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Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Weekly Member Policy Call

April 17, 2026

REC

This call is being recorded.

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Today's Agenda

- Announcements
- Policy Updates
  - 2028-2035 EE Budget Proposals
  - DR Bridge Funding Comments
  - High DER Track 2 Comments
- Legislative Priorities
- Q&A

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Announcements

CEDMC Spring Symposium

California's Clean Energy Future: Flexible, Distributed, and Technology-Enabled

- Thursday, May 7, 2026
- 9:00 am – 5:00 pm followed by a networking reception until 6:30 pm
- Norma Hertzog Community Center, Costa Mesa, CA
- Click here to learn more & register

BIG SPEAKER DROP!

See the website for the (mostly) complete agenda, including speakers. Now is the time for you to register: https://cedmc.org/events/spring-symposium/

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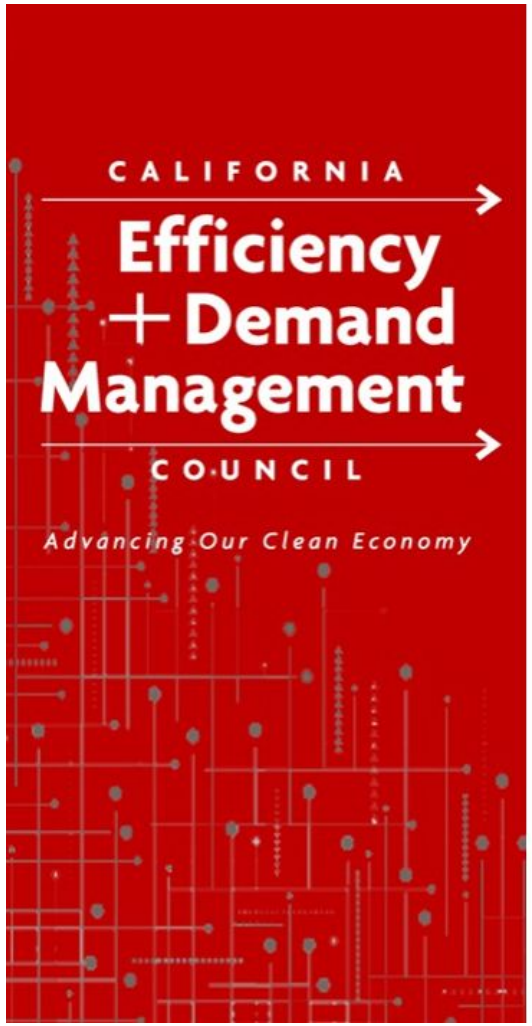
Reminder



WE ARE HIRING!

Manager of Policy and Strategy

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Policy Updates

A.26-03-009-021 (EE Applications)

CEDMC EE Working Group discussing/refining CEDMC positions on policy issues:

- Budgets/Affordability
- Cost-Effectiveness/NTG/Evaluation Methodology Reform
- Electrification/Decarb Policy/Fuel Switching
- EM&V/Reporting
- Equity/HTR/Underserved
- Governance – CAEECC/Procurement Review Group/3P Framework
- IDSM
- Innovation
- Portfolio Balance (Resource Acquisition/Market Support/Equity)

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Budget Messaging

- Strongly disagree with IOU claims that affordability concerns justify reduced spending on EE
  - EE is lowest cost resource available to ratepayers; most effective long-term affordability strategy
  - Conflating bills with rates obscures EE's value
  - Failing to spend authorized EE budgets increases customer costs over time, undermines Commission intent, and shifts costs onto future ratepayers through more expensive supply-side investments
  - Affordability should drive more EE, not less – especially for vulnerable customers
  - Unspent EE funds reflect execution issues—not excess funding

Cost-Effectiveness Messaging

- CEDMC encourages the Commission to modernize cost-effectiveness and avoided-cost methodologies to better reflect:
  - Variability in compliance and delivery costs;
  - The role of implementers, RENs, and local partners in ensuring savings realization; and
  - Equity, fuel substitution, and non-energy benefits (NEBs) such as health, safety, comfort, and resilience.
- Utilize existing reports for support

