CALIFORNIA

Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Monthly Member Readout

October 3, 2025

REC

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Today's Agenda

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- Welcome New CEDMC Members
- Wrap-Up SoCalGas Business Forum
- Register for Edison Business Forum on 10/29
- Registration is Open - CEDMC's Fall Conference on Nov. 12-13
- Invitation to Participate in 2026 CEDMC Compensation Survey
- Legislative update
- CPUC approves DER IDSM programs
- New demand response rulemaking
- PDs approving EE market transformation initiatives
- Quick hits

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Welcome New CEDMC Members!

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New Full Member STFRD

New Industry Partner: Global Energy Services, Inc.

Welcome back Full Member, Enervee!

SoCalGas-CEDMC Business Forum

The Council held our annual Business Forum with SoCalGas on Tuesday. Here are the highlights:

SoCalGas Business Forum for CEDMC Members

Register Now - SCE-CEDMC Business Forum

Wednesday, October 29, 2025
10:00 am - 2:00 pm
SCE Energy Education Center
6090 Irwindale Ave.
Irwindale, CA 91702
In-person only

Click here to register

Forum Topics:

- Organizational structure from SoCalGas
- 3rd party results actual vs. forecast goals
- Solicitation / contracting survey
- Demand flexibility / load shift goals
- Energy efficiency barriers
- Changes in the alignment of decarbonization and affordability
- Revisiting Cost-Effectiveness Tests
- Updates / improvements / concerns / on Statewide program coordination
- Decarbonization Programs – updates, lessons learned, and promising technologies
- Schedule for future solicitations

Please note: The IOU Business Forums are a CEDMC member benefit; as such, registration will be limited to CEDMC members. There is no limit on number of employees each member company can send. To facilitate a robust discussion, there is no online option, it is in-person only.

CEDMC Fall Conference Registration is Open!

- **November 12-13, 2025**
- **Scottish Rite Center, Oakland, CA (in-person)**
- **Registration: https://cedmc.org/events/fall-conference/**
- **Register before October 10 and save!**

The Fall Conference is the Council's premier annual event which focuses on addressing key policy issues focused on how efficiency and demand management resources can be enhanced through the development and support of solid and implementable policies. We bring together policy makers (e.g., elected leaders) with policy implementers (e.g., regulators) and other key stakeholders to address important current issues.

This year's theme is ***Raising the Volume on Energy Efficiency and Demand Management in California: Amplifying Our Industry Voice***. We will explore timely topics that are important to Council members and the industry including:

- the value of energy efficiency and demand side management;
- decarbonization and beneficial electrification;
- load flexibility, and
- reform.

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Participate in 2026 CEDMC Compensation Survey

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CEDMC is bringing back our Compensation & Benefits Survey by popular demand!
The last survey was conducted 10 years ago. The survey is designed to capture compensation and benefit practices currently in place at CEDMC member organizations. We recognize the need in our industry to have valid, relevant data on competitive practices specific for energy efficiency and demand management jobs.

The survey is open to Council members only and is specifically focused on capturing comprehensive compensation-related data for approximately 23 jobs, and approximately 40 total rewards questions covering pay practices, benefits, and retirement.

If your organization pre-pays to participate in the survey, you will receive a significant discount on the purchase price. Participants that do not prepay will still receive a discount over the nonparticipant price, as shown below. If we do not get enough interest or prepaying companies, we will cancel the survey.

- Participant Prepay Price: $1,000
- Participant Non-prepay Price: $2,000
- Nonparticipant Price: $2,500

Further details are linked here.

If your organization would like to prepay for the survey, please email Kira Kimick, Member Services Manager, at kkimick@cedmc.org.

PRE-PAY DEADLINE: WEDNESDAY, OCTOBER 15, 2025

AB 825 (Petrie-Norris D) Energy: electricity.

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Summary: Would create the Public Transmission Financing Fund within the State Treasury for the purpose of financing eligible transmission projects, as defined, and projects that are necessary to meet the state's clean energy goals to reduce or offset ratepayer costs associated with the public benefits of transmission projects.

