

Decision 24-12-034 December 19, 2024

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider Streamlining Interconnection of Distributed Energy Resources and Improvements to Rule 21.

Rulemaking 17-07-007

DECISION CLOSING PROCEEDING

Summary

This decision closes Rulemaking 17-07-007.

1. Background and Discussion

Rulemaking (R.) 17-07-007 was opened on July 21, 2017, to consider refinements to the interconnection of distributed energy resources under Electric Rule 21. Phase I produced Decisions (D.) 19.-03-013, 20-09-035, and 21-06-002, which adopted various changes to the interconnection rules pertaining to investor-owned utilities. Additionally, D.22-04-003 exempted small multi-jurisdictional utilities from compliance with Rule 21 requirements adopted earlier in the proceeding. On May 12, 2021, a Second Amended Scoping Memo and Ruling for Phase II of the proceeding was issued establishing the scope for Phase II (Second Scoping Memo). The Second Scoping Memo established 12 issues for Phase II, focusing on costs and cost responsibility for distribution upgrades, as well as interconnection process improvements. The Second Scoping Memo also established an initial schedule for Phase II. Workshops were held on

March 24 and April 13, 2022. On August 17, 2022, an ALJ ruling was issued suspending the proceeding, to allow for the processing of outstanding advice letters necessary for the parties to develop opening testimony. On May 9, 2024, the awaited advice letters approving pilots to test the potential for distributed energy resource operational alternatives to remedy operational flexibility constraints was approved by the Commission.¹

Public Utilities Code Section 1701.5 directs the Commission to resolve proceedings within 18 months of the date the proceeding is initiated. This proceeding, having now been open since 2017 and suspended since 2022, has seen some scoped issues be taken up in other proceedings.² We intend to open a new proceeding that focuses on issues affecting interconnection of distributed energy resources under Electric Rule 21. There is a high likelihood that other issues not in scope should now be considered in a new proceeding. We therefore close this proceeding, and any outstanding motions are denied. However, any parties who commented on the July 13, 2021 Phase II Assigned Commissioner's Third Amended Scoping Memo, participated in specific workshops related to Phase II issues,³ or participated in Limited General Profiles Workshops from October 2022 to April 2023 may carry over the hours they incurred to the new rulemaking and make a single claim for intervenor compensation in that proceeding. Parties claiming intervenor compensation in the new rulemaking for

¹ *Resolution (Res.) E-5260, May 9, 2024.*

² *See R.21-06-017, Order Instituting Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future.*

³ *These workshops include the March 30, 2021 "Interconnection Portals Workshop", November 17, 2021 "Rule 21 Workshop on Working Group 4 OP #7 and #8", March 24, 2022 "Phase II Kickoff Workshop", April 13, 2022 "Distribution Upgrade Costs: Stakeholder Workshop", and June 3, 2022 "Distribution Upgrade Cost Sharing Stakeholder Discussion."*

hours incurred on the Phase 3 issues shall reference this decision and R.17-07-007 in their claim.

2. Comments on Proposed Decision

The proposed decision of in this matter was mailed to the parties on November 15, 2024 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 by Small Business Utility Advocates and The Utility Reform Network, asking that intervenors be allowed to seek recovery for any time spent participating on Phase II in this proceeding in a future interconnection proceeding. Changes have been made to this decision to allow for future compensation of such costs.

3. Assignment of Proceeding

President Alice Reynolds is the assigned Commissioner, and Kelly Hymes and Garrett Toy are the assigned Administrative Law Judges and Presiding Officers in this proceeding.

Findings of Fact

1. This proceeding has been open for over seven years.
2. Issues within the scope of this proceeding have been taken up in subsequent Commission proceedings.

Conclusions of Law

1. R.17-07-007 should be closed for purposes of compliance with Pub. Util. Code Section 1701.5.
2. The proceeding record should be closed.
3. Any outstanding motions should be denied.
4. Intervenors should be allowed to carry over the hours incurred commenting on Phase II issues to the new rulemaking.

O R D E R

IT IS ORDERED that:

1. All outstanding motions are denied.
2. Intervenors may carry over to the successor docket the hours incurred commenting commented on the July 13, 2021 Phase II Assigned Commissioner's Third Amended Scoping Memo, participated in specific workshops related to Phase II issues, or participated in Limited General Profiles Workshops from October 2022 to April 2023 (together Phase II issues) and make a single claim for intervenor compensation in that proceeding. Parties claiming intervenor compensation in the new rulemaking for hours incurred on the Phase II issues shall reference this decision and R.17-07-007 in their claim.
3. Rulemaking 17-07-007 is closed.

This order is effective today.

Dated December 19, 2024, at San Francisco, California.

ALICE REYNOLDS
President
DARCIE L. HOUCK
JOHN REYNOLDS
KAREN DOUGLAS
Commissioners

Commissioner Matthew Baker recused himself from this agenda item and was not part of the quorum in its consideration.