STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 03/25)

Fiscal Year	Business Unit Number	Department
2026-2027	3360	California Energy Commission

Hyperion Budget Request Name	Relevant Program or Subprogram
3360-013-BCP-2026-GB	2390028 – Renewable Energy

Budget Request Title
Renewables Portfolio Standard Facility Certification

Budget Request Summary
The California Energy Commission (CEC) requests $176,000 from the Energy Resources Program Account (ERPA) in 2026-27 and ongoing and 1.0 position to address staffing needs to continue implementation of the state Renewables Portfolio Standard (RPS) program. This position is required for the CEC to meet its responsibility to certify renewable resources as eligible for the RPS.

Requires Legislation (submit required legislation with the BCP)	Code Section(s) to be Added/Amended/Repealed
☐ Trailer Bill Language ☐ Budget Bill Language ☒ N/A	Click or tap here to enter text.

Does this BCP contain information technology (IT) components? ☐ Yes ☒ No *If yes, departmental Chief Information Officer must sign.*	Department CIO	Date
	Click or tap here to enter text.	Click or tap to enter a date.

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. Click or tap here to enter text.
Approval Date: Click or tap to enter a date.
Project Approval Document: Click or tap here to enter text.
Total Project Cost: Click or tap here to enter text.

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Sean Simon	12/17/2025	Damien Mimnaugh	12/17/2025
Department Director	**Date**	**Agency Secretary**	**Date**
Drew Bohan	12/17/2025	Amanda Martin for Secretary Crowfoot	12/17/2025

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	Date submitted to the Legislature
Erin Carson	1/9/2026

A. Problem Statement

The CEC is required by statute to certify resources for California's RPS program.

The requirements and responsibilities of the RPS program are defined in Public Utilities Code (PUC) Sections 399.11 - 399.33 and Public Resources Code (PRC) Sections 25740 – 25751; both facility pre-certification and certification processes are the CEC's responsibilities required by statute. Electricity generated by a renewable facility cannot create renewable energy credits (REC) that count towards RPS compliance requirements and state policy goals unless the facility is deemed eligible and certified by the CEC.

RPS Certification Staff Need: As California's RPS goals continue to increase (44 percent by the end of 2024, 52 percent by 2027, and 60 percent by 2030), the annual certification applications submitted to the CEC also have increased. In addition to rising goals for renewable generation, the landscape of resources also has expanded. Overall, the program is seeing a growing complexity of applications and projects. Distributed generation (DG) has historically not participated in the RPS program, however, beginning in 2024, DG facilities began applying for RPS certification, with applications representing tens of thousands of residential rooftop solar systems. In addition, projects now often include battery storage facilities, which requires additional review. The program also is receiving applications for different types of biomass and gas technologies, which adds to the complexity of the CEC's certification work.

The RPS annual application submittals have risen from a 10-year average (2014-2024) of 638 to 1,250 for current year (CY), projected through December 31, 2025. There also are 1,200 applications for DG systems in the program database representing over 60,000 residential systems that have not yet been formally submitted. This represents a near doubling over historical averages in application volume, with much of the increase being attributed to DG systems.

Absent funding for this position, there will be insufficient staff resources to efficiently process RPS certification applications, resulting in delays in certification of RPS facilities. The result would be that facilities that are ready and able to generate RECs will not be able to sell them to utilities to receive credit towards RPS compliance obligations. Delays in the ability to make these transactions could negatively impact both the state's ability to reach its RPS and SB 100 goals and its ability to do so at least cost. Cost impacts can incur if utilities must procure additional resources or if delayed RPS certification delays project financing and development costs, which in turn are recovered by utility customers.

