Decision 26-01-026 January 15, 2026

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Advance Demand Flexibility Through Electric Rates.	Rulemaking 22-07-005

ORDER DENYING REHEARING OF DECISION 25-08-049

I. INTRODUCTION

The Commission issued Decision (D.) 25-08-049 (Decision) on August 29, 2025, in Rulemaking (R.) 22-07-005. The Decision adopts guidelines for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) to design demand flexibility (DF) rates and comply with the California Energy Commission's (CEC's) Load Management Standards (LMS). Specifically, it adopts guidance for how various cost components should be incorporated into electric demand flexibility rate proposals to provide accurate price signals that promote economically efficient load shifting and support grid reliability.

SDG&E timely filed an application for rehearing of the Decision on September 29, 2025 (App. Rehg.). SDG&E alleges the following legal error in the Decision: (1) the Decision adopted a rate design without finding that the rate design is just and reasonable pursuant to Public Utilities Code section 451;[1] (2) the adopted rate design is unsupported by findings of fact and conclusions of law in violation of section 1705; (3) Track B of the rulemaking was procedurally insufficient in violation of SDG&E's due process rights; and (4) the Decision prejudices SDG&E in its future implementation of a demand flexibility rate in violation of SDG&E's due process rights.

[1] All subsequent section references are to the Public Utilities Code, unless otherwise specified.

Center for Accessible Technology (CforAT), Small Business Utility Advocates (SBUA), and PG&E each filed a response to SDG&E's application for rehearing. CforAT was agnostic about the merits of SDG&E's application but agreed that reopening of the proceeding was warranted, while SBUA and PG&E agreed with some of SDG&E's application's arguments.

The Commission has carefully reviewed and considered each claim of legal error and finds no basis for rehearing. Rehearing is therefore denied.

II. BACKGROUND

On July 22, 2022, the Commission approved an Order Instituting Rulemaking to initiate Rulemaking (R.) 22-07-005 (OIR) to institute policies and rates that promote electric demand flexibility (DF), meaning the ability for customers to change their electric consumption patterns on an hourly, sub-hourly, or real-time basis.

On October 12, 2022, the CEC amended its Load Management Standards, codified in California Code of Regulations, title 20, sections 1621-25 (CEC LMS). Section 1623 specifies regulations for LMS tariffs. Section 1623(a)(1) requires that

> total marginal cost shall be calculated as the sum of the marginal energy cost, the marginal capacity cost (generation, transmission, and distribution) and any other appropriate time and location dependent marginal costs, including the locational marginal cost of associated [greenhouse gas] emissions, on a time interval of no more than one hour.

Section 1623(a)(1) also specifies that marginal cost-based rates shall (1) reflect locational marginal cost pricing as determined by the associated balancing authority and marginal capacity cost computations; and (2) account for variations in the probability and value of system reliability of each component (generation, transmission, and distribution).

Section 1623(a)(2) requires that within 21 months of April 1, 2023, each large investor-owned utility (IOU)—PG&E, SCE, and SDG&E—shall apply to the Commission, for approval of at least one marginal cost-based rate, in accordance with section 1623(a)(1), for each customer class.

On November 2, 2022, the assigned Commissioner issued the *Assigned Commissioner's Phase 1 Scoping Memo and Ruling* (Scoping Memo). The Scoping Memo established Phase 1 of the proceeding with two concurrent tracks:

- Track A, to establish an income-graduated fixed charge for residential rates for all investor-owned electric utilities in accordance with Assembly Bill 205 (Stats. 2022, ch. 61), including small and multi-jurisdictional electric utilities,[2] and
- Track B, to streamline and facilitate adoption of DF rates for large California IOUs, including PG&E, SCE, and SDG&E.

Track B was scoped to revise current rate design principles for all electric rates and develop new principles, guidance, and a common vision and framework for the design of DF rates moving forward.

The Track B issues included:

- What guidance the Commission should adopt for DF design, including how the DF rates should be designed to comply with the CEC's amendments to the LMS (Issue 3);
- How the Commission should ensure, such as through systems and processes, access to dynamic electricity prices by customers, devices, distributed energy resources, and third-party service providers (Issue 4); and
- How the Commission should support the implementation of the amendments to the Load Management Standards (Issue 5).

(Scoping Memo, pp. 4-6.)

