FILED
11/10/25
04:59 PM
R2508004

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations.	Rulemaking 25-08-004 (Filed August 14, 2025)

REPLY COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL ON UPDATES TO DISTRIBUTION LEVEL INTERCONNECTION RULES AND REGULATIONS

DATED: November 10, 2025

Sky Stanfield
Josh Kirmsse
SHUTE, MIHALY & WEINBERGER LLP
(415) 552-7272
stanfield@smwlaw.com
jkirmsse@smwlaw.com

Attorneys for Interstate Renewable Energy Council, Inc.

SUBJECT INDEX

Page

I. Topics for Inclusion in the Rulemaking 1

A. Comments on Topics Preliminarily Scoped for Consideration 1

1. Electrical Independence Tests 1

2. Interconnection Processes 2

a. Interconnection Timeline Compliance 2

b. Dispute Resolution 3

c. Utilization of the ICA in Rule 21 3

3. Interconnection Pathways and Standards 5

a. Enabling interconnection of V2G technologies 5

b. Type Testing Requirements 5

c. Smart Inverter Setting Updates and Performance 6

d. Updated Industry Standards (IEEE 1547-2018. 2030.5-2023) 7

4. Cost Sharing of Upgrade Costs and Responsibility for Upgrade Costs Due to Load Reduction 7

a. What process should be adopted for determining the need for upgrades triggered by a sustained or permanent reduction in customer service load(s) on a circuit? 7

5. Tarriff Implementation Costs 8

a. Does the issue of cost allocation for utility costs incurred when a customer uses the interconnection option of notification-only process for like-for-like replacement of interconnection equipment such as inverters, require further consideration and resolution? 8

b. What should the cost allocation be for IOUs to provide the improved itemized billing practices for further applicant and customer clarity that were adopted in D.20-09-035? 8

c. Identify all the costs associated with Rule 21 interconnections that are recovered through rates from other customers. Are there other modifications to Rule 21 that could result in reduction of costs associated with interconnection that are recovered in rates? 9

d. Are there other modifications to Rule 21 that could provide more cost certainty to interconnection customers prior to interconnection application? 9

6. Net Energy Metering- and Net Billing Tarriff-Related Updates to Rule 21 ... 11

7. Communications and Interoperability of DERs ... 11

a. If requirements or needs for DER bidirectional communications with IOUs' systems were to change, what changes would need to be made to Rule 21 communications' requirements? ... 11

b. What are the cost implications of interoperability of distribution-connected generation, including smart inverters, power control systems. Distributed Energy Resource Management Systems (DERMS), and other communication and control technologies? How might interoperability be achieved cost effectively? ... 12

c. What are ways to reduce the costs associated with DERMS that get socialized among ratepayers? What are the estimated DERMS costs associated with DER communications and interoperability, and what are potential alternative sources of funding for these costs? ... 12

8. Utilities' WDAT Processes and Relationship to Rule 21 ... 13

B. Additional Issues for Scoping ... 14

1. Consideration of the Use of Limited Generation Profiles as Mitigation ... 14

2. Charging Limits and Load Studies ... 14

3. Cybersecurity in the Interconnection Process ... 15

4. Continue evaluation of the Direct Transfer Trip Requirements ... 15

5. Use of the Fault Location, Isolation, and System Restoration Scheme ... 15

6. Streamlining the review of non-export systems ... 16

II. Conclusion ... 16

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations.	Rulemaking 25-08-004 (Filed August 14, 2025)

REPLY COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL ON UPDATES TO DISTRIBUTION LEVEL INTERCONNECTION RULES AND REGULATIONS

Pursuant to Rule 14.3 of the California Public Utilities Commission's ("Commission") Rule of Practice and Procedure, the Interstate Renewable Energy Council, Inc. ("IREC") submits this reply to the opening comments on the Order Instituting Rulemaking ("OIR") regarding updating the Rule 21 Tariffs ("Rule 21") of Pacific Gas and Electric Company ("PG&E"), Southern California Edison Company ("SCE"), and San Diego Gas & Electric Company ("SDG&E").

