CALIFORNIA

Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Monthly Member Readout

May 2, 2025

REC

This call is being recorded.

Confidential – for CEDMC members only. Do not distribute.

Today's Agenda

CALIFORNIA Efficiency + Demand Management COUNCIL

- **Issues/Topics**

  - Spring Symposium on May 14, register today!
  - "Future of EE Summit" / "Empower DSM" Summit May 15
  - EE Industry at Risk in California - CEDMC Funding Request - Update
  - Legislation - Bill Support, Opposition, and Tracking - to date
  - CAISO DDEMI working group update
  - New EE Order Instituting Rulemaking
  - CEC approves revised DSGS program guidelines
  - Recent filings
  - Quick hits

©2025 Proprietary and Confidential. All Rights Reserved.

The Council's 2025 Spring Symposium

Empowering Local Solutions: California's Leadership in Clean Energy

Wednesday, May 14, 2025 in Costa Mesa, CA

AGENDA:

Keynote Speaker: Arnab Pal, Founder, Deploy Action

Session 1: Balancing Policy Priorities and Costs: Insights from Across the Country on the Energy Transition

- Richard Hart, ACEEE
- Rodney Sobin, National Association of State Energy Officials (NASEO)
- Karen Zelmar, Former Program Manager for Home Energy Rebate Programs, DOE
- *Moderator:* LeAndra Archuleta, Energy Solutions

Session 2: Rate Affordability and Energy Decarbonization: California's Priorities and Concerns

- *Moderator:* Cici Vu, Director, Energy & Climate Equity, DNV

Session 3: Utilities' Vision: Ensuring an Affordable Clean Energy Future

- Yuri Freedman, Southern California Gas Company
- David Jacot, Los Angeles Dept of Water & Power (LADWP)
- Erica Keating,Southern California Edison (SCE)
- *Moderator:* Cody Coeckelenbergh, ICF

Session 4: The Role of Regional Government Coalitions: Collaborating for an Equitable Energy Transition

- Sona Coffee, Clean Power Alliance
- Lujuana Medina, County of Los Angeles - ISD Environmental Initiatives Division
- Amy Whitehouse, San Diego Community Power
- *Moderator:* Kodie Baig, ICF

Session 5: Prioritizing Local Needs: Ensuring Community-Centric Program Design

- Emilie Bolduc, Edo
- Mauricio Blanco, Maroma Energy Services
- *Moderator:* Andrea Marr, Cadmus

More details & register at: https://cedmc.org/events/spring-symposium/

CA Auditor General Report on EE - Update

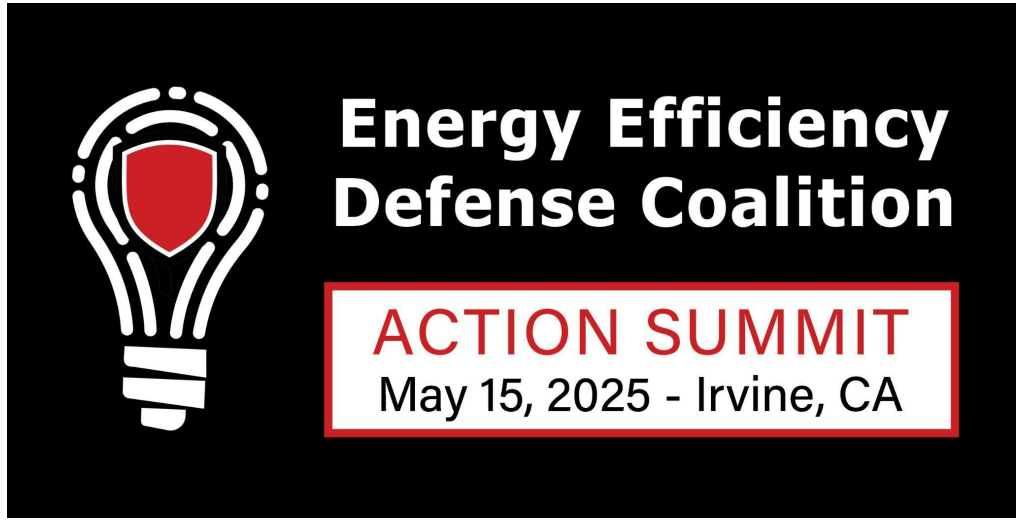
The State Auditor's report underscores the value of energy efficiency and its importance in achieving California's public policy goals. Notably, the report highlights that not all the benefits of energy efficiency have historically been considered, and that the CPUC has not adequately performed its oversight functions to ensure that energy efficiency programs are being held to the highest standards.