To address Track B, Scoping Issues 3 and 4, the Scoping Memo directed the Commission's Energy Division staff (Staff) to create and facilitate two working groups, Working Group 1 and Working Group 2, respectively. Working Group 1 was to

[2] On May 15, 2024, the Commission issued D.24-05-028, on Track A issues, authorizing all IOUs to change the structure of residential customer bills by shifting the recovery of a portion of fixed costs from volumetric rates to a separate, fixed amount on bills without changing the total costs that utilities may recover from customers, resulting in the reduction in the volumetric price of electricity (in cents per kilowatt hour) for all residential customers of IOUs.

address Issue 3, focusing on developing guidance for the large IOUs to file DF rate design applications necessary to comply with the Load Management Standards, aligned with the principles adopted in the proceeding. The Scoping Memo set numerous events for the Track B procedural schedule, including:

- A workshop on electric rate design and DF rate design principles,
- Comments and Reply Comments on the Scoping Memo,
- Working Group 1 and 2 proposals and reports filed by SCE,
- A workshop on Working Group proposals, and
- Comments and reply comments on Working Group 1 and 2 proposals.

(Scoping Memo, p. 9.)

The Scoping Memo also set forth requirements for the working group reports. (Scoping Memo, p. 7.) SDG&E did not object to the Track B schedule, milestones, or working group reporting in response to the Scoping Memo.

On October 11, 2023, SCE filed a report with Track B Working Group 1 and Working Group 2 proposals (Working Group Report) on behalf of both working groups. DF rate design proposals from Staff; PG&E, SCE, and SDG&E; and Microgrid Resources Coalition were submitted and discussed at subsequent Working Group 1 meetings. Working Group 1 participants had the opportunity to comment on these proposals. In Section 3 of the Working Group Report, SCE compiled Working Group 1 DF rate design proposals and participant comments. Parties filed opening comments on the Working Group Report by November 13, 2023, and replies by December 22, 2023.

On April 24, 2024, the assigned ALJ issued *Administrative Law Judge's Ruling on Track B Working Group 1 Proposals and Issue 5* that requested party comment on issues related to updating of marginal electric generation capacity costs (MGCC) and marginal electric distribution capacity costs (MDCC), and complying with the CEC's LMS requirements. Parties filed opening and reply comments.

On August 29, 2025, the Commission issued the Decision. The Commission concluded it was reasonable to (a) direct SDG&E to file a consolidated application for DF rate proposals to comply with the Decision's guidance for all customer classes, (b) direct PG&E to serve supplemental testimony in A.24-09-014[3] to comply with the Decision's guidance for DF rate proposals within 60 days of the issuance of the Decision, and (c) direct SCE to serve supplemental testimony in A.24-12-008[4] to comply with the Decision's guidance for DF rate proposals within 60 days of the issuance of the Decision. Among other requirements, the Commission found it reasonable to require the large IOUs to include an hourly transmission capacity price component in DF rate proposals.

On September 26, 2025, the Executive Director granted SDG&E an extension of time to submit its demand flexible rates application, to February 1, 2026.

III. DISCUSSION

A. SDG&E fails to apply the appropriate standard of review for the Decision's factual findings.

SDG&E cites to section 1757(a) to support its claims that the Decision must be supported by "substantial evidence." (See, e.g., App. Rehg., pp. 7-8.) Where, as here, the matter does not specifically involve "a complaint or enforcement proceeding, or…a ratemaking or licensing decision of specific application that is addressed to the parties" (see § 1757), but rather involves a rulemaking proceeding, the standard of review set forth in section 1757.1 applies. (*Cal. Community Choice Assn. v. Public Utilities Com.* (2024) 103 Cal.App.5th 845, 855 (*CCCA*).) Under this standard, there is no legal error as long as the decision is not arbitrary, capricious, or entirely lacking in evidentiary support. (*Ibid.*; *Securus Technologies, LLC v. Public Utilities Com.* (2023) 88 Cal.App.5th 787, 803; see also § 1757.1(a).)

---

[3] On September 30, 2024, PG&E filed its 2025 General Rate Case Phase 2, A.24-09-014, to seek approval of proposed electric marginal costs, revenue allocation, and rate design.

[4] On December 20, 2024, SCE filed A.24-12-008 to seek Commission approval of marginal cost-based demand flexibility rates to comply with requirements from the CEC LMS and D.22-10-022.

