inputs and

[362] SCE Opening Comments to March 13, 2024 Ruling at 31.

[363] SCE Opening Comments to March 13, 2024 Ruling at 31.

[364] SDG&E Opening Comments to March 13, 2024 Ruling at 20.

[365] PG&E Opening Comments to March 13, 2024 Ruling at 20.

[366] PG&E Opening Comments to March 13, 2024 Ruling at 20.

assumptions for planning processes. As stated in Section 3.7 above, the Commission recognizes the importance of coordination between these two proceedings.

As shown in the record of this proceeding, parties support the coordination between these two proceedings. The Commission recognizes the comments of EDF/NRDC proposing the Commission to consider other resources such as the National Zero-Emission Freight Corridor Strategy and Lawrence Berkeley National Laboratory' Medium- and Heavy-Duty Electric Vehicle Infrastructure – Load Operations and Deployment Modeling tool. However, the Commission determines that consideration of these other resources should be addressed in the Transportation Electrification proceeding and then fed back into this proceeding through the TEPP framework, which as discussed previously, will create unified inputs and assumptions for planning processes.

As the TEPP framework develops, this proceeding and the Transportation Electrification proceeding will collaborate to integrate TEPP outputs into the DPP. This may involve updates such as adapting the pending loads category as discussed above, developing scenarios in the DPP, and other integration efforts.

### 3.19. Require Utilities to Incorporate More Detail of the Limiting Criteria into ICA Results in the Data Portal Access[367]

This decision adopts the proposal to incorporate more detail of limiting criteria into ICA results in the data portals. However, as explained below, the Commission finds that describing how an upgrade would affect a timeline is complex. Accordingly, the proposal is modified to omit the requirement to provide typical timelines.

[367] Staff Proposal Recommendation No. 5.3.1.

### 3.19.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission direct Utilities to add limiting criteria to the ICA results (*i.e.,* the data portal map popup window displays) to improve user understanding of hosting capacity results that are low or zero. The limiting criteria (broadly categorized as thermal or voltage for Generation and Load ICA maps and protection or operational flexibility for Generation ICA maps) should include an explanation of the impact on interconnection timelines and costs, which can be provided either in the map or in the User Guide. The Staff Proposal also recommends that the Commission require Utilities to provide the information contained in Table 15 below in the ICA User Guides and explicitly indicate the Limiting Criteria for Generation ICA and Load ICA.

**Table 15**
**ICA Limiting Criteria by Utility**

| ICA Study Criteria | Definition | Gen ICA | Load ICA | Utilities' Data Range and Terms |
|---|---|---|---|---|
| Steady State Voltage (SSV) | Max integration that can be installed without violating Rule 2 (Customer service voltage exceeding ± 5% on a 120V base.) | X | X | PG&E IC Voltage: ± 5%, -1.67% (for both gen and load)<br>SCE SSV and SSV Load: ± 5%, -1.67%<br>SDG&E ICA Voltage and Load Voltage: ± 5% |
| Voltage Fluctuation | Max integration that can be installed without causing a voltage variation of limit. | X | X | PG&E: ± 3%<br>SCE Voltage Fluctuation and Voltage Variation Load: ± 3%<br>SDG&E ICA Voltage: ± 3% (no limit for load) |

| | | | | |
|---|---|---|---|---|
| Thermal | Max integration that can be installed without causing thermal overloads on equipment. | X | X | PG&E: IC Thermal (for both gen & load)<br>SCE: Thermal & Thermal Load<br>SDG&E: ICA Thermal & Load Thermal |
| Protection | Max generation that can be installed without causing loss of end of line (EOL) visibility on our protection devices that can be hazardous to line crews. | X | | PG&E: IC Protection<br>SCE: Protection<br>SDG&E: ICA Protection |
| Operational Flexibility | Max generation that can be installed without causing reverse power flow (backfeed) at SCADA devices. | X | | PG&E: IC Safety<br>SCE: ICA Op-Flex<br>SDG&E: ICA Op-Flex |

### 3.19.2. Background and Rationale

The Staff Proposal explains that developers use ICA results to assess where best to locate perspective projects. Asserting that zero and low hosting capacity scores may hamper developers from installing distributed energy resources because of potential distribution grid upgrade costs and delays, the Staff Proposal maintains that not all zero and low hosting capacity scores require distribution upgrades. The Staff Proposal contends that if details on the type of limiting criteria are provided by Utilities, then the value of the ICA result can be maximized.

Referencing a series of stakeholder interviews conducted by Verdant regarding Generation ICA accuracy results review, the Staff Proposal states that the review indicates that only a minimal percentage of applications for

interconnection to line segments with insufficient ICA hosting capacity led to a distribution upgrade.[368] The Staff Proposal also cites a June 2021 assessment of PG&E's ICA data validation plans conducted by Quanta Technology. Echoing the Quanta Technology recommendation to use more advanced analytics to identify potential issues with ICA results, the Verdant review recommends Utilities investigate and share explanations in cases where hosting capacity is zero, but an interconnection application did not trigger a grid mitigation or upgrade.[369]

In comments to the April 6 Ruling, Clean Coalition and GPI highlighted accuracy and transparency of ICA data as leading to overall improvement. For example, Clean Coalition acknowledges that the ICA User Guides state that low hosting capacity could be caused by thermal, voltage, distribution protection, or operational flexibility violations, but claims that the ICA results are not specific and do not provide details of which violation causes limited hosting capacity.[370] Calling for improved transparency and details, Clean Coalition asserts that a developer should not need to download data or reach out to utility engineers to get clarity on ICA results.[371] GPI maintains accuracy is the number one critical improvement needed to the ICA.[372]

The Staff Proposal agrees with these contentions, submitting that increased transparency of the limiting criteria will improve understanding and ability to use the ICA results. Recognizing that this data is currently available in

[368] Staff Proposal at 110. See also Staff Proposal at Appendix B, i.e., Section 6.2.

[369] Staff Proposal at 164 (Appendix B).

[370] Staff Proposal at 109 citing Clean Coalition Opening Comments to April 6 Ruling at 19.

[371] Staff Proposal at 109 Clean Coalition Opening Comments to April 6 Ruling at 19.

[372] Staff Proposal at 109 GPA Opening Comments to April 6 Ruling at 18.

downloadable data files, the Staff Proposal asserts that background knowledge and analysis of the data is required to identify and understand the limiting criteria.[373] The Staff Proposal maintains that adding this data to the ICA results should not be a difficult task for Utilities and the result will "increase the value, transparency and usability of the ICA and data portal maps."[374]

### 3.19.3. Party Comment

Several parties advocate for adoption of this staff recommendation. Clean Coalition supports including additional details of limiting criteria into ICA results in the data portal maps and views this solution as low-hanging fruit that will result in improved accuracy.[375] IREC asserts adding limiting criteria to the ICA would make the maps easier to use but contends this proposal is less of a priority because the limiting criteria are available in less convenient locations in the ICA.[376] Cal Advocates contends that this information could improve the usefulness of the ICA to developers by better aligning ICA predictions with interconnection application results.[377] GPI and EDF/NRDC also support this proposal.[378] Agreeing on the importance of providing Limiting Criteria for each ICA value (for both Generation and Load ICA) in the ICA layer of SCE's Distribution Resources Plan External Portal, SCE supports the concept of the

[373] Staff Proposal at 110.

[374] Staff Proposal at 110.

[375] Clean Coalition Opening Comments to March 13, 2024 Ruling at 6.

[376] IREC Opening Comments to March 13, 2024 Ruling at 33.

[377] Cal Advocates Opening Comments to March 13, 2024 Ruling at 42-43.

[378] GPI Opening Comments to March 13, 2024 Ruling at 16 and EDF/NRDC Opening Comments to March 13, 2024 Ruling at 30.

proposal and maintains that the company will update the portal User Guide to indicate the limiting criteria values applied for all circuits.[379]

Noting the complexity of updating digital platforms, SDG&E agrees it may be prudent to incorporate the limiting criteria to ICA results in the data portal maps during the 2025 annual update. However, contending the company already provides the Unit Cost Guide, SDG&E argues the appropriateness of including details of the criterion impacts on interconnection timelines and costs for widely varying mitigation activities.[380]

Similarly, PG&E also supports this proposal but does not agree with the characterization of the use case of this data. First, PG&E asserts that while this data can provide transparency regarding the limitation of the grid, it cannot be easily associated with interconnection timelines.[381] Additionally, PG&E asserts that ICA captures physical limitations when connecting a specified load and generation but not the violations occurring with the addition of load larger than ICA value. PG&E contends that ICA should solely be used as a screening tool for load/generation smaller than ICA values and cannot be associated with the timelines if project size is larger than ICA and upgrades are required.[382] PG&E maintains the addition of limiting criteria to ICA requires many changes and PG&E proposes these changes could be planned for the fourth quarter of 2025.[383]

[379] SCE Opening Comments to March 13, 2024 Ruling at 32.

[380] SDG&E Opening Comments to March 13, 2024 Ruling at 23.

[381] PG&E Opening Comments to March 13, 2024 Ruling at 23.

[382] PG&E Opening Comments to March 13, 2024 Ruling at 23-24.

[383] PG&E Opening Comments to March 13, 2024 Ruling at 24.

#### 3.19.4. Commission Determination

The Commission agrees with parties that the adoption of this Staff Proposal recommendation will improve the accuracy of ICA results. However, the Commission is compelled by the points made by SDG&E and, especially, PG&E regarding the complexity of the affect an upgrade has on a timeline. Further, the Commission finds that requiring the inclusion of such information may be potentially inappropriate because backend distribution engineering process may not be presented in a reasonable manner and factors, such as supply chain delays may not be properly captured.[384] Accordingly, it is reasonable to adopt the proposal but omit the requirement to provide timelines.

### 3.20. Require PG&E and SDG&E to Remove All Registration Requirements for Data Portal Access Description of Proposed Improvements[385]

This decision adopts the proposal to require PG&E and SDG&E to remove all registration requirements for data portal access.

#### 3.20.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to remove all registration requirements to access the data portals; these requirements include registration by email, name, and/or password. This will improve access to data portals while also providing consistency across Utilities.

#### 3.20.2. Background and Rationale

The Staff Proposal reports that each of the Utilities has different levels of ease and time when accessing the data portals.[386] Beginning with the most time-

[384] PG&E Opening Comments to March 13, 2024 Ruling at 23-24.

[385] Staff Proposal Recommendation No. 5.3.1.

[386] Staff Proposal at 110.

consuming, SDG&E requires registrants to provide information such as a phone number and job title in order to apply for login credentials, which can take weeks to obtain. PG&E requires email, name, and password, but the registration is automatically approved. SCE has no login requirements.

The Staff Proposal asserts that data portal registration requirements diminish the accessibility and effectiveness of the data portals because the requirements limit the speed and convenience by which a user can access the data. The Staff Proposal also points to the inconsistency amongst Utilities as SCE has no registration requirements, and PG&E and SDG&E have differing requirements. With respect to the speed of accessibility, as noted above, it can take weeks for stakeholders to obtain login credentials from SDG&E.