The bill would make the moneys in the fund, except as specified, continuously appropriated, without regard to fiscal year, for the support of eligible entities, as defined, and available for expenditure for the above-described purpose. By establishing a continuously appropriated fund, the bill would make an appropriation.

Do pass

AB 825 (Petrie-Norris D) Energy: electricity (cont.)

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CEDMC remains Opposed Unless Amended (OUA) regarding the AB 825 provision to establish a new oversight Task Force. We continue to engage with Staff and the Author to provide recommendations,.

1. Preferred Resource: Add affirmative language about the value of cost -effective energy efficiency and demand side management as a preferred resource for Californians. This, by definition, is the least-expensive energy and T&D resource for all ratepayers.
2. Time: Either allot more time for the task force or provide a budget to hire independent experts.
    1. Fund hire of independent industry consultants to support task force
3. Program Administration Model: Review program administration model and process – look at other states and make recommendations to either reform current model or change to different model.
4. Streamline Process: Timing of CPUC approvals, approval windows, solicitation requirements, ability of "third-party administered" to in fact run programs independent of IOU control.
5. Reform Cost-Effectiveness Methods: Recommend removing reference to TRC test – it includes costs not paid for by ratepayers. Otherwise we are supportive of direction of the task force in reforming and creating clear rules around cost-effectiveness

AB 825 (Petrie-Norris D) Energy: electricity (cont.)

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6. Out of State Consultation: Recommend that task force consult with out of state EE/DSM entities for advice and insights on how other states approach funding DSM. Consult with ACEEE, NASEO, and other leading state commissions including MA DOER (CA regularly trades places with MA for 1st on ACEEE Scorecard), and IL on other approaches and best practices.

7. Value of DSM to Avoid T&D Build Out Costs: Include in scope of task force a review of potential avoided costs for new T&D needed by instead investing in Demand Side Management approach. Massive potential savings. Peak Load Management Association (PLMA) is currently doing a study on this. Bill increases overwhelmingly driven by increases in T&D spending. Reducing this impact can reduce bills.

8.Non-Participant Benefits: Evaluate and report on the value and impacts to non-participants. Cost-effective DSM lowers costs for all ratepayers.

9.Permitting Reform: As part of process reform, Task Force to examine how the "Permitting Reform Best Practices" from Assembly's own streamlining report can be applied to accelerate benefits from EE: Final Report: Select Committee on Permitting Reform | Official Website - Assemblymember Buffy Wicks Representing the 14th California Assembly District

AB 825 (Petrie-Norris D) Energy: electricity (cont.)

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10. Representation: Add Industry representation to Task Force, in particular, CEMDC and CalTF, to the DSM Task Force, and provide funding to give the Task Force independent representation outside of regulators and regulated entities. Implementers experience the friction, inefficiencies, and inconsistencies in the current process and know where reform is needed and where duplication exists. Also consider CAISO representation to cover load management and participation of DSM resources into the wholesale market.

11. Portfolio Approach: Review and make recommendations on how the overall portfolio of EE/DSM is managed and what amount of "non-resource" investments are allowed and for what.

CPUC approves DER IDSM programs

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- On 9/18, the CPUC issued Resolution E-5387 which approved the multi-DER IDSM frameworks and programs of PG&E, SCE, SoCalGas, BayREN, I-REN, MCE, SoCalREN, and 3C-REN, pursuant to D.23-06-055
- Background
  - D.23-06-055 authorized EE PAs to propose processes for customers to implement multi-DER projects & receive rebates from other programs through their EE programs; Tier 3 ALs were filed on or before 3/15/24
  - EE PAs may use $4-15 million on pilot basis but must result in permanent load shifting or load reduction
- Resolution Overview
  - **Reporting:** PAs to follow latest instructions provided by EE Reporting Project Coordination Group (PCG) re: reporting components of the multi-DER IDSM programs to CEDARS
  - **Implementation plan requirements:** Pilot programs to describe ex ante counting method

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CPUC approves DER IDSM programs (cont.)

