PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

 **Agenda ID# 23475**

**ENERGY DIVISION** **RESOLUTION E-5382**

 **June 12, 2025**

RESOLUTION

Resolution E-5382. Pursuant to Decision 21-12-036 and Resolution E-5218, approving with modifications, Pacific Gas & Electric’s request for extension of borrowed resources to December 31, 2028, and rejection of waitlisted customer enrollment into the legacy Green Tariff Shared Renewables (GTSR) program.

**PROPOSED OUTCOME:**

* Approves, with modifications, Pacific Gas and Electric’s (PG&E) Tier 3 Advice Letter (AL) 7404-E to extend the December 31, 2024 deadline to utilize borrowed resources to meet demand of customers enrolled in the Green Tariff Share Renewables (GTSR) program.
* Rejects PG&E’s Tier 3 AL 7483-E to enroll new or existing customers on a waiting list into the GTSR program.

**SAFETY CONSIDERATIONS:**

* There are no safety considerations associated with this resolution.

**ESTIMATED COST:**

* There are no costs associated with this resolution.

By PG&E AL 7404-E, filed on October 15, 2024, and PG&E AL 7483-E filed on
January 14, 2025.

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# Summary

This Resolution approves, with modifications, Pacific Gas and Electric’s (PG&E) Tier 3 Advice Letter (AL) 7404-E to extend the December 31, 2024 deadline to use borrowed resources to meet demand of current customers enrolled in the Green Tariff Share Renewables (GTSR) program. This determination aligns with Commission Decision D.21-12-036, which among other directives, authorized PG&E to temporarily 'borrow’ resources from its renewable portfolio standard (RPS)[[1]](#footnote-2) project portfolio to cover program oversubscription experienced in the GTSR program. Resolution E-5218, issued in June 2022, formally established this resource pool. This process has allowed PG&E to use excess existing renewable resources previously procured separately from its GTSR program to form a temporary resource pool to meet unanticipated increases in GTSR customer enrollment.

The extension granted herein runs until PG&E replaces the borrowed GTSR pool with additional new renewable energy and adds stipulations on the terms of the extension. PG&E may only borrow up to the current subscriber enrollment as of the date of its submission of AL 7404-E (which is 88.7MW).[[2]](#footnote-3) Such borrowing can continue until December 31, 2028, or when the modified Green Tariff program is operational (whichever comes first) as determined in the ongoing A.22-05-022 proceeding.

This Resolution rejects PG&E’s Tier 3 AL 7483-E seeking to enroll waitlisted or new customers into the GTSR program. Our rejection continues the direction provided in D.21-12-036 that PG&E must procure additional renewable generation and/or demonstrate that it has sufficient additional RPS-eligible resources to serve newcustomers, rather than borrowing further from its existing excess RPS portfolio. PG&E’s GTSR program continues to be oversubscribed, and the GTSR program’s resource pool requirements as directed in Resolution E-5218 remain in effect.

# Background

On September 28, 2013, California Governor Edmund G. Brown approved Senate Bill (SB) 43, which added Chapter 7.6 (beginning with Section 2831) to Part 2 of Division 1 of the Public Utilities (Pub. Util.) Code, creating the Green Tariff Shared Renewables (GTSR) Program. SB 43 directed the Commission to require participating utilities (Pacific Gas and Electric (PG&E), San Diego Gas & Electric (SDG&E), and Southern California Edison (SCE)) to administer a GTSR Program. In January 2015, the Commission adopted D.15-01-051 which required the utilities to submit their plans for GTSR by May 2015. The implementation plan included three phases: Phase I – Green Tariff options for SDG&E and PG&E, Phase II – Green Tariff options for SCE, and Phase III – Enhanced Community Renewables program requirements. The Commission subsequently issued Resolution E-4734 in October 2015 which clarified some implementation issues raised in the IOUs’ advice letters.

The GTSR program is a voluntary customer program for commercial and residential customers that provides a 50% to 100% renewable generation option. This program is funded entirely by participants and is not subsidized by non-participating ratepayers.