In previous comments in this proceeding, several parties point to registration requirements as a hurdle and suggest a range of solutions including no registration requirements, registration requirements but data access within 24 hours, and consistent registration requirements.[387] Upon review of party comments, the Staff Proposal recommends complete elimination of registration requirements, contending that SCE has operated its data portals for several years without registration requirements and maintaining that increased standardization improves usability.

[387] Staff Proposal at 111 citing Joint CCA Opening Comments to April 6 Ruling at 10, Clean Coalition Opening Comments to April 6 Ruling at 15, GPI Opening Comments to April 6 Ruling at 13, IREC Opening Comments to April 6 Ruling at 3-4, Joint CCA Opening Comments to April 6 Ruling at 10, CBD et al. Opening Comments to April 6 Ruling at 32, UCAN Opening Comments to April 6 Ruling at 7.

### 3.20.3. Party Comment

Clean Coalition agrees with the removal of this "unnecessary barrier of entry."[388] GPI, EDF/NRDC, and IREC also support this proposal.[389]

PG&E supports this proposal and is currently working to convert to a new platform that will allow public access without authentication, with an implementation date of the first quarter of 2025.[390]

SDG&E opposes the Commission requiring the removal of registration requirements for multiple reasons. First, SDG&E asserts it is unaware of a single user not being approved within the current three to five business day window.[391] Second, asserting the Staff Proposal mischaracterizes SDG&E's de-registration protocol, SDG&E contends it is appropriate to reach out to inactive users to see if they still require access to the portal.[392] SDG&E maintains it is not prudent for the company to continue to incur ratepayer costs to maintain unused licenses.[393] Third, SDG&E cites concerns around the protection of sensitive grid data against bad actors.

### 3.20.4. Commission Determination

Only SDG&E opposes this proposal arguing that its registration process does not create barriers to access. SDG&E asserts having a registration and de-registration system prevents unnecessary costs for ratepayers. However, other parties and the Staff Proposal assert registration requirements lead create hurdles

[388] Clean Coalition Opening Comments to March 13, 2024 Ruling at 7.

[389] GPI Opening Comments to March 13, 2024 Ruling at 16; EDF/NRDC Opening Comments to March 13, 2024 Ruling at 30; and IREC Opening Comments to March 13, 2024 Ruling at 34.

[390] PG&E Opening Comments to March 13, 2024 Ruling at 24.

[391] SDG&E Opening Comments to March 13, 2024 Ruling at 24.

[392] SDG&E Opening Comments to March 13, 2024 Ruling at 24.

[393] SDG&E Opening Comments to March 13, 2024 Ruling at 24.

for customers. The Staff Proposal highlights that SCE has not had registration required and has not experienced any problems. It is the intention of the Commission to limit barriers to access to the data portals. Accordingly, the Commission finds that the elimination of registration requirements will eliminate another potential barrier. Accordingly, no later than 90 days after the issuance of this decision, PG&E and SDG&E shall complete removal of all registration requirements for data portal access.

### 3.21. Require Utilities to Use the 15/15 Rule for Decisions About Data Redaction Protecting Individual Customer Privacy for the ICA, GNA, and DDOR[394]

As discussed below, this decision adopts the Staff Proposal recommendation for Utilities to use the 15/15 aggregation rule (15/15 Rule) for purposes of the ICA, GNA, and DDOR. This decision also defines the 15/15 Rule as a data set containing 15 customers with no customer receiving no more than 15 percent of the load.

#### 3.21.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission require Utilities to use the 15/15 Rule for data redaction, as previously ordered by a July 24, 2018 Administrative Law Judge Ruling in R.14-08-013. In that ruling, the Administrative Law Judge directed Utilities to "use the 15/15 Rule (*i.e.*, information in a data set should be made up of at least 15 customers, and a customer's load must be less than 15 [percent] of an aggregation category) that the Commission established in D.97-10-031 and D.14-05-016 for data in the ICA, LNBA, GNA, and DDOR. With respect to ICA, if the circuit level passes the 15/15 Rule but the line section does not, [Utilities] shall aggregate the ICA

[394] Staff Proposal Recommendation No. 5.3.3.

results to the circuit level for display in the online maps and datasets." The Staff Proposal further recommends the Commission prohibit PG&E from continuing to use the 15/100/15 Rule in parallel with the 15/15 Rule, which is the 15/15 Rule with an additional requirement that the data set include at least 100 residential customers.

### 3.21.2. Background and Rationale

The Staff Proposal explains that data redaction protocols, *i.e.*, the 15/15 Rule, are needed to avoid certain circumstances where ICA/DIDF results can identify loads of individual customers. The Staff Proposal states use of the 15/15 Rule balances data transparency and individual customer privacy. While the 15/15 Rule was set in place to establish this balance, the Staff Proposal maintains that the use by PG&E of the 15/100/15 Rule results in more data redaction, which impedes electrification and distributed energy resource integration efforts. The Staff Proposal contends use of the 15/100/15 Rule redacts results for approximately 24 percent of PG&E's circuits.[395] However, the Staff Proposal indicates that in the 2023 GNA filing, PG&E redacted a larger percentage of circuits, 34 percent, using the 15/100/15 Rule while SCE redacted 23 percent and SDG&E redacted 24 percent of circuits using the 15/15 Rule.[396] According to the Staff Proposal, party comments also convey this concern and allege that "these redactions can impede siting new loads, especially for transportation electrification."[397]

[395] Staff Proposal at 111 and 112.

[396] Staff Proposal at 112.

[397] Staff Proposal at 112.

### 3.21.3. Party Comment

Clean Coalition supports adoption of this proposal.[398] Cal Advocates supports this recommendation, stating that the required use of the 15/15 Rule will provide stakeholders with access to a larger amount of valuable data.[399] GPI and IREC also support this proposal.[400] EDF/NRDC supports this proposal but ponders whether additional changes are appropriate to balance customer privacy with the value of additional publicly available capacity data.[401]

SDG&E maintains its practice is consistent with the recommendation to not use the 15/100/15 Rule.[402]

PG&E asserts that the 15/15 Rule is shorthand for the 15/100/15 Rule and that PG&E redacts data according to definitions provided in D.14-05-016.[403] PG&E argues that data and privacy issues are not in the scope of this proceeding and should, instead, be addressed in R.22-11-013, where data access issues are scoped.[404] However, if adopted, PG&E states the company could implement this proposal in the fourth quarter of 2025.[405]

### 3.21.4. Commission Determination

In D.14-05-016, the Commission found it reasonable that there should be different aggregation methodologies for customer classes as being more

[398] Clean Coalition Opening Comments to March 13, 2024 Ruling at 7.

[399] Cal Advocates Opening Comments to March 13, 2024 Ruling at 43-44.

[400] GPI Opening Comments to March 13, 2024 Ruling at 16 and IREC Opening Comments to March 13, 2024 Ruling at 34.

[401] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 30.

[402] SDG&E Opening Comments to March 13, 2024 Ruling at 24.

[403] PG&E Opening Comments to March 13, 2024 Ruling at 25.

[404] PG&E Opening Comments to March 13, 2024 Ruling at 25.

[405] PG&E Opening Comments to March 13, 2024 Ruling at 25.

reflective of the actual number of customers per customer class and, thus, denied the request to have one standard for aggregation of customers.[406] Further, D.14-05-016 states that a "zip code many have hundreds or thousands of residential customers, but may have only dozens of commercial customers and one or two industrial customers. In such a circumstance, utilizing a 100 aggregation standard per zip code for residential customers still provide meaningful public data, but such an aggregation would create little information of public use."[407] D.14-05-016 explains that "[a]s it regards residential, commercial, and agricultural, no party has raised substantive reasons why the aggregation numbers (**100 for residential**, [emphasis added] 15 for other classes) are themselves not sufficient."[408] The Commission stated that it "is not convinced that this methodology should change the "15/15" aggregation standard that we have had in effect since 1997."[409]

The Staff Proposal references the July 24, 2018 *Administrative Law Judge's Ruling Addressing Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company's Claim for Confidential Treatment and Redaction of Distribution System Planning Data Ordered by Decisions 17-09-026 and 18-02-004*. In that ruling, the Administrative Law Judge ordered Utilities to "use the 15/15 Rule (i.e., information in a data set should be made up of **at least** [emphasis added] 15 customers, and a customer's load must be less than 15 [percent] of an aggregation category) that the Commission established in

[406] D.14-05-016 at 117.

[407] D.14-05-016 at 117.

[408] D.14-05-016 at 118.

[409] D.14-05-016 at 118-119.

D.97-10-031 and D.14-05-016 for data in the ICA, LNBA, GNA, and DDOR."[410]

PG&E contends that the company redacts data according to definitions provided in D.14-05-016. The Commission agrees; PG&E uses 100 residential customers as the aggregation number, which complies with D.14-05-016, and uses a data set of **at least** 15 customers, which complies with the July 24, 2018 Ruling.

The Staff Proposal maintains that PG&E's interpretation of the 15/15 rule, (which the Staff Proposal refers to as the 15/100/15) creates a substantial risk of excessive redaction leading to barriers to electrification and distributed energy resource integration efforts.[411] The Staff Proposal asserts that a substantial portion of PG&E feeders are exposed to the risk of excessive redaction by using this larger aggregation.[412] The Commission agrees that excessive redaction could results in less accuracy and, therefore, less usefulness, which are objectives of this endeavor. The Staff Proposal asserts that decreasing the aggregation number to 15 would ensure the confidentiality of individual customer information at the same level provided by SCE and SDG&E. The Commission agrees with this assessment.

PG&E also argues that data and privacy issues are not in the scope of this proceeding and should, instead, be addressed in R.22-11-013, where data access issues are scoped. The Commission disagrees. Track 1 Phase 1 of this proceeding includes the following scoped issue: How should Integration Capacity Analysis

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[410] July 24, 2018 *Administrative Law Judge's Ruling Addressing Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company's Claim for Confidential Treatment and Redaction of Distribution System Planning Data Ordered by Decisions 17-09-026 and D.18-02-004* at 11.

[411] Staff Proposal at 111-112.

[412] Staff Proposal at 11-112.

data and calculations be improved to enhance accuracy and usefulness for DER planning, siting, and interconnection, especially with respect to electrification load? As previously discussed, the Commission finds that excessive redaction of circuit data leads to less accuracy and less usefulness. As the scope of this proceeding includes improving data to enhance accuracy and usefulness, clearly, determining whether to refine the 15/15 rule for purposes of improving the accuracy of the ICA is in the scope of this proceeding.

Accordingly, this decision adopts the 15/15 Rule for the ICA and, relatedly, the GNA and DDOR (or successor report). This decision also specifies that for purposes of the ICA, the GNA and DDOR (or successor report), the 15/15 Rule is defined as a data set containing 15 customers with no customer receiving no more than 15 percent of the load.