In the following reply comments, IREC focuses on whether, and how, topics should be scoped for inclusion in this Rulemaking. IREC has not endeavored to respond to the substantive comments or proposals that commentors have made on every topic. There are many good ideas and also some troubling ones that IREC hopes to address further as the Commission takes up these topics in this proceeding.

I. Topics for Inclusion in the Rulemaking

A. Comments on Topics Preliminarily Scoped for Consideration

1. Electrical Independence Tests

IREC has no further comments on this topic.

2. Interconnection Processes

a. Interconnection Timeline Compliance

It is clear there is a strong interest in taking up the topic of interconnection timeline compliance and in ensuring that the Rule 21 process has clearly defined timelines for all critical steps.[1] The utilities also seek to make changes to improve the timeline reporting process. IREC supports including these issues in the scope of this proceeding and recommends prioritizing action on this topic.

SCE pointed to Rule 21's reasonable efforts standard in its opening comments, stating that the previous decision establishing compliance goals does not override the reasonable efforts standard.[2] That has not been decided by the Commission and is simply SCE's effort to avoid responsibility. Achieving the 95-100 percent goal within two years was agreed to by the utilities and was a more than reasonable standard. IREC encourages the Commission to seek comments from parties on what constitutes reasonable efforts and what, if any, role that standard should

---

[1] Numerous parties identified key steps in the interconnection process that do not have defined timelines or that IOUs must track but are not accompanied by benchmarks, and where delays are resulting in real customer impacts. *See* Interstate Renewable Energy Council, Comments of the Interstate Renewable Energy Council on Updates to Distribution Level Interconnection Rules and Regulation ("IREC Opening Comments"), at 28 (Oct. 20, 2025) (discussion of the PG&E Special Facilities Agreement); Mainspring Energy, Comments on the Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations, at 2, 5-6 (Oct. 20, 2025) (discussion of pre-parallel inspections and permission to operate); PearlX, Comments of PearlX on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations, at 4 (Oct. 20, 2025) (discussion of line side tap variances); California Solar and Storage Association ("CALSSA"), Comments of the California Solar & Storage Association on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("CALSSA Opening Comments"), at 20 (Oct. 20, 2025) (discussion regarding shutdowns).

[2] Southern California Edison, Opening Comments of the Southern California Edison Company (U 338-E) on the Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("SCE Opening Comments"), at 9 (Oct. 20, 2025).

play in determining whether the utilities are complying with the timelines set forth in Rule 21. The Federal Energy Regulatory Commission ("FERC") recently eliminated the parallel reasonable efforts standard in the *pro forma* Large Generator Interconnection Procedures ("LGIP") and replaced it with strict financial penalties (to be paid by the shareholders) for failure to meet timelines.[3] The Commission should consider whether a similar action is appropriate here. At a minimum, the Commission must set forth a standard method by which reasonable efforts could possibly be judged.[4] IREC believes this standard has never provided a meaningful basis for measuring action and, as FERC found, does not provide a meaningful incentive for utilities to act and thus should be replaced with something more transparent and measurable.

b. Dispute Resolution

No additional comments at this time.

c. Utilization of the ICA in Rule 21

A number of parties highlighted challenges associated with the use of ICA in Rule 21 and support consideration of how it can be better utilized in Rule 21.[5] SDG&E, however, seems to

[3] FERC, Dkt. No. RM22-14-000, Order No. 2023: Improvements to Generator Interconnection Procedures and Agreements, at ¶¶ 872-1007, esp. ¶¶ 965-972 (July 28, 2023).

[4] Rule 21, Section C defines Reasonable Efforts as: "With respect to an action required to be attempted or taken by a Party under this Rule, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests." Good Utility Practice is defined as: "Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region." *Id*.

[5] *See* Advanced Energy United ("AEU"), Comments of Advanced Energy United on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("AEU Opening Comments"), at 8-10 (Oct. 20, 2025); Public Advocates Office ("Public

have strangely misread their own Rule 21 tariff and fails to mention critical ways in which the ICA is integrated into the tariff. In particular, SDG&E fails to mention that section F.2.a requires that the ICA values be used as part of the evaluation of Screen M and that those values be updated if necessary for use. Indeed, SDG&E entirely fails to mention the use of the ICA in Screen M (Section G.1.m) at all, which is odd, as it is the principal way in which most customers interact with the ICA in Rule 21. SDG&E's seeming ignorance of how its tariff requires the ICA to be used suggests a strong need for the Commission to ensure that SDG&E is properly using the ICA in Rule 21.