Resource History
(Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY-1	PY
Authorized Expenditures	10,014	32,316	62,015	59,755	16,852
Actual Expenditures	10,014	11,731	31,555	33,942	12,427
Revenues	NA	NA	NA	NA	NA
Authorized Positions	69.0	67.0	67.0	68.0	87.0
Filled Positions	59.4	59.4	66.3	85.8	72.7
Vacancies	9.6	7.6	0.7	-17.8	14.3

**Amounts are for 2390028 – Renewable Energy from budget galleys and FTE counts are for the division from Salaries and Wages Supplements.*

Workload History *(only include workload measures relevant to the request for resources.)*

Workload Measure	PY - 4	PY - 3	PY - 2	PY-1	PY	CY
Applications Received (application count)	726	539	538	641	661	1,250

B. Justification

The Energy Commission Specialist II (ECS II) position will provide the CEC necessary resources to manage the increased certification workload in a timely manner. The rising RPS goals have led to more complexity in the technologies and project designs participating in the program. This ECS II position will help strategically manage that workload as well as help process the increased number of certification applications. To effectively administer these evolved responsibilities, the CEC STEP division requests:

1.0 ECS II

The ECS II duties will include:

- Lead complex facility application reviews including eligibility determinations of novel and highly technical project designs.
- Develop and implement strategy for processing efficiencies for distributed generation applications, including updates to quality control, user interface, and stakeholder engagement.
- Lead development and implementation of a distributed generation audit process to ensure information and compliance is consistent between RPS and the external REC tracking system.

C. Departmentwide and Statewide Considerations

The efficient and timely processing of large quantities of new participant applications to California's RPS has the potential to expand and diversify the state's portfolio of renewable energy serving customers providing reliability benefits, clean air, workforce, and other economic benefits to the state.

D. Outcomes and Accountability

If the request is approved, funding will be quickly invested to add resources to the program to support the implementation requirements described. Stakeholders will benefit from this work by having timely processing of resources. The state will benefit from this work through a greater quantity of RPS eligible resources, which may lead to meeting the state's reliability and clean electricity goals.

Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
Applications Received (application count)	1,250	1,250	1,250	1,250	1,250	1,250

E. Implementation Plan

The CEC has started planning for implementation of the requested resources so that they can be utilized as soon as possible. New processes are currently being developed to handle the vast quantity of DG applications submitted or soon to be submitted to the program. The CEC anticipates within six months of receiving funding, the position will be recruited, hired, trained and responsible for leading key RPS certification subject matter areas.

F. Supplemental Information (If Applicable)

Current and proposed organization charts are available upon request.

BCP Fiscal Detail Sheet

(Dollars in Thousands)

BCP Title: Renewables Portfolio Standard Facility Certification

BR Name: 3360-013-BCP-2026-GB

Budget Request Summary

Personal Services

Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Positions - Permanent	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**
Salaries and Wages Earnings - Permanent	0	101	101	101	101	101
Total Salaries and Wages	**$0**	**$101**	**$101**	**$101**	**$101**	**$101**
Total Staff Benefits	0	52	52	52	52	52
Total Personal Services	**$0**	**$153**	**$153**	**$153**	**$153**	**$153**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5301 - General Expense	0	23	23	23	23	23
Total Operating Expenses and Equipment	**$0**	**$23**	**$23**	**$23**	**$23**	**$23**

Total Budget Request

Total Budget Request	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Budget Request	**$0**	**$176**	**$176**	**$176**	**$176**	**$176**

Fund Summary

Fund Source

Fund Source	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
State Operations - 0465 - Energy Resources Programs Account	0	176	176	176	176	176
Total State Operations Expenditures	**$0**	**$176**	**$176**	**$176**	**$176**	**$176**
Total All Funds	**$0**	**$176**	**$176**	**$176**	**$176**	**$176**

Program Summary

Program Funding

Program Funding	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
2390028 - Renewable Energy	0	176	176	176	176	176
Total All Programs	**$0**	**$176**	**$176**	**$176**	**$176**	**$176**

Personal Services Details

Positions

Positions	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
4185 - Energy Commission Spec II (Tech Eval & Develmt) (Eff. 07-01-2026)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**

Salaries and Wages

Salaries and Wages	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
4185 - Energy Commission Spec II (Tech Eval & Develmt) (Eff. 07-01-2026)	0	101	101	101	101	101
Total Salaries and Wages	**$0**	**$101**	**$101**	**$101**	**$101**	**$101**

Staff Benefits

Staff Benefits	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5150350 - Health Insurance	0	17	17	17	17	17
5150500 - OASDI	0	8	8	8	8	8
5150600 - Retirement - General	0	27	27	27	27	27
Total Staff Benefits	**$0**	**$52**	**$52**	**$52**	**$52**	**$52**

Total Personal Services

Total Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Personal Services	**$0**	**$153**	**$153**	**$153**	**$153**	**$153**