### 3.22. Require Utilities to Modify ICA Maps to Enable Straightforward Customer Creation of Limited Generation Profiles[413]

As described below, this decision adopts the proposal to require Utilities to modify ICA maps to enable straightforward customer creation of Limited Generation Profiles.

#### 3.22.1. Description of Proposed Improvement

Recently the Commission adopted the use of Limited Generation Profiles in the interconnection process, which allow generators and energy storage systems to export more power during certain periods of the year to better utilize existing hosting capacity and streamline the interconnection process.[414] The Staff

[413] Staff Proposal Recommendation No. 5.4.1.

[414] Staff Proposal at 113. *See* also E-5230, which describes the purpose of the Limited Generation Profile as to "allow a generator to interconnect generation capacity 'which exceeds the minimum annual Interconnection Capacity Analysis-Static Grid (ICA-SG) value while

Proposal recommends the Commission direct Utilities to revise the ICA maps so that customers are able to download a subset of Generation ICA results needed to develop a Limited Generation Profile. The Staff Proposal specifies that the downloaded file "should mirror the structure of that which [Utilities] propose for the customers to submit in their interconnection applications" and contain all required data, including a column calculated to show the 90 percent Interconnection Capacity Analysis – Static Grid (ICA-SG) value, while leaving a column open for the customer-generated Limited Generation Profile.[415]

### 3.22.2. Background and Rationale

The Staff Proposal explains that the current data portals and ICA provide a single, minimum ICA result "that limits usage of the available hosting capacity to the worst-case hour of the year."[416] The Staff Proposal maintains that the recently adopted use of Limited Generation Profiles should increase utilization of available hosting capacity because distributed energy resources will be permitted to export more power during certain hours of the year.[417] However, the Staff Proposal contends that customers do not currently have access to the necessary data to develop the Limited Generation Profiles and, therefore, Data Portals need to be updated "to provide the right data to customers and properly incorporate these data for calculations."[418] The Staff Proposal maintains this will make the Generation ICA portals more useful for developers, "which will allow for better

remaining below the maximum ICA-SG at any given time." (E-5230 at 5 citing Working Group Two Report at 119 from R.17-07-007.)

[415] Staff Proposal at 116.

[416] Staff Proposal at 113.

[417] Staff Proposal at 113.

[418] Staff Proposal at 115.

use of existing grid capacity for the interconnection of new generation and storage."[419]

### 3.22.3. Party Comment

Clean Coalition supports this proposal, stating that it could be developed alongside the Limited Generation Profile in the interconnection process.[420]

GPI supports this proposal, noting that for the proposal to work, the ICA interface has to include the Limited Generation Profile options, at least for the download.[421]

Supporting this proposal, IREC contends it will enable a user to easily create a Limited Generation Profile based on ICA data but notes the location of the data in the ICA is not convenient and makes this proposal less of a priority.[422]

Not opposing this proposal, EDF/NRDC recommends expanding the proposal to allow customers to create limited load profiles to facilitate the use of flexible energization agreements and allow for greater end use electrification.[423]

SCE states that the company is working towards implementation to support Limited Generation Profile customers and will apply the guidelines cited in the Staff Proposal.[424]

PG&E supports this proposal if implemented through the interconnection portal and not the DRP data portal. PG&E contends this will avoid duplication

[419] Staff Proposal at 115.

[420] Clean Coalition Opening Comments to March 13, 2024 Ruling at 8.

[421] GPI Opening Comments to March 13, 2024 Ruling at 16.

[422] IREC Opening Comments to March 13, 2024 Ruling at 34-35.

[423] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 31.

[424] SCE Opening Comments to March 13, 2024 Ruling at 32.

and wasted ratepayer funds.[425] Further, PG&E states the company is designing the future version of the interconnection portal to include the functionalities proposed in Resolution E-5296.[426]

While SDG&E states it is committed to implementing the directives of Resolution E-5296, SDG&E does not believe mandating general modifications to ICA maps is necessary.[427]

### 3.22.4. Commission Determination

On March 21, 2024, the Commission adopted Resolution E-5296, which provides specifics on whether and how reductions to a customer's Limited Generation Profile are determined, and providing recommendations regarding the standard review, certification requirements, and interconnection processes necessary for the implementation of the Limited Generation Profile option. The resolution also ordered Utilities to monitor and report data on utilization of the Limited Generation Profile option to facilitate future implementation refinements. The resolution states that the Limited Generation Profile option makes better use of the existing hosting capacity by allowing a generating system to vary its export of power to the electric grid and to limit it to stay below the available hosting capacity at any given time. Further, the resolution states the Limited Generation Profile option allows a generator to interconnect generation capacity without the need for grid upgrades at the time of application.[428] The Commission confirmed prior deadlines adopted in Resolution E-5230 and directed Utilities to commence implementation of the Limited Generation Profile

[425] PG&E Opening Comments to March 13, 2024 Ruling at 25

[426] PG&E Opening Comments to March 13, 2024 Ruling at 26.

[427] SDG&E Opening Comments to March 13, 2024 Ruling at 25.

[428] Resolution E-5296 at 8.

option no later than nine months following approval of Power Control Systems certification standards.[429]

The Commission agrees with the Staff Proposal assessment that the ICA maps should be updated to account for approved systems utilizing Limited Generation Profiles and reflect accurate hosting capacity. Hence, it is reasonable to adopt this proposal. As the Limited Generation Profile option will not begin implementation until nine months after approval of Power Control Systems certification standards, it is reasonable to align the work for this proposal with the Limited Generation Profile option implementation.

The Commission declines to adopt PG&E's request that this work be done in the Interconnection portal as the ICA maps, not the Interconnection portal, assist customers in determining optimal location siting. As noted in the Staff Proposal, "Generation ICA data portals will need to provide the right data to customers and properly incorporate these data for calculations."[430] Further, the Commission does not consider the work for this proposal to be duplicative of the work being done in the Interconnection Portal.

### 3.23. Require Utilities to Modify ICA Methodology to Make Use of Limited Generation Profile Application Information[431]

This decision adopts the proposal to require Utilities to modify ICA methodologies to make use of Limited Generation Profile application information but expands the proposal to incorporate all queued and active distributed energy resources with export limits in addition to the resources with

[429] Resolution E-5296 at 63.

[430] Staff Proposal at 117.

[431] Staff Proposal Recommendation No. 5.4.2.

Limited Generation Profiles. As described below, the record shows that the inclusion of this data will lead to improved accuracy and improve the likelihood of interconnection.

### 3.23.1. Description of Proposed Improvement

Related to the proposal described above in Section 3.22, the Staff Proposal recommends that the Commission direct Utilities to modify their ICA methodologies to incorporate Limited Generation Profile data submitted with interconnection applications when estimating interconnection capacity instead of using standard generation profiles.

### 3.23.2. Background and Rationale

The Staff Proposal explains that the current ICA system is designed to use a single, annual minimum ICA result. As stated in Section 3.22., the Staff Proposal asserts that use of Limited Generation Profiles "would allow more generation or storage discharge hosting capacity during certain hours." However, to realize the benefits of Limited Generation Profiles, already adopted by the Commission, the Generation ICA data portals must be redesigned to properly incorporate data needed to accommodate Limited Generation Profiles.[432] The Staff Proposal maintains that when Limited Generation Profiles are implemented pursuant to D.20-09-035, it will be necessary for Utilities to update their ICA to account for approved systems utilizing Limited Generation Profiles having an effect on available hosting capacity so that prospective applicants receive the most up-to-date ICA information for future projects.[433]

[432] Staff Proposal at 117.

[433] Staff Proposal at 118.

### 3.23.3. Party Comment

Noting that the company is developing process changes to the ICA to update and refresh ICA data portals for new Limited Generation Profile applications, SCE supports modification of current ICA methodology to enable use of this information. SCE states this proposal will ensure prospective applicants have current ICA information for future projects.[434]

While not objecting to this proposal, SDG&E clarifies that this proposal should and can only be made after the implementation of the Limited Generation Profile adopted requirements and after an application for Limited Generation Profile is received and approved.[435]

PG&E supports this proposal asserting it is essential to recalculate and refresh ICA data after a Limited Generation Profile customer passes the Rule 21 interconnection process.[436] PG&E states that it could enable functionality by the third quarter of 2025.[437]

GPI and EDF/NRDC support this proposal as part of the Limited Generation Profile actions necessary for viability.[438] EDF/NRDC reiterate the recommendation to expand to use limited load profile application information.[439]

IREC supports adoption of this proposal with two modifications. First, this modification should apply to all distributed energy resources with export limits, not just distributed energy resources with a Limited Generation Profile. Second,

[434] SCE Opening Comments to March 13, 2024 Ruling at 32.

[435] SDG&E Opening Comments to March 13, 2024 Ruling at 25.

[436] PG&E Opening Comments to March 13, 2024 Ruling at 26.

[437] PG&E Opening Comments to March 13, 2024 Ruling at 26.

[438] GPI Opening Comments to March 13, 2024 Ruling at 17.

[439] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 31.

the modification should apply to distributed energy resources with export limits both in the queue as well as active projects.[440]

#### 3.23.4. Commission Determination

All parties find value in this proposal highlighting the resulting improved accuracy for customers looking to interconnect proposed projects. Hence, the Commission finds it reasonable to adopt the proposal as it addresses the goal of improved accuracy.

As discussed above, IREC supports the proposal but proposes that the Commission expand the applicability to include all queued and active distributed energy resource projects with export limitations. IREC explains that there are many types of distributed energy resources with export limitations; the Commission should not limit the data included in the ICA to a subset of export-limited distributed energy resources.[441] No party opposed the expansion of this proposal. The Commission finds such expansion should increase the accuracy of ICA and improve the likelihood of project interconnection.

Accordingly, this decision directs Utilities to modify ICA methodology to make use of Limited Generation Profiles for queued and active export-limited distributed energy resources.

### 3.24. Require Utilities to Create a New Report that Includes ICA Results Appended to the Current Rule 21 Quarterly Interconnection Report[442]

The Commission finds the original breadth of this proposal is narrow and does not address the actions necessary to address ICA accuracy and missing or erroneous ICA values for both Generation and Load ICA. The Commission

[440] IREC Opening Comments to March 13, 2024 Ruling at 35.

[441] IREC Opening Comments to March 13, 2024 Ruling at 35.

[442] Staff Proposal Recommendation No. 5.4.3.

modifies the proposal to require Utilities to submit quarterly ICA reports that describe all known issues related to ICA accuracy and missing or erroneous ICA values, for both Generation and Load ICA. Further, the Commission directs quarterly public workshops focused on ICA problems, including but not limited to inaccuracies. As discussed below, these requirements replace all requirements in the original proposal described in Sections 3.24.1 and 3.24.2, with the exception of limiting criteria, which shall now be included as part of the reporting requirements adopted in Section 3.19 above.

