STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

FILED
02/13/26
03:28 PM
R2005012

February 13, 2026

Agenda ID #24045
Quasi-Legislative

TO PARTIES OF RECORD IN RULEMAKING 20-05-012:

This is the proposed decision of Commissioner Karen Douglas. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's March 19, 2026 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC: cg7
Attachment

Decision **PROPOSED DECISION OF COMMISSIONER DOUGLAS**
(Mailed 02/13/2026)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for the Self-Generation Incentive Program and Related Issues.	Rulemaking 20-05-012

DECISION DENYING PETITION FOR MODIFICATION OF DECISION 21-06-005 FILED BY ENGIE NORTH AMERICA, INC.

Summary

This decision denies the Petition for Modification of Decision 21-06-005 filed by ENGIE North America, Inc. (ENGIE). The Petition requested that wastewater treatment plants be exempted from a Self-Generation Incentive Program (SGIP) requirement that on-site renewable biogas used in internal combustion engine projects contain at least 96 percent methane.

This proceeding remains open.

1. Background

Effective June 3, 2021, the Commission adopted Decision (D.) 21-06-005. In D.21-06-005, the Commission concluded that requiring SGIP internal combustion engine projects using biogas to achieve a 96 percent of methane gas quality standard is reasonable. The Commission also determined that requiring SGIP biogas projects to meet or exceed the same 96 percent of methane gas quality

standard required by Southern California Gas Company (SoCalGas), for transported natural gas, ensures that the fuel that is combusted is relatively pure methane and does not result in greater greenhouse gas or criteria pollutant emissions than combustion of pipeline natural gas.[1]

ENGIE North America, Inc. (Engie) filed a Petition for Modification (Petition) of D.21-06-005 on October 4, 2024. ENGIE is an independent power producer, energy services company, and retail energy supplier. ENGIE filed the Petition to request that wastewater treatment plants (WWTPs) be exempted from the SGIP requirement that on-site biogas used in internal combustion engine projects must contain at least 96 percent methane.

Responses to the Petition were filed on November 4, 2024, by SoCalGas, the Bioenergy Association of California (BAC), and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates). On November 15, 2024, ENGIE filed a Reply to the Responses to the Petition.

This matter was submitted on November 15, 2024, upon the filing of ENGIE's Reply to the Responses to the Petition.

2. Issues Before the Commission

The issues before the Commission are (a) whether the Petition complies with the requirements of Rule 16.4(d) of the Commission's Rules of Practice and Procedure (Rules), and (b) whether to grant the Petition and allow ENGIE to be exempt from the current requirement to achieve 96 percent of methane gas quality.

[1] D.21-06-005 at 29, 30, and Conclusion of Law 7.

As discussed below, this decision does not address the substantive question of whether to grant the Petition because the Petition fails to meet the requirements of Rule 16.4(d).

3. Rule 16.4(d)

Rule 16.4(d) provides that a petition for modification must be filed and served within one year of the effective date of the decision proposed to be modified. If more than one year has elapsed, the petition must also explain why the petition could not have been presented within one year of the effective date of the decision. If the Commission determines that the late submission has not been justified, it may, on that ground, issue a summary denial of the petition.

ENGIE's Petition was filed and served more than one year after the effective date of the decision it proposes to modify. ENGIE argues that its Petition could not have been filed within one year of D.21-06-005 because its "[WWTP project's] energy upgrade plans and SGIP application for a cogeneration facility were not created and rejected until a year after the issuance of D.21-06-005."

Cal Advocates argues that the Petition fails to comply with Rule 16.4(d), as the application status of a specific SGIP project does not demonstrate that the Petition could not have been filed within a year of the decision. We agree with Cal Advocates.

ENGIE argues in the Petition that WWTP biogas has a lower methane content (60 percent) than the rule currently allows, and that the 96 percent methane rule makes WWTP biogas projects not economically feasible even with SGIP incentives. The Petition fails to provide a sufficient justification for why it could not have filed a petition for modification with this argument within one year of the effective date of D.21-06-005.

The Petition fails to comply with Rule 16.4(d) and is, therefore, denied.

4. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comments in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comments submitted in a proceeding be summarized in the final decision issued in that proceeding. There are no public comments relevant to this decision on the Docket Card of this proceeding.

5. Comments on Proposed Decision

The proposed decision of Commissioner Karen Douglas in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____ by _____, and reply comments were filed on _____ by _____.

6. Assignment of Proceeding

Karen Douglas is the assigned Commissioner and Hazlyn Fortune is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. The Petition was filed more than one year after the effective date of D.21-06-005.
2. The Petition fails to comply with the requirements of Rule 16.4(d).

Conclusions of Law

1. It is reasonable to deny the Petition.

O R D E R

IT IS ORDERED that:

1. The Petition for Modification of Decision 21-06-005 filed by ENGIE North America, Inc. is denied.

2. Rulemaking 20-05-012 remains open.

This order is effective today.

Dated March __, 2026, at Sacramento, California