

<b>DOCKETED</b>	
<b>Docket Number:</b>	22-BSTD-04
<b>Project Title:</b>	2022 Energy Code Photovoltaic and Battery Storage Cost Effectiveness Determinations
<b>TN #:</b>	267945
<b>Document Title:</b>	Business Meeting Order for Turlock's Monte Vista Apartments
<b>Description:</b>	<p>The document titled Business Meeting Order_Turlock_MonteVistaApartments.pdf is an official order from the California Energy Commission (CEC) regarding the applicability of the 2019 Energy Code photovoltaic (PV) requirements to the Monte Vista Apartments Project in Turlock, California. It details the procedural history, including Pacific West Communities, Inc.'s application submitted on September 2, 2025, requesting exemption from the PV mandate due to the Turlock Irrigation District's (TID) prohibition of virtual net energy metering (VNEM). Without VNEM, each unit would require a separate PV system, triggering costly and complex electrical requirements imposed by the City of Turlock. CEC staff confirmed these constraints and conducted a cost-effectiveness analysis, concluding that the Energy Code's assumptions no longer hold for this project. The Executive Director recommended, and the CEC approved, that the PV requirements under Section 150.1(c)14 of the 2019 Energy Code do not apply to this project.</p>
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<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
<b>Submission Date:</b>	12/16/2025 10:34:41 AM
<b>Docketed Date:</b>	12/16/2025

**STATE OF CALIFORNIA**  
**STATE ENERGY RESOURCES**  
**CONSERVATION AND DEVELOPMENT COMMISSION**

**IN THE MATTER OF:**

***2019 Energy Code Photovoltaic Cost-  
Effectiveness Determination for the  
Monte Vista Apartments Project***

**Docket No.: 22-BSTD-04**

**ORDER DETERMINING THAT 2019  
ENERGY CODE PHOTOVOLTAIC  
REQUIREMENTS DO NOT APPLY TO  
THE MONTE VISTA APARTMENTS  
PROJECT**

**I. INTRODUCTION AND PROCEDURAL HISTORY**

On May 9, 2018, the California Energy Commission (CEC) adopted the 2019 Building Energy Efficiency Standards (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 low-rise residential buildings, including multifamily buildings (Section 150.1(c)14). These requirements went into effect on January 1, 2020.

Section 10-109(k) of the 2019 Energy Code states, "The Commission may, upon written application or its own motion, determine that the photovoltaic requirements in Section 150.1(c)14 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, or interconnection fees, causes the Commission's cost-effectiveness conclusions, made pursuant to Public Resources Code 25402(b)(3), to not hold for particular buildings."

On September 2, 2025, Pacific West Communities, Inc. submitted an application to the CEC requesting a determination under Section 10-109(k) that the PV requirements of the 2019 Energy Code should not apply to the Monte Vista Apartments Project, a newly constructed 348-unit low-rise multifamily development located at 1525 W. Monte Vista Avenue in Turlock, California.

The application stated and provided documentation that the 2019 Energy Code applies to the Monte Vista Apartments Project, and that the Turlock Irrigation District (TID) does not allow virtual net energy metering (VNEM). VNEM is an energy billing mechanism that allows the electricity generation from a single solar energy system—typically installed on the roof of a multifamily building—to be shared among multiple dwelling units, crediting each tenant's utility bill based on their share of the solar output. The inability to utilize VNEM necessitates the installation of separate

photovoltaic (PV) systems for each dwelling unit. This configuration, in turn, triggers additional safety requirements imposed by the City of Turlock Building and Safety Division and Fire Inspector (City of Turlock) — such as extensive alternating current (AC) wiring to the main service meter — substantially increasing installation and interconnection costs. Specifically, the application states that in the absence of VNEM, the PV system for each unit must be connected through extensive AC wiring to the main service metering switchgear at ground level with a NEM PV meter for each dwelling unit. Further, the City of Turlock requires a readily accessible PV disconnect for each dwelling unit, located on the wall near the main service meter, to ensure first responder access in compliance with the California Electrical Code (Title 24, Part 3, Article 690).

CEC staff has confirmed the public agency rules adopted by TID and the electrical requirements established by the City of Turlock. Staff performed a cost-effectiveness analysis using PV system costs from contractor bids to install designs developed by Pacific West Communities, Inc., in compliance with rules adopted by TID, and electrical requirements of the City of Turlock. Any interested person may obtain a copy of the staff report by accessing TN#267536 at docket number 22-BSTD-04 at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=267536&DocumentContentId=104581>.