### 3.24.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission authorize the creation of a new report that appends the following additional data to the quarterly Interconnection Timelines Report:[443] 1) Generation ICA hosting capacity in kilowatt hours, 2) limiting criteria at the time of interconnection application submittal, and 3) all mitigation or upgrade occurrences. To help stakeholders understand how different limiting criteria may impact interconnection, the Staff Proposal also recommends the Commission require Utilities to develop guidelines on the portals. Relatedly, the Staff Proposal recommends the Commission authorize Energy Division to establish a methodology and process for an ongoing and recurrent analysis that compares ICA results and interconnection timelines; this authorization would include authorization to update the report contend and methodology to ensure it provides meaningful information for stakeholders and policy makers.

[443] The Interconnection Timelines Report tracks the times of interconnection activities performed by distribution engineers. Pursuant to D.20-09-035, Ordering Paragraph 22, this report is required to be submitted by Utilities on a quarterly basis.

### 3.24.2. Background and Rationale

The Staff Proposal maintains that stakeholders have struggled to understand ICA accuracy and the usefulness of ICA maps for siting new distributed energy resources and points to the limiting criterion. The Staff Proposal asserts that because stakeholders do not have access to the information to estimate the impacts of limiting criterion, stakeholders do not have the ability to fully assess the accuracy of the ICA maps for siting new distributed energy resources. Staff contends leveraging the Interconnection Timeline reports in conjunction with the ICA data may help to assess how well the Generation ICA data matches the interconnections experience.[444]

For further justification, the Staff Proposal references an analysis conducted by Verdant that compared quarterly interconnection timeline reports with Generation ICA data and additional mitigation information not currently reported. The purpose of the analysis was to see how the ICA capacity and grid upgrades or mitigations align. Verdant reviewed 277 applications and looked at whether the hosting capacity was greater than the proposed interconnection application generation size and whether an upgrade or mitigation was required. Verdant concluded that the ICA maps appear ineffective for searching for feeders with ample hosting capacity for additional generation distributed energy resources, which is the purpose of the ICA.[445] Verdant recommended that additional information be developed regarding the accuracy and usefulness of ICA results.[446]

[444] Staff Proposal at 120.

[445] Staff Proposal at 164 (Appendix B).

[446] Staff Proposal at 164 (Appendix B).

### 3.24.3. Party Comment

Cal Advocates contends this recommendation is too narrow and requires modification. Cal Advocates recommends the Commission expand the scope of the reporting to allow for increased visibility into causes of misalignment between sufficient capacity sites and interconnection results. Cal Advocates asserts that this will allow the Commission and parties to assess whether and how the Generation ICA tool can produce grid and ratepayer benefits.[447] Cal Advocates also recommends the Commission increase its oversight of the ICA data validation processes by creating a new process focused on data validation reporting.[448] Cal Advocates maintains these modifications will avert validation failings that undermine the current ICA's reliability and usefulness.[449]

IREC supports the concept of tracking but contends more design work is needed to produce meaningful results. If adopted, IREC recommends the proposal should also require a workshop to discuss a meaningful set of reporting requirements. IREC contends that as proposed, this recommendation would not result in a meaningful step toward accuracy and usability.[450]

Joint CCAs propose that rather than investing in tracking and reporting to document a known problem, the Commission should consider engaging in more direct management of Utilities' efforts to urgently improve ICA accuracy and update frequency.[451] Joint CCAs recommend the Commission establish a target for a reasonable level of accuracy and update frequency in the Generation and

[447] Cal Advocates Opening Comments to March 13, 2024 Ruling at 45-46.

[448] Cal Advocates Opening Comments to March 13, 2024 Ruling at 46.

[449] Cal Advocates Opening Comments to March 13, 2024 Ruling at 46.

[450] IREC Opening Comments to March 13, 2024 Ruling at 37.

[451] Joint CCAs Opening Comments to March 13, 2024 Ruling at 16.

Load ICAs as well as a timeline for achieving the targets and related disallowances for not meeting the targets.[452]

Vehicle-Grid Integration Council supports Staff recommendations but also recommends the Commission provide additional oversight for ICA development and management generally. The Council proposes creation of a working group similar to the Rule 21 Interconnection Discussion Forum, in which stakeholders can bring real-time inaccuracies and other map issues and discuss solutions and timelines for creating those solutions.[453]

EDF/NRDC support this recommendation but propose that new reporting requirements be coordinated with other related reporting requirements. Further, EDF/NRDC recommends that the reports should have defined audiences with routine evaluation.[454] GPI also supports this proposal.[455]

None of the Utilities support this proposal. PG&E argues that the limiting ICA criteria cannot be easily associated with upgrades needed at the time of interconnection and, thus, the interconnection timelines.[456] Noting that the Rule 21 Quarterly Report is specific to track and report on interconnection timelines, SCE and SDG&E assert that appending this new report will further complicate the manual process of putting this report together.[457] SDG&E contends the two data sets are not designed to serve the same purpose, nor are

[452] Joint CCAs Opening Comments to March 13, 2024 Ruling at 16.

[453] Vehicle Grid Integration Council Opening Comments to March 13, 2024 Ruling at 6.

[454] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 31-32.

[455] GPI Opening Comments to March 13, 2024 Ruling at 17.

[456] PG&E Opening Comments to March 13, 2024 Ruling at 27.

[457] SCE Opening Comments to March 13, 2024 Ruling at 33 and SDG&E Opening Comments to March 13, 2024 Ruling at 25.

they expected to compare.[458] Further, SDG&E argues the Staff Proposal has not shown the correlation between the two data sets and therefore the reason for this proposal.[459] SCE recommends that the Rule 21 Quarterly report be modified or simplified.

### 3.24.4. Commission Determination

The Commission agrees that the original proposal is too narrow to achieve the objective of improved accuracy of the ICA data portals. The Commission also agrees that the proposed required data and interconnection data are not comparable and appending the proposed report to the quarterly interconnection report would be complicated. However, the need to improve the accuracy of the ICA data portals remains an objective.

In reviewing the proposal of Cal Advocates to expand the scope of the reporting to allow for increased visibility into causes of misalignment between sufficient capacity sites and interconnection results, the Commission agrees with the assertion that this will allow the Commission and parties to assess whether and how the Generation ICA tool can produce grid and ratepayer benefits.[460] Accordingly, this decision declines to adopt the original proposal for the reason described above (with the exception of limiting criteria that is now required in the reporting adopted in Section 3.19 above) and instead adopts a requirement for Utilities to submit stand-alone quarterly ICA reports that address all known issues related to ICA accuracy and missing or erroneous ICA values, for both Generation and Load ICA. The quarterly ICA report more appropriately addresses the need, described in the Staff Proposal, to assess the accuracy of the

[458] SDG&E Opening Comments to March 13, 2024 Ruling at 26.

[459] SDG&E Opening Comments to March 13, 2024 Ruling at 26.

[460] Cal Advocates Opening Comments to March 13, 2024 Ruling at 46.

ICA maps for siting new distributed energy resources.[461] The known issues in the report shall include unactionable or suspect ICA values that cannot be used as required in Rule 21 interconnection screens because of questionable accuracy or validity. In addition to the list of ICA issues, the report shall also provide specific remediation plans and timelines for these known issues.

In addition to broader reporting, parties recommended additional oversight with either a working group or workshops.[462] The Commission agrees that broader reporting in addition to improved oversight will assist in averting validation failings that undermine the current ICA's reliability and usefulness.[463] Hence, the Commission directs Utilities to hold a quarterly public workshop, facilitated by the Commission with the following agenda items: (1) Utilities review all known and identified issues with Load and Generation ICA; (2) Utilities review proposed and (as discussed below) adopted ICA remediation plans, timelines, and progress of plans; and (3) Stakeholders provide feedback on ICA. After each workshop, Utilities shall revise the next quarterly report in response to stakeholder feedback, including updates on remediation plans (as discussed below). It is the expectation of the Commission that workshops will allow for updates on progress and facilitate interaction between Utilities and stakeholders. Within 60 days following the fourth anniversary of the first workshop, Utilities shall submit a Tier 3 Advice Letter proposing to either sunset

[461] Staff Proposal at 118.

[462] *See*, for example, Cal Advocates Opening Comments to March 13, 2024 Ruling at 46; IREC Opening Comments to March 13, 2024 Ruling at 37; and Vehicle-Grid Integration Council Opening Comments to March 13, 2024 Ruling at 6.

[463] Cal Advocates at 46.

or extend the quarterly ICA workshop series and providing justification for the proposal.

To ensure proper oversight, within 60 days of the second workshop held, each of the Utilities shall submit a Tier 3 Advice Letter proposing an adopted remediation plan for the ICA, with a proposed schedule of activities. This plan will establish a baseline for the quarterly ICA reporting on remediation plans.

### 3.25. Require Utilities to Develop New Reporting Aimed at Understanding the Frequency of Zero-Load ICA Values[464]

This decision adopts the proposal to require Utilities to develop reporting aimed at understanding the frequency of zero-load ICA values but expands the reporting to include all annual refinements, as further described below. This decision incorporates the requirements of this proposal into the requirements of Section 3.24 above. As described below, the quarterly reports required by Section 3.24 will also include the data required by this proposal but expanded to include all annual refinements. Further, the quarterly meetings will also include an agenda item to discuss the requirements of the adopted proposal in this section.

#### 3.25.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission authorize Commission staff coordination to add data collection fields to the existing Electric Vehicle Data collection template and submit the data within Utilities' annual Electric Vehicle Cost and Load Report, which was directed by D.16-06-011. The Staff Proposal recommends that the new fields include: Feeder name; Line segment ID; Load ICA results when the Electric Vehicle

[464] Staff Proposal Recommendation No. 5.5.1.

Infrastructure Rule application was submitted; Reserve Load Capacity when the Electric Vehicle Infrastructure Rule application was submitted (SCE only); Forecast Load ICA results when the Electric Vehicle Infrastructure Rule application was submitted (when available); Limiting criterion for the above results; and Mitigations or upgrades taken to enable energization. The Staff Proposal recommends annual review of the reports with revisions when needed.

### 3.25.2. Background and Rationale

The Staff Proposal asserts that because Load ICA maps for SCE and SDG&E have a high number of circuits showing zero load hosting capacity, stakeholders do not find the ICA maps useful for siting new loads. Submitting there is reason to believe these results contain false negatives, the Staff Proposal asserts the Load ICA maps cannot be optimally used to identify existing capacity on the grid for new loads without information comparing Load ICA results and Utility Distribution Engineer energization analysis results. In prior comments, IREC and Clean Coalition express a need to correct this shortcoming.[465]

The Staff Proposal indicates that PG&E previously experienced a similar circumstance but, with certain modifications to Load ICA, significantly reduced the number of line sections that show no available capacity from 65 percent in February 2018 to 25 percent in June 2023.[466] The Staff Proposal contends that based on discussions with Utilities, these modifications are not feasible for SCE and SDG&E. A study conducted by Verdant to determine if the higher zero load percentages for SCE and SDG&E were justified indicates that SCE's and SDG&E's fraction of zero load capacity circuits should be similar to or lower than

[465] Staff Proposal at 123 citing IREC Opening Comments to April 6 Ruling at XX and Clean Coalition Opening Comments to April 6 Ruling at XX.

