

DOCKETED

Docket Number:	25-BSTD-02
Project Title:	2025 Energy Code Photovoltaic and Battery Storage Cost-Effectiveness Determinations
TN #:	264245
Document Title:	June 11, 2025 Business Meeting Order for Trinity PUD
Description:	The CEC has considered staff's analysis, the Executive Director's recommendation, all written comments submitted, oral comments made at June 11, 2025 business meeting, and CEC staff's responses to all comments on this matter and orders that PV and Battery energy storage requirements would not apply to new construction buildings under Trinity PUD.
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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

***2025 Energy Code Solar Photovoltaic
& Battery Energy Storage System
Exemption Determination for Trinity
Public Utilities District***

Docket No.: 25-BSTD-02

**ORDER DETERMINING THAT 2025
ENERGY CODE SOLAR
PHOTOVOLTAIC & BATTERY
STORAGE REQUIREMENTS DO NOT
APPLY TO TRINITY PUBLIC
UTILITIES DISTRICT'S SERVICE
AREA**

I. INTRODUCTION AND PROCEDURAL HISTORY

On September 11, 2024, the California Energy Commission (CEC) adopted the 2025 Energy Code, contained in the California Code of Regulations, Title 24, Part 1, Chapter 10, and Part 6, which includes solar photovoltaic (PV) requirements for newly constructed single-family buildings (Section 150.1(c)14) and low-rise multifamily buildings (Section 170.2(f)), and solar PV and battery energy storage system (BESS) requirements in nonresidential buildings (Sections 140.10(a), 140.10(b)), and high-rise multifamily buildings (Sections 170.2(g), 170.2(h)). High-rise multifamily buildings are multifamily buildings that have four or more habitable stories. These requirements, along with the rest of the 2025 Energy Code, go into effect January 1, 2026.

Section 10-109(k) of the 2025 Energy Code states, "The Commission may, upon written application or its own motion, determine that the photovoltaic or BESS requirements ... shall not apply, if the Commission finds that the implementation of public agency rules regarding utility system costs and revenue requirements, compensation for customer-owned generation, interconnection fees, or other factors, causes the Commission's cost effectiveness conclusions, made pursuant to Public Resources Code 25402(b)(3), to not hold for particular buildings ... In cases where conditions have changed that potentially would alter Energy Commission determinations that previously have been made, the Energy Commission may reconsider those determinations on its own motion."

On June 10, 2022, Trinity Public Utilities District (PUD) submitted an application to the CEC for a determination whether the solar PV system requirements of the 2022 Energy Code, which went into effect January 1, 2023, should apply to newly constructed single-family and low-rise multifamily buildings in its service area. The CEC found that Trinity PUD's rules regarding residential rates, compensation, and charges for customer-

owned generation caused the CEC's 2022 Energy Code cost-effectiveness conclusions to not hold for these building types in Trinity PUD's service area. The CEC determined at the February 15, 2023, business meeting that the 2022 Energy Code solar photovoltaic requirements do not apply to newly constructed single-family and low-rise multifamily buildings in Trinity PUD's service area.

On November 21, 2022, Trinity PUD also submitted an application to the CEC for a determination whether the solar PV system and battery energy storage system requirements of the 2022 Energy Code should apply to newly constructed nonresidential and high-rise multifamily residential buildings in its service area. The CEC found that Trinity PUD's rules regarding nonresidential rates, compensation and charges for customer-owned generation caused the CEC's 2022 Energy Code cost-effectiveness conclusions to not hold for these building types in Trinity PUD's service area. The CEC determined at the September 13, 2023, business meeting that the 2022 Energy Code solar photovoltaic and battery energy storage system requirements do not apply to newly constructed nonresidential and high-rise multifamily buildings in Trinity PUD's service area.

Since the CEC made these determinations, Trinity PUD has revised its residential and nonresidential rates, as well as compensation and participation charges for customer-owned generation. On its own motion, pursuant to Section 10-109(k) of the 2025 Energy Code, CEC staff (staff) has completed a cost-effectiveness analysis of the 2025 Energy Code solar photovoltaic requirements based on Trinity PUD's revised rates, compensation and charges for customer-owned generation finding that the CEC's cost-effectiveness conclusions for the 2025 Energy Code do not hold for newly constructed single-family, nonresidential, low-rise multifamily, and high rise multifamily buildings in the Trinity PUD service area.