- Overview (cont.)
  - **Load shapes:** PAs should use either DEER load shapes or an NMEC metered load shape; if no load shape, PAs can propose their own
  - **Technical Assistance (TA):** Clarified that RENs' use of TA can include audits, education, project design specifications, procurement and funding support, financial analyses, and project implementation
  - **IOU proposals:** IOUs only submitted frameworks, so the Resolution provides filing guidance on their future program proposals
  - **Cost Effectiveness:** PG&E, SCE, SoCalGas directed to propose cost-effectiveness approaches through the EE Reporting Project Coordination Group (PCG)
  - **Ex Ante/Ex Post values:** IOUs to specify their methodologies in their proposals

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New demand response rulemaking

- On 9/29, the CPUC issued a new OIR to Enhance Demand Response in California.
- Preliminary scope includes:
  - Updating DR guiding principles and goals (staff proposal attached)
  - Policies to make DR more consistent, predictable, and cost-effective, including:
    - Dual participation
    - Valuation methodologies and evaluation metrics
    - CAISO market integration topics
    - Resource Adequacy valuation and slice-of-day implementation
  - New/improved standardized data systems, communication protocols, and data transfer processes
- Next steps: Parties to file opening comments on scope and schedule by 11/13

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New demand response rulemaking (cont.)

- Staff proposal for guiding principles
  - Demand response shall be **predictable and reliable** in order to be incorporated into the State's forecasting and planning frameworks and be depended on in both system planning and real-time grid operations.
  - **Standard and consistent** valuation methodologies and evaluation metrics, along with standardized data formats, communication protocols, and data access processes, shall be adopted to enhance the transparency, comparability, and effectiveness of demand response resources and programs across the State.
  - Demand response resources in California shall be **cost-effective** and demonstrate clear value by delivering measurable system and ratepayer benefits.
  - Demand response resources and programs shall continue to support California's **energy and environmental goals** and prohibit use of fossil fuel generation except under strictly limited conditions.

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PDs approving EE market transformation initiatives

- On 9/23, the CPUC issued a Proposed Decision and Alternate Proposed Decision (Baker) on the CalMTA's application for two Market Transformation Initiatives (MTI)
- Background
  - PG&E filed application o.b.o. CalMTA on 12/20/24 for Room Heat Pump and Induction Cooktop MTIs, pursuant to D.19-12-021, to deliver $1 billion in TSB by 2045
  - Prioritizes ESJ & DACs
  - Provides EE and decarb benefits, addresses technology gap for low-income customers
  - Requested full $250 million budget to develop future MTIs
- Proposed Decision overview
  - Approves both MTIs w/ $102.5 million total budget for 2026-2031 collected from electricity rates only; rejects release of full $250 million budget
  - Finds both MTIs cost-effective
  - Dismissed concerns re: program overlap; CalMTA is statewide market transformation effort
  - CalMTA may proposal additional MTIs in the future via application
  - Annual reporting required; any funding reduction or removal of an MTI requires a Tier 2 AL
  - A Non-Profit Transition plan must be filed via Tier 2 AL by end of 2028

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PDs approving EE market transformation initiatives (cont.)

- Differences w/ Proposed Decision
  - Approves the Room Heat Pump MTI only; rejects the Induction Cooking MTI for following reasons:
    - TRC break-even year is 2042 (vs. 2035 for Room Heat Pump)
    - CalMTA underestimates the market saturation of induction cooktops (using RECS vs. RASS data)
    - CEC's Building Initiative for Low-Emissions Development (BUILD) program promotes technologies like induction cooktops
  - Approves $54.87M budget over a six-year period (2026-2031)
  - CalMTA may re-apply for Induction Cooktop funding in the future but it must reduce the TRC break-even period and increase cost-effectiveness
  - Any new application must include Sensitivity Analyses to support forecasts for Total Market Adoption and Baseline Market Adoption models; after 2028, CalMTA must demonstrate in new applications how non-ratepayer funds have been sought for an MTI project
  - The Non-Profit Transition Plan must include:
    - An amended contract between PG&E and CalMTA granting CPUC a perpetual, no-cost license to use CalMTA's internal cost-effectiveness tool developed for the MTIs;
    - Details on how CalMTA will pursue both ratepayer and non-ratepayer funding arrangements for future MTI applications; and
    - Results of an annual audit report from the Commission's Audit Branch
  - The primacy of the CalMTA programs over any other EE program will be addressed in R.25-04-010