[466] Staff Proposal at 124-125.

PG&E's current results.[467] Hence, the Staff Proposal anticipates that the recommendation to collect the additional field data "will help quantify the magnitude of the problem" and help to "establish priorities for possible next steps.

### 3.25.3. Party Comment

SCE supports this proposal, noting that the company makes every effort to implement continuous improvements within ICA to increase the certainty of the data.[468] PG&E also supports this proposal if modified to track the data (once the Load ICA use case is functional) and require submission of the reports as part of the Annual Load ICA Refinements Report.[469]

All other parties either oppose this proposal or contend it is insufficient.

SDG&E opposes the proposal, calling it duplicative of existing reporting requirements.[470] SDG&E asserts adding this reporting requirement to the Utilities' annual Electric Vehicle Cost and Load Report does not align with its intended purpose nor is this report the appropriate venue for this reporting.[471]

CALSTART asserts that this proposal sidesteps the problem and contends that the problem is not that the maps are overly conservative but rather the maps are highly inaccurate and cannot be used to site new loads.[472] CALSTART maintains the Commission should "immediately order [Utilities] to fix their Load

[467] Staff Proposal at 125-128.

[468] SCE Opening Comments to March 13, 2024 Ruling at 33.

[469] PG&E Opening Comments to March 13, 2024 Ruling at 28.

[470] SDG&E Opening Comments to March 13, 2024 Ruling at 26.

[471] SDG&E Opening Comments to March 13, 2024 Ruling at 26.

[472] CALSTART Opening Comments to March 13, 2024 Ruling at 22.

ICA maps."[473] CALSTART makes the following requests of the Commission: (1) Order Utilities to ensure 100 percent of feeder have current and accurate results within one year; (2) Order Utilities to use GNA data source for ICA map calculations; (3) Hire a consultant to develop an ICA map results validation methodology; (4) Order Utilities to establish an issue management process for ICA map issues; (5) Order Utilities to update ICA maps on a monthly basis and within 15 days following a Rule 21 Interconnection Application; (6) Order Utilities to expand ICA maps to include the sub-transmission system; and (7) Convene a monthly ICA working group facilitated by Commission staff.[474]

EDF/NRDC does not object to this proposal but contends it does not address significant shortcomings in SCE and SDG&E's load ICA methodologies.[475] EDF/NRDC proposes the Commission establish clear steps for Utilities to act on this data and address the issue of erroneous zero load ICA values.[476]

Referencing stakeholders' mistrust of load ICA map accuracy, Cal Advocates expresses support for a Commission-led investigation of the Load ICA accuracy issues.[477] Cal Advocates contends the staff recommendation could benefit from a more accelerated and proactive approach and offers three recommendations. First, Cal Advocates proposes the Commission require that the reporting identifies the causes of the error rather than quantifying the error

[473] CALSTART Opening Comments to March 13, 2024 Ruling at 23-24.

[474] CALSTART Opening Comments to March 13, 2024 Ruling at 24-30.

[475] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 32.

[476] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 32.

[477] Cal Advocates Opening Comments to March 13, 2024 Ruling at 47.

so that stakeholders can better understand the accuracy of Load ICA data.[478] Second, Cal Advocates asserts that including forecasts in ICA will only be useful if the ICA accurately models existing conditions and recommends the Commission require SCE to report on the ICA accuracy failings and the mitigation measures.[479] Third, Cal Advocates proposes the Commission create a stakeholder working group to inform additional changes to the nature and frequency of this reporting.[480]

Similar to the previous proposal, IREC supports but does not consider this proposal to result in meaningful improvement to accuracy and usability as more design work is needed.[481]

### 3.25.4. Commission Determination

As was the case with the proposal in Section 3.34, the Commission agrees that this proposal does not entirely address the issues of inaccurate ICA values. IREC, EDF/NRDC, CALSTART, and Cal Advocates all contend that the original proposal will not result in significant improvements in accuracy, an objective of this proposal. Both Cal Advocates and CALSTART offer modifications, including additional oversight, to improve the outcomes of the proposal.

Many of the shortcomings of this proposal expressed by parties are similar to those of the previous proposal. As such, the Commission finds it reasonable to require reporting be expanded to cover all annual refinements such that the reporting better leads to improved accuracy. Further, Utilities request to incorporate this reporting in the annual Load ICA refinement report. As the

[478] Cal Advocates Opening Comments to March 13, 2024 Ruling at 48.

[479] Cal Advocates Opening Comments to March 13, 2024 Ruling at 49.

[480] Cal Advocates Opening Comments to March 13, 2024 Ruling at 49-50.

[481] IREC Opening Comments to March 13, 2024 Ruling at 38.

Commission has established a quarterly reporting and quarterly meetings to improve the ICA, it is reasonable and efficient to incorporate this proposal with the proposal adopted in Section 3.25.

Accordingly, Utilities shall provide the data listed in Section 3.25.1, but expanded to include annual refinements, in the quarterly reports adopted in Section 3.24 above. Further, the quarterly workshops adopted in Section 3.24 shall include an agenda item to discuss the data collected through this adopted proposal and related updates, improvements, and stakeholder feedback.

### 3.26. Require PG&E to Incorporate Load ICA Results into Internal Energization Business Processes[482]

This decision adopts the proposal requiring PG&E to incorporate ICA results into internal energization business processes. As described below, this is a step forward to a more streamlined and accurate ICA and interconnection process. Further, SCE and SDG&E are directed to each submit a Tier 1 Advice Letter describing the companies' technical barriers to performing this work.

#### 3.26.1. Description of Proposed Improvement

The Staff Proposal recommends that the Commission direct PG&E to file a Tier 3 advice letter seeking approval of an implementation plan to use Load ICA to improve PG&E's load energization process. The Staff Proposal recommends the advice letter include a description, timeline, and quantification of expected benefits and costs for the use case as well as a description of a data reporting plan to monitor actual benefits.

[482] Staff Proposal Recommendation No. 5.5.2.

### 3.26.2. Background and Rationale

The Load ICA maps are a customer-facing tool, not currently used by Utilities. However, the Staff Proposal poses that incorporation of Load ICA results into Utilities' load energization processes could increase efficiencies since Load ICA is used to calculate load hosting capacity across Utilities' service areas.[483] The Staff Proposal contends that the Load ICA results can be used by Utilities when working with customers.

In previous comments in this proceeding, PG&E proposed, with the support of IREC, to use Load ICA to improve load energization processes.[484] PG&E contends this integration could reduce the energization application analysis time from 30 days to 20 days and speed up its Pre-Assessment Step, The Pre-Assessment Step is a pre-application assessment for commercial electric vehicle supply equipment customers.[485] Pointing to the anticipated exponential increase in electric vehicle applications, the Staff Proposal contends this pre-application assessment will need to be scaled up and using Load ICA to improve these processes will be beneficial to reducing PG&E staff workload.[486]

### 3.26.3. Party Comment

PG&E supports this proposal. PG&E proposes the Commission scope the Load ICA use case project and, if approved, PG&E will begin working on the use case and record costs to the Distribution Resource Plan Tools Memorandum Account.[487] PG&E contends there is a clear benefit to introducing Load ICA data

[483] Staff Proposal at 128-129.

[484] Staff Proposal at 129 citing PG&E Opening Comments to April 6 Ruling at XX and IREC Reply Comments to April 6 Ruling at 4.

[485] Staff Proposal at 120.

[486] Staff Proposal at 130.

[487] PG&E Opening Comments to March 13, 2024 Ruling at 30.

into the process as early as possible to help distribution engineers and service planners identify capacity-constrained projects before completion of the intake phase, which PG&E asserts is lengthy.[488] Further, PG&E proposes this reporting be integrated into the annual ICA refinement report.[489]

EDF/NRDC agree with this proposal but recommend modifying the proposal to apply to all three Utilities. EDF/NRDC assert the Commission should consider this proposal a first step in integrating the ICA maps and Utilities' DPP.[490] However, EDF/NRDC cautions that the Commission should address staffing limitations that prevent completion of this work in a timely manner. Thus, the Commission should ensure Utilities ensure supply chain constraints are not a limiting factor in success.[491] CALSTART also supports this recommendation and agrees that the Commission should require SCE and SDG&E to submit advice letters after meeting an accuracy threshold of 100 percent of feeders.[492] Similarly, IREC supports requiring all three Utilities to comply with this proposal.[493]

### 3.26.4. Commission Determination

The Commission adopts this proposal because it is a step forward to a more streamlined and accurate ICA and interconnection process. As stated above, Load ICA maps can increase efficiencies by calculating load hosting capacity across a utility's territory. While not currently used by Utilities, PG&E

[488] PG&E Opening Comments to March 13, 2024 Ruling at 31.

[489] PG&E Opening Comments to March 13, 2024 Ruling at 31.

[490] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 33.

[491] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 33.

[492] CALSTART Opening Comments to March 13, 2024 Ruling at 31.

[493] IREC Opening Comments to March 13, 2024 Ruling at 38.

supports and continues to support incorporation of this tool in its processes, stating the company could reduce process time by approximately one-third. [494]

Parties expressed support for this proposal but question whether SCE and SDG&E should be excused from implementing this proposal. However, the Staff Proposal notes that SCE's participation in this activity would need to be delayed until they improve the accuracy of their ICA results but suggest SCE should begin planning for the work.[495] The Commission sees value in pursuing this but recognizes there may be other factors involved. However, the Commission finds it reasonable to thoroughly understand these factors.

Accordingly, the Commission directs PG&E to submit a Tier 1 Advice Letter describing in detail the company's plan to incorporate Load ICA results into internal energization processes. Further, SDG&E and SCE shall each submit a Tier 1 Advice Letter describing in detail the technical reason(s) why these companies are not able to incorporate Load ICA results into internal energization timelines and what, if any, steps are needed to remediate these barriers. The three advice letters shall be submitted no later than 90 days from the issuance of this decision.

### 3.27. Other Miscellaneous ICA Usability and Data Portal Improvements[496]

This decision adopts the miscellaneous ICA usability and data portal improvements included in this proposal with the addition of a requirement for Utilities to maintain an ICA contact for reporting issues and a twice annually report listing the reported issues and a description of the issue resolution. As

[494] Staff Proposal at 120.

[495] Staff Proposal at 38-39.

[496] Staff Proposal at Appendix A.

described below, while minor, these improvements should lead to an improved customer experience. Utilities are authorized to track costs for all adopted improvements in this decision, including to the ICA and Utilities' data portals, in the memorandum accounts established in D.18-02-004.