The GTSR program requires procurement of additional dedicated renewable portfolio standard (RPS) eligible resources outside of the RPS portfolio to serve the program. PG&E’s GTSR program began enrolling customers in 2016 and began bringing dedicated RPS-eligible resources online in 2018. In 2021, PG&E experienced an increase in GTSR customer enrollment when the GTSR rate changed from a premium to a discount. This resulted in an oversubscription of the GTSR program. [[3]](#footnote-4)On April 30, 2021,PG&E filed a Petition for Modification (PFM) seeking to use excess existingrenewable resources procured separately from its GTSR Program to form a temporarypool of resources to serve the oversubscribed customer base.

In response to the PFM, the Commission issued D.21-12-036 in December 2021 that authorized PG&E to “borrow resources acquired for its existing RPS portfolio to temporarily replace any shortfall to serve those customers who are enrolled in its GTSR Program.”[[4]](#footnote-5) Further, the Commission stated the borrowing authorized was not to exceed 176.15 MW (the oversubscription shortfall at the time of D.21-12-036) and emphasized that this borrowed GTSR Pool was a temporary, one-time approval.

Ordering Paragraph (OP) 3 of D.21-12-036 required PG&E to sign contracts for at least 176.15 megawatts (MW) of incremental RPS-eligible projects by December 31, 2022. OP 9 further directed PG&E to file an extension with the Commission should PG&E be unable to bring such projects online by December 31, 2024 and to file a Tier 3 Advice Letter for continued use of the borrowed GTSR resource pool to meet customer demand under the GTSR program. D.21-12-036 also stated that PG&E must demonstrate that it has sufficient additional procured RPS-eligible resources to serve its customers. Due to oversubscription, PG&E established a waitlist and has not enrolled any new customers since the height of its oversubscription in 2021.

PG&E’s GTSR borrowed resource pool was subsequently established through Resolution E-5218 in June 2022, which approved PG&E’s Tier 3 AL 6451-E to establish such a pool on a temporary basis until PG&E replaced the borrowed GTSR pool with additional new renewable resources.

On June 7, 2024, in the ongoing A.22-05-022 proceeding, the Commission issued Decision D.24-05-065. Among other directives, the Decision established a successor program to the GTSR called the modified Green Tariff Program. OP 5 of D.24-05-065 established a “top-off” methodology for the modified Green Tariff. Under the top-off methodology, customers subscribed to the tariff remain on their otherwise applicable tariff and are “topped off” to achieve 100 percent clean energy.

On October 15, 2024, PG&E timely filed Tier 3 AL 7404-E requesting the continued use of the borrowed resource pool established by Resolution E-5218 to support its legacy GTSR program. PG&E AL 7404-E requests continued use of the borrowed resource pool until December 31, 2028.

On January 14, 2025, PG&E timely filed a separate Tier 3 advice letter (AL 7483-E) seeking authorization to begin enrolling waitlisted customers into its legacy GTSR program.

# NOTICE

Notice of PG&E AL 7404-E and PG&E AL 7483-E were made by publication in the Commission’s Daily Calendar. PG&E states that a copy of these ALs were mailed and distributed in accordance with Section 4 of General Order 96-B.

# PROTESTS

No protests or responses were received for either AL 7404-E or AL 7483-E.

**DISCUSSION**

We find it reasonable and administratively expedient to consolidate PG&E’s GTSR ALs for disposition within a single Resolution. The policy issues in question are interconnected and impact the same resulting tariffs and directives ordered and amended by D.21-12-036, D.24-05-065 and Resolution E-5218.

We have reviewed PG&E's requests to extend the deadline to transfer borrowed resources back to the Renewable Portfolio Standard (RPS) portfolio originally established in Resolution E-5218 and approve the proposal with modifications. We have also reviewed PG&E’s request to enroll additional waitlisted customers onto its legacy GTSR program and deny this request.