B. SDG&E fails to establish that the Decision violates section 451.

1. The Decision did not adopt a rate design, and therefore, section 451 does not apply.

SDG&E alleges that the Decision errs because it adopts a DF rate design without a finding that the required rate design is just and reasonable pursuant to section 451. (App. Rehg., p. 2.) This allegation lacks merit.

Section 451 requires all charges demanded or received by any public utility for any commodity, product, or service to be just and reasonable. The Commission's authority to enforce the "just and reasonable" standard with respect to public utilities derives from the Commission's constitutional power to fix the rates of public utilities. (Cal. Const. art. XII, § 6; Pub. Util. Code § 451; *Monterey Peninsula Water Management Dist. v. Public Utilities Com.* (2016) 62 Cal.4th 693, 696; D.16-06-053, p. 17.)

Contrary to SDG&E's claims, the Decision does not adopt or resolve a rate design or approve or adopt any rates. Rather, the Decision adopts **guidance** for designing rates in subsequent applications or supplements to existing applications. Specifically, the Decision "adopts **guidelines** for [the large IOUs] to design demand flexibility rates and comply with the California Energy Commission's Load Management Standards[;]" "adopts **guidance** for how various cost components should be incorporated into demand flexibility rate proposals to provide accurate price signals that promote economically efficient load shifting and support grid reliability" and "for the design of customer options that promote load shifting in response to electricity pricing while minimizing bill impacts." (Decision, p. 3 (emphasis added).)

By definition, "guidance" or "guideline" for rate proposals is not a final determination or approval of a rate. Webster's Dictionary defines "guidance" as "direction" or the "act of guiding," i.e., "point[ing] out the way for; direct[ing] on a course;…lead[ing]," and defines "guideline" as "a standard or principle by which to make a judgment or determine a policy or course of action." (Webster's New World College Dictionary (5th ed.).) Similarly, the Decision provides direction or standards or principles, which the large IOUs should incorporate in their demand flexible rate design

application proposals, but does not resolve what the demand flexibility rates for any particular IOU will be. Rather, the specific demand flexibility rates will be resolved in each of the large IOUs' application proceedings. (Decision, p. 146, Ordering Paragraphs 1-3.) Given that the Decision does not approve any rate or rate design, the Decision does not modify the rates that SDG&E may charge customers and section 451 does not apply.

SDG&E is also mistaken in its claim that "the Decision is so prescriptive in its Conclusions of Law as to what the Large IOUs *must* propose, that it has effectively adopted a rate design." (App. Rehg., p. 13.) The Commission has not yet decided what rates it will approve in the large IOUs' respective DF rate design application proceedings. Conclusions of law directing the IOUs to include certain elements in their rate design proposals do not equate to the approval of such designs. SDG&E and the other large IOUs will have full due process and opportunity to present and litigate their proposals for a DF rate design in their respective application proceedings.

2. SDG&E fails to prove legal error in the lack of cost studies.

SDG&E alleges that the Decision "fails to make any findings that the adopted rate design is just and reasonable" and "[e]ven if it did, the Decision's failure to consider any costs associated with the adopted rate design, precludes a lawful finding that the adopted design is just and reasonable." (App. Rehg., p. 15.) SDG&E more specifically claims that it is legal error for the Commission to conclude that it is reasonable for SDG&E to design a rate with an hourly transmission component for an application and implementation in the near term and that SDG&E does not have the data to design such a component. (App. Rehg., p. 19.)

Again, SDG&E's claims fail because no rate design was adopted in the Decision. The Decision found it reasonable for the large IOUs to include an hourly transmission capacity price component in their DF rate proposals in their application proceedings, since the CEC Load Management Standards require large IOUs to submit marginal cost-based rates to the Commission for approval that include marginal generation, distribution, and transmission rates that vary on a time interval of no longer

than one hour. (Decision, p. 66, citing Cal. Code. Regs., tit. 20, § 1623(a).) The Commission will consider whether to adopt the DF rate proposals in the application proceedings. Moreover, the Decision acknowledges parties' concerns about the need for further cost studies and encourages the parties to meet and confer on a design for hourly transmission costs. (Decision, pp. 66-67.) These cost studies are intended to inform the large IOUs' DF rate proposals and the Commission will consider any cost studies submitted by the parties in the rate application proceedings. (See, e.g., Decision, pp. 66-67.)