- The report repeatedly acknowledges the benefits of energy efficiency for California.
- The findings suggest that with better oversight and a full evaluation of benefits, efficiency programs will deliver even greater benefits for Californians.
- The audit makes clear that the CPUC needs to take more accountability to ensure that the benefits of energy efficiency programs are fully maximized.
- The audit also makes clear that the current method to calculating cost-effectiveness does not make sense and has caused under-investment in EE and misallocation of program spend.
- We agree with the core recommendations, in particular that:
  - The cost-effectiveness test be revised to reflect all the benefits of energy efficiency (including participant benefits), ensuring a fair evaluation of programs.
  - The PUC should promptly implement recommendations from independent program evaluations and EM&V best practices.
- At the end of the day, the report is best understood as a critique of cost tests such as the Total Resource Cost test (TRC) - a position long supported by CEDMC and one consistent with California's move toward a TSB approach for evaluating efficiency.

EE Defense Coalition and Action Summit

CALIFORNIA Efficiency + Demand Management COUNCIL

All CEDMC Members are welcome to join the EE Defense Coalition. This group is made up of CEDMC members, CCAs, and RENs to collaborate in the defense of our industry funding in California through proactive policy solutions, education, advocacy, etc. The goal is to collaborate broadly with aligned stakeholders in the state to promote the preferred resources of Energy Efficiency and Demand Response in California. **Email Kira at kkimick@cedmc.org to join.**



Energy Efficiency Defense Coalition ACTION SUMMIT

- Thursday, May 15, 2025, from 9:00 am – 5:00 pm in Irvine, CA
- In-person. Open to Council members, CCA's, RENs and others by invitation
- $175 Registration fee covers food, beverage, and meeting facilitator

This is a full day, in-person working summit for the Energy Efficiency Defense Coalition, CEDMC members, CCAs, and RENs. During the Summit, we will work to flesh out our coordinated strategy and plan to defend EE funding in the state, educate policy makers on the benefits of preferred resources, consider improvements to the administration framework, and map out how EE/DSM solutions are central to achieving California's climate and energy affordability goals. **Space is limited to 50, so reserve your spot today!**

Click here to Register for the EE Defense Action Summit

CEDMC All Member Call - Energy Efficiency Industry at Risk in California

CALIFORNIA Efficiency + Demand Management COUNCIL

The Energy Efficiency industry is facing unprecedented challenges and CEDMC must take critical actions this year to protect our Members' interests while defending the industry. Resources are required to win campaigns, and we must raise sufficient funding to successfully engage in the legislative process until the end of the session on September 12.

We are halfway to achieving our $150,000 goal. The budget we have set is based on meeting our goals.

Category	Request
201+ Employees	$6,000
101-200 Employees	$5,000
31-100 Employees	$2,500
1-30 Employees	$1,500

Contributions can be accepted via credit card through Square: Click Here to Contribute! If you would rather be invoiced, please reply to this message or email admin@cedmc.org with the amount. Please know the Council truly appreciates your continuing commitment to our organization.

Thank You to Those Who Contributed!

CALIFORNIA Efficiency + Demand Management COUNCIL

2050 PARTNERS
DECARBONIZATION EXPERTS

Ice Energy

Synergy COMPANIES
We Treat People Right™

LINCUS
INCORPORATED

BLUE FRONTIER

ICF

Energy Solutions

Opinion Dynamics

CascadeEnergy

JAY LUBOFF CONSULTING LLC

EVERGREEN ECONOMICS

Renew Home

CLEAResult

FRANKLIN ENERGY

resource innovations

Ecology Action | Community Climate Solutions

kW ENGINEERING

FRONTIER energy

Sealed

the Energy Coalition

Legislation - Bill Support, Opposition, and Tracking

Oppose **AB 306 (Schultz D) Building regulations: state building standards.** CEDMC to join the opposition coalition to seek changes to the bill

Support **AB 44 (Schultz D) Energy: electrical demand forecasts.**

Support **AB 740 (Harabedian D) Virtual power plants: load shifting: integrated energy policy report.**

Support **AB 1020 (Schiavo D) Public utilities: energy: taxpayer funding: reporting.**

Under Consideration **AB 1117 (Schultz D) Electricity: rates: optional dynamic rate tariffs.** Need to review and recommend possible changes. It's not clear how this bill might affect CEDMC Members

Legislation - Bill Support, Opposition, and Tracking

CALIFORNIA Efficiency + Demand Management

Support **SB 540** (**Becker** D) **Independent System Operator: independent regional organization.** Bill moved out of Committee on 4/21.2025

Support **SB 541** (**Becker** D) **Electricity: load shifting: dynamic pricing.** Council Testified in Support. With amendments, Bill moved out of Committee 14 - 6

Support **SB 620** (**Stern** D) **Energy utility data** April 29 set for first hearing, canceled at the request of author. Issues need more work; this is now a 2-year bill

Monitor closely **SB 330** **Electrical transmission infrastructure: financing.** Turn Sponsored

> Would authorize the Governor to establish one or more pilot projects to develop, finance, or operate electrical transmission infrastructure that meet the specified criteria, including, among other things, that the transmission line is identified by the Independent System Operator in its transmission planning process as a project subject to competitive bidding and necessary to support clean energy generation to meet the state's clean energy goals.