As IREC anticipated, PG&E tries to limit any discussion of the use of ICA in Rule 21 to the High DER proceeding.[6] As IREC addressed in its opening comments, the Commission should reject this effort by PG&E to avoid having to comply with the ICA requirements of Rule 21 by trying to punt issues to another proceeding.[7] Indeed, there are considerable issues with PG&E's use of the ICA in Rule 21 that urgently need to be remedied and the Commission should tackle this topic in this proceeding while it also considers improvements to the ICA tool itself in the High DER proceeding.

SDG&E recommends revisiting language in section Mm5 to clarify how it believes the maximum steady state value should be expressed. IREC does not necessarily agree with

---

Advocates"), Opening Comments of the Public Advocates Office on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("Public Advocates Opening Comments"), at 9 (Oct. 20, 2025); Green Power Institute, Green Power Institute Opening Comments on Scoping Memo, at 9 (Oct. 20, 2025); Ava Community Energy, Ava Community Energy Opening Comments on the Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations, at 4 (Oct. 20, 2025).

[6] Pacific Gas & Electric Company, Pacific Gas & Electric Company's (U 39 E) Opening Comments on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("PG&E Opening Comments"), at 3, (Oct. 20, 2025).

[7] IREC Opening Comments at 12.

SDG&E's proposal, but IREC does support including this topic in scope to determine whether maximum steady state values are necessary to report at all. The language in UL 3141 suggests that the steady state values are already less than the export limit and thus they should not need to be reported at all. In addition, as discussed in IREC's opening comments, we recommend the Commission include reconsideration of the appropriate response time in light of recent research.[8]

3. <u>Interconnection Pathways and Standards</u>

a. Enabling interconnection of V2G technologies

IREC has no further comments on this topic at this time.

b. Type Testing Requirements

Numerous parties submitted comments regarding challenges associated with type testing, commissioning testing, witness testing, and pre-parallel inspections.[9] In fact, it appears likely that some of the testing and verification practices referred to are actually similar practices but under different labels. While SCE believes that its type testing process is working well, the comments from interconnection customers tell a different story.[10] IREC recommends the Commission take up the topic of clarifying utility practice surrounding when testing is required, for what, and what timeframes are reasonable for completing that testing. The Commission should commence consideration of this topic by requiring the utilities to identify their testing practices and to provide data on the process and timelines for scheduling the required testing.

---

[8] *Id*. at 22-23.

[9] *See* Enphase Energy, Opening Comments of Enphase Energy, Inc. on Order Instituting Rulemaking, at 2 (Oct. 20, 2025); Ford Motor Company, Comments of Ford Motor Company on the Preliminary Scoping Memo, at 3 (Oct. 20, 2025); AEU Opening Comments at 6-7; Critical Loop, Comments of Critical Loop, Inc. on the Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("Critical Loop Opening Comments"), at 2-3 (Oct. 20, 2025).

[10] SCE Opening Comments at 16; *see, e.g.,* Critical Loop Opening Comments at 3.

c. Smart Inverter Setting Updates and Performance

SCE opposes consideration of changes to smart inverter settings or functionalities, claiming that since it is satisfied with the settings, nothing more is needed, but that if the utilities believe that additional functionality should be activated, they can raise it at the Smart Inverter Working Group ("SIWG") and then file a Tier 2 Advice Letter.[11] While IREC agrees that this pathway exists for utilities, it highlights why these topics are also necessary for inclusion in an open Rulemaking process. Utilities are the only entities that can submit advice letters proposing tariff changes on their own volition. When stakeholders identify a need for additional functionalities or different settings, they need a forum to raise those issues that can lead to a Commission decision requiring utility action. IREC is an active participant in the SIWG and supports the productive dialogue that can occur in that forum, but since neither IREC nor any other non-utility stakeholder can file an advice letter after those discussions, we urge the Commission to ensure that the topics proposed by non-utility parties have a forum for consideration.