C. The Decision does not delegate ratemaking authority from the Commission to the CEC.

SDG&E alleges the Decision improperly uses the CEC's LMS requirements as justification for the Decision and its holdings (App. Rehg., p. 8), and that "The Commission cannot, however, abdicate its ratemaking authority under the California Constitution and under Section 451 of the Public Utilities Code to the California Energy Commission." (App. Rehg., p. 9.)

As discussed above, the Decision does not resolve what DF rate design the Commission will adopt and instead provides guidance and guidelines for the IOUs to follow in designing demand flexible rates. And the Decision's reference to the CEC's LMS requirements as justification for the guidance it provides, does not equate to delegating ratemaking authority to the CEC. Nowhere does the Decision relinquish the Commission's constitutional authority to fix rates.[5] Rather, the Commission will determine what rate design to adopt in each IOU's application proceeding.

Moreover, the Commission is not barred from considering LMS requirements in setting guidelines for demand flexibility rate proposals that the

[5] Nor do the CEC's regulations provide that the CEC has ratemaking authority, and instead explicitly establish the opposite. The CEC LMS regulations state: "Within twenty-one (21) months of April 1, 2023 [January 1, 2025], each Large IOU shall apply to its rate-approving body for approval of at least one marginal cost-based rate, in accordance with 1623(a)(1), for each customer class." (Cal. Code Regs., tit. 20, § 1623(a).)

Commission has authority to approve in designing retail rate designs. (See *Greenlining Inst. v. Public Utilities Com.* (2002) 103 Cal.App.4th 1324, 1332–33 citing *Northern Cal. Power Agency v. Public Utilities Com.* (1971) 5 Cal.3d 370, 378–381 (*NCPA*) [federal courts' exclusive jurisdiction over federal antitrust laws not a bar to PUC's consideration of antitrust issues in determining whether proposed utility contracts were in the public interest].) The Commission has broad discretion on what evidence and requirements it will consider in carrying out its duties, and it is reasonable for the Commission to incorporate another agency's load management standards required of IOUs, that would impact retail rates under the Commission's authority. (See Pub. Util. Code § 701 [authorizing the Commission to "supervise and regulate every public utility in the State" and "do all things … which are necessary and convenient in the exercise of such power and jurisdiction"].)

D. SDG&E fails to establish the Decision violates section 1705.

SDG&E alleges the Decision violates section 1705 by failing to make necessary findings of fact in support of its order requiring SDG&E to submit a demand flexible rate design with an hourly transmission cost component. (App. Rehg., p. vi; see also App. Rehg., pp. 23-24.)

Under section 1705, a Commission decision "shall contain, separately stated, findings of fact and conclusions of law by the commission on all issues material to the order or decision." Courts have stated the standard requires "a statement which will allow [courts] a meaningful opportunity to ascertain the principles and facts relied upon by the Commission in reaching its decision." (*Toward Utility Rate Normalization v. Public Utilities Com.* (1978) 22 Cal.3d 529, 540.) Courts review the entirety of the Commission's decision to determine the adequacy of the findings. (*Ibid*.)

The Decision states:

> Pursuant to CCR [California Code of Regulations] Section 1623 (a), Large IOUs must submit marginal cost-based rates to the Commission for approval that include marginal generation, distribution, and transmission rates that vary on a time interval of no longer than one hour. Given this requirement, we agree with 350 Bay Area that the CEC Load Management Standard necessitates the development of hourly transmission capacity price components to be included as a component of DF Rate Proposals.[ ] Therefore, it is reasonable to require that the Large IOUs include an hourly transmission capacity price component in DF Rate Proposals.

(Decision, p. 66.)

Here, the Decision explains it is requiring the inclusion of hourly transmission capacity price components in the DF rate proposals given that large IOUs are required to do so pursuant to CEC regulation, California Code of Regulations, title 20, section 1623(a). Thus, section 1705 is satisfied. Moreover, requesting that DF proposals be compliant with the CEC LMS that the IOUs are required to comply with, is not arbitrary, capricious, or entirely lacking in evidentiary support.

