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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on
Customer-Generated Renewables for
Priority Communities.

Rulemaking 25-01-005

AMENDED ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This Amended Assigned Commissioner's Scoping Memo and Ruling (Amended Scoping Memo) modifies the Scoping Memo issued on May 1, 2025. Specifically, this Amended Scoping Memo adds a Track 3 addressing the phase-out of the Multifamily Affordable Solar Housing (MASH) virtual net energy metering (VNEM) tariff. It also amends the schedule adopted in the May 1, 2025 Scoping Memo. All other rulings in the May 1, 2026 Scoping Memo remain in effect and unchanged.

1. Proceeding History

On January 16, 2025, the Commission approved this Order Instituting Rulemaking (OIR) for four main purposes: 1) to implement Senate Bill 355 (Stats. 2023, Ch. 393) and consider other modifications to the Solar on Multifamily Affordable Housing (SOMAH) program; 2) to consider modifications to the Disadvantaged Communities Single-family Solar Homes (DAC-SASH) program; 3) to consider modifications to and establish programmatic procedural oversight of Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariffs; and 4) to consider modifications to and establish programmatic procedural oversight of several small multi-jurisdictional utility (SMJUs) solar programs and tariffs.

An Assigned Commissioner’s Scoping Ruling and Memo was issued on May 1, 2025 scoping in issues on SOMAH, DAC-SASH, and RES-BCT in Track 1 of this proceeding, and scoping in SMJU customer solar programs and customer generation tariff issues in Track 2. Senate Bill (SB) 355 (Stats. 2023, Ch. 393) set a December 31, 2032 sunset date for the SOMAH program while Resolution E-5020 set a December 31, 2030 sunset date for DAC-SASH.¹

The May 1, 2025 scoping ruling set the following issues:

Track 1: SOMAH, DAC-SASH program, and RES-BCT tariffs

1. How should the Commission modify SOMAH to implement SB 355?
2. Should the Commission modify other aspects of SOMAH? If so, how?
3. Should the Commission modify the DAC-SASH program? If so, how?
4. Should the Commission establish basic programmatic elements for the large utilities’ RES-BCT tariffs, including a methodology for allocating the remaining program capacity and any related utility cost recovery? If so, how?
5. Are the modifications and elements proposed in Track 1 consistent with the Commission’s Environmental and Social Justice (ESJ) Action Plan and in furtherance of the objectives of the Governor’s Executive Order N-5-24 issued on October 30, 2024?

Track 2: SMJUs customer solar programs (excluding SOMAH) and customer generation tariffs

1. Should the Commission adjust the customer generation tariffs and/or programs offered by the SMJUs to increase cost-effectiveness and participant benefits, as well as create alignment with the Commission’s electric rate design principles?¹ If so, how?

2. Are the adjustments being considered in Track 2 consistent with the Commission's ESJ Action Plan and in furtherance of the objectives of the Governor's Executive Order N-5-24 issued on October 30, 2024?

The Commission created the MASH program in 2008 to provide solar incentives for qualifying affordable multifamily dwellings. Assembly Bill (AB) 693 (Stats. 2015, Ch. 582) adopted a successor to the MASH program, the SOMAH program. Per AB 217 (Stats. 2013, Ch. 609), the MASH program concluded in 2021.

The first VNEM tariff in California stemmed from the MASH program. The Commission later authorized VNEM successor tariffs in Decision (D.) 16-01-044. While the program is no longer accepting incentive applications, the MASH VNEM successor tariffs in Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) territories remain open for new enrollments for qualified properties and generation projects, namely multifamily properties that satisfy the MASH eligibility criteria and meet all other utility interconnection requirements. Customers can take service on the original and successor MASH VNEM tariffs for a 20-year legacy, or transition, period pursuant to D.14-03-041.

In light of the Net Billing Tariff adopted by the Commission in D.22-12-056 as a successor to the NEM 2.0 tariff and the virtual net billing tariff adopted by the Commission in D.23-11-068 as a successor to the VNEM tariff, the Commission will consider a schedule and process for winding down the MASH VNEM tariffs currently available in PG&E, SCE, and SDG&E territories as part of a Track 3 of this proceeding.

2. Issues

This is the appropriate proceeding for the Commission to address the wind-down of the MASH VNEM tariff because review and potential modification of MASH’s successor program, SOMAH, is already in scope. As a result, parties who would be impacted by any modifications to the MASH VNEM tariff are already present in this proceeding. This Amended Scoping Ruling will also be sent to the service list of the closed proceeding, Rulemaking (R.) 20-08-020, that revisited net energy metering tariffs and other issues related to net energy metering.

As such, this Amended Scoping Memo adds the following Track 3 issues:

1. What should be the timeline for phasing out MASH VNEM tariffs to new enrollments?
2. Is there an existing tariff that MASH customers should be transitioned to when they stop taking service on the MASH tariff?

3. Schedule

The following amended proceeding schedule for this rulemaking is adopted here and may be modified by the Administrative Law Judge as required to promote the efficient and fair resolution of the rulemaking:

Event	Date
Track 1: SOMAH, DAC-SASH program, and RES-BCT tariffs	
Proposed Decision on Issue 1 (SOMAH)	Q2 2026
Final Decision on Issue 1 (SOMAH)	Q2-Q3 2026
Energy Division Workshop on Issue 4 (RES-BCT)	Q3 2026
Proposed Decision on Issue 3 (DAC-SASH)	Q3-Q4 2026
Final Decision on Issue 3 (DAC-SASH)	Q4 2026

Proposed Decision on Issue 4 (RES-BCT)	Q1 2027
Final Decision on Issue 4 (RES-BCT)	Q1 2027
Track 2: SMJUs customer solar programs (excluding SOMAH) and customer generation tariffs	
Ruling Issues Staff Proposal on Issues 1 and 2 and Seeks Comment	Q3 2026
Track 3: MASH VNEM Tariff	
Ruling Requesting Comment on Issues 1 and 2	Q4 2026
Cross-Tracks 1, 2, and 3	
Ruling Seeking Comment on SOMAH, DAC-SASH sunsetting procedures	Q1 2027
Proposed Decision on Track 1 Issue 4 (RES-BCT), Track 2 Issues 1 and 2 (SMJU programs and tariffs), Track 3 Issues 1 and 2 (MASH VNEM tariff), and SOMAH and DAC-SASH sunsetting issues	Q1 2027
Final Decision on Track 1 Issue 4 (RES-BCT), Track 2 Issues 1 and 2 (SMJU programs and tariffs), Track 3 Issues 1 and 2 (MASH VNEM tariff), and SOMAH and DAC-SASH sunsetting issues	Q1 2027

To resolve the issues in the May 1, 2025 Scoping Memo and this Amended Scoping Memo, the Commission will need additional time beyond the 18-month statutory deadline. Accordingly, I approve a resolution date of March 31, 2027, as permitted by Pub. Util. Code Section 1701.5(b).

IT IS RULED that:

1. The scope of this proceeding is amended to include the Track 3 issues identified in this Amended Scoping Memo.