As IREC outlined in its opening comments, it believes there are multiple issues associated with smart inverter settings and performance that warrant consideration in this Rulemaking. The utilities are unlikely to act on their own to reimburse customers whose smart inverters are forced to manage problematic voltage levels (via the volt-watt settings) on a utility's distribution system at the expense of power production. In addition, the utilities are not necessarily incented to consider the use of improved volt-var settings to increase hosting capacity, though this could have significant benefits for ratepayers. The Commission should thus provide a forum for discussion of both these topics in this Rulemaking. While IREC is

---

[11] SCE Opening Comments at 18.

hopeful that consensus could be reached on these topics through dialogue in the SIWG, that is more likely to occur if the Commission scopes the topic in the Rulemaking. This gives the utilities a reason to come to the table; if there is no threat of Commission action, they have little reason to engage constructively in discussion.

d. Updated Industry Standards (IEEE 1547-2018. 2030.5-2023)

Multiple parties identified the need to improve how Rule 21 treats Power Control Systems ("PCS"). This includes discussion of the appropriate maximum response time for PCS, the need to more broadly and consistently recognize PCS export limiting functionality in the tariff, and adoption of references to the new UL 3141 Outline of Investigation for Power Control Systems which should replace Rule 21 references to the outdated 2019 UL Power Control Systems Certification Requirements Decision. PG&E also raised the possibility of simplifying the certification process for power control systems.[12]

IREC also continues to encourage the Commission to scope adoption of the use of the Common File Format for DER Settings Exchange and Storage published by the Electric Power Research Institute.[13]

4. Cost Sharing of Upgrade Costs and Responsibility for Upgrade Costs Due to Load Reduction

a. What process should be adopted for determining the need for upgrades triggered by a sustained or permanent reduction in customer service load(s) on a circuit?

In IREC's opening comments, it supported addressing the impacts of load reductions triggered by Rule 21 because it was IREC's understanding (based on the record of the last

[12] PG&E Opening Comments at 7.

[13] Common File Format for DER Settings Exchange and Storage Version 2.0, report no. 3002025445, Electric Power Research Institute (Sept. 2022).

proceeding, R.17-07-007) that the utilities were concerned that new non-exporting systems could cause reverse power flow by reducing minimum load past total generation levels on the circuit or line section. However, IREC noted that the frequency of the problem was still rather speculative and called on the Commission to ensure that there was sufficient evidence of an issue before taking any action.[14]

After reviewing the comments of the utilities on this topic, IREC's understanding is that it must no longer be a topic of particular concern as no utility supported consideration of this topic. Other stakeholders, however, expressed deep concerns with taking up a topic that could result in penalizing customers for not guaranteeing load for the utilities. Considering the comments from both the utilities and stakeholders, IREC recommends the Commission not include this topic in scope for this proceeding.

5. Tarriff Implementation Costs

a. Does the issue of cost allocation for utility costs incurred when a customer uses the interconnection option of notification-only process for like-for-like replacement of interconnection equipment such as inverters, require further consideration and resolution?

Due to lack of evidence of need and party support for consideration of this topic, it should be removed from consideration.

b. What should the cost allocation be for IOUs to provide the improved itemized billing practices for further applicant and customer clarity that were adopted in D.20-09-035?

Similarly, this topic regarding recovery of costs for itemized billing should be removed from consideration due to a lack of support for consideration of the topic and lack of evidence of

[14] IREC Opening Comments at 25 ("This dynamic could call for further evaluation and upgrades, though the frequency of this problem is still relatively speculative. The Commission should recognize the lack of a record informing the development of a cost responsibility or procedural framework discussed below and focus on obtaining quality data to support any action taken on these issues").

a need to take it up. However, the Commission should ensure that the utilities are providing itemized billing and in a timely and informative manner.

> c. Identify all the costs associated with Rule 21 interconnections that are recovered through rates from other customers. Are there other modifications to Rule 21 that could result in reduction of costs associated with interconnection that are recovered in rates?

There is little support for scoping this topic.

> d. Are there other modifications to Rule 21 that could provide more cost certainty to interconnection customers prior to interconnection application?