Staff concludes that the design of the PV system for the buildings resulting from the inability to use virtual net metering, combined with the City of Turlock electrical system requirements, results in high bids from contractors that cause the CEC's 2019 Energy Code cost-effectiveness conclusion for PV systems specified by Section 150.1(c)14 to not hold for the Monte Vista Apartments Project. Staff recommended to the Executive Director that the 2019 Energy Code photovoltaic system requirements shall not apply to the newly constructed low-rise multifamily buildings in the Monte Vista Apartments Project. The Executive Director reviewed CEC staff's conclusions and recommended staff's findings to the CEC. The CEC considered the Executive Director's Recommendation at its December 8, 2025, Business Meeting.

## **II. EXECUTIVE DIRECTOR RECOMMENDATION**

Based on the information reviewed and in accordance with Section 10-109(k) of the 2019 Energy Code, the Executive Director makes the following recommendations:

- 1) The Commission find that the public agency rules adopted by TID and the electrical requirements established by the City of Turlock Building and Safety Division/Fire Inspector result in a PV system design that cause the Commission's PV cost-effectiveness conclusions in the 2019 Energy Code to not hold for the newly constructed low-rise multifamily buildings in the Monte Vista Apartments Project.
- 2) In accordance with Section 10-109(k) of the 2019 Energy Code, the Commission should determine that the 2019 Energy Code section 150.1(c)14 solar PV requirements do not apply to the newly constructed low-rise multifamily buildings

of the Monte Vista Apartments Project within the City of Turlock and under the TID service territory.

### **III. CALIFORNIA ENERGY COMMISSION FINDINGS**

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

- 1) On September 2, 2025, Pacific West Communities, Inc. submitted an application under Section 10-109(k) of the 2019 Energy Code requesting a determination that the 2019 Energy Code PV requirements in section 150.1(c)14 should not apply to the newly constructed low-rise multifamily buildings of the Monte Vista Apartments Project, located at 1525 W Monte Vista Avenue in Turlock, California.
- 2) Staff evaluated Pacific West Communities, Inc.'s application and accompanying documentation, finding that they satisfied the Section 10-109(k) requirements of the 2019 Energy Code.
- 3) On September 12, 2025, the CEC provided a copy of Pacific West Communities, Inc.'s application to interested persons, provided an opportunity for public comment, and any comments received by October 6, 2025, were considered in developing the Executive Director's recommendation.
- 4) Staff evaluated Pacific West Communities, Inc.'s application, supporting documentation, and all public comments submitted, finding that the cost-effectiveness determinations adopted by the CEC for the 2019 Energy Code solar PV requirements do not hold based on TID's unique utility rules, the City of Turlock Building and Safety Division/Fire Inspector's electrical requirements, and the solar PV system costs estimated in bids from electrical and solar contractors to install locally compliant system designs.
- 5) On November 17, 2025, the Executive Director provided a copy of staff's cost-effectiveness evaluation of the 2019 Energy Code photovoltaic requirements for the Monte Vista Apartments Project to interested persons, provided an opportunity for public comment, and considered all public comments received on the application in developing the Executive Director's recommendation.
- 6) The Executive Director reviewed the staff analysis and, on November 26, 2025 submitted a recommendation to the CEC to determine that the 2019 Energy Code PV requirements do not apply to the newly constructed low-rise multifamily buildings in the Monte Vista Apartments Project.
- 7) 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.

#### **IV. CONCLUSION AND ORDER**

The CEC has considered the application materials, 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) and 10-110 of the 2019 Energy Code:

- 1) The unique public agency rules adopted by TID and the electrical requirements established by the City of Turlock Building and Safety Division/Fire Inspector result in a PV system design that cause the Commission's PV cost-effectiveness conclusions in the 2019 Energy Code to not hold for the newly constructed low-rise multifamily buildings in the Monte Vista Apartments Project.
- 2) The 2019 Energy Code PV requirements in Section 150.1(c)14 do not apply to the newly constructed low-rise multifamily buildings in the Monte Vista Apartments Project as identified in Pacific West Communities, Inc.'s application.
- 3) 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,
- 4) The CEC delegates the authority and directs the Executive Director to take, on behalf of the CEC, all actions reasonably necessary to carry out the above direction.

**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 December 8, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE

ABSENT: NONE

ABSTAIN: NONE

Dated: December 9, 2025

***SIGNED BY:***

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Kim Todd  
Secretariat