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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

**Approval of Load Management
Standards Compliance Plans for
PG&E, SCE and SDG&E**

Docket No.: 23-LMS-01

ORDER

I. BACKGROUND

The Load Management Standards (“LMS”) regulations (Title 20, California Code of Regulations “CCR” section 1621, et seq.) define Pacific Gas & Electric Company (“PG&E”), Southern California Edison (“SCE”) and San Diego Gas & Electric (“SDG&E”) as, “Large Investor-Owned Utilities” (“Large IOUs”) and require them to submit plans for complying with the LMS regulations (“plans” or “compliance plans”) to the California Energy Commission (“CEC” or “Commission”) for its review and approval. (20 CCR section 1621(c)(8); 20 CCR section 1621(d)(1)).

PG&E’s, SCE’s, and SDG&E’s compliance plans must show how they will comply with 20 CCR sections 1621 and 1623 of the LMS regulations. Among other things, this requires that the plans show how PG&E, SCE, and SDG&E will develop marginal cost-based electricity rates or programs, apply to their rate approving body for approval and offer at least one such rate or program to their electricity customers.

In particular, the LMS regulations require that PG&E’s, SCE’s, and SDG&E’s compliance plans show how they will:

1. Upload and maintain their time-dependent electricity rates in the CEC’s Market Informed Demand Automation Server (“MIDAS”) database and assign Rate Identification Numbers (“RINs”) to customers so they can access electricity their rates in real time and manage their energy use to optimize electricity savings and align it with supply and the availability of renewable energy. (20 CCR section 1623(b)).
2. Jointly build with other load serving entities (LSEs) covered by the LMS regulations a RIN access tool so that customers and third parties can look up a customer’s RIN and, with customer consent, program their electrical devices to connect with the rates uploaded to MIDAS. (20 CCR section 1623(c)).

3. Provide customers with access to marginal cost-based electricity rates that vary at least hourly. Where these rates have not yet been approved by a Large IOU's rate-approving body, the Large IOU must provide programs for automating response to MIDAS signals indicating marginal cost-based rates, marginal prices, hourly or sub-hourly marginal greenhouse gas emissions or other Commission-approved marginal signals that enable automated end-use response. (20 CCR section 1623(d)).

4. Conduct public information programs to inform customers why marginal cost-based rates and automation are needed, how to use them and how they can save customers money. (20 CCR section 1623(d)(3)). Other benefits may include aligning electricity usage with available green energy resources, improving energy system equity and reducing use during periods of grid stress. (20 CCR section 1621(a)(3)).

SCE and SDG&E submitted compliance plans to the CEC on October 2, 2023. PG&E submitted its plan on October 3, 2023.

20 CCR section 1621(d)(2) establishes a process under which the Executive Director of the CEC ("Executive Director") "shall review the plans and either return them to the Large IOU for revision or submit them to the Commission for review and potential approval." The Commission approves IOU compliance that are consistent with the LMS regulations and show "a good faith effort to plan to meet program goals for the standards." (20 CCR section 1621(d)(2)).

The Executive Director conducted an initial review of the compliance plans submitted under the LMS regulations. The CEC staff reached out to the LSEs, including to PG&E, SCE, and SDG&E, collaborated with them, and provided technical assistance necessary for their plans to comply with the regulations' requirements. The CEC staff also published several documents providing technical compliance assistance which are available at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-LMS-01>.

In response, PG&E, SCE, and SDG&E submitted revised compliance plans to the CEC. PG&E submitted its revised plan on March 18, 2025, SCE submitted its on March 24, 2025, and SDG&E submitted its on April 1, 2025. A key element of the revised plans is the three IOUs' commitment to participate in the expanded California Flexible Unified Signal for Energy ("CalFUSE") pilots the California Public Utilities Commission authorized in Decision D. 24-01-032. These pilots utilize marginal cost-based electricity rates.

The Executive Director has reviewed these revised plans and now submits them to the Commission for review and potential approval. (20 CCR section 1621(d)(1)).