Generally, parties appear to agree that Rule 21-related costs and fees are a relevant topic for this proceeding.[15] IREC concurs but also notes that parties take a variety of approaches to framing cost issues. As AEU notes, the scoping questions, as currently designed, are far too broad to encourage a targeted analysis of specific cost issues.[16] The Commission must scope cost issues in this proceeding in a manner that will facilitate meaningful solutions to identifiable cost issues. In that spirit, the Commission should proceed recognizing a few key principles.

At a threshold level, the Commission should not scope cost consideration in a way that prioritizes utilities' company-driven fee concerns over the documented cost problems posed by interconnection for applicants. In opening comments, the IOUs either openly disagree that interconnection customer cost certainty should be a priority or direct focus toward potential fee under-collection.[17] Oddly, SDG&E also seems to assume that providing cost certainty to

---

[15] Issues of cost, fees, and affordability are raised in a variety of locations in party comments discussed in IREC's response here. IREC has consolidated its responses here.

[16] AEU Opening Comments at 15.

[17] San Diego Gas & Electric Company, Opening Comments of San Diego Gas & Electric Company (U 902-E) on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations ("SDG&E Opening Comments"), at 11-12 (Oct. 20, 2025) ("Accordingly, SDG&E does not support modifications to Rule 21 that would give

customers somehow transfers the cost responsibility to the utility. IREC is unclear why that would necessarily be the case.[18]

Interconnection fees and costs pose a major challenge for distributed energy resources and project feasibility and the data that has been reported to date does not suggest that the fees charged are resulting in under-collection. These overcompensation concerns also arise in the context of SCE and PG&E plainly failing to meet interconnection timelines established by the Commission.[19] As the OIR indicates, delays and potential overpayment are just two of many Rule 21-related challenges faced by applicants that drive up interconnection costs.

Reducing those costs by consciously designing reasonable fee structures and procedures must be the focus of any cost review initiated by this proceeding. As noted by Tesla's opening comments, meaningful fee review would also involve not just comparing fees and processing costs, but asking whether utilities are efficiently and prudently processing applications to minimize costs along the way.[20] At the least, the Commission should certainly reject the suggestion that fee restructuring be confined to the advice letter process, as that is a process that plainly only results in changes when the utilities desire it and thus is almost certainly biased

---

developers considering the interconnection of new generation, more cost certainty prior to submitting interconnection applications"); *id*. at 11 (discussing need for fee structure revisions); SCE Opening Comments at 34 (discussing flat fees).

[18] SDG&E Opening Comments at 11.

[19] *See* IREC Opening Comments at 3-6.

[20] Tesla, Tesla, Inc.'s Opening Comments on the Scope, Schedule, and Prioritization of Issues for Rulemaking 25-08-004 Addressing Updates to Distribution Level Interconnection Rules and Regulations, at 12-13 (Oct. 20, 2025) (stating that "the question should not only be a positive evaluation of what the costs are or have been, but also normative, exploring what they should be given the various ways in which application review might be streamlined. In other words, benchmarking application and other Rule 21 fees to actual costs incurred to date should not be the end of the story if there are unexploited opportunities to improve utility processes to bring these costs down").

toward overcollection.[21] Along similar lines, the Commission should take up CALSSA's recommendation to require utility retroactive audit of deviation from the Unit Cost Guide.[22]

The Public Advocates Office also raises a variety of affordability proposals and concerns in opening comments.[23] IREC appreciates the importance of minimizing unreasonable costs borne by ratepayers. Significant cost-shifting could result in higher rates, and IREC agrees that the Commission and commenting parties should be mindful of any potential rate impacts of Rule 21 reforms. IREC does not, however, recommend that the Commission attempt to shoehorn rate-impact concerns into every element of this proceeding. If parties raise identifiable rate impact concerns with the Rule 21 process or any reform proposals in this rulemaking, the Commission should provide them due consideration. But parties should raise those issues in specific contexts, rather than the Commission imposing a cost-causation layer on top of the entire rulemaking.

6. <u>Net Energy Metering- and Net Billing Tarriff-Related Updates to Rule 21</u>

IREC has no comments on this topic at this time.

7. <u>Communications and Interoperability of DERs</u>

a. If requirements or needs for DER bidirectional communications with IOUs' systems were to change, what changes would need to be made to Rule 21 communications' requirements?

