BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Investigate and Design Clean Energy Financing Options for Electricity and Natural Gas Customers.	Rulemaking 20-08-022 (Filed August 27, 2020)

OPENING COMMENTS OF THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL ON PROPOSED DECISION ON TARIFF ON-BILL PILOT PROPOSALS

Date: November 20, 2025

Joseph Desmond
Executive Director
California Efficiency + Demand Management Council
849 E. Stanley Blvd #264
Livermore, CA 94550
Telephone: 925-785-2878
E-mail: policy@cedmc.org

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Investigate and Design Clean Energy Financing Options for Electricity and Natural Gas Customers.	Rulemaking 20-08-022 (Filed August 27, 2020)

OPENING COMMENTS OF THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL ON PROPOSED DECISION ON TARIFF ON-BILL PILOT PROPOSALS

I. INTRODUCTION

The California Efficiency + Demand Management Council ("The Council") respectfully submits these Opening Comments on the Proposed Decision on Tariff On-Bill Pilot Proposals ("Proposed Decision"), mailed in this proceeding on October 31, 2025. These Opening Comments are timely filed and served pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure and the instructions accompanying the Proposed Decision.

II. BACKGROUND

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.[1] Our member companies employ many thousands of Californians throughout the state. They include energy efficiency ("EE"), demand response ("DR"), and distributed energy resources ("DER") service providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and energy efficient product manufacturers. The Council's mission is to support appropriate EE, DR, and DER policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructure, and environmental improvement.

[1] Additional information about the Council, including the organization's current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at http://www.cedmc.org. The views expressed by the California Efficiency + Demand Management Council are not necessarily those of its individual members.

III. THE COMMISSION SHOULD FOLLOW THE RECOMMENDATIONS OF THE CONSULTANT HIRED BY ENERGY DIVISION STAFF AND APPROVE SOUTHERN CALIFORNIA GAS COMPANY'S TARIFFED ON BILL PILOT PROPOSAL WITH MODIFICATIONS

To assist in evaluation of utility tariffed on bill ("TOB") pilot proposals, the Commission's Energy Division retained Dunsky Energy + Climate Advisors ("Dunsky") to assess each proposal and provide recommendations; a final report from Dunsky was attached to an April 16, 2025 Ruling for party review and comment ("Dunsky Report").[2] The Dunsky Report recommended approval of Southern California Gas Company's ("SoCalGas") TOB pilot proposal with modifications.

The Dunsky Report found SoCalGas's pilot proposal to be a viable pilot model, targeting a broad number of participants with relatively low non-project costs. Dunsky recommended certain modifications to the SoCalGas proposal including expanding the pilot to test acceptance with landlords and renters and addition of certain electrification equipment.[3]

The purpose of this proceeding is "to evaluate the potential efficiencies of providing financing strategies that allow for larger or broader investments in multiple types of clean energy improvements through a single program."[4] The Dunsky Report evaluated the various program designs and found SoCalGas's proposed design most viable; therefore it is the best test of financing strategies.

IV. GAS ENERGY EFFICIENCY MEASURES SHOULD NOT BE EXCLUDED FROM THE TOB PILOT

The Council supports all cost-effective energy efficiency. There are a lot of measures in the portfolio, and gas measures are still delivering a significant amount of savings in the portfolio for which there are no viable electric alternatives. California provides a range of incentives for electrification. However, for some customers, they cannot electrify for a variety of reasons. The Council does not want to make it even more burdensome. If they cannot electrify, then the Council would like to help them with gas efficiency measures that reduce gas consumption, lower bills, and support decarbonization.

---

[2] Proposed Decision, at p. 6. "Joint Tariff On-Bill Proposal Assessment", Dunsky Energy + Climate (June 2024) ("Dunsky Report").
[3] Dunsky Report, at p. v.
[4] Proposed Decision, at p. 2.

The Council disagrees with the exclusion of all gas energy efficiency measures. Due to differences in electric and natural gas prices, it can be financially difficult for some customers to electrify and difficult for electrification measures to work financially as part of specific TOB projects. In these cases, it can make sense, from both a customer, financial, and societal decarbonization perspective, to pursue natural gas energy efficiency measures. The alternative may be to leave inefficient gas equipment unaddressed by the pilot. Further, excluding what can be highly-cost effective gas efficiency upgrades from the pilot may make entire TOB projects (bundles of multiple measures some more cost effective and others less so) less financially viable for customers, lowering program participation and undermining program goals to enable "larger or broader investments in multiple types of clean energy improvements…"[5] Accordingly, the Council urges the Commission to consider inclusion of natural gas efficiency measures in the TOB pilot in order to maximize the value of the pilot for energy affordability, decarbonization, and learning opportunity regarding the TOB financing model.

V. CONCLUSION

The Council thanks the Commission for consideration of these Opening Comments.

Dated: November 20, 2025

Respectfully submitted,

/s/ JOSEPH DESMOND

Joseph Desmond
Executive Director
California Efficiency +
Demand Management Council
849 E. Stanley Blvd #264
Livermore, CA 94550
Telephone: (925) 785-2878
E-mail: policy@cedmc.org

[5] Proposed Decision, at p. 2.