Borrowed Resource Pool Deadline Extension

In Advice Letter 7404-E, PG&E states that it continues to face many of the same community solar developer and market challenges that had impacted PG&E’s ability to successfully add renewable electricity projects in 2021 to support its GTSR customer load requirements. PG&E’s AL 7404-E notes that the utility has repeatedly issued new project solicitations for the legacy GTSR program but that these Requests for Offers (RFOs) “have not been particularly effective at procuring MWs.”

As summarized above, Decision D.21-12-036 previously allowed for the borrowing of available RPS resources as a reasonable short-term option for bridging the misalignment between multi-year procurement timelines and subscription increases driven by annual rate changes. PG&E seeks to extend the ‘short-term’ remedy further in response to its continued GTSR procurement challenges.

PG&E’s AL 7404-E explains that in the time-period between its AL filing on October 2024 and the issuance of D.21-12-036 (and Resolution E-5218), the Commission issued D.24-05-065 in proceeding A.22-05-022. Among other determinations, D.24-05-065 established a successor program to GTSR called the modified Green Tariff program, however implementation details remain to be determined in a forthcoming Decision. In response to many of the challenges experienced by PG&E’s legacy GTSR program, OP 5 of D.24-05-065 established a “top-off” methodology for the modified Green Tariff program supply.

In response to AL-7404, we recognize that PG&E has attempted to continue its procurement efforts for the legacy GTSR program and that barriers to successful procurement remain. We also note that the Commission sought to address such challenges by establishing a new program design for the modified Green Tarriff program, but that those final programmatic details are still forthcoming.[[5]](#footnote-6) The Commission has recently issued a ruling in A.22-05-022 seeking to address implementation issues for the Community Renewable Energy and modified Green Tariff programs.[[6]](#footnote-7)

Due to the lengthy A.22-05-022 proceeding timeline, we approve PG&E’s request to extend the use of the resource pool to December 31, 2028, to allow time for the transition from the legacy GTSR program to the modified Green Tariff Program. However, we maintain the same limitations on the use of existing resources that were established in D.15-01-015. Namely, the use of existing RPS-eligible resources for legacy GTSR customers is a temporary measure applicable only until additional legacy GTSR resources are brought online. As detailed below, PG&E may only borrow enough capacity to serve its currently enrolled customers. PG&E must reduce its borrowed capacity based on customer attrition to match its enrolled customer load; alternatively it may do so through new legacy Green Tariff procurements.

It is our expectation that the legacy subscribed GTSR customers be prioritized for enrollment into the modified Green Tariff program once that program becomes operational. This Resolution approves PG&E’s request to adjust its GTSR procurement obligations and requirements (for example solicitation frequency or number of megawatts) by way of a separate Tier 2 Advice Letter. PG&E’s requested authority to return, via a Tier 2 Advice Letter, its borrowed resources to the RPS portfolio, either in whole or in part, once determination is made that they are not needed to supply its GTSR participation is also granted.

Enrollment of Waitlisted Customers

To increase program participation, PG&E requests in AL 7843-E to authorize the enrollment of customers from its GTSR waiting list into the program. This additional participation represents an additional program demand of 56.4 MW.[[7]](#footnote-8) PG&E’s AL states that granting this authorization would support 6,230 additional customers – comprised of roughly 5,254 residential customers (16.4 MW) and 976 large commercial customers (40 MW).

PG&E had multiple suggestions to address its waitlist issue, such as keeping the GTSR program closed to new enrollment with the only option to enroll being through the already established waitlist. PG&E proposes to review the supply for the program at least every 12 months (considering the current RPS compliance targets and program enrollment demand). PG&E further suggested, that ‘if’ capacity permits, PG&E would enroll its waitlisted customers.

We have reviewed PG&E’s request to allow enrolling waitlisted customers onto the legacy GTSR program and reject it. Instead, we expect that these customers will be enrolled in the modified Green Tariff, once the modified Green Tariff program tariffs are approved. As outlined above, since PG&E is using borrowed resources rather than new procured capacity to serve many of its legacy GTSR program customers, the Commission does not approve such borrowing for *new* customers because 1) the new, modified Green Tariff program is forthcoming and 2) the legacy GTSR program is marketed as a clean energy option such that prospective customers may be under the assumption that their enrollment will spur new solar and/or new renewable energy development.