The RIN Tool Requirement

As required by 20 CCR section 1623(c), PG&E, SCE, and SDG&E, are working with the other load serving entities subject to the LMS regulations in an open public process to develop the single statewide standard tool (Rate Identification Number, "RIN", tool)

which will allow authorized third parties access to customer electricity rate information. 20 CCR section 1623(c)(2)(A) requires the RIN tool plan to be submitted by October 1, 2024, but 20 CCR section 1623(c)(2)(B) authorizes the Executive Director to extend this deadline for good cause. As discussed below, the Executive Director finds that good cause exists for extending this deadline to May 8, 2026.

A workshop on the RIN tool was held on January 17, 2024. A draft plan for the RIN tool was submitted on October 1, 2024, and on November 15, 2024, the CEC staff published a notice requesting public comment on it.

Developing the RIN tool is a complex matter. It involves highly technical issues, implicates sensitive customer information, and is of interest to many stakeholders and members of the public. Based on the comments received, staff's analysis of them and the draft RIN tool plan itself, additional time, public input and analysis are required before the RIN tool plan can be finalized. Accordingly, pursuant to 20 CCR section 1623(c)(2)(B), the Executive Director finds that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026.

II. THE EXECUTIVE DIRECTOR'S REVIEW, FINDING OF GOOD CAUSE AND RECOMMENDATION

As noted above, 20 CCR section 1621(d)(1) provides that Large IOUs "shall submit a plan to comply with Sections 1621 and 1623 of this article." 20 CCR section 1621(d)(2) then requires the CEC "Executive Director to review the plans and either return them to the IOU for revision or submit them to the Commission for review and potential approval." 20 CCR section 1621(d)(2) provides further that "[t]he Commission shall approve submittals which are consistent with these regulations, and which show a good faith effort to plan to meet program goals for the standards." 20 CCR section 1621(d)(2) also provides that the Commission may impose conditions on its approval of the plans.

The Executive Director has reviewed the revised compliance plans submitted by PG&E, SCE, and SDG&E and finds that the plans are consistent with the requirements of the LMS regulations and show good faith efforts to meet the goals of the program. The Executive Director also finds that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026. Therefore, the Executive Director recommends that the Energy Commission approve the revised LMS compliance plans submitted by PG&E, SCE, and SDG&E on the condition that the final RIN tool plan be submitted by May 8, 2026.

III. ENERGY COMMISSION FINDINGS

The CEC makes the following findings:

- 1) 20 CCR section 1621(c)(8) defines PG&E, SCE, and SDG&E as "Large IOUs" for purposes of the LMS regulations (20 CCR section 1621, et seq.).
- 2) 20 CCR section 1621(d)(1) requires Large IOUs to submit plans for complying with

sections 1621 and 1623 of the LMS regulations. SCE and SDG&E submitted compliance plans on October 2, 2023. PG&E submitted its compliance plan on October 3, 2023.

- 3) 20 CCR section 1621(d)(2) establishes a process under which the Executive Director of the CEC “shall review the plans and either return them to the Large IOU for revision or submit them to the Commission for review and potential approval.”
- 4) The Executive Director sought revisions to the original compliance plans PG&E, SCE, and SDG&E submitted. PG&E submitted a revised compliance plan on March 18, 2025. SCE submitted its revised compliance plan on March 24, 2025, and SDG&E submitted its revised compliance plan on April 1, 2025. The Executive Director finds that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026. The Executive Director has submitted these revised compliance plans to the Commission for its review and approval.
- 5) 20 CCR section 1621(d)(2) provides that the Commission shall approve IOU compliance plans which are consistent with the LMS regulations and show a good faith effort to plan to meet program goals for the standards. Section 1621(d)(2) also provides that the Commission may place conditions on its approval of the plans. The Commission finds that revised plans PG&E, SCE, and SDG&E submitted are consistent with the LMS regulations and show a good faith effort to plan to meet program goals for the standards. The Commission’s approval is conditioned on the final RIN tool plan being submitted by May 8, 2026.
- 6) The CEC has considered the application of CEQA to its approval of PG&E’s, SCE’s, and SDG&E’s revised compliance plans and concluded that its approval is not a “project” under CEQA, but that in the event that approval were determined to be a project, that it would nonetheless be exempt under Class 7 (Cal. Code Regs., tit. 14, § 15307) and Class 8 (Cal. Code Regs., tit. 14, § 15308) because it constitutes a regulatory action that would protect natural resources and the environment, and the commonsense exemption (Cal. Code Regs., tit. 14, § 15061 subd. (b)(3)) because there is no reasonable possibility that its approval would have a significant effect on the environment, even due to unusual circumstances.