SCE identifies several topics relating to bidirectional communications that it recommends the Commission include in the scope.[24] IREC supports inclusion of these topics. In particular, IREC agrees that it is important for the Commission to begin addressing how bidirectional

---

[21] SDG&E Opening Comments at 11.

[22] CALSSA Opening Comments at 32. IREC also supports CALSSA's recommendation to scope streamlining non-export system processes. *Id*. at 3-10.

[23] Public Advocates Opening Comments at 3-6.

[24] SCE Opening Comments at 29-30.

communication systems can manage export from power control systems, such as for dynamically communicated Flexible Interconnection solutions addressed by the Smart Inverter Operationalization Working Group. This is a gap that needs to be addressed, and the Commission may be able to look to the work of the UL 3141 working group for guidance on the topic.

> b. What are the cost implications of interoperability of distribution-connected generation, including smart inverters, power control systems. Distributed Energy Resource Management Systems (DERMS), and other communication and control technologies? How might interoperability be achieved cost effectively?

> c. What are ways to reduce the costs associated with DERMS that get socialized among ratepayers? What are the estimated DERMS costs associated with DER communications and interoperability, and what are potential alternative sources of funding for these costs?

IREC agrees with AEU's assessment that broad questions around DERMS are not central to the purpose of this proceeding.[25] The Commission is weighing interoperability issues in the High DER proceeding, which is the proper venue for exploring detailed frameworks, cost allocation, and implementation mechanics. Expanding this OIR to cover that same ground would divert attention from the core Rule 21 reforms that directly affect interconnection efficiency. However, if the Commission nonetheless decides to scope DERMS here, it should recognize—as AEU correctly notes—that DERMS are only one of several potential tools to achieve interoperability and grid coordination. They should be evaluated alongside other lower-cost or distributed solutions, not presumed to be the default approach.

Additionally, if the Commission scopes the issues raised by SCE in response to this question, IREC would benefit from additional clarification on what exactly the Commission is

[25] AEU Opening Comments at 20-21.

scoping for consideration with this question.[26] Specifically, the Commission should explain whether it is scoping how interoperability can be achieved cost-effectively—in other words, the lowest-cost means of achieving interoperability—or examining the general cost categories associated with interoperability.

8. Utilities' WDAT Processes and Relationship to Rule 21

SDG&E's comments on this topic are deeply troubling and, if followed, would undermine the CPUC's independent regulatory authority over state-jurisdictional processes.[27] SDG&E implies that changes made to the WDAT should necessarily "require" the CPUC to make parallel changes to Rule 21 and that is utterly incorrect. SDG&E *proposed* radical changes to its WDAT procedures by eliminating the independent study process altogether.[28] SDG&E fails to mention that its changes have been challenged and that FERC has yet to approve them.[29] SDG&E's WDAT changes, if approved, will deeply hinder DER development in its territory and its approach appears to be designed to harm the ability of CCAs to procure capacity in its territory. The Commission is not required to, nor should it, take SDG&E's lead here for Rule 21.

Ironically, SDG&E also cherry-picks the parts of the unapproved WDAT that it believes "require" changes to Rule 21. SDG&E fails, for example, to mention FERC's elimination of the reasonable efforts standard and adoption of penalties for non-compliance with stated timelines.[30]

---

[26] SCE Opening Comments at 30-31.

[27] SDG&E Opening Comments at 14-15.

[28] FERC, Dkt. ER10-1391-003 ("SDG&E WDAT Docket"), 20240828-5101, Re-Submittal of Order No. 2023 Compliance Filing of San Diego Gas & Electric Company, Amendments to Wholesale Distribution Access Tariff Volume No. 6, at 6 (Aug. 28, 2024).

[29] *See* SDG&E WDAT Docket, 20240918-5092, Protest of California Energy Storage Alliance (Sept. 18, 2024); SDG&E WDAT Docket, 20240918-5157, Protest of Clean Energy Alliance and San Diego Community Power (Sept. 18, 2024).

[30] *See, supra,* footnote 3.

