CONCURRENCE IN SENATE AMENDMENTS
AB 1813 (Ward)
As Amended August 27, 2026
Majority vote

SUMMARY

Requires the California Public Utilities Commission (CPUC) to adopt or modify a customer renewable energy subscription program with specified requirements by which a program participant is credited for electricity generated from a renewable generation facility, such as an array of solar panels, which the bill calls a community renewable energy generator (CREG).

Senate Amendments

1) Struck the definition of ″distribution system,″ as it was not used in the bill.

2) Modified the requirements for the California Energy Commission (CEC) to evaluate the load-modifying potential of CREGs, including an evaluation of whether location of subscribers and CREGs have a material bearing on facility′s ability to act as a load-modifying resource.

3) Requires the CEC to hold a public process with public comment when evaluating the load-modifying potential of CREGs. Specifies that the evaluation occurs prior to the CEC developing attributes that they would expect a CREG to meet in order to be considered a load-modifying resource by the CPUC.

4) Clarified that the CPUC shall respond to attributes identified by the CEC within 180 days, instead of 90 days, for any proposed changes to a CREG program.

5) Added requirements for the owner of CREGs to report to the CPUC and CEC on a quarterly basis regarding information such as hourly megawatt hours generated, charging and discharging information, CREG status, and other information determined by the CPUC or CEC.

COMMENTS

A community renewable energy program, very generally, is a program through which customers may subscribe to receive electricity from a local renewable electricity generation facility. The state has long had several such programs for solar energy; however, participation in the programs has never been robust.

This bill has a substantial legislative history, rooted in AB 2316 (Ward, Chapter 350, Statutes of 2022), which directed the CPUC to evaluate existing community renewable energy programs and potentially develop a new one prioritizing low-income customers. After the CPUC found no existing program met statutory goals, it created a new Community Renewable Energy Program (CREP) that compensated electricity at wholesale generation rates. Advocates and industry stakeholders pushed back, arguing that community solar facilities should be valued on par with behind-the-meter rooftop solar systems.

Last year, AB 1260 (Ward, 2025), attempted to resolve this dispute in favor of the proponents, but failed passage in the Assembly Appropriations Committee. Following an oversight hearing earlier this year, the author amended the present bill to address additional concerns, largely building off the framework of AB 1260. The most notable changes in this bill, when compared to AB 1260, are (1) directing the California Energy Commission (CEC) to evaluate the load-modifying potential of CREGs and identify attributes the CEC would expect a CREG to meet in order to be classified as a load-modifying resource, and (2) requiring the CPUC to establish a mechanism to determine whether CREGs are load-modifying resources consistent with the attributes identified by the CEC.

Bill proponents contend if a CREG meets the criteria the CEC identifies as necessary to qualify as a load-modifying resource, the CPUC should be required to value its electricity output accordingly – that is, the same way it would value electricity from any other behind-the-meter resource. According to the Assembly Appropriations analysis, the CPUC objects to this. The CPUC notes this bill, like AB 1260 before it, inappropriately requires the CPUC to utilize the same evaluation methodology for behind-the-meter distributed energy resources to evaluate the cost-effectiveness of the front-of-meter, wholesale resources, like CREGs.

Central to implementation of AB 2316 was determining the effect of a community renewable energy subscription program on electric utility customers who do not participate in the subscription program. The CPUC determined such a program would shift costs on to nonparticipating customers. Bill proponents, citing a study prepared for a national trade association of solar developers, businesses, and nonprofits, contended, and continue to contend, ″there is no cost shift, but instead all ratepayers benefit.″ That question of who benefits and who pays remains at the heart of this bill.

According to the Author
According to the author, ″California must build seven times the amount of solar, wind, and batteries every year for the next 25 years if we are to meet SB 100 goals. Unfortunately, nearly half of all California households are renters, and 70% of low-income households are renters, which in nearly any situation prevents solar opportunities onsite. AB 1813 provides a targeted way to build a robust community renewables program to lower electric bills for low-income households and renters, provide benefits to all ratepayers, and ease cost burdens for meeting the significant demand for new homes. Community Solar and Storage programs are an incredible tool the state can use to bridge this gap and ensure all Californian′s can access the benefits of renewable energy.″

Arguments in Support
This bill is supported by a coalition that includes, among others, the Solar Energy Industries Association, Vote Solar, Natural Resources Defense Council, the California Building Industry Association, and the Utility Reform Network. One coalition letter notes: ″AB 1813 presents a significant opportunity to guarantee everyone has access to the benefits of distributed clean energy by providing direct benefits to subscribers and passing along savings when Californians need relief the most, especially during the hottest months when energy usage and costs are at their highest. The bill addresses California′s energy equity challenges head on, particularly for those most underserved, while also relying on a compensation structure that is sensitive to the dynamic needs of the state′s electricity grid.″

Arguments in Opposition
This bill is opposed by both San Diego Gas & Electric Company (SDG&E) and Pacific Gas & Electric Company (PG&E). PG&E notes in their opposition letter that ″the bill does not require

that the program actually be cost-effective″ and ″prioritizes developer economics over ratepayer protection.″ While SDG&E points out that the bill is ″not [about] affordability, it is a cost-shift.″ Both utilities note their cost-shift concern arises from the classification of the CREG as load modifying, which SDG&E notes is ″conceptually flawed and inconsistent with statutory requirements″ because the CREG ″operates as a wholesale generation resource.″

FISCAL COMMENTS

According to the Senate Committee on Appropriations, this bill will entail significant new work at the CEC and CPUC and result in significant costs – in the millions of dollars – to those entities. CEC estimates approximately $2.7 million needed in the first year, and $1.7 million annually thereafter; the CPUC estimates over $3 million annually.

VOTES:

ASM UTILITIES AND ENERGY: 12-0-6
YES: Petrie-Norris, Boerner, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Zbur
ABS, ABST OR NV: Patterson, Calderon, Chen, Davies, Ta, Wallis

ASM APPROPRIATIONS: 10-2-3
YES: Wicks, Aguiar-Curry, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache
NO: Dixon, Tangipa
ABS, ABST OR NV: Hoover, Calderon, Ta

ASSEMBLY FLOOR: 51-8-21
YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Caloza, Carrillo, Connolly, Elhawary, Flora, Fong, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Ortega, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Michelle Rodriguez, Rogers, Schiavo, Schultz, Sharp-Collins, Solache, Stefani, Ward, Wilson, Zbur, Rivas
NO: DeMaio, Jeff Gonzalez, Hadwick, Johnson, Macedo, Sanchez, Tangipa, Valencia
ABS, ABST OR NV: Arambula, Calderon, Castillo, Chen, Davies, Dixon, Ellis, Gabriel, Gallagher, Hoover, Lackey, Nguyen, Pacheco, Patterson, Ramos, Celeste Rodriguez, Blanca Rubio, Soria, Ta, Wallis, Wicks

UPDATED

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