The 2025 Energy Code requires that newly constructed nonresidential and high-rise multifamily buildings required to have a solar PV system must also have a battery energy storage system. For buildings where staff's analysis does not find solar PV systems to be cost effective in Trinity PUD's service area, the 2025 Energy Code cost-effectiveness conclusions regarding battery energy storage systems would also not hold. The benefits of combined solar PV and battery energy storage systems would not occur and the cost effectiveness of the combination could not be shown.

Staff also notes that Trinity PUD does not offer either a program where solar PV generation is compensated through virtual energy bill credits, or a community solar program. Therefore, staff finds that high-rise multifamily buildings in Trinity PUD meet Exception 5 to Section 170.2(g) of the high-rise multifamily solar PV requirements in the 2025 Energy Code.

The CEC considered the Executive Director's Recommendation at its June 11, 2025, Business Meeting.

II. CALIFORNIA ENERGY COMMISSION FINDINGS

Based on the entirety of the record, the CEC finds that:

- 1) On its own motion, pursuant to Section 10-109(k), staff prepared a cost-effectiveness analysis of the 2025 Energy Code solar photovoltaic and battery energy storage requirements based on Trinity PUD's revised rates, compensation and charges for customer-owned generation.
- 2) Staff's analysis meets the requirements in Section 10-109(k) of the 2025 Energy Code.
- 3) On May 13, 2025, the CEC provided a copy of staff's cost-effectiveness analysis of the 2025 Energy Code solar photovoltaic and battery energy storage requirements for newly constructed buildings in Trinity PUD's service area to interested persons, provided an opportunity for public comment for 10 days, and considered all public comments received in developing the Executive Director's recommendation.
- 4) On May 27, 2025, the CEC provided an updated copy of the staff analysis that corrected a minor error as it was published on May 13, 2025.
- 5) The Executive Director reviewed the staff analysis and, on May 30, 2025, submitted a recommendation to the CEC to determine that the 2025 Energy Code solar photovoltaic and battery energy storage system requirements do not apply to newly constructed single-family, nonresidential, low-rise multifamily and high-rise multifamily buildings in Trinity PUD's service area.
- 6) The Executive Director reviewed staff's analysis and conclusion that the action is not a project, as defined, under the California Environmental Quality Act (CEQA) or, in the alternative, if it is a project, it is exempt from CEQA pursuant to the common-sense exemption and recommends the CEC confirm this determination.
- 7) The Executive Director also recommends that the CEC direct staff to, on its own motion, reconsider the cost-effectiveness determinations for Trinity PUD's service area in each future code cycle.
- 8) The CEC has considered the Executive Director's recommendation and all relevant information regarding staff's analysis and finds that the 2025 Energy Code solar photovoltaic and battery energy storage system requirements do not apply to newly constructed single-family, nonresidential, low-rise multifamily and high-rise multifamily buildings in Trinity PUD's service area.

III. CONCLUSION AND ORDER

The CEC has considered staff's analysis, the Executive Director's recommendation, all written comments submitted, oral comments made at today's business meeting, and CEC staff's responses to all comments on this matter.

Therefore, the CEC concludes the following in accordance with Sections 10-109(k) of the 2025 Energy Code:

- 1) Trinity PUD revised rates, compensation, and charges for customer owned hydro-electric generation result in the Commission's solar PV and BESS cost effectiveness conclusions in the 2025 Energy Code to not hold for newly constructed buildings in the Trinity PUD service area.
- 2) The 2025 Energy Code solar photovoltaic and battery energy storage system requirements do not apply to newly constructed single-family, nonresidential, low-rise multifamily and high-rise multifamily buildings in the Trinity PUD's service area.
- 3) The CEC directs staff to, on its own motion, reconsider the cost-effectiveness determinations for Trinity PUD's service area in each future code cycle.
- 4) The CEC delegates the authority and directs CEC staff to take, on behalf of the CEC, all actions reasonably necessary to carry out the above direction.
- 5) Approval of this determination is not a project, as defined, subject to the California Environmental Quality Act (CEQA) and, alternatively, if it is a project, it is exempt pursuant to the common sense exemption under section 15061(b)(3) of the CEQA Guidelines; and
- 6) Any interested person may obtain a copy of the staff report by accessing TN# 263394 at CEC Docket Log 25-BSTD-02 at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=263394&DocumentContentId=100004>.

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 June 11, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE

ABSENT: NONE

ABSTAIN: NONE

Dated: June 12, 2025

SIGNED BY:

Kim Todd
Secretariat