Monitor closely **SB 647** (**Hurtado** D) Low-income energy assistance programs: equitable building decarbonization program.

The bill aims to expand eligibility and access to energy efficiency and weatherization programs to help more low- and moderate-income families, not just those in deep poverty, afford to cool their homes and reduce their energy burden.

Bill Analysis ***04/25/25- Senate Energy, Utilities And Communications***

CAISO DDEMI working group update

- On 4/7, the CAISO held its most recent Demand and Distributed Energy Market Integration (DDEMI) Working Group
- Working group summary
  - Discussed draft problem statements on Performance Evaluation Methodologies (PEM)
    - Are there too many PEMs?
    - Are existing PEMs well-suited to emerging DERs?
    - How to streamline customer registration in the Demand Response Registration System?
    - Can PEMs be addressed more in the DR Business Practice Manual rather than the tariff?
  - Council presented on device-level measurement and how that can address PEM problems
- Stakeholder comments on the draft problem statements submitted on 5/1

025 Proprietary and Confidential. All Rights Reserved.

New EE OIR approved

- On 4/24, the CPUC approved a new EE rulemaking, R.25-04-010
- Preliminary scoping issues include:
  - Natural gas measure policy and definition of viable electric alternatives
  - Community Choice Aggregator oversight, incl. the budget formula for CCA administrators
  - Policy guidance for 2026 portfolio applications
  - Portfolio oversight: affordability, decarbonization, reliability, and to establish processes for continued CPUC oversight
  - Cost-effectiveness: actions to improve the efficacy of EE portfolios, explore ways to reduce ratepayer funding for programs; need to coordinate w/ R.22-11-013 (ACC update)
  - Treatment of multifamily buildings and programs: need to address the needs this sector more directly and potentially craft new approaches
  - EE potential and goals
  - Oversight of 2024-2027 EE portfolios
  - Other issues as needed
- Next steps: Comments on scoping issues due 5/19

025 Proprietary and Confidential. All Rights Reserved.

CEC approves revised DSGS program guidelines

- On 4/10, the CEC approved the Fourth Edition of its Demand Side Grid Support (DSGS) Program Guidelines
- Background
  - The CPUC submitted a letter to the CEC, asking for a delay on its 3/17 vote due to alleged overlap between the proposed DSGS Incentive Option 4 (Emergency Load Flexibility Power Plant Pilot) and PG&E's recently-approved Automated Response Technology (ART) program b/c it targets the same market segments and devices, and cites ART providers' capacity contracts
  - Several parties, including the Council, submitted comments opposing the CPUC's contentions, stating:
    - The last-minute nature of the CPUC's request was inappropriate, esp. b/c no evidence was provided
    - Applauded CEC openness to explore new DR/DER models but expressed concern about regulatory uncertainty
    - Recommended CPUC make available more opportunities that reflect the growing diversity of DR/DER participants and technologies
    - The DSGS Program supports rate affordability
- CEC ultimately approved the Guidelines without Incentive Option 4 in PG&E's service area, pending an assessment of potential Incentive Option 4 overlap w/ the ART program
  - In comments from the dais, some Commissioners expressed an interest in completing the assessment ASAP
  - PG&E stated that the CPUC's letter was not at their behest

025 Proprietary and Confidential. All Rights Reserved.

Recent filings

2025 Council Filings

April 15 – R.14-10-003 Council Petition for Modification of D.19-05-019

April 8 – Comments in Support of the Fourth Edition of Demand Side Grid Support Program

April 7 – CAISO DDEMI WG Presentation - Device-Level Measurement Presentation

©2025 Proprietary and Confidential. All Rights Reserved.

Quick hits

- **PfM of D.19-05-019:** On 4/15, the Council submitted a Petition for Modification (PfM) of D.19-05-019 to replace the Total Resource Cost (TRC) test with the Program Administrator Cost (PAC) test in DER program budget allocation
- **Electric Power Investment Charge (EPIC) Program:** On 4/25, the CPUC issued a Ruling seeking comments on two appended reports:
  - *Second Independent Electric Program Investment Charge (EPIC) Evaluation*
  - *Energy Division Staff Report on IOU Administrator Progress in Implementing the Additional Requirements of D.21-11-028 for the Electric Program Investment Charge (EPIC) Program*
  - Next steps: Opening comments are due 5/9, and reply comments are due 5/19
- **Load Shift Goal Update:** On 4/23, the CEC issued a Memo to Open New Docket, entitled, "Load Shift Goal Update", under the 2025 Integrated Energy Policy Report docket; documents under this new docket (25-IEPR-05) can be found here

025 Proprietary and Confidential. All Rights Reserved.

Discussion and Questions

CALIFORNIA Efficiency + Demand Management COUNCIL

Thank You!

Please contact us if you have any questions.

Joe Desmond – jdesmond@cedmc.org
Kira Kimick – kkimick@cedmc.org

www.cedmc.org

©2025 Proprietary and Confidential. All Rights Reserved.