While IREC is not opposed to considering changes to Rule 21 to align with WDAT, the assumption that the Commission is required to follow or give deference to FERC when evaluating the state jurisdictional interconnection procedures is just false and could substantially damage California's ability to achieve its clean energy goals.

B. Additional Issues for Scoping

1. Consideration of the Use of Limited Generation Profiles as Mitigation

PG&E proposed consideration of "how customers can leverage limited generation profiles (LGP) as mitigation options post-study, as well as use communication-based controls to align generation with the needed mitigation."[31] IREC strongly supports scoping in this topic.

2. Charging Limits and Load Studies

CESA proposed including an additional topic to evaluate whether the imposition of charging limits on grid-charging energy storage projects by the utilities are reasonable and appropriate.[32] It is unclear to IREC if similar charging limits have been, or could be, imposed by the utilities for Rule 21 projects. If so, IREC urges the Commission to include this topic in the scope of this proceeding to ensure that the limitations are technically valid and transparent, and that alternate approaches that are less impactful on the beneficial use of energy storage have been adequately evaluated.

CALSSA also proposed including a topic that would seek to define the load study process for the interconnection of energy storage systems.[33] IREC supports taking this topic up and providing sufficient definition on the process the utilities should follow for initiating and

[31] PG&E Opening Comments at 4.

[32] California Energy Storage Alliance, Comments of the California Energy Storage Alliance on the Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulations, at 20-22 (Oct. 20, 2025).

[33] CALSSA Opening Comments at 18.

completing load studies concurrently with interconnection studies. This topic may require also required coordination between other tariffs beyond Rule 21.

3. Cybersecurity in the Interconnection Process

SCE proposes that the Commission scope consideration of "a thoughtful discussion about DER cybersecurity."[34] IREC agrees that cybersecurity is an important topic that should be considered by the Commission in this proceeding.

4. Continue evaluation of the Direct Transfer Trip Requirements

Foundation Wind proposes that the Commission include consideration of unintentional islanding risk mitigation, including whether Direct Transfer Trip should continue to be required.[35] IREC agrees that the Commission should continue the work of the Unintentional Islanding Working Group and begin exploring adoption of improved ways of addressing perceived unintentional islanding risks. IREC recently published new research that demonstrates that there is insufficient evidence to support requiring Direct Transfer Trip to mitigate the risk of formation of unintentional islands for inverter based-DERs.[36] IREC supports scoping this topic in this proceeding.

5. Use of the Fault Location, Isolation, and System Restoration Scheme

CALSSA's comments identify a disturbing new practice in PG&E's territory of requiring extremely expensive upgrades as a result of PG&E's implementation of a Fault Location,

[34] SCE Opening Comments at 33-34.

[35] Foundation Windpower, Foundation Windpower, LLC Opening Comments on Order Instituting Rulemaking to Update Distribution Level Interconnection Rules and Regulation, at 3-4 (Oct. 20, 2025).

[36] Reigh Walling, et. al., *Deconstructing Direct Transfer Trip: A Comprehensive Assessment of DER Islanding Risks, Safety Concerns, and Mitigations*, Interstate Renewable Energy Council (July 2025), available at https://irecusa.org/wp-content/uploads/2025/07/DTT-Paper-Final.pdf.

Isolation, and System Restoration Scheme (FLISR).[37] To IREC's knowledge there has been limited discussion of automatic switching in the context of FLISR and, considering the costs quoted by CALSSA, it is important that the Commission examine whether this practice is necessary and/or whether there may be better, lower-cost methods of addressing the underlying technical issue.

6. Streamlining the review of non-export systems

IREC supports the comments of CALSSA and PG&E that have identified the need to streamline the review of non-exporting systems.[38]

II. Conclusion

IREC thanks the Commission for consideration of these comments.

DATED: November 10, 2025 SHUTE, MIHALY & WEINBERGER LLP

By: *\/s/ Sky Stanfield*

Sky Stanfield
Josh Kirmsse
396 Hayes Street
San Francisco, California 94102
(415) 552-7272
stanfield@smwlaw.com
jkirmsse@smwlaw.com

Attorneys for Interstate Renewable Energy Council, Inc.

[37] CALSSA Opening Comments at 22-23.

[38] PG&E Opening Comments at 3; CALSSA Opening Comments at 6.