



PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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June 12, 2026

Agenda ID #24305
Quasi-Legislative

TO PARTIES OF RECORD IN RULEMAKING 10-05-004:

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 July 16, 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/smt

Attachment

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking
Regarding Policies, Procedures and
Rules for the California Solar
Initiative, the Self-Generation
Incentive Program and Other
Distributed Generation Issues.

Rulemaking 10-05-004

**DECISION DENYING MOULTON NIGUEL WATER DISTRICT'S
PETITION FOR MODIFICATION OF DECISION 11-09-015**

Summary

This decision denies the Petition for Modification of Decision 11-09-015 filed by Moulton Niguel Water District (Moulton Niguel) on January 30, 2026.

This proceeding is closed.

1. Background

The Self Generation Incentive Program (SGIP) facilitates self-generation to offset onsite customer load. The California Public Utilities Commission (Commission) adopted Decision (D.) 11-09-015 (Decision) to modify SGIP pursuant to Senate Bill (SB) 412.¹ Among other matters, the Decision clarified that SGIP incentives “will apply to the portion of the generation that serves a project’s *on-site* electric load.”²

¹ SB 412 (Kehoe, Chapter 182, Statutes of 2009).

² D.11-09-015 at 3 (emphasis added).

On January 30, 2026, the Moulton Niguel Water District (Moulton Niguel) filed a Petition for Modification (Petition) to the Decision. The Petition asks for the Commission to modify D.11-09-015 and the SGIP Handbook so that Moulton Niguel's SGIP incentive can be based on its portfolio-wide energy demand rather than solely the on-site demand at its Bridlewood Flow Control Facility.

According to Moulton Niguel, this modification would better align the elements of the SGIP program with the Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program. Moulton Niguel also asserts that the modification would alleviate barriers to entry for emerging clean energy technologies, such as pressure-reducing turbines.

The Center for Sustainable Energy (CSE) filed comments on the Petition on February 4, 2026.³ CSE's comments express support for the Petition mentioning that offsetting system-wide energy demand is in alignment with the intent of SGIP and SGIP should be modified to better align with the RES-BCT program.⁴

2. Issues Before the Commission

The issues before the Commission are (1) whether the Petition meets the requirements of Rule 16.4, and, if so, (2) whether to grant the Petition.

3. Discussion and Analysis

Public Utilities (Pub. Util.) Code Section 1708 authorizes the Commission to "rescind, alter, or amend any order or decision made by it" after providing proper notice to the parties and an opportunity to be heard. By its very nature, the Commission's authority under Section 1708 is an extraordinary remedy. It must be exercised with care, justified by extraordinary circumstances, and

³ CSE is the Program Administrator for San Diego Gas & Electric Company's SGIP program.

⁴ Response of Center for Sustainable Energy to Moulton Niguel Water District's Petition for Modification of Decision 11-09-015.

remain consistent with the fundamental principles of res judicata because “Section 1708 represents a departure from the standard that settled expectations should be allowed to stand undisturbed.”²⁰

Rule 16.4 of the Commission’s Rules of Practice and Procedure governs the filing of a petition for modification, a procedural vehicle that “asks the Commission to make changes to an issued decision.”²¹ Rule 16.4(d) requires petitioners to file and serve their petition within one year of the effective date of the decision proposed to be modified, or to explain the late submission. If the Commission determines the petitioner failed to justify the late submission, “it may on that ground (alone) issue a summary denial of the petition.”²²

Because Moulton Niguel’s Petition was filed approximately 14 years after D.11-09-015 was issued, Moulton Niguel bears the burden to justify the late submission. Moulton Niguel explains that at the time of the Decision, it was not considering micro hydropower turbines or other Pressure Reduction Turbine technology. Now that Moulton Niguel intends to integrate micro hydropower turbines into its operations and utilize the SGIP program, it has an interest in the Decision.

We do not find that Moulton Niguel’s late submission is justified. Because we deny the Petition based on its failure to meet the requirements of Rule 16.4(d), we will not further consider the merits of the Petition.

4. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment 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 comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

There were no relevant public comments on the Docket Card for 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. 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. On September 16, 2011, the Commission issued D.11-09-015.
2. On January 30, 2026, Moulton Niguel filed a Petition to modify D.11-09-015.
3. Moulton Niguel explains that at the time D.11-09-015 was issued, it was not using Pressure Reduction Turbine technology but now intends to integrate micro hydropower turbines into its operations and utilize the SGIP program.
4. Rule 16.4 governs the filing of petitions for modification.
5. Pub. Util. Code Section 1708 is an extraordinary remedy that the Commission exercises with care, justified by extraordinary circumstances, and in keeping with the principles of res judicata.
6. Pub. Util. Code Section 1708 represents a departure from the standard that settled expectations should be allowed to stand undisturbed.

Conclusions of Law

1. It is reasonable to deny the Petition pursuant to Rule 16.4(d) because there is insufficient justification as to why Moulton Niguel's Petition was filed approximately 14 years after the Commission's issuance of D.11-09-015.
2. The Commission should close this proceeding.

O R D E R

IT IS ORDERED that:

1. The Petition for Modification of Decision 11-09-015 filed by Moulton Niguel Water District is denied.
2. Rulemaking 10-05-004 is closed.

This order is effective today.

Dated June __, 2026, at Sacramento, California