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R2211013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost-Effectiveness Issues, Data Access and Use, and Equipment Performance Standards.

Rulemaking 22-11-013

AMENDED ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules). This scoping memo adds a separate track to this proceeding to examine guiding principles for the Avoided Cost Calculator.

1. Procedural Background

The purpose of this Order Instituting Rulemaking (OIR) is to achieve consistency of cost effectiveness assessments, improve data access and use, and consider equipment performance standards for distributed energy resource (DER) customer programs. The prehearing conference for this proceeding was held on March 29, 2023, at that time the Commission adopted a schedule for the then two phases of this proceeding.

Phase One focuses on issues related to cost-effectiveness of customer DER programs, including updating the Avoided Cost Calculator (ACC), and policies on improving data usage and access to help customers make informed decisions about adoption, evaluation, and utilization of DERs. There are two tracks in

Phase One. Track One examines how to make cost-effectiveness assessments more accurate and consistent across DER programs. Track Two examines the rules and requirements to improve data access to facilitate adoption, evaluation, and utilization of DERs by customers and other entities and to improve DER integration with the grid. Phase Two focuses on developing equipment performance standards. The issues and schedules for Phase Two of the proceeding will be determined after the conclusion of Phase One.

ACC guiding principles were originally included in Phase One Track One activities. However, due to insufficient time for considering guiding principles in the recent Commission Decision (D.) 25-12-035, a new Track Three of this proceeding to examine guiding principles is required. Guiding principles are linked to two questions in the original May 31, 2023, scoping ruling:

1. Should the Commission adopt guiding principles for the ACC, including principles that ensure alignment with R.20-05-003 (Integrated Resource Planning OIR) and other DER-related proceedings?
2. How should equity issues be considered in evaluating DER cost effectiveness?

I have determined the issues and schedule of the proceeding to be set forth in this scoping memo. I have also determined that there may be environmental and social justice issues related to developing guiding principles.

2. Issues

The issues to be determined or otherwise considered in a third Track are the following:

1. Whether the Commission should adopt guiding principles that ensure alignment with other Commission proceedings as well as the manner in which equity issues should be considered when evaluating DER cost effectiveness.

2. How should the Commission identify and define guiding principles for the ACC? Should accuracy, transparency and consistency be included as guiding principles? If so, how should these terms be defined and applied? If not, what should the principles be? If so, is this sufficient or should there be other principles included?

The issues in Tracks One and Two remain the same and are ongoing, except for the issue of determining guiding principles in Track One which is moved to a new Track Three.

3. Need for Evidentiary Hearing

There are no issues of material disputed fact for Track Three. Accordingly, no evidentiary hearing is needed.

4. Schedule

The following schedule for Track Three is adopted here and may be modified by the Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the rulemaking:

Event	Date
Ruling Seeking Additional Party Feedback on guiding principles and equity considerations, if needed	April 2026
Party Comments	May 2026
Party Reply Comments	May 2026
Proposed Decision for Track Three	August 2026

Track Three of the proceeding will stand submitted upon the filing of reply comments, unless the ALJ requires further information.

5. Category of Proceeding and Ex Parte Restrictions

The Commission previously determined that Track One of this proceeding is categorized as ratesetting. Track Two of this proceeding is categorized as quasi-legislative and focuses on data access issues.¹ Because exploring guiding principles requires more policy-based determinations, the category of the new Track Three of this proceeding is hereby categorized as quasi-legislative. Accordingly, ex parte communications are permitted without restriction or reporting requirement pursuant to Article 8 of the Rules. No changes to the category have been made to Tracks One and Two.

6. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the “Add Public Comment” button on the “Public Comment” tab of the online docket card for the proceeding.

7. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> or contact the Commission’s Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

8. Filing, Service, and Service List

The official service list has been created and is on the Commission’s website. Parties should confirm that their information on the service list is

¹ Assigned Commissioner’s Scoping Memo and Ruling, May 31, 2023.

correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.²

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Although Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents, no paper copies are required for the assigned ALJs.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other

² The form to request additions and changes to the Service list may be found at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

9. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add “@cpuc.ca.gov” to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

10. Assignment of Proceeding

Darcie L. Houck is the assigned commissioner, and Hazlyn Fortune and Jack Chang are the assigned ALJs for the proceeding.

IT IS RULED that:

1. The scope of Track Three of this proceeding is described above and is adopted.
2. The schedule of Track Three of this proceeding is set forth above and is adopted.
3. The category of Track Three of this proceeding is quasi-legislative.
4. Evidentiary hearing is not needed for Track Three of this proceeding.

Dated March 4, 2026, at San Francisco, California.

/s/ DARCIE L. HOUCK

Darcie L. Houck
Assigned Commissioner