This present case is distinguishable from *Cal. Manufacturers Assn. v. Public Utilities Com.* cited by SDG&E. (App. Rehg., p. 23, fn. 63 quoting *Cal. Manufacturers Assn. v. Public Utilities Com.* (1979) 24 Cal.3d 251, 258-260.) *California Manufacturers Association* involved the adoption of a rate design without any factual findings to support the adoption. In contrast, the Decision involves guidance requiring the large IOUs to present DF rate proposals that include hourly transmission cost components but does not adopt any rate or rate design. The very type of factual findings that will be evaluated to determine what rate proposal will be adopted, will happen in the subsequent application proceedings.

E. SDG&E fails to prove a denial of due process.

1. The Decision's application to large IOUs does not prejudice and deny SDG&E of due process.

SDG&E claims that the large IOUs are "the only parties that must design their DF rate proposals pursuant to the mandates of the Decision, regardless of whether

they disagree with those mandates and regardless of the costs of those mandates" while "intervenors are free to attack those proposals (on costs or otherwise) and put forth alternative proposals unbound by the Decision 'guidance.'" (App. Rehg., p. 20.) SDG&E claims this denies SDG&E of its ability to meaningfully participate in the Commission's application process, is a due process violation, and is legal error that the Commission must correct." (*Ibid.*)

SDG&E fails to establish violation of Rule 13.6(a)[6] that "the rights of parties to meaningfully participate in the proceeding and to public policy protections shall be preserved." Due process requires that parties be given notice and an opportunity to be heard. (*Drummey* v. *State Bd. of Funeral Directors* (1939) 13 Cal.2d 75, 80-81 ["If the statute provides for reasonable notice and a reasonable opportunity to be heard, that is all that is required."]; *People v. Western Air Lines* (1954) 42 Cal.2d 621, 632 ["Due process as to the commission's initial action is provided by the requirement of adequate notice to a party affected and an opportunity to be heard before a valid order can be made."].)

SDG&E does not articulate how the Decision deprives SDG&E of any rights granted to other parties in the subsequent application proceedings where the Commission will review IOUs' demand flexible rate proposals. Nothing barred SDG&E from participating in the present rulemaking and providing comments and input on proposal guidance; and nothing bars SDG&E from fully participating in its upcoming application proceeding to be filed by February 1, 2026, in which the Commission will approve or deny SDG&E's demand flexible rate proposal. Further, although SDG&E must present a DF rate proposal that complies with the Decision, nothing in the Decision precludes SDG&E from proposing alternative or additional rate design proposals in the February 1, 2026 application or other applications.

[6] Unless otherwise noted, all references to a Rule are to the Commission's Rules of Practice and Procedure.

2. SDG&E fails to prove violation of due process in Track B of the proceeding.

SDG&E also compares Track B of the proceeding to Track A of the proceeding and claims that Track B deprived SDG&E of due process because it was procedurally insufficient for purposes of the decision issued. (App. Rehg., pp. 21-22.) But SDG&E fails to articulate how the Commission's process in one track versus another, which served and answered distinct purposes and inquiries, prejudiced SDG&E or violated due process. As indicated in the Scoping Memo, Track A of Phase 1 of this proceeding addressed income-graduated fixed charges and California Alternate Rates for Energy (CARE) discounts that all IOUs, including small and multi-jurisdictional utilities, were required to implement under statute. In contrast, Track B of Phase 1 was focused on guidelines for what the large IOUs should include in their DF rate design proposals in separate applications, and no change in rate structure was adopted or approved.

Due process requires parties to "know the subject matter of a proceeding, to know what information this Commission will consider when it addresses those subjects, and to have an opportunity to present their views to us." (D.12-08-046, p. 28.) As long as notice by the Commission meets these broad requirements, the Commission "has been granted discretion to establish its own procedures for conducting proceedings" and "[n]ormally, questions about the conduct of our proceedings are resolved by referring to the requirements of any applicable statute and our Rules." (*Ibid.* citing Cal. Const., art. XII, § 2.)