IV. CONCLUSION AND ORDER

The California Energy Commission hereby approves the revised plans PG&E, SCE, and SDG&E submitted for complying with the Load Management Standards regulations on the condition that the final RIN tool plan be submitted by May 8, 2026.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on May 8, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE

ABSENT: NONE

ABSTAIN: NONE

Dated: May 9, 2025

SIGNED BY:

Kristine Banaag
Secretariat

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

**Approval of Load Management
Standards Compliance Plans for
SJCE, VCE and PCEA**

Docket No.: 23-LMS-01

ORDER

I. BACKGROUND

The Load Management Standards (“LMS”) regulations (Title 20, California Code of Regulations “CCR” section 1621, et seq.) define San Jose Clean Energy (SJCE), Valley Clean Energy (VCE), and Peninsula Clean Energy Authority (PCEA) as “Large Community Choice Aggregators” (“Large CCAs”) and require them to submit plans for complying with the LMS regulations (“plans” or “compliance plans”) to the California Energy Commission (“CEC” or “Commission”) for its review and approval. (20 CCR section 1621(c)(10); 20 CCR section 1623.1(a)(3)).

As Large CCAs, SJCE’s, VCE’s, and PCEA’s compliance plans must show how they will comply with 20 CCR section 1623.1 of the LMS regulations. Among other things, this requires that the plans show how SJCE, VCE, and PCEA will develop marginal cost-based electricity rates or programs, apply to their rate approving bodies for approval and offer at least one such rate or program to their electricity customers. (20 CCR sections 1623.1(b)(2) and (4).)

In particular, the LMS regulations require that SJCE’s, VCE’s, and PCEA’s compliance plans show how they, with the approval of their rate-approving bodies, will:

1. Upload and maintain their time-dependent electricity rates in the CEC’s Market Informed Demand Automation Server (“MIDAS”) database and assign Rate Identification Numbers (“RINs”) to customers so they can access their electricity rates in real time and manage their energy use to optimize electricity savings and align it with supply and the availability of renewable energy. (20 CCR section 1623.1(c)).
2. Provide customers with access to marginal cost-based electricity rates that vary at least hourly for each customer class for which the rate-approving body determines such a program will materially reduce peak load. (20 CCR section 1623.1(b)(1)). Where such rates have not yet been approved by a Large CCA’s rate-approving body, the Large CCA must provide programs identified as cost-effective according to 20 CCR section

1623.1(b)(3) that allow customers to respond to MIDAS signals indicating marginal cost-based rates, marginal prices, hourly or sub-hourly marginal greenhouse gas emissions or other Commission-approved marginal signals. (20 CCR sections 1623.1(b)(3) and (4)). To fulfill these requirements, Large CCAs may apply for approval of marginal cost-based rates that are offered by the Large Investor-Owned Utilities (“IOUs”, 20 CCR section 1621(c)(8)) in whose service areas the Large CCAs exist in. (20 CCR section 1623.1(b)(2).)

3. Conduct public information programs to inform customers of the benefits of marginal cost-based rates and automation, which may include saving money, aligning electricity usage with available green energy resources, and reducing use during periods of grid stress. (20 CCR section 1623.1(b)(5)).

The LMS regulations also require SJCE, VCE, PCEA, and the other Large CCAs and load serving entities (LSEs) the regulations cover, to jointly build a RIN access tool so that customers and third parties may look up customers’ RINs and, with customer consent, program their electrical devices to connect with the rates uploaded to MIDAS. (20 CCR section 1623(c)). Large CCA’s are not required to document these efforts in their compliance plans, although many do, including SJCE, VCE, and PCEA.

SJCE submitted its compliance plan to the CEC on April 2, 2024. PCEA submitted its compliance plan on May 7, 2024, and VCE submitted its compliance plan on May 14, 2024.

20 CCR section 1623.1(a)(3) establishes a process under which the Executive Director of the CEC (“Executive Director”) “shall review the plans and either return them to ... the Large CCA for revision or submit them to the Commission for review and potential approval.” The Executive Director “shall make an initial determination whether the plan ... is consistent with the requirements of [s]ection 1623.1(a)(1) and (2).”

The Commission approves CCA compliance plans that are consistent with sections 1623.1(a)(1) and (2) “and which show “a good faith effort to plan to meet the goals listed in sections 1623.1(a)(1) and (2).” “The Commission may place conditions on its approval of [compliance] plans that are necessary to guarantee that the plan... will comply with [section] 1623.1(a)(1) and (2).” (20 CCR section 1623.1(a)(3)).

The Executive Director conducted an initial review of the compliance plans submitted under the LMS regulations. The CEC staff reached out to the LSEs; including to SJCE, VCE, and PCEA; collaborated with them; and provided technical assistance necessary for their plans to comply with the regulation’s requirements. The CEC staff also published documents providing technical compliance assistance. They are available at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?doctetnumber=23-LMS-01>.

In response, SJCE, VCE, and PCEA submitted revised compliance plans to the CEC. SJCE submitted its revised plan on March 28, 2025. PCEA submitted its revised plan on March 21, 2025, and VCE submitted its revised plan on April 15, 2025. A key feature of the revised plans is the three CCAs’ commitment to participate in the expanded

California Flexible Unified Signal for Energy (“CalFUSE”) pilots that the California Public Utilities Commission authorized in its Decision D. 24-01-032. These pilots utilize marginal cost-based electricity rates and will be offered by the Large IOU in whose service area SJCE, VCE, and PCEA exist in.

The Executive Director reviewed the revised plans SJCE, VCE, and PCEA submitted, makes the initial determination that they are consistent with the requirements of 20 CCR section 1623.1(a)(1) and (2) and submits them to the Commission for review and potential approval pursuant to 20 CCR section 1623.1(a)(3).

The RIN Tool Requirement

As required by 20 CCR section 1623(c), SJCE, VCE, and PCEA, are working along with the other load serving entities subject to the LMS regulations in an open public process to develop the single statewide standard tool (Rate Identification Number, “RIN”, tool) which will allow authorized third parties access to customer electricity rate information. 20 CCR section 1623(c)(2)(A) requires the RIN tool plan to be submitted by October 1, 2024, but 20 CCR section 1623(c)(2)(B) authorizes the Executive Director to extend this deadline for good cause. The Executive Director finds that good cause exists for extending this deadline to May 8, 2026, as discussed below.

A workshop on the RIN tool was held on January 17, 2024. A draft plan for the RIN tool was submitted on October 1, 2024, and on November 15, 2024, the CEC staff published a notice requesting public comment on it.

Developing the RIN tool is a complex matter. It involves highly technical issues, implicates sensitive customer information, and is of interest to many stakeholders and members of the public. Based on the comments received, staff’s analysis of them and the draft RIN tool plan itself, additional time, public input and analysis are required before the RIN tool plan can be finalized. Accordingly, pursuant to 20 CCR section 1621(c)(2)(B), the Executive Director finds that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026.

Although their compliance plans indicate that SJCE, PCEA, and VCE are participating in developing the RIN tool as required by 20 CCR section 1623(c), 20 CCR section 1623.1 does not specifically require that Large CCAs document these efforts in their compliance plans.

II. THE EXECUTIVE DIRECTOR’S INITIAL DETERMINATION, FINDING OF GOOD CAUSE AND RECOMMENDATION

Title 20, California Code of Regulations section 1623.1(a)(1) provides that Large CCAs “shall submit a plan to comply with Section 1623.1.” 20 CCR section 1623.1(a)(3) then requires the CEC Executive Director to “review the plans and either return them to ... the Large CCA for revision or submit them to the Commission for review and potential approval.” The Executive Director “shall make an initial determination whether the plan ... is consistent with the requirements of [s]ection 1623.1(a)(1) and (2).” 20 CCR section

1623.1(a)(3) requires the Commission to approve Large CCA compliance plans that are consistent with sections 1623.1(a)(1) and (2) “and which show a good faith effort to plan to meet the goals listed in sections 1623.1(a)(1) and (2).” Section 1623.1(a)(3) also provides that the Commission may impose conditions on its approval of the plans.

The Executive Director has reviewed the revised plans submitted by SJCE, PCEA, and VCE and makes the initial determination that the plans are consistent with the requirements of the LMS regulations. The Executive Director also finds that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026. However, since, as discussed above, the law does not specifically require CCAs to document their efforts to develop the RIN tool in their compliance plans (although most do), there is no basis for including the RIN tool plan’s completion as a condition of approving SJCE’s, VCE’s, and PCEA’s compliance plans. Therefore, the Executive Director recommends that the Energy Commission approve the revised LMS compliance plans submitted by SJCE, PCEA, and VCE without conditions.

III. ENERGY COMMISSION FINDINGS

The CEC makes the following findings:

- 1) 20 CCR section 1621(c)(10) defines SJCE, PCEA, and VCE as “Large CCAs” for purposes of the LMS regulations (20 CCR section 1621, et seq.).
- 2) 20 CCR section 1623.1(a)(3) requires Large CCAs to submit plans to the CEC for complying with the Load Management Standards regulations. SJCE submitted its plan on April 2, 2024, PCEA submitted its plan on May 7, 2024, and VCE submitted its plan on May 14, 2024.
- 3) 20 CCR section 1623.1(a)(3) establishes a process under which the Executive Director of the CEC “shall review the plans and either return them to the Large CCA for revision or submit them to the Commission for review and potential approval.”
- 4) The Executive Director reviewed the original plans SJCE, VCE, and PCEA submitted and sought revisions to them. SJCE submitted its revised compliance plan on March 28, 2025. PCEA submitted its revised compliance plan on March 21, 2025 and VCE submitted its revised compliance plan on April 15, 2025. The Executive Director made the initial determination that these plans comply with the requirements of the Load Management Standards regulation and submitted these revised plans to the Commission for its review and approval. The Executive Director also found that good cause exists to extend the deadline for submitting the final RIN tool plan to May 8, 2026.
- 5) 20 CCR section 1623.1(a)(3) requires the Commission to approve Large CCA compliance plans that are consistent with sections 1623.1(a)(1) and (2) “and which show a good faith effort to plan to meet the goals listed in sections 1623.1(a)(1) and (2).” The Commission finds that SJCE’s, VCE’s and PCEA’s

revised compliance plans are consistent with 20 CCR sections 1623.1(a)(1) and (2) and show good faith efforts to plan to meet the goals of the LMS program.

- 6) The CEC has considered the application of CEQA to its approval of the SJCE's, VCE's, and PCEA's revised compliance plans and concluded that its approval is not a "project" under CEQA, but that in the event that approval were determined to be a project, that it would nonetheless is exempt from CEQA under Class 7 (Cal. Code Regs., tit. 14, § 15307) and Class 8 (Cal. Code Regs., tit. 14, § 15308) because it constitutes a regulatory action that would protect natural resources and the environment, and the commonsense exemption (Cal. Code Regs., tit. 14, § 15061 subd. (b)(3)) because there is no reasonable possibility that its approval would have a significant effect on the environment, even due to unusual circumstances.

IV. CONCLUSION AND ORDER

The California Energy Commission hereby approves the revised Load Management Standards compliance plans submitted by SJCE, PCEA, and VCE.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on May 8, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE

ABSENT: NONE

ABSTAIN: NONE

Dated: May 9, 2025

SIGNED BY:

Kristine Banaag
Secretariat