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Quick hits

- **Workshop on 2024 DSGS Program performance:** The CEC will hold a 10/15 workshop to review 2024 DSGS program performance
- **October 7 CEC EPIC Symposium:** CEC will hold an EPIC symposium to "explore how next-generation electric vehicle charging innovations, among other exciting investments, are helping California reach its ambitious clean energy goals affordably and equitably"

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Recent filings

2025 Council Filings

September 12 – CEDMC & Leapfrog Power Comments on SGIP PD

September 12 – CEDMC Comments on Track 1 RA Modeling & Program Design Draft Final Proposal

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INDUSTRY TRAINING COURSE

Energy Efficiency & Demand Management Policy & Practice in California

September 16, 2025

WELCOME!

Joe Desmond

Executive Director

CEDMC

CALIFORNIA Efficiency + Demand Management COUNCIL

TODAY's INSTRUCTORS (in order of appearance):

- **Joe Desmond**, Executive Director, CEDMC
- **Ann McCormick**, Energy Efficiency and Sustainability Professional
- **Megan M. Myers**, Attorney, Law Offices of Megan M. Myers
- **Marc Costa**, Director of Policy & Planning, The Energy Coalition
- **Luke Tougas**, Principal, Clean Energy Regulatory Research
- **Annette Beitel**, President and Founder, Future Energy Enterprises and Facilitator, California Technical Forum (Cal TF)
- **Carmen Best**, Chief Policy Officer, Recurve
- **Michelle Vigen Ralston**, Principal and Founder, Common Spark Consulting

TODAY's AGENDA:

- 11:00-11:10 am: **Introductions & Overview**, Joe Desmond
- 11:10-11:40 am: **A Brief History of EE in California**, Ann McCormick
- 11:40 am-12:05 pm: **The Regulatory Process & the Role of the CPUC,** Megan M. Myers
- 12:05-12:10 pm: **Stretch Break**
- 12:10-12:30 pm: **Current EE/DR/DER Policies Impacting Your Career,** Marc Costa
- 12:30-1:00 pm: **Evolution of DR & DERs,** Luke Tougas
- 1:00-1:10 pm: **Stretch Break**
- 1:10-1:35 pm: **Overview of Existing State & Federal EE/ISDM Datasets, Systems, & Tools,** Annette Beitel
- 1:35-2:00 pm: **History and Role of EM&V,** Carmen Best
- 2:00-2:05 pm: **Stretch Break**
- 2:05-2:25 pm: **Equity, Environmental & Social Justice Initiatives at CA Energy Agencies,** Michelle Vigen Ralston
- 2:25-2:40 pm: **Overview of Accomplishments at CEDMC,** Joe Desmond
- 2:40-3:00 pm: **Hot Topics, Discussion, Q&A,** All Instructors

HOUSEKEEPING

- We have packed today's Training with lots of great information!
- Please stay on mute and keep your camera off.
- To stay on track, please type questions into the chat, and each instructor will answer them after they finish speaking.
- We also have dedicated Q&A time at the end.
- We have a Survey link that will be emailed, we encourage your feedback for our continuous improvement!
- You will be sent a Certificate of Completion, these slides, a resource links handout, and the survey via email in the next few days.

All attendees receive 15% off the Council's upcoming Fall Conference! Use code **TRAIN25** during checkout.

Registration will open soon:
https://cedmc.org/events/fall-conference/

Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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