### 3.27.1. Description of Proposed Improvement and Rationale

Appendix A of the Staff Proposal addresses additional ICA usability and data portal improvements for the Commission to consider adopting. The Staff Proposal contends that these 15 improvements to the ICA and user guide will lead to a streamlined and more uniform user experience, which will result in better use of the available data.[497] The following is a list of the improvements the Staff Proposal recommends the Commission to require:

- Require PG&E to include DIDF and ICA layers within a single map to improve user experience.
- Require SDG&E to use individual legend symbols on its maps for a single purpose only, which will improve user experience.
- Require SDG&E to list legend symbols in a meaningful order to improve user experience.
- Require Utilities to adopt the acronyms, terminology, and variable names to use within ICA map popups and data files as shown in Table 16 below for uniformity.

[497] Staff Proposal at 131 (Appendix A).

| **Table 16**<br>**Proposed Terminology Alignment**<br>**for ICA Map Popups and API CSV Files** | |
|---|---|
| **ICA Map Popups of ICA Results** | **API CSV Data Files of ICA Results** |
| Uniform Load Integration Capacity | ICA_UNIFORM_LOAD_*W |
| Uniform Generation OpFlex Integration Capacity | ICA_UNIFORM_GENERATION_OPFLEX_*W |
| Generic PV Generation OpFlex Integration Capacity | ICA_GENERIC_PV_GENERATION_OPFLEX_*W |
| Uniform Generation No OpFlex Integration Capacity | ICA_UNIFORM_GENERATION_NO_OPFLEX_*W |
| Generic PV Generation No OpFlex Integration Capacity | ICA_GENERIC_PV_GENERATION_NO_OPFLEX_*W |
| Note: Include units in ICA results data file variable names (replace "*" with "K" or "M" in above) | |

- Require Utilities to improve text, image explanations, and hyperlinks in user guides to improve user experience.
- Require SDG&E and SCE to add a two-part system highlighting user guides to enable stakeholders to identify the location of the user guide and use the guide.
- Require SDG&E and SCE to enable ICA maps to display results as color-coded line sections to represent ranges of ICA result values for the ICA scenarios required by D.17-09-026; the Staff Proposal contends this will improve data clarity for stakeholders.
- Require Utilities to include ICA analysis date in data files available for download through the map and through the API; the Staff Proposal contends this will improve access to relevant information for stakeholders.

- Require PG&E and SDG&E to add the option for users to download detailed hourly ICA results in bulk to improve access to relevant information for stakeholders.
- Require SCE to express aggregate section, circuit, and substation loads in terms of power (MW) in load profile charts and data files available for download; the Staff Proposal contends this will improve stakeholder accessibility.
- Require SCE to add a descriptive y-axis label to the Load Profile charts to improve stakeholder comprehension of provided data. This is related to the previous SCE improvement recommendation, as SCE aggregated loads appear in Load Profile charts in units of amps.
- Require SCE and SDG&E to add a descriptive x-axis label to the Load Profile charts to improve stakeholder comprehension of provided data.
- Require SCE to charge series names to "High Load" and "Low Load" to improve stakeholder comprehension of provided data.
- Require SCE to revise user guide instructions for changing the date range displayed on the Load Profile graph to: Drag to change the month and hour for which aggregate load values are displayed in the pop-up. Also, require SCE to relabel this as "7. Month and Hour." The Staff Proposal contends this will improve stakeholder accessibility.
- Require PG&E to enable a bulk download of ICA and DIDF map data in several formats; *i.e.,* enable all records to be downloaded. The Staff Proposal contends this will improve the usability of the ICA maps.

### 3.27.2. Party Comment

Parties generally support these proposed improvements. However, as further described below, each utility proposes its own implementation timeline.

SCE supports an overall attempt to align the data portals between Utilities to improve end user experience and therefore supports all requirements

applicable to the SCE data portals.[498] SCE asserts that the timeline for implementing the SCE requirements would begin with planning in the fourth quarter of 2024 and end with implementation in the third quarter of 2026.[499]

SDG&E reiterates that implementing portal-wide changes requires planning, development, and testing. While SDG&E asserts it can accommodate immediate adjustments to five of the proposals, the company contends the others have portal-wide impact and should be delayed to June 2025, during the next annual update of ICA.[500]

PG&E states it generally supports these improvements but in light of other competing projects, requests permission to implement these improvements as part of its new platform.[501] Explaining that the company is undergoing a multi-year project to enhance their data access portal, PG&E states that the new platform will provide a unified view of data on the maps, enhanced search and analysis functionality, and the ability to filter and export data. PG&E proposes a schedule whereby implementation depends upon the specific subproposal with some proposals implemented as soon as the first quarter of 2025 and completion of all subproposals no later than the fourth quarter of 2025.

UCAN contends these recommendations either align with prior Commission orders or correct obvious instances of poor implementation by

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[498] SCE Opening Comments to March 13, 2024 Ruling at 33.

[499] SCE Opening Comments to March 13, 2024 Ruling at 34.

[500] SDG&E Opening Comments to March 13, 2024 Ruling at 27-28. The five proposals SDG&E can implement immediately are: 6.1.2 Use Legend Symbols for Only a Single Purpose; 6.1.3 List Legend Symbols in Consistent Order; 6.1.4 Adopt Consistent Acronyms and Terminology Across [Utilities] for the Most Critical Data Elements; 6.1.9 Increase Detail of ICA Results Available in Bulk Download Files; and 6.1.12 Include a Descriptive X-Axis Label in Load Profile Charts.

[501] PG&E Opening Comments to March 13, 2024 Ruling at 31.

Utilities.[502] UCAN supports these recommendations and sees no reason to defer their consideration.[503] EDF/NRDC also agree with the recommendations for improving the format and accessibility of ICA maps and data portal.[504] IREC supports these improvements.[505]

### 3.27.3. Commission Determination

This decision adopts the subproposals as proposed by the Staff Proposal. The Commission finds that these improvements will lead to improved customer experience. As these improvements are important but not crucial, the Commission sets an implementation deadline of December 15, 2026.

In comments to the Staff Proposal, CALSTART and IREC propose that the Commission require Utilities to maintain an email address where ICA issues can be reported, and questions asked.[506] The Commission finds this to be a reasonable request as it should lead to an improved customer experience. Additionally, IREC recommends Utilities be required to provide a report twice a year that lists the issues reported and how the issue was resolved.[507] The Commission finds this reporting will promote transparency. On or before December 15, 2030, the Utilities shall submit a Tier 3 Advice Letter requesting to sunset this requirement or continue the reporting requirement.

Accordingly, the Commission adopts the requirement that each of the Utilities maintain an ICA issue reporting e-mail address. Further, each of the

[502] UCAN Opening Comments to March 13, 2024 Ruling at 6.

[503] UCAN Opening Comments to March 13, 2024 Ruling at 6.

[504] EDF/NRDC Opening Comments to March 13, 2024 Ruling at 33.

[505] IREC Opening Comments to March 13, 2024 Ruling at 39-45.

[506] IREC Opening Comments to March 13, 2024 Ruling at 30 and CALSTART Opening Comments to March 13, 2024 Ruling at 4.

[507] IREC Opening Comments to March 13, 2024 Ruling at 30.

Utilities shall send a report to the service list every six months that identifies the reported issues and how the issue was resolved.

In D.18-02-004, the Commission authorized Utilities to establish a memorandum account to track incremental costs of implementing the GNA, DDOR, and data portals with a sub-account to track the incremental costs of ICA and LNBA implementation. As the recommendations adopted in this decision improve upon these tools, the Commission concludes it is reasonable to extend the prior authorization to all the improvements adopted in this decision.

## 4. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

As of the issuance of the proposed decision in this matter, no public comments have been submitted.

## 5. Comments on Proposed Decision

The proposed decision of Commissioner Darcie L. Houck in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

## 6. Assignment of Proceeding

Darcie L. Houck is the assigned Commissioner and Kelly A. Hymes and Manisha Lakhanpal are the assigned Administrative Law Judges in this proceeding.

## Findings of Fact

1. The term customer energization request is also referred to as known load and the two terms are interchangeable.
2. Loads in response to regulatory compliance have uncertain location and timing and are less reliable than customer energization requests.
3. Some types of pending loads may reliably anticipate load growth.
4. Data sources such as the CARB ACT and ACF regulations, EPA's Greenhouse Gas Phase III Final Rule, and SCAQMD WAIRE rule are related to transportation electrification.
5. The current process of proposing different load forecasts is insufficient for ensuring accuracy of load growth estimates.
6. A system load forecast is not directly applicable to the circuit level
7. A 10-year planning horizon is currently achievable through the IEPR forecast.
8. The IEPR does not currently publish a 20-year forecast.
9. There are increased costs resulting from the needed precision for line section analysis.
10. There is significant complexity involved as well as limited resources to implement scenario planning in the 2025 DPP cycle.
11. Additional clarification and details are necessary to implement scenario planning in the DPEP.
12. Utilities currently conduct integrated planning or intend to conduct integrated planning.
13. PG&E and SCE are already exploring bridging strategies.
14. Processes for long-term, scalable load management as a bridging solution do not exist for evaluation and execution.

15. Distribution capacity cost funding requests are currently reviewed for reasonableness by parties and the Commission in GRC proceedings.

16. Community engagement activities by Utilities are occurring.

17. The DIDF is insufficient at soliciting distributed energy resources to defer grid investments.

18. The DDOR currently reports on cost data with the Locational Net Benefit Analysis.

19. Utilities are currently providing the CEC with certain known load data.

20. Known load data is currently published annually in the DPP with the GNA and DDOR.

21. Data portal customer registration requirements create hurdles to customer access.

22. SCE has not required data portal customer registration and did not report any significant problems due to the lack of a customer registration requirement.

23. PG&E currently redacts data as follows: PG&E uses 100 residential customers as the aggregation number and uses a data set of **at least** 15 customers.

24. SCE and SDG&E each currently use 15 residential customers as its aggregation number.

25. The Limited Generation Profile option is not scheduled to begin implementation until nine months after approval of Power Control Systems certification standards.

26. The ICA maps, not the Interconnection portal, assist customers in determining optimal location siting.

27. There are many types of distributed energy resources with export limitations.

## Conclusions of Law

1. It is reasonable to adopt the recommendation to allow Utilities to use reliable bottom-up data to estimate total load growth each year, even if the estimate exceeds the forecasted load growth based on the IEPR for that year.

2. It is reasonable to define reliable bottom-up data as customer energization requests.

3. It is reasonable to expand the definition of reliable bottom-up data to include certain types of ending loads if evidence demonstrates sufficient reliability.

4. It is reasonable to require Utilities to develop proposals for improving methods for setting caps on load growth based on the IEPR forecasts and other data, with a focus on accuracy.

5. It is reasonable to require Utilities to work with Commission staff and staff from the CEC to develop proposals for load growth cap setting methods.

6. It is reasonable to not allow the use of IEPR hourly forecasts as the basis for developing load curves.

7. It is reasonable to allow Utilities the flexibility to use a more recent IEPR vintage in distribution planning.

8. It is reasonable to not require Utilities to include, in the upcoming DDOR report, an evaluation of how the newest IEPR data can be incorporated into distribution planning.