Net-to-Gross

- Support recommendations to reform NTG assumptions that understate verified, program-caused savings
- Applying sub-1.0 NTG values to projects that have already satisfied POE standard results in CPUC undercounting savings that have already been vetted through rigorous review processes
- Conservative NTG assumptions disproportionately affect programs serving low-income and disadvantaged communities

Database for EE Resources (DEER)

- Support improvements to DEER process that enhance transparency, predictability and timeliness
- Support PG&E/SoCalGas proposals to bifurcate DEER resolution structure
  - Early year resolution with guidance to inform near-term program planning and implementation
  - Locking resolution to finalize measure package versions for compliance and reporting

Governance – CAEECC

- Support modernizing CAEECC operations – increased use of virtual meetings, improved alignment with program milestones—but caution against changes that may weaken CAEECC's core advisory and coordination role
- Role Clarity: CAEECC should not duplicate Energy Division-led functions, but must serve as a venue for cross-IOU coordination, stakeholder input, early issue identification

R.25-09-004 (Enhance DR)

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ALJ Ruling (3/10) on IOUs 2028-2029 Bridge Year Funding (Staff Proposal)

CEDMC to request:

- Increased budgets for load modifying programs
- Additional budget for developing SCT mechanism during bridge
- Pilot funding during bridge

April 8 ALJ Ruling on Bridge Year Funding

CEDMC response:

- Strong support for considering ELRP funding during bridge
- Provide minor recommendations to further align ELRP with Commission Guidance
- Include lessons learned from DSGS that could be applied to ELRP

Comments due April 30 (NEW DATE); Reply Comments due May 21 (NEW DATE)

CEDMC Positions on DR Bridge Funding

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- Approve bridge funding to maintain program continuity and reliability
- Reallocate DR funding to ensure five to ten percent supports load-modifying DR
- Establish dedicated pilot funding of 1-2% of total portfolio budgets for pilots and innovation during the bridge period
- Exempt bridge year funding from the Societal Cost Test requirement
- Direct Energy Division to track and report load-shifting impacts explicitly
- Approve consideration of ELRP during the bridge period
- Extend ELRP pilot with light-touch enhancements to reinforce alignment with Staff's Guiding Principles

R.21-06-017 (High DER Future)

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R.21-06-017 (High DER Future)

Ad Hoc Working Group Call this week to guide CEDMC Response on Track 2 DER Orchestration framework

CEDMC comments emphasize four core principles while addressing long list of CPUC questions.

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CEDMC Positions on DER Orchestration

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- DER orchestration must function as an open platform, not a vertically integrated utility program. Participation pathways, dispatch mechanisms, and compensation structures should be technology-neutral and performance-based, allowing competitive DER portfolios to provide distribution services on equal footing with any utility-owned or utility-contracted resources. Guardrails are needed to prevent utility self-preferencing, crowd-out of third-party solutions, or expansion of utility control beyond what is operationally necessary.

Positions on DER Orchestration (2)

- Valuation and compensation frameworks must be transparent, location-specific, and grounded in avoided cost principles. Clear definitions for baselines, attribution, and service stacking are essential to support third-party investment certainty and to ensure that DER orchestration delivers verifiable net benefits to ratepayers. Valuation methodologies should align with existing CPUC avoided-cost frameworks and be applied consistently across utilities.

Positions on DER Orchestration (3)

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- DER orchestration must be designed to preserve and integrate with wholesale market participation, including CAISO programs. Coordination between Distribution System Operators (DSOs) and CAISO should focus on minimum-viable, use-case-specific data exchange that supports reliability and forecasting, while avoiding duplicative telemetry, unnecessary compliance burden, or erosion of aggregator autonomy. Clear priority and override rules are needed to protect market participants from penalties or performance risks resulting from distribution-level constraints outside their control.

Positions on DER Orchestration (2)

- Interoperability, open standards, and aggregation should be foundational to scalability. Aggregators serve as the primary interface between customers, DSOs, and wholesale markets and must be explicitly recognized as essential participation pathways. Communications, registration, and data requirements should be harmonized across IