STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 07/23)

Fiscal Year	Business Unit Number	Department
2025-26	8660 / 3360	California Public Utilities Commission / California Energy Commission

Hyperion Budget Request Name	Relevant Program or Subprogram
8660-029-BCP-2025-GB 3360-013-BCP-2025-GB	6680055 – Energy / 2380019 – Electricity Analysis

Budget Request Title
Implementation Support for SB 846 of 2022

Budget Request Summary
The California Public Utilities Commission (CPUC) requests $1,068,000 in ongoing budget authority and five (5.0) positions from the Public Utilities Commission Utilities Reimbursement Account (PUCURA) and the California Energy Commission (CEC) requests $319,000 in ongoing budget authority for two (2.0) positions from the Cost of Implementation Account, Air Pollution Control Fund (COIA) for the ongoing workload related to Chapter 239, Statutes of 2022, (SB 846).

Requires Legislation (submit required legislation with the BCP)	Code Section(s) to be Added/Amended/Repealed
☐ Trailer Bill Language ☒ Budget Bill Language ☒ N/A	Click or tap here to enter text.

Does this BCP contain information technology (IT) components? ☐ Yes ☐ No *If yes, departmental Chief Information Officer must sign*.	Department CIO	Date
	Click or tap here to enter text.	Click or tap to enter a date.

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. Click or tap here to enter text. **Project Approval Document:** Click or tap here to enter text.

Approval Date: Click or tap to enter a date. **Total Project Cost:** Click or tap here to enter text.

If proposal affects another department, does other department concur with proposal? ☒ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Leuwam Tesfai	1/8/2025	Ryan Dulin	1/8/2025
Department Director	**Date**	**Agency Secretary**	**Date**
Rachel Peterson	1/8/2025	Click or tap here to enter text.	Click or tap to enter a date.

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	Date submitted to the Legislature
Steve Wells	1/10/2025

A. Problem Statement

Chapter 239, Statutes of 2022, Senate Bill (SB) 846 created new requirements and significant new workload for the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC). While the bill provided one-time funding for the CPUC and CEC to perform an initial lift and satisfy one-time requirements, those funds have been expended, leaving continual and unfunded work at the CPUC and the CEC. Therefore the CPUC requests $1,068,000 in ongoing budget authority to convert the following five (5.0) positions to permanent from the Public Utilities Commission Utilities Reimbursement Account (PUCURA) and CEC requests $319,000 in ongoing budget authority for two (2.0) positions from the Cost of Implementation Account, Air Pollution Control Fund (COIA) to fulfill the mandates for the ongoing workload related to SB 846.

To address the ongoing SB 846 workload, the CPUC requests $1,068,000 PUCURA to convert the following positions from temporary to permanent:

- 1.0 Associate Government Program Analyst (AGPA), Energy Division
- 2.0 Public Utilities Regulatory Analyst V (PURA V), Energy Division
- 1.0 Public Utilities Regulatory Analyst III (PURA III), Energy Division
- 1.0 Attorney V, Legal Division

Additionally, the CEC requests $319,000 COIA for the following permanent positions:

- 1.0 Electric Generation System Specialist I (EGSS I)
- 1.0 Energy Analyst (EA)

Legislation and Prior Resource Allocations

In fiscal year 2022-23, as part of the 2022 Energy Package, the CPUC was authorized $5 million to implement SB 846 workload regarding the extension of Diablo Canyon Power Plant (DCPP). This was done through a joint effort between the CPUC and the CEC. Of the $5 million, $2.8 million was transferred to CEC and $2,2 million remained with CPUC. The budget authority is set to expire on June 30, 2025 but the CPUC requests the positions to be made permanent in order to monitor utility and ratepayer capital costs and expense from continued operation of DCPP, plan and implement strategies to replace the capacity and energy produced by DCPP to ensure GHG reduction and grid reliability priorities are protected, and ensure the efficient and productive use of the transmission and distribution infrastructure that will remain after DCPP retires.

Pursuant to SB 846, the CPUC re-opened the 2018 DCPP decision for the purpose of nullifying the shutdown ordered there, established balancing and memorandum accounts to track DCPP spending, worked with Department of Water Resources (DWR) to review and true-up spending attributable to the $1.4 billion loan authorized under SB 846, ensured continued funding for the Diablo Canyon Independent Safety Committee (DCISC), ensured that reviews of DCPP seismic assessments by the Independent Peer Review Panel (IPRP) took place, approved a contingent 5-year extension of DCPP, established the rules and guidelines for the extended operations forecast proceeding and DCPP non-bypassable charge, and worked with the CEC to issue reports on statewide reliability with respect to DCPP.

Going forward, the CPUC will need to annually review PG&E's DCPP Extended Operations Forecast applications to recover ongoing DCPP costs through 2030 (including the current A.24-03-018 proceeding), and to analyze and draft a Resolution reviewing and truing-up all DCPP costs as submitted in PG&E's annual Tier 3 advice letter report through 2031.

Staff will also need to complete two semi-annual true-ups of SB 846's $1.4 billion loan costs in conjunction with DWR every year through at least 2026, including reviewing the outcome of

the Nuclear Regulatory Commission's (NRC) forthcoming decision on relicensing DCPP (expected in late 2025/early 2026).

Staff will also lead the IPRP in reviewing all seismic issues and questions about Diablo Canyon through 2030, continually monitor whether reliability goals have been achieved such that DCPP's extension is no longer needed, continually monitor whether costs for DCPP become too high to justify continued operations, consider the impacts of the extension in future DCPP decommissioning proceedings, and work to determine how any excess DCPP funds are returned to ratepayers upon the conclusion of the 5-year extension.

The closure of DCPP will open up of large amounts of capacity on PG&E transmission lines in the central coast region. The transmission facilities in this region have an unusually high level of redundancy and resilient capabilities that are required by NRC requirements for nuclear facilities specifically. California has a strong interest and the CPUC has a responsibility to ensure these transmission facilities are used well into the future so that ratepayers get the full benefit of this long-term infrastructure investment.

To that end, the CPUC previously ordered PG&E to notify the CPUC Executive Director prior to any potential transfer of "deliverability rights" associated with DCPP generation. "Deliverability rights" are designated by the California Independent System Operator (CAISO) and ensure that power generated from a specific facility can flow reliably within the transmission system even under peak grid conditions, and not be stymied or curtailed due to power flow "congestion" that risks equipment failure. The CPUC anticipates that future use of these "deliverability rights" will likely be in the best interests of ratepayers and will require management of transfer of the rights. CPUC staff will need to work with PG&E, and perhaps engage in Commission proceedings to manage future use of these "deliverability rights" in ways that best serve California ratepayers.

Further, the CPUC and CEC have an ongoing requirement under SB 846 to continue the joint reliability assessments that commenced in early 2023 on a quarterly basis.

Energy Division Resource History

(Dollars in thousands)

Program Budget	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**
Authorized Expenditures	19,010	19,560	21,184	24,056	26,610
Actual Expenditures	17,307	16,958	19,523	21,164	23,446
Revenues	0	0	0	0	0
Authorized Positions	179.0	180.0	191.0	212.0	230.0
Filled Positions	154.2	159.5	156.4	168.0	191.0
Vacancies	24.8	20.5	34.6	44.0	39.0

Legal Division Resource History

(Dollars in thousands)

Program Budget	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**

Authorized Expenditures	11,740	12,859	12,787	15,419	18,805
Actual Expenditures	10,782	9,851	13,022	13,321	16,078
Revenues	0	0	0	0	0
Authorized Positions	94.0	102.5	101.5	113.0	135.0
Filled Positions	78.4	76.8	89.8	88.8	106.6
Vacancies	15.6	25.7	11.6	24.2	28.4

CEC Resource History

$2.77M was made available to the CEC in FY 2022-23 (of the $5M allocated by SB 846). The CEC has spent the entirety of those funds leaving no future funding for the below outlined work.

CPUC Workload History

Energy Resource Modeling PURA III Workload Measure (Hours)	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**	**CY**
Study alternative scenarios of replacement for DCPP, impacts of new resources added to DCPP area. Study GHG and reliability impacts of retirement of DCPP. Analyze cost and reliability impacts of climate change and document results for stakeholders/decision	N/A	N/A	N/A	480	480	480
Review related modeling studies from other agencies or stakeholders. Provide feedback to the Modeling Team and Integrated Resource Planning (IRP) teams, help the CPUC remain up to date on knowledge of related efforts.	N/A	N/A	N/A	160	160	160
Review CAISO Local Capacity Requirements (LCR) study and	N/A	N/A	N/A	320	320	320

Transmission reports and advise decisionmakers on impacts. Study alternatives and impacts of different resources added to DCPP area; study impacts on transmission deliverability and operation of DCPP retirement.						
Support review and update of weather models to incorporate into reliability models to adjust for climate change affects	N/A	N/A	N/A	240	240	240
Review transmission and deliverability assessments for the Modeling Team, monitor CAISO stakeholder proceedings, manage Modeling Team access to CAISO datasets	N/A	N/A	N/A	320	320	320
Organize model inputs and outputs of all studies for the team and for other CPUC staff, load into database	N/A	N/A	N/A	300	300	300

IRP PURA V Workload Measure (Hours)	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**	**CY**
Develop and refine tools for performing quality control, organization, aggregation, and analysis of large data sets based on resource planning and procurement information	N/A	N/A	N/A	750	750	750
Perform busbar mapping of annual Preferred System Plan (PSP) for use in the CAISO Transmission Planning Process (TPP)	N/A	N/A	N/A	320	320	320
Monitor CAISO transmission studies and explain the TPP results to management	N/A	N/A	N/A	240	240	240

Consulting with the CEC on the Joint Agency Reliability Assessment	N/A	N/A	N/A	320	320	320
Manage a Commission proceeding to manage future use of these "deliverability rights" in ways that best serve California ratepayers.	N/A	N/A	N/A	200	200	200

Rates PURA V Workload Measure (Hours)	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**	**CY**
Reopened old Diablo Canyon Proceeding (A.16-08-006) to issue a new decision nullifying the plant's closure as per SB 846, and establish balancing and memorandum accounts to track SB 846 authorized expenditures	N/A	N/A	N/A	60	60	60
Working with DWR, completed three true-up reviews of DCPP expenditures covered under the SB 846-authorized $1.4 billion loan to PG&E	N/A	N/A	N/A	320	320	320
Monitoring DCPP license approval by the NRC	N/A	N/A	N/A	100	100	100
Phase 1, Track 1 & Track 2 – D.23-12-036: approved the (contingent) 5-year extension of DCPP, established the rules and guidelines for the annual Diablo Canyon forecast proceeding; D.23-08-004: approved changes to ensure continued funding of the Diablo Canyon Independent Safety Committee (DCISC)	N/A	N/A	N/A	240	240	240
Phase 2 - R.23-01-007: resolve questions regarding surplus performance-based fees, the funding	N/A	N/A	N/A	120	120	120

formula for the DCISC, and criteria for the DCPP annual compensation report						
Implementation and allocation of the non-bypassable charge to ratepayers of all Load Severing Entities (LSEs) to fund the extension and provided direction for the use of SB 846 authorized expenses. Monitored non-bypassable charge and Operations Forecast Proceeding	N/A	N/A	N/A	300	300	300
Writing Resolution to review and true-up prior year's DCPP forecast costs with actual costs	N/A	N/A	N/A	100	100	100
Review of PG&E's planned expenditures of SB 846 volumetric performance fees, and discussion of resource adequacy questions. Monitoring of non-bypassable charge	N/A	N/A	N/A	320	320	320
Review and approval of continued expenditures on DCPP employee retention program as ordered under SB 846	N/A	N/A	N/A	60	60	60
Hold workshops and review Seismic Assessments of the Diablo site, present to upper management, Commissioners and Legal	N/A	N/A	N/A	324	324	324

IRP AGPA Workload Measure (Hours)	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**	**CY**
Support Division with Compliance Ordering Paragraph and Compliance. May include citation programs if relevant. May also support Public	N/A	N/A	N/A	500	500	500

Information Public Records Act (PRA)s and records retention.						
Recruiting staff and procurement of software, processing in Energy Division	N/A	N/A	N/A	500	500	500
Tariff Unit Support Including Resolutions and Advice Letters. Compliance filings.	N/A	N/A	N/A	500	500	500
Support Staff Training. May include training related to energy supply, markets and Diablo Canyon facility,	N/A	N/A	N/A	320	320	320

Attorney V (Advisory) Workload Measure (Hours)	**PY - 4**	**PY - 3**	**PY - 2**	**PY-1**	**PY**	**CY**
Serve as legal subject matter expert in area of specialization; coordinate with senior administration officials and expert outside counsel; support junior attorneys in development of policies and programs	N/A	N/A	N/A	750	750	750
Meet with decisionmakers/industry division staff to develop policies and procedures to implement programs	N/A	N/A	N/A	750	750	750
Perform legal analysis; prepare legal memoranda to decisionmakers	N/A	N/A	N/A	100	100	100
Research, draft, and file legal pleadings in state/federal courts or in federal agencies	N/A	N/A	N/A	200	200	200

CEC Workload History

The work described in the below table includes work directly called for by SB 846 or have matured out of the required work.

Workload Measure	Past Year -1 (FY 22/23)	Past Year (FY 23/24)	Current Year (FY 24/25)
Writing Reports • Joint Reliability Planning Assessment Quarterly Report (QR) • Load Flexibility Goal Update • Load-Shift Goal Report • Clean Energy Reliability Investment Plan (CERIP) • Diablo Canyon Reports: ○ Analysis of Need to Support Reliability Report ○ Cost-Comparison Report	• *2 QR developed and published1 month late* • *Contractor assisted with tool development and content for Load Flex Goal Report.* • *CERIP developed and published* • *Analysis of Need to Support Reliability Report developed and published.* • *Contractor assisted with development of analysis for Cost-Comparison Report until funds liquidated. Report published 9 months late*	• *3 QRs developed and published 2 – 3 months late* • *Load Shift Goal report published on time in June 2023 (to be updated every 2 years in IEPR)*	• *1 QR developed and published 4 months late, resulting in the need to consolidate Q2 and Q3 reports into a single product to get back on schedule. 3 in progress for remainder of FY* • *Cost Comparison Report to be updated if the costs of the extension of operations of the Diablo Canyon powerplant exceed limits provided for in the loan agreement*
Data Collection & Analysis Collect, clean, and analyze: • resource data from CAISO; • resource data from publicly owned utilities • contingency data from CPUC, CEC, & DWR; • maintain code that produces the resource stack analysis. • Demand response data from CPUC and CAISO	• *2 QRs developed and published late* • *Resource Stack Analysis developed*	• *3 QRs developed and published late* • *Resource Stack Analysis updated and maintained*	• *1 QR developed and published late, 3 in progress for remainder of FY* • *Resource Stack Analysis expanded to cover all of California*
Stack Analysis Tool & Loss of Load Expectation (LOLE) **Model**. • Updating CEC model to produce results for CAISO territory • Running various scenarios for reliability studies	• *Contractor was brought on to assist with LOLE model update.*	• *Used model to develop LOLE for CAISO territory*	• *Continue to build out model to include all of California to meet SB846 requirements.*
Reliability Dashboard	• *Developed as a tool to help inform future reports*	• *Maintained and updated to help inform future reports, including SB 846*	• *Maintained and updated to help inform future reports, including SB 846*
Cross-agency collaboration Participate in meetings with developers, utilities, CPUC, CAISO, and GO-Biz on new resource development tracking)	• *Tracking Energy Development Task Force, weekly mtgs.*	• *Tracking Energy Development Task Force, weekly mtgs.*	• *Tracking Energy Development Task Force, weekly mtgs.*

B. Justification

The CPUC requests that these positions be made permanent in order to monitor utility and ratepayer costs and expense from continued operation of Diablo Canyon Power Plant (DCPP), plan and implement strategies to replace the capacity and energy produced by DCPP to ensure GHG reduction and grid reliability priorities are protected, and ensure the efficient and productive use of the transmission and distribution infrastructure that will remain after DCPP retires. While the CPUC has already done substantial work establishing the framework to keep Diablo Canyon open, that was just the beginning: the newly established proceedings and review processes require ongoing effort from CPUC staff to ensure cost and reliability issues are continually addressed as ordered under SB 846. Looking toward and beyond 2030, the CPUC anticipates that continued reliable performance of the transmission grid will not be accomplished by the loss of 2 GW of DCPP power by 2031. Maintaining reliability will require a careful transition from DCPP generation to new clean energy resources that are specifically located in the central California area to replace all or most of the generating capacity for which resilient transmission facilities have been built. There is significant potential for offshore wind resources near Morro Bay to replace much of the DCPP capacity that will retire, but other clean energy resources could be located in that region as well. CPUC believes the timing and magnitude of new resource additions, as well as other transmission considerations in the central coast region will require unique and ongoing focus.

Energy Division

SB 846 requires the CEC and CPUC to develop a quarterly joint agency reliability planning assessment. CPUC staff has coordinated with the CEC on the inputs, analysis, and recommendations regarding estimates of supply and demand 10 years into the future under different risk scenarios. The first assessment was published in February 2023 and a further four assessments have been completed since.

Going forward, this interagency assessment will develop into a more robust planning framework, that will encompass more advanced analysis. For that reason, significant modeling expertise will be needed to review and oversee the transmission planning associated with Diablo Canyon retirement and offshore wind development, both of which are at least a decade of work. A permanent position within the Integrated Resource Planning team is needed to manage this significant transition. Likewise modeling staff are needed to review other analytical efforts associated with Diablo Canyon and offshore wind, conduct cost and reliability studies using our established production cost modeling (PCM) framework, and coordinate with the CEC on this effort.

- 1.0 AGPA (Integrated Resource Planning - Planning, Modeling & Need Determinations) The extension of Diablo Canyon created ongoing analytical tasks for this IRP section, including modeling analysis and quarterly Joint Reliability Reports. It also expands the need for related consultant contract administration. These tasks require additional work planning and project management, which this AGPA will support.

- 1.0 PURA V (Integrated Resource Planning - Transmission & Interconnection) Integrated Resource Planning – This existing position is filled - Transmission & Interconnection Section facilitates transmission planning and development in-line with identified IRP portfolio needs. Adopted IRP portfolios assume DCPP retirement in 2024 and 2025 as required by SB 846, and so this section must continue to facilitate the repurposing of the transmission and interconnection as the CAISO system transitions from DCPP to new resources, potentially including offshore wind.

- 1.0 PURA V (Cost and Rates) - This existing position is filled. Continuing CPUC cost work related to DCPP that will extend beyond the original timeframe of the 2022-23 BCP

includes: the annual filing of the DCPP Extended Operations Forecast Application through 2030 to provide funding for operations and maintenance, capital, and fuel costs as well as the various provisions in SB 846 (see, e.g., A.24-03-018); SB 846 required annual true-up of DCPP costs via Tier 3 advice letter and Energy Division authored Resolution through 2031; continued monitoring of SB 846 approved state loans and Department of Energy funding for DCPP through at least 2029; upon the shutdown of DCPP in 2030, the CPUC must determine the disposition of any remaining SB 846 authorized funds; approval of DCPP employee retention funding through 2030 in A.23-10-009 and ongoing monitoring of those funds likely via advice letters or some other annual process; detailed review and implementation of changes to DCPP's decommissioning plan and cost estimates necessitated by the 5-year delay in the start of DCPP decommissioning in the 2024, 2027, and 2030 Nuclear Decommissioning Cost Triennial Proceedings; continued work running the IPRP to examine DCPP seismic safety issues through 2030; and writing the annual Resolution approving candidates for the DCISC as well as ongoing work with the DCISC reviewing DCPP safety issues through the primary phase of DCPP decommissioning (i.e., 2037 at earliest). The cost analyst would also process all advice letters stemming from the above-mentioned proceedings and resolutions, including writing nonstandard disposition letters for protested advice letters; historically nuclear-related advice letters have been protested at an unusually high rate relative to most proceedings.

- 1.0 PURA III (Reliability Modeling) –The analyst will assist production cost modeling efforts to advise and assist high-level decision-makers such as Commissioners, Judges, and Energy Division management. The analyst will assist complex analytical modeling to support implementation of SB 846, including modeling cost, reliability and greenhouse gas (GHG) reduction in the energy system. The PURA III supports the technical lead and participates as a team member on major long-term projects and programs. The PURA III also will lead in performing or reviewing modeling and analysis to assess impacts of climate change on energy planning and determine optimal clean energy investments on the transmission and distribution system to enact state energy policy goals.

Legal Division

The Legal Division supports the CPUC on legal matters and provides legal services to CPUC Divisions and decision makers. SB 846 presents highly technical issues, contains expedited timelines and involves a highly litigated and complex subject matter (nuclear re-licensing). These activities will require an advisory attorney to both participate in advising decisionmakers (advisory).

- Attorney V (Advisory) - The Advisory Attorney V serves as the point of contact and advisory subject matter expert on all matters associated with the extension of DCPP and other work arising from SB 846. This includes: the NRC re-licensing process; DCPP employee retention and decommissioning plans; inter-agency coordination; IRP, Resource Adequacy (RA), and energy procurement programs; rate proceedings and non-bypassable charge treatment, balancing accounts and rate review of funding mechanisms with multiple sources including general fund monies, federal monies, special purpose rate surcharges and ordinary course cost of service rates, along with expertise in GHG emission reduction compliance mechanisms. The Advisory Attorney V also provides oral advice on complex topics at internal meetings with senior leadership and attends and participates in inter-agency and administration meetings at the highest level. The Advisory Attorney V will also defend challenges to Commission decisions in state and federal court and before federal agencies.

The Attorney V will counsel staff and decisionmakers during formal proceedings and annual, informal filings required by the bill. Because the bill contains expedited timelines and involves a highly litigated and complex subject matter (nuclear re-licensing), an attorney is required who can independently research, analyze, and prepare written advice and court pleadings on complex and highly technical issues related to nuclear relicensing, including high-profile matters of first impression.

SB 846 created a substantial set of ongoing Legislative reports for the CEC. The work can no longer be absorbed with existing resources. The one-time funds that were made available have been expended and as such, permanent ongoing funding for two (2.0) positions is necessary to ensure the CEC can fulfill its mandate. While the CEC has implemented approaches, such as developing a dashboard, to support the work, the dashboard requires ongoing support. Additionally, CEC models only addressed reliability in the CAISO territory, but SB 846 covers statewide assessments. CEC has been working to expand models and data collection to cover the entire state, but that work is not complete. This in turn requires more resources.

The ongoing work is detailed in the Project Outcomes (section D). In brief, the requirements of SB 846 and additional associated products require the CEC to:

- Submit a Joint Reliability Planning Assessment Quarterly Report to the Legislature in perpetuity.[1]
- Publish updates on the load shift goal every other year in the Integrated Energy Policy Report
- Expand the Energy Almanac to include storage resources that serve wholesale load.[2]
- Coordinate with the Department of Water Resources, CPUC and PG&E on an ongoing basis to evaluate if a reevaluation of cost-effectiveness for Diablo Canyon is necessary.[3]
- Collect additional data from CAISO, CPUC, CEC, DWR, CalOES, and CalFire.
- Perform additional analyses.
- Develop and maintain a reliability dashboard.[4]
- Cross-agency collaboration with GO-Biz, CPUC, CARB, CAISO to track new projects critical to support grid reliability.

These products remain a high priority for the Administration and the Legislature. The work necessitates specialized expertise and dedicated focus, which our existing staff, while highly skilled, lack the bandwidth to fulfill.

The requested resources will be designated for the creation of a permanent EGSS I, and an EA. These positions, once authorized and filled, will effectively and efficiently address the problem statement.

The EGSS I position is essential to ensure accurate collection, analysis, and synthesis of complex energy-related data that will feed into various reports and dashboards. This position will also lead the drafting of CEC sections of the quarterly reports; develop (code) the reliability dashboard; develop the load shift goal updates, support model updates to cover the entire state, and assist with cross-agency collaboration. By dedicating a specialized role to these

1 CA Pub Res Code § 25233 (a) (2022)

2 *ibid*

3 CA Pub Res Code § 25233.2 (b) (2022)

4 CA Pub Res Code, Section 3

crucial tasks, we can ensure greater accuracy, timeliness, and depth in our assessments. The EA position will perform the majority of data collection activities, support the EGSS I in general, and cross-train on activities and products to reduce key dependency risks. Further detail on the roles and PY percentage of each position, by work product, are outlined in the Project Outcomes table.

C. Departmentwide and Statewide Considerations

Extension of Diablo Canyon will help California meet near term reliability and GHG goals and will bridge to a time when more GHG-free resources are developed in the state. In addition to transitioning the electricity sector to 100 percent clean energy by 2045, the state has now committed to having an economy that is "carbon neutral" by 2045 — eliminating as much climate-warming pollution as it emits by that year. Extending Diablo Canyon overlaps with some key CPUC strategic objectives, particularly those that focus on near term reliability, GHG reduction, minimizing ratepayer cost, economic prosperity, and reliability and resiliency. The positions extended here allow the CPUC to continue monitoring Diablo Canyon over the next several years and eventually plan for its replacement. The state needs to make this planning and preparation permanent to effectively put California on a path toward achieving clean energy and climate goals.

The proposed EGSS I and EA positions will contribute to meeting the following SB 846 related objectives:

1. **Enhancing Energy Reliability**: The proposal supports the broader statewide mission of ensuring a resilient and reliable grid. By continually analyzing resources and projected extreme events (e.g., fire, high heat, storms) and system conditions, the principal agencies and Legislature can better identify potential risks and recommend actions to mitigate them. These positions will play a pivotal role in fortifying California's energy system by raising a flag early if there are expected shortfalls. This contributes to increased reliability for all residents and businesses in California.
2. **Advancing Renewable Energy**: California has ambitious renewable energy goals to reduce greenhouse gas emissions and combat climate change. The EGSS I and EA's work in tracking progress on renewable projects, assessing delays, and making recommendations that will accelerate the state's transition to cleaner energy sources. These positions will contribute to the Tracking Energy Development Taskforce with GO-Biz.
3. **Improving Data Accessibility**: The establishment of the EGSS I and EA position is paramount for the development and maintenance of the tracking energy development and reliability dashboards. These dashboards will continue to enhance transparency and accessibility of energy data to key decision makers and the public. This aligns with the goal of providing equitable access to information, empowering all stakeholders, including marginalized communities, to participate in energy planning and decision-making processes.
4. **Meeting Regulatory Requirements**: Compliance with regulatory requirements, as outlined in the Problem Statement, is essential. The proposal ensures that the state meets these obligations efficiently and effectively and on timelines established by the Legislature.

D. Outcomes and Accountability

Approval of this request will allow the CPUC to continue effectively addressing the mandates of SB 846; ensure safe operation of DCPP and proper decommissioning at the end of the extension period; address cost recovery associated with the extended operations; and resolve proceedings more expeditiously.

CPUC Projected Outcomes

Energy Resource Modeling PURA III Workload Measure (Hours)	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Study alternative scenarios of replacement for DCPP, impacts of new resources added to DCPP area. Study GHG and reliability impacts of retirement of DCPP.	480	480	480	480	480	480
Review related modeling studies from other agencies or stakeholders. Provide feedback to the Modeling Team and IRP teams, help the CPUC remain up to date on knowledge of related efforts.	160	160	160	160	160	160
Review CAISO LCR study and TX report and advise decisionmakers on impacts. Manage Study alternatives and impacts of different resources added to DCPP area; study impacts on transmission deliverability and operation of DCPP retirement.	320	320	320	320	320	320
Support review and update of weather models to incorporate into reliability models to adjust for climate change affects	240	240	240	240	240	240
Review transmission and deliverability assessments for the Modeling Team, monitor CAISO stakeholder proceedings, manage Modeling Team access to CAISO datasets	320	320	320	320	320	320
Organize model inputs and outputs of all studies for the team and for other CPUC staff, load into database	300	300	300	300	300	300
IRP PURA V Workload Measure (Hours)	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Develop and refine tools for performing quality control, organization, aggregation, and analysis of large data sets based on resource planning and procurement information	750	750	750	750	750	750
Perform busbar mapping of annual PSP for use in the CAISO TPP	320	320	320	320	320	320

Monitor CAISO transmission studies and explain the TPP results to management	240	240	240	240	240	240
Consulting with the CEC on the Joint Agency Reliability Assessment	320	320	320	320	320	320
Manage a Commission proceeding to manage future use of these "deliverability rights" in ways that best serve California ratepayers.	200	200	200	200	200	200
Rates PURA V Workload Measure (Hours)	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Reopened old Diablo Canyon Proceeding (A.16-08-006) to issue a new decision nullifying the plant's closure as per SB 846, and establish balancing and memorandum accounts to track SB 846 authorized expenditures	N/A	N/A	N/A	0	0	0
Working with DWR, completed three true-up reviews of DCPP expenditures covered under the SB 846-authorized $1.4 billion loan to PG&E	320	320	320	320	320	320
Monitoring DCPP license approval by the NRC	300	300	300	300	300	300
Phase 1, Track 1 & Track 2 – D.23-12-036: approved the (contingent) 5-year extension of DCPP, established the rules and guidelines for the annual Diablo Canyon forecast proceeding; D.23-08-004: approved changes to ensure continued funding of the DCISC	N/A	N/A	N/A	0	0	0
Phase 2 - R.23-01-007: resolve questions regarding surplus performance-based fees, the funding formula for the Diablo Canyon Independent Safety Committee, and criteria for the DCPP annual compensation report	120	120	120	120	120	120
Implementation and allocation of the non-bypassable charge to ratepayers of all LSEs to fund the extension and provided direction for the use of SB 846 authorized expenses. Monitored	300	300	300	300	300	300

non-bypassable charge and Operations Forecast Proceeding						
Writing Resolution to review and true-up prior year's DCPP forecast costs with actual costs	240	240	240	240	240	240
Review of PG&E's planned expenditures of SB 846 volumetric performance fees, and discussion of resource adequacy questions. Monitoring of non-bypassable charge	320	320	320	320	320	320
Review and approval of continued expenditures on DCPP employee retention program as ordered under SB 846	N/A	N/A	N/A	0	0	0
Hold workshops and review Seismic Assessments of the Diablo site, present to upper management, Commissioners and Legal	324	324	324	324	324	324
IRP AGPA Workload Measure (Hours)	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Support Division with Compliance Ordering Paragraph and Compliance. May include citation programs if relevant. May also support PRAs and records retention.	500	500	500	500	500	500
Recruiting staff and procurement of software, processing in Energy Division	500	500	500	500	500	500
Tariff Unit Support Including Resolutions and Advice Letters. Compliance filings.	500	500	500	500	500	500
Support Staff Training. May include training related to energy supply, markets and Diablo Canyon facility,	320	320	320	320	320	320
Attorney V (Advisory) Workload Measure (Hours)	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Serve as legal subject matter expert in area of specialization; coordinate with senior administration officials and expert outside counsel; support junior attorneys in development of policies and programs	750	750	750	750	750	750
Meet with decisionmakers/industry division staff to develop policies and	750	750	750	750	750	750

procedures to implement programs						
Perform legal analysis; prepare legal memoranda to decisionmakers	100	100	100	100	100	100
Research, draft, and file legal pleadings in state/federal courts or in federal agencies	200	200	200	200	200	200

If this request is approved, funding will be quickly invested to hire an EGSS I and an EA to support the work necessary to meet the requirements of SB846. The supervisor overseeing these positions will measure the outcome of their work through probation reports, improved work products, timely delivery of quarterly reports to the legislature, the continued development and publishing of a publicly available reliability dashboard, increased cross-agency collaboration, and agility to respond to ad-hoc requests.

CEC Projected Outcomes

Workload Measure	**Current** Year (24/25)	**Budget Year** (25/26)	**Budget Year +1** (26/27)	**Budget Year +2** (27/28)	**Budget Year +3** (28/29)	**Budget Year +4** (29/30)
Writing Reports • Joint Reliability Planning Assessment Quarterly reports • Load Flexibility Goal Update (as part of IEPR)	CEC to continue to absorb	Improved timeliness EGSSI = 0.2 EA = 0.2	On time reports EGSSI = 0.2 EA = 0.2	On time reports EGSSI = 0.2 EA = 0.2	On time reports EGSSI = 0.2 EA = 0.2	On time reports EGSSI = 0.2 EA = 0.2
Data Collection & Analysis Collect, clean, and analyze: • data from CAISO; CPUC, CEC, & DWR; • maintain code that produces the resource stack analysis. Demand response data from CPUC and CAISO	CEC to continue to absorb	Streamlined data collection processes EGSSI = 0.3 EA = 0.6	Routine collection & analysis EGSSI = 0.3 EA = 0.6	Routine collection & analysis EGSSI = 0.3 EA = 0.6	Routine collection & analysis EGSSI = 0.3 EA = 0.6	Routine collection & analysis EGSSI = 0.3 EA = 0.6
Stack Analysis & Loss of Load Expectation Model • Updating PLEXOS • Expanding model to be statewide • Running various scenarios for reliability studies	CEC to continue to absorb	More timely Stack & LOLE analysis EGSSI = 0.2 EA = 0.0	On-time robust analysis EGSSI = 0.2 EA = 0.0	On-time robust analysis EGSSI = 0.2 EA = 0.0	On-time robust analysis EGSSI = 0.2 EA = 0.0	On-time robust analysis EGSSI = 0.2 EA = 0.0

Diablo Canyon Cost-Comparison Report	CEC to continue to absorb	Set routine procedures for evaluation EGSSI = 0.1 EA = 0.0	Re-evaluate cost effectiveness if necessary EGSSI = 0.1 EA = 0.0	Re-evaluate cost effectiveness if necessary EGSSI = 0.1 EA = 0.0	Re-evaluate cost effectiveness if necessary EGSSI = 0.1 EA = 0.0	Re-evaluate cost effectiveness if necessary EGSSI = 0.1 EA = 0.0
Reliability Dashboard	CEC to continue to absorb	Code new dashboard and publish EGSSI = 0.1 EA = 0.2	Maintain and add elements as necessary EGSSI = 0.1 EA = 0.2	Maintain and add elements as necessary EGSSI = 0.1 EA = 0.2	Maintain and add elements as necessary EGSSI = 0.1 EA = 0.2	Maintain and add elements as necessary EGSSI = 0.1 EA = 0.2
Cross-agency collaboration Participate in meetings with developers, utilities, CPUC, CAISO, and GO-Biz on new resource development tracking)	CEC to continue to absorb	Participate and raise issues as appropriate EGSSI = 0.1 EA = 0.0	Participate and raise issues as appropriate EGSSI = 0.1 EA = 0.0	Participate and raise issues as appropriate EGSSI = 0.1 EA = 0.0	Participate and raise issues as appropriate EGSSI = 0.1 EA = 0.0	Participate and raise issues as appropriate EGSSI = 0.1 EA = 0.0

E. Implementation Plan

Upon approval of this request, the CPUC will submit the necessary paperwork to convert the incumbent temporary staff to permanent positions and fill existing SB 846 vacancies with the goal of filling all positions by the first quarter of 2025-26.

For CEC, the implementation plan is to hire immediately to fulfill our mandate required by SB 846. New staff will be onboarded and cross-trained to reduce key dependency risks and take on responsibility for these products as soon as possible.

F. Supplemental Information (If Applicable)

BCP Fiscal Detail Sheet

BCP Title: Ongoing Support for SB 846 Workload

BR Name: 8660-029-BCP-2025-GB

Budget Request Summary

Personal Services

Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Positions - Permanent	0.0	5.0	5.0	5.0	5.0	5.0
Total Positions	**0.0**	**5.0**	**5.0**	**5.0**	**5.0**	**5.0**
Earnings - Permanent	0	605	605	605	605	605
Total Salaries and Wages	**$0**	**$605**	**$605**	**$605**	**$605**	**$605**
Total Staff Benefits	0	358	358	358	358	358
Total Personal Services	**$0**	**$963**	**$963**	**$963**	**$963**	**$963**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5301 - General Expense	0	15	15	15	15	15
5304 - Communications	0	5	5	5	5	5
5320 - Travel: In-State	0	15	15	15	15	15
5322 - Training	0	10	10	10	10	10
5324 - Facilities Operation	0	45	45	45	45	45
5346 - Information Technology	0	15	15	15	15	15
Total Operating Expenses and Equipment	**$0**	**$105**	**$105**	**$105**	**$105**	**$105**

Total Budget Request

Total Budget Request	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Budget Request	**$0**	**$1,068**	**$1,068**	**$1,068**	**$1,068**	**$1,068**

Fund Summary

Fund Source

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
State Operations - 0462 - Public Utilities Commission Utilities Reimbursement Account	0	1,068	1,068	1,068	1,068	1,068
Total State Operations Expenditures	**$0**	**$1,068**	**$1,068**	**$1,068**	**$1,068**	**$1,068**
Total All Funds	**$0**	**$1,068**	**$1,068**	**$1,068**	**$1,068**	**$1,068**

Program Summary

Program Funding

Program Funding	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
6680055 - Energy	0	1,068	1,068	1,068	1,068	1,068
Total All Programs	**$0**	**$1,068**	**$1,068**	**$1,068**	**$1,068**	**$1,068**

Personal Services Details

Positions

Positions	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
4611 - Public Utilities Reg Analyst III (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
4616 - Public Utilities Reg Analyst V (Eff. 07-01-2025)	0.0	2.0	2.0	2.0	2.0	2.0
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5781 - Atty V (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**5.0**	**5.0**	**5.0**	**5.0**	**5.0**

Salaries and Wages

Salaries and Wages	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
4611 - Public Utilities Reg Analyst III (Eff. 07-01-2025)	0	101	101	101	101	101
4616 - Public Utilities Reg Analyst V (Eff. 07-01-2025)	0	253	253	253	253	253
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2025)	0	79	79	79	79	79
5781 - Atty V (Eff. 07-01-2025)	0	172	172	172	172	172
Total Salaries and Wages	**$0**	**$605**	**$605**	**$605**	**$605**	**$605**

Staff Benefits

Staff Benefits	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5150350 - Health Insurance	0	118	118	118	118	118
5150500 - OASDI	0	46	46	46	46	46
5150600 - Retirement - General	0	194	194	194	194	194
Total Staff Benefits	**$0**	**$358**	**$358**	**$358**	**$358**	**$358**

Total Personal Services

Total Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Personal Services	**$0**	**$963**	**$963**	**$963**	**$963**	**$963**

BCP Fiscal Detail Sheet

BCP Title: Permanent Position Funding for Ongoing Reliability Assessments required by SB 846 (Dodd, 2022)
BR Name: 3360-013-BCP-2025-GB
Budget Request Summary

Personal Services

Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Positions - Permanent	0.0	2.0	2.0	2.0	2.0	2.0
Total Positions	**0.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**
Salaries and Wages Earnings - Permanent	0	206	206	206	206	206
Total Salaries and Wages	**$0**	**$206**	**$206**	**$206**	**$206**	**$206**
Total Staff Benefits	0	67	67	67	67	67
Total Personal Services	**$0**	**$273**	**$273**	**$273**	**$273**	**$273**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5301 - General Expense	0	12	12	12	12	12
5302 - Printing	0	2	2	2	2	2
5304 - Communications	0	2	2	2	2	2
5320 - Travel: In-State	0	2	2	2	2	2
5322 - Training	0	4	4	4	4	4
5324 - Facilities Operation	0	20	20	20	20	20
5346 - Information Technology	0	4	4	4	4	4
Total Operating Expenses and Equipment	**$0**	**$46**	**$46**	**$46**	**$46**	**$46**

Total Budget Request

Total Budget Request	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Budget Request	**$0**	**$319**	**$319**	**$319**	**$319**	**$319**

Fund Summary

Fund Source

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
State Operations - 3237 - Cost of Implementation Account, Air Pollution Control Fund	0	319	319	319	319	319
Total State Operations Expenditures	**$0**	**$319**	**$319**	**$319**	**$319**	**$319**
Total All Funds	**$0**	**$319**	**$319**	**$319**	**$319**	**$319**

Program Summary

Program Funding

Program Funding	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
2380019 - Electricity Analysis	0	319	319	319	319	319
Total All Programs	**$0**	**$319**	**$319**	**$319**	**$319**	**$319**

Personal Services Details

Positions

Positions	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
4841 - Electric Generation Sys Spec I	0.0	1.0	1.0	1.0	1.0	1.0
5837 - Energy Analyst	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**

Salaries and Wages

Salaries and Wages	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
4841 - Electric Generation Sys Spec I	0	137	137	137	137	137
5837 - Energy Analyst	0	69	69	69	69	69
Total Salaries and Wages	**$0**	**$206**	**$206**	**$206**	**$206**	**$206**

Staff Benefits

Staff Benefits	FY25	FY25	FY25	FY25	FY25	FY25

	Current Year	Budget Year	BY+1	BY+2	BY+3	BY+4
5150900 - Staff Benefits - Other	0	67	67	67	67	67
Total Staff Benefits	**$0**	**$67**	**$67**	**$67**	**$67**	**$67**

Total Personal Services

Total Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Personal Services	**$0**	**$273**	**$273**	**$273**	**$273**	**$273**