9. It is reasonable to adopt the staff recommendation to expand the DPP forecast horizon to a minimum of 13 years.

10. It is reasonable to adopt the staff recommendation to expand the planning horizon to a minimum of 10 years.

11. It is reasonable to exclude line section analysis when expanding the DPP forecast horizon and the planning horizon.

12. It is reasonable to require Utilities to include a description of their thermal capacity methodology in the annual GNA report.

13. It is reasonable to adopt the use and implementation of scenario planning in the DPP in the 2025-2026 DPP cycle.

14. It is reasonable to hold a workshop to obtain additional clarification and technical details to develop scenario planning.

15. It is reasonable to assign annual stakeholder input on scenario planning, once implemented, to the Distribution Forecasting Working Group.

16. It is reasonable to require Utilities to implement improved disaggregation methodologies for load growth in the 2027 GNA and the 2026-2027 DPP cycle.

17. It is reasonable to require Utilities to report annually in the GNA on the development of advanced disaggregation methodologies and present these at the DPAG workshops or successor workshops.

18. It is reasonable to require Utilities to create a pending load category in the DPP and evaluate the outcomes in two years.

19. It is reasonable to allow Utilities to propose, in a Tier 3 advice letter, certain types of pending loads to exceed the IEPR forecast level.

20. It is reasonable to require Utilities to provide pending load data, including the source of the data, as part of the GNA/DDOR or successor report.

21. It is reasonable to require Utilities to hold a workshop to discuss aspects of the pending load category requirement.

22. It is reasonable to allow for informal comments on the Pending Loads Workshop report.

23. It is reasonable to require Utilities to hold two workshops to provide the Commission and stakeholders a better understanding of Utilities' proposals for integrated planning.

24. It is reasonable to require Utilities to submit a Tier 3 advice letter to propose integrated planning proposals.

25. It is reasonable to require Utilities to file plans describing various bridging strategies that can be deployed for energization requests that trigger upstream capacity upgrades.

26. It is reasonable to not broaden the proposal of the Commission's staff regarding bridging strategies.

27. It is reasonable to require Utilities to conduct the load flexibility analysis within the Electrification Impact Study Part 2 and consider the outcomes in the 2025-2026 DPP cycle.

28. It is reasonable to remove Ordering Paragraphs 2(h) and 2(i) from D.18-02-004.

29. It is reasonable to require for Utilities to annually submit a service territory community engagement plan.

30. It is reasonable to shift the focus of the DIDF from investment deferral to facilitating DPP transparency and monitoring DPP improvements.

31. It is reasonable to affirm the June 21, 2024 *Administrative Law Judges' Ruling Reforming the 2024/2025 Distribution Investment Deferral Framework Cycle (DIDF), Off Ramping the Partnership Pilot and Granting the Motions to Temporarily Suspend Portions of the DIDF.*

32. It is reasonable to replace the name of the DDOR with the name, Distribution Upgrade Project Report.

33. It is reasonable to require Utilities to evaluate equity in distribution plan reporting through equity metrics.

34. It is reasonable to require Utilities to hold a workshop to discuss further exploration of the proposed equity metrics and correlated variables.

35. It is reasonable to require Utilities to include, in annual DDOR and known load data filings, additional details and spending on all ongoing and, eventually, the prior three years completed distribution capacity projects.

36. It is reasonable to require Utilities to provide CEC with all known load data.

37. It is reasonable to not require Utilities to create a known load database but rather supplement currently provided data to include all known load.

38. It is reasonable to not require the known load data to be made public.

39. It is reasonable to direct Utilities to support implementation of the TEPP framework.

40. It is reasonable to require Utilities to incorporate more detail of limiting criteria into ICA results in the data portals but omit the requirement to provide typical timelines.

41. It is reasonable to require PG&E and SDG&E to remove all registration requirements for data portal access.

42. It is reasonable to define the 15/15 rule, for purposes of the ICA, as a data set containing 15 customers with no customer receiving no more than 15 percent of the load.

43. It is reasonable to require Utilities to modify ICA maps to enable straightforward customer creation of Limited Generation Profiles.

44. It is reasonable to not require that the work to modify ICA maps to enable straightforward customer creation of Limited Generation Profiles be done in the Interconnection portal.

45. It is reasonable to require Utilities to modify ICA methodologies to make use of Limited Generation Profile application information and expand the proposal to incorporate all queued and active distributed energy resources with export limits in addition to the resources with Limited Generation Profiles.

46. It is reasonable to adopt an expanded scope of reporting to address ICA accuracy and missing or erroneous ICA values.

47. It is reasonable to require Utilities to hold quarterly public workshops focused on ICA problems.

48. It is reasonable to require Utilities to develop reporting aimed at understanding the frequency of zero-load ICA values and expand the proposal to include all annual refinements.

49. It is reasonable to require the ICA quarterly public workshops to include an agenda item to discuss requirements of zero-load ICA reporting.

50. It is reasonable to require PG&E to incorporate Load ICA results into internal energization business processes and requiring SCE and SDG&E to submit an advice letter describing each companies' technical barriers to performing this work.

51. It is reasonable to adopt the miscellaneous ICA usability and data improvements.

52. It is reasonable to require Utilities to maintain an ICA contact for reporting issues.

53. It is reasonable to require Utilities to provide a list and description of reported ICA issues twice a year.

54. It is reasonable to extend the prior authorization to track costs in the distribution resources plan memorandum accounts to the improvements adopted in this decision.

## O R D E R

**IT IS ORDERED** that:

1. Beginning with the 2025-2026 Distribution Planning and Execution Process, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) may use reliable bottom-up data to estimate total load growth in a given year, even if it exceeds the forecasted load growth based on the Integrated Energy Policy Report data for that year. In years without reliable bottom-up data, Utilities shall ensure that total growth corresponds to the forecast amount and not be adjusted downwards. Reliable bottom-up data is defined as customer energization requests. If future evidence demonstrates sufficient reliability, reliable bottom-up data may include certain types of pending load.

2. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must improve the method for setting caps on load growth from the Integrated Energy Policy Report data with the objective of accurately estimating load growth. Beginning with the 2025-2026 Distribution Planning and Execution Process, Utilities shall work with Commission and California Energy Commission staff in developing proposals for the method and accounting for discrepancies between the system and circuit level. Utilities shall discuss the proposals, including implementation, in annual Distribution Planning Advisory Group, or successor, workshops.

3. Beginning with the 2025-2026 Distribution Planning and Execution Process, Pacific Gas and Electric Company, San Diego Gas & Electric Company,

and Southern California Edison Company (Utilities) may exercise flexibility in selecting the Integrated Energy Policy Report vintage to use in distribution planning processes.

4. Beginning with the 2025-2026 Distribution Planning and Execution Process, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must extend the distribution planning forecast horizon to a minimum of 13 years and extend planning horizons to a minimum of 10 years. Utilities shall maintain the current minimum three-year horizon for line section analysis.

5. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must implement the use of scenario planning in the distribution planning and execution process (DPEP) beginning with the 2025-2026 DPEP cycle. The results of the workshop adopted in Ordering Paragraph 6 below will inform the scenario planning framework.

6. No later than March 31, 2025, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall hold one or more public workshops to discuss scenario planning in the distribution planning and execution process (DPEP). The workshop agenda shall include discussion and the development of responses to the following technical issues: (1) the number of scenarios Utilities should annually run in their DPEP and the purpose of these scenarios; (2) whether scenarios could or should be combined; (3) the selection process for scenarios and selection flexibility for Utilities; (4) the appropriate forecast elements to be included in the scenarios; (5) coordination of scenario planning with the Transportation Electrification rulemaking; (6) development of a single investment plan based on multiple scenario outcomes; (7) Utilities' flexibility and process to identify incremental

grid investments to the base scenario and the identification of predefined load metrics to trigger incremental load investments; (8) guardrails needed for use of scenarios in the development of a single investment plan; (9) a future process, if necessary, to modify the scenario planning framework: and (10) how cost considerations should be factored into the scenario planning process.

7. No later than 90 days following the workshop(s) directed in Ordering Paragraph 6, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall submit a Tier 3 Advice Letter that (1) summarizes the workshop; (2) identifies the outcomes of the workshop; (3) proposes a framework for implementation of scenario-based planning; and (4) identifies the steps to be taken to facilitate the transition to using scenarios and a timeline for using them in the 2026 DPP cycle.

8. Beginning with the 2026-2027 Distribution Planning and Execution Process (DPEP), Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must improve disaggregation methodologies for implementation in the 2025-2026 DPEP. Utilities shall annually file the Grid Needs Assessment in this proceeding, or a successor proceeding, to report on the development of advanced disaggregation methodologies. These developments shall be presented at the annual Distribution Planning Advisory Group workshop or successor workshops.

9. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company must create a pending loads category in the Distribution Planning Process no later than December 31, 2025. An evaluation of the pending loads category shall be conducted by Utilities as described in Ordering Paragraph 13 below.

10. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall hold a Pending Loads Implementation Workshop to discuss the following aspects of the Pending Loads proposal: (1) the specific sources of information, at minimum, to inform the pending loads category; (2) uses of pending load to inform the forecast and the investment plan; (3) how to coordinate the pending loads data with the transportation electrification rulemaking; (4) the types of pending loads that should be allowed to exceed the Integrated Energy Policy Report in the near term and justification; (5) appropriate guardrails for the pending load category; (6) strategies to reduce any ratepayer risk association with pending loads; and (7) additional reporting requirements to be implemented for pending loads evaluation. Utilities shall file a Pending Loads Implementation Workshop Report. The workshop and the filing of the report shall be completed no later than April 1, 2025. Utilities shall collect informal comments from parties on the Pending Loads Workshop Report no later than May 1, 2025.

11. No later than June 30, 2025, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall submit a Tier 3 advice letter: (1) proposing the method for developing the pending loads category and incorporating the category into the Distribution Planning Process; (2)defining the types of information considered in the pending loads category and the general criteria applied to each category; and (3) discussing the risk of pending loads that do not materialize and how to mitigate the risk. The Pending Loads Implementation Advice Letter shall include the Pending Loads Workshop Report and a description of how information gathered from the workshop and the informal comments influenced the proposal.

12. No later than June 30, 2027, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall conduct a public workshop to present the preliminary findings of the Pending Load Evaluation and take informal comments.

13. No later than September 30, 2027, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall submit the Tier 3 Pending Load Evaluation Advice Letter. The required contents of the Pending Loads Evaluation Advice Letter and the data needed to be collected shall be considered during the Pending Loads Implementation Workshop and finalized in the disposition of the Pending Loads Implementation Advice Letter.

14. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must prioritize between projects outside of the current consideration of project need date. Utilities shall provide an oral report during the next and subsequent annual Distribution Forecasting Working Group and a written report in the next annual Distribution Deferral Opportunity Report, or a successor report, describing how projects identified throughout the distribution planning horizon have been prioritized for execution.

15. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must consider distribution planning results in other distribution work and shall hold two workshops. The first workshop shall be held no later than September 30, 2025 to present Utilities' proposals for integrated planning and solicit feedback from stakeholders on issues presented, including cost containment considerations. The second workshop shall be held by Utilities no more than eight weeks following the first

workshop to present updated proposals based on feedback from the first workshop.

16. No later than December 15, 2025, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall submit a Tier 3 advice letter proposing a method(s) where the increased project costs from the increased sizing of any related assets are less than or equal to the risk-adjusted benefit from avoiding future projects to upgrade grid capacity. Utilities' proposal shall allow for future evolution of the Distribution Planning and Execution Process and should not become a barrier to future changes in that process. The advice letter shall also answer the following questions: (1) How does the proposed method maintain the flexibility of the distribution planning process, and allow for that process to develop over time; (2) How does the proposed method estimate the increased costs for current projects, and how can this estimate change or improve over time? Include increased costs for wildfire mitigation and associated Rulemaking (R.) 20-07-013 Risk-based Decision-making Framework (RDF) cost benefit ratio data; (3) How does the proposed method incorporate cost effectiveness and cost efficiencies? (4) How does the proposed method adjust for risk and potential risk reduction when considering potential future capacity projects, and how can this adjustment change or improve over time; (5) How does the proposed method estimate cost of future distribution capacity projects, (including increased costs for wildfire mitigation and associated R.20-07-013 RDF cost benefit ratio data) and how can this estimate change or improve over time; and (6) How does the proposed plan address projects planned in the high fire threat districts or in areas of wildfire risk, or projects that will require new lines to be built that cross into the high fire threat districts?

17. No later than December 15, 2024, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall develop a plan that includes bridging strategies that can be deployed to accommodate energization requests that trigger distribution capacity work and file a compliance report, in this proceeding and in the Energization proceeding (Rulemaking 24-01-018), describing the bridging strategies that can be deployed. The plan shall include options for accommodating energization requests that trigger distribution capacity work such as: (1) improvements to Utilities' reactive process upon receiving an energization request that requires a distribution capacity upgrade; (2) temporary constraints on the power the customer is allowed to draw; and (3) acquiring and deploying mobile distributed energy resources capable of managing and preventing grid deviation during the construction of a distribution capacity project.

18. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must prepare a load flexibility distribution planning process (DPP) assessment within the Electrification Impact Study Part 2 (Study) authorized by the *Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future*. No later than 30 days after the completion of the Study, Utilities shall hold a public workshop to present the findings and receive stakeholder comment on how the findings should be incorporated into the distribution planning and execution process. Utilities shall also serve a notice of the public workshop to the service list of the demand flexibility proceeding (Rulemaking 22-07-005).

19. No later than 120 days after the deadline for completion of the Electrification Impact Study Part 2 (Study) authorized by the *Order Instituting*

*Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future*, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall file and serve in this proceeding: (1) the Study; (2) a description of how the Study meets the requirements and objectives of the Load Flexibility Distribution Planning Process assessment proposed in the *Staff Proposal to Improve the Distribution Planning and Execution Process* and other Commission requirements; and (3) a detailed proposal and timeline of how the Load Flexibility Distribution Planning Process assessment will be integrated into the Distribution Planning and Execution Process to inform distribution planning and execution in the future. Utilities shall also serve the study to the service list of the demand flexibility proceeding (Rulemaking 22-07-005).

20. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) may utilize more flexibility in requesting distribution capacity costs in general rate cases. Utilities are permitted to use the results of the annual Distribution Planning and Execution Process (DPEP) as a basis for requesting forecasting distribution upgrade costs within a general rate case and Utilities may present alternative analysis based on the most recent Utilities' DPEP.

21. Decision 18-02-044 is modified to remove Ordering Paragraph 2(h) and Ordering Paragraph 2(i).

22. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must each submit an annual service territory community engagement plans to address equity in the Distribution Planning Process. Utilities shall address the following in each plan: (1) how community needs (including the Tribal community, disadvantaged

community, and environmental and social justice and equity concerns are incorporated into Utilities' annual Distribution Planning and Execution Processes (DPEP); (2) how Utilities will comply with the Assembly Bill (AB) 50 requirements for an annual community DPEP meeting; and (3) how Utilities will meet the data sharing requirements established in Assembly Bill 50. No later than May 1, 2025 and May 1 of each year thereafter, the plans shall be submitted to the Commission's Energy Division and served to parties of this proceeding.

23. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) shall eliminate Distribution Investment Deferral Framework (DIDF) solicitations and refocus the DIDF process from a deferral solicitation process to a process focused on the facilitation of improving transparency of the Distribution Planning Process and monitoring distribution planning improvements. The Distribution Planning Advisory Group and the related meetings are maintained. The Distribution Deferral Opportunity Report is renamed as the Distribution Upgrade Project Report.

24. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must include metrics to evaluate equity in utility distribution plan reporting. No later than 90 days from the issuance of this decision, Utilities shall hold a workshop to discuss further exploration of the following equity metrics, including correlated variables,: (1) percentage of customers served by the relevant equipment/facility that are enrolled in the Commission's California Alternate Rates for Energy and/or the federal Family Electric Rate Assistance programs; (2) the CalEnviroScreen 4.0, or the most recent update at the time of filing, percentile for the area served by the relevant equipment/facility; and (3) whether the equipment/facility serves a disadvantaged community. No later than 45 days following the equity metrics

workshop, Utilities shall submit a Tier 3 advice letter requesting approval of a final set of metrics and any correlated variables. The adopted equity metrics shall be considered for inclusion in the 2026-2027 Distribution Planning and Execution Process cycle.

25. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must include additional details on all ongoing and (eventually) the prior three years' completed distribution capacity projects in their public Distribution Deferral Opportunity Report (DDOR), now the Distribution Upgrade Project Report (DUPR) filing. The required additional details are contained in Table 12 and Table 13 of this decision. Utilities shall begin to provide these additional details in the DUPR and known load data filed on August 15, 2025 and annually thereafter. Utilities shall incorporate three years of past distribution capacity project data in such reports beginning on August 15, 2026.

26. Beginning with the 2025-2026 Distribution Planning and Execution Process, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must track and report all known load projects to the California Energy Commission, including all known load that would be reported in the Grid Needs Assessment/Distribution Deferral Opportunity Report filing, the circuit and substation the known load is associated with, the geographic designation at the most granular level that is consistent across known load (*i.e.*, zip code), and include all used load shapes associated with customer type and category. Data shall be provided in such a way that it is possible to track which known load become actual projects and the timeframe in which they do so. This data shall not be shared with the public.

27. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall be prepared to support implementation of the upcoming Transportation Electrification Proactive Planning framework, and integration of relevant inputs and assumptions from the framework into the Distribution Planning and Execution Process.

28. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must incorporate more detail of limiting criteria into Integration Capacity Analysis (ICA) results in the data portals. No later than December 15, 2025, Utilities shall provide the information contained in Table 15 of this decision in the ICA User Guides and explicitly indicate the Limiting Criteria for Generation ICA and Load ICA. Utilities are not required to provide typical timelines.

29. No later than 90 days from the issuance of this decision, Pacific Gas and Electric Company and San Diego Gas & Electric Company must complete removal of all customer registration requirements for data portal access.

30. Beginning with the 2025-2026 Distribution Planning and Execution Process Cycle, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must use the 15/15 Rule for Decisions About Data Redaction Protecting Individual Customer Privacy for the Integration Capacity Analysis (ICA), Grid Needs Assessment (GNA), and Distribution Deferral Opportunity Report (DDOR). For purposes of the ICA, GNA, and DDOR, the 15/15 aggregation rule is defined as a data set containing 15 customers with no customer receiving no more than 15 percent of the load.

31. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must modify Integration Capacity Analysis maps to enable straightforward customer creation of Limited

Generation Profiles. The work required for this proposal shall be aligned with the implementation of the Limited Generation Profile option adopted in Resolution E-5230. Utilities shall confirm completion of this work by serving a notice to the service list of this proceeding, no later than 30 days after completion.

32. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company (Utilities) must modify Integration Capacity Analysis methodologies to make use of Limited Generation Profile application information and shall also incorporate all queued and active distributed energy resources with export limits. Utilities shall confirm completion of this work by serving a notice to the service list of this proceeding, no later than 30 days after completion.

33. Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company (Utilities) must create a quarterly Integration Capacity Analysis (ICA) report. No later than December 15, 2024, Utilities shall serve to the service list of this proceeding, the first standalone quarterly ICA report that describes all known issues related to ICA accuracy and missing or erroneous ICA values, for both Generation and Load ICA. The report shall also provide specific remediation plans and timelines for these known issues.

34. Beginning in January 2025, Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company (Utilities) shall hold a quarterly Integration Capacity Analysis (ICA) public workshop, facilitated by Energy Division. Utilities shall hold an ICA quarterly workshop by the end of each calendar quarter and shall include the following agenda items: (1) Utilities' review of all known and identified issues with Load and Generation

ICA; (2) Utilities' review of proposed and (as discussed below) adopted ICA remediation plans, timelines, and progress of plans; and (3) Stakeholders feedback on ICA. After each workshop, Utilities shall revise the next quarterly report in response to stakeholder feedback, including updates on remediation plans (as discussed below). Within 60 days following the fourth anniversary of the first workshop, Utilities shall submit a Tier 3 Advice Letter proposing to either sunset or extend the quarterly ICA workshop series.

35. Within 60 days of the second quarterly Integration Capacity Analysis (ICA) workshop held, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall each submit a Tier 3 advice letter proposing an adopted remediation plan for the ICA, with a proposed schedule of activities. This plan will establish a baseline for the quarterly ICA reporting on remediation plans, as directed by Ordering Paragraph 33.

36. Within 90 days of the issuance of this decision, Pacific Gas and Electric Company (PG&E) shall submit a Tier 1 Advice Letter describing in detail the company's plan to incorporate Load Integration Capacity Analysis results into internal energization business processes.

37. Within 90 days of the issuance of this decision, San Diego Gas & Electric Company and Southern California Edison Company shall each submit a Tier 1 Advice Letter describing in detail the technical reason(s) why these companies are not able to incorporate load Integration Capacity Analysis results into internal energization timelines and what, if any, steps are needed to remediate these barriers.

38. No later than December 15, 2026, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company

(Utilities) shall implement the list of miscellaneous Integration Capacity Analysis (ICA) usability and data portal improvements provided in Section 3.27.1 of this decision. Utilities shall also each maintain an ICA issues reporting email address identified and accessible on each Utility's website. Utilities shall serve a joint report to the service list every six months that identifies the reported issues and how the issues were resolved. No later than December 15, 2030, Utilities shall submit a Tier 3 Advice Letter requesting to sunset or continue the reporting requirement.

39. Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company are authorized to track costs for implementing the improvements adopted in this decision to the distribution resources plan memorandum accounts previously authorized in Decision 18-02-004.

40. Rulemaking 21-06-017 remains open to address the other tracks and phases of the proceeding.

This order is effective today.

Dated _____, at Sacramento, California.