The Commission has broad power to organize its own proceedings (see § 701), and "[s]ubject to statute and due process, [it] may establish its own procedures." (Cal. Const., art. XII, § 2.) Courts have repeatedly confirmed the breadth of this power. (See, e.g., *Sale v. Railroad Com.* (1940) 15 Cal.2d 612, 617-618 ["the commission has the right and duty to make its own investigations of fact, to initiate its own proceedings and in a large measure to control the scope and method of its inquiries"]; *San Pablo Bay Pipeline Co., LLC v. Public Utilities Com.* (2015) 243 Cal.App.4th 295, 313 ["[W]e interpret the Commission's constitutional authority to

'establish its own procedures' to mean the Commission is authorized to employ unwritten procedures on a case-by-case basis provided that those procedures do not contradict a statute and are consistent with the requirements of due process."].)

SDG&E fails to articulate how it was deprived of due process when it received notice of the issues to be considered and procedural events to occur in each Track in the Scoping Memo. SDG&E gave no objection to the schedule and structure of Track B in any subsequent comments to the Scoping Memo or in the proceeding generally. In addition, SDG&E had full opportunity to participate in the Track B events.

SDG&E contends that the Commission took a different procedural route to providing guidance on proposals and ultimately adopting just and reasonable rate designs in Track A as compared to Track B. SDG&E also alleges that the rate elements required in the Track A guidance were all statutory requirements; whereas in Track B, there are no such statutory requirements, but instead administrative regulations that specifically exempt the large IOUs from required implementation until the Commission approves cost-recovery for the associated rate tariffs. (App. Rehg., p. 22 citing Cal. Code Regs., tit. 20, § 1621(g).)

Again, SDG&E fails to prove legal error. SDG&E fails to identify any legal requirement for the Commission to provide the same procedures and guidance in Tracks A and B. No such requirement exists. The issues in the two tracks differ and the Commission reasonably provided different guidance and procedures to address the different issues. And just because the requirements in the guidance were not statutorily required does not preclude the Commission from adopting them absent a Constitutional or statutory bar. SDG&E identifies none.

Finally, SDG&E implies that Track A underwent a more robust process including written opening and reply testimony, as compared to Track B, that held a workshop and included no sworn written testimony. (App. Rehg., pp. 20-21.) SDG&E also fails to establish legal error here. As above, the fact that Track A and Track B had different legal processes does not establish legal error unless Track B's process was inadequate. And SDG&E fails to demonstrate that it was.

As detailed in the background section, above, parties had numerous opportunities during Track B to attend workshops and to submit comments, proposals, and reports. SDG&E admits that the workshops in Track B were "significantly more extensive" than the workshops held in Track A. (App. Rehg., p. 21.)

And although SDG&E now contends that Track B should have included testimony subject to cross-examination, during the entire proceeding, SDG&E could have made that request and failed to do so. SDG&E's failure to request an opportunity for written testimony may waive SDG&E's claim of lack of due process based on lack of written testimony. (Cf. *California Trucking Assn. v. Public Utilities Com.* (1977) 19 Cal.3d 240, 283 fn. 7 ["It is obvious, however, that the failure of parties to request a hearing or to seek review of the commission's refusal to grant that right waives any error in this regard…"].) In any event, there is no legal obligation for written testimony to be submitted in every Commission proceeding. (See § 701; Cal. Const., art. XII, § 2; *San Pablo Bay Pipeline Co., LLC*, *supra*, 243 Cal.App.4th at 313; *Sale v. Railroad Com.*, *supra*, 15 Cal.2d at 617-618.) The Commission has previously explained that evidentiary hearing is not required where there are no disputed issues of material fact to resolve. (D.04-05-033, pp. 10-13.) SDG&E fails to explain what disputed issues of material fact required written testimony and an evidentiary hearing in this case.

SDG&E fails to establish that it was denied due process. SDG&E received adequate notice and was able to participate in the underlying rulemaking proceeding via extensive workshops, meetings, submission of proposals in the Track B report, comments, and briefing. And most significantly, SDG&E will be able to go through full review of its DF rate design proposals in the subsequent application proceeding, of which it has adequate notice of the criteria to be reviewed.

IV. CONCLUSION

For the reasons explained herein, SDG&E has failed to show legal error in the Decision or otherwise failed to justify rehearing. As such, SDG&E's application for rehearing is denied.

Therefore, **IT IS ORDERED** that:

1. The application for rehearing of Decision 25-08-049 is denied.
2. Rulemaking 22-07-005 is closed.

This order is effective today.

Dated: January 15, 2026, at San Francisco, California.

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

Commissioner Matthew Baker recused himself and did not participate in the vote of this item.