OP 2 of D.21-12-036 requires PG&E to specifically identify and justify the projects that it intends to use to meet the GTSR over-subscription load. PG&E admits that it has been unable to procure any new projects for the legacy GTSR program. Given the lack of new projects, we find it inconsistent with prior Commission direction to allow waitlisted or new customers into the legacy GTSR program without tying such enrollments to new renewable energy projects that support their requisite load.

We find that it would be more appropriate for PG&E to enroll its waitlisted legacy GTSR customers into the modified Green Tariff once that program’s tariffs are approved. Again, in light of the recent ruling issued in proceeding A.22-05-022, the Commission expects a second decision that will finalize the parameters of the modified Green Tariff later this year. As outlined in that Decision, the expectation is that PG&E (and Southern California Edison) will file new tariffs following the issuance of a second, forthcoming decision.

# Comments

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review. Any comments are due within 20 days of the date of its mailing and publication on the Commission’s website and in accordance with any instructions accompanying the notice. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments and will be placed on the Commission's agenda no earlier than 30 days from today.

# Findings AND CONCLUSIONS

1. On September 28, 2013, California Governor Edmund G. Brown approved Senate Bill (SB) 43, which added Chapter 7.6 (beginning with Section 2831) to Part 2 of Division 1 of the Public Utilities (Pub. Util.) Code, creating the Green Tariff Shared Renewables (GTSR) Program.
2. In January 2015, the Commission adopted D.15-01-051 which required the utilities to submit their plans for GTSR by May 2015.
3. The Commission issued Resolution E-4734 in October of 2015 which clarified some implementation issues raised in the IOUs’ advice letters.
4. The GTSR program is a voluntary customer program for commercial and residential customers that provides a 50% to 100% renewable generation option. This program is funded entirely by participants and is not subsidized by non-participating ratepayers.
5. PG&E’s GTSR program began enrolling customers in 2016 and started bringing dedicated RPS-eligible resources online in 2018.
6. In 2021, PG&E experienced an increase in GTSR customer enrollment when the GTSR rate changed from a premium to a discount.
7. On April 30, 2021,PG&E filed a Petition for Modification (PFM) seeking to use excess existingrenewable resources procured separately from its GTSR Program to form a temporarypool of resources to serve the oversubscribed customer base.
8. In 2021, PG&E’s GTSR program experienced a capacity shortfall of 176.15 MW.
9. The Commission issued D.21-12-036 in December 2021 that authorized PG&E to borrow resources acquired for its existing RPS portfolio to temporarily replace any shortfall to serve those customers who are enrolled in its GTSR Program. The Commission required PG&E to have at least 176.15 MW of incremental new
RPS-eligible procurement interconnected and providing incremental energy to California’s grid by no later than December 31, 2024.
10. In June 2022, Resolution E-5218 approved PG&E’s Tier 3 Advice Letter 6451-E to establish its GTSR borrowed pool on a temporary basis until PG&E replaces the borrowed GTSR pool with additional new renewable resources.
11. Since 2021, PG&E has not procured new renewable projects to cover program enrollment load requirements and has continued using the RPS borrowing pool.
12. On June 7, 2024, in the ongoing A.22-05-022 proceeding, the Commission issued D.24-05-065, establishing a successor program to the GTSR called the modified Green Tariff program.
13. On October 15, 2024, PG&E filed a Tier 3 advice letter (AL 7404-E) requesting the continued use of the borrowed resource pool established by Resolution E-5218 to support its legacy GTSR program. PG&E AL 7404-E requests continued use of the borrowed resource pool until December 31, 2028.
14. On January 14, 2025, PG&E filed a separate Tier 3 advice letter (AL 7483-E) seeking authorization to begin enrolling waitlisted customers into its GTSR program.
15. It is reasonable and administratively expedient to consolidate PG&E’s GTSR ALs for disposition within a single Resolution.
16. As of July 2024, through natural program attrition, PG&E’s legacy GTSR program enrollment reduced to 130.8 MW.
17. As of January 2025, PG&E has 88.7 MW of customers enrolled in the legacy GTSR program and 56.4 MW of load on the waiting list for its legacy GTSR program, comprised of 16.4 MW of residential load (approximately 5,254 customers) and 40 MW of non-residential load (approximately 976 customers).
18. The Commission has issued a ruling in A.22-05-022 to help finalize program implementation for the Community Renewable Energy and modified Green Tariff programs.
19. It is reasonable to allow PG&E the continued use of its borrowed pool of projects to serve GTSR Customers but that it may only borrow enough capacity to serve its *currently enrolled* customers.
20. We find it consistent with prior Commission determinations that it is more appropriate for PG&E to enroll their waitlisted legacy GTSR customers into the modified Green Tariff program once that program’s tariffs are approved than to enroll these customers and expand the use of the borrowed pool of projects.
21. It is reasonable for PG&E to adjust its GTSR procurement obligations and requirements (for example its solicitation frequency or number of megawatts) by way of a Tier 2 Advice Letter.
22. It is reasonable for PG&E to return its borrowed resources to the RPS portfolio, either in whole or in part, once determination is made that they are not needed to supply its GTSR participation by way of a Tier 2 Advice Letter.

# Therefore it is ordered that:

1. Pacific Gas and Electric (PG&E) Advice Letter (AL) 7404-E is approved, with modification, to extend the December 31, 2024 deadline for PG&E to use borrowed resources to meet demand of its current customers enrolled in the legacy Green Tariff Share Renewable (GTSR) program.
2. Pacific Gas and Electric (PG&E) is authorized to borrow up to the current subscriber enrollment as of the date of submission of Advice Letter (AL) 7404-E, not to exceed 88.7MW. PG&E may continue using borrowed resources until December 31, 2028, or when the modified Green Tariff program is operational (whichever comes first).
3. Pacific Gas and Electric (PG&E) Advice Letter AL 7483-E is rejected. PG&E may not enroll waitlisted customers into the legacy Green Tariff Shared Renewables program.
4. Pacific Gas and Electric’s request to adjust its Green Tariff Shared Renewables procurement obligations and requirements (solicitation frequency or megawatt fluctuation up to program enrollment not to exceed 88.7 MW) via Tier 2 Advice Letter, is approved.
5. Pacific Gas and Electric (PG&E) is authorized to file a Tier 2 Advice Letter to return its borrowed resources to the bundled portfolio, either in whole or in part.
PG&E’s Advice Letter must provide details outlining its determination to return such resources.

This Resolution is effective today.

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 12, 2025; the following Commissioners voting favorably thereon:

Commissioner Signature blocks to be added

upon adoption of the resolution

Dated June 12, 2025, at <Voting meeting location>, California.

1. RPS is one of California’s key programs for advancing renewable energy. The program sets continuously escalating renewable energy procurement requirements for the state’s load-serving entities., and generation must be procured from RPS-certified facilities. The California Energy Commission verifies RPS claims while the CPUC implements and administers RPS compliance rules for California’s retail sellers of electricity. [↑](#footnote-ref-2)
2. PG&E GTSR enrollment as of January 2025 as stated in Advice Letter 7483-E (p.4) [↑](#footnote-ref-3)
3. Petition for Modification of Decision 15-01-051 of Pacific Gas and Electric Company, (p.1) filed April 30, 2021. [↑](#footnote-ref-4)
4. D.21-12-036, p. 52, OP 1 [↑](#footnote-ref-5)
5. D.24-05-065 (p. 147 & 151). [↑](#footnote-ref-6)
6. Administrative Law Judge’s Ruling Seeking Comment On Community Renewable Energy And Modified Green Tariff Programs issued April 1, 2025. [↑](#footnote-ref-7)
7. PG&E Advice Letter 7843-E (p.4). [↑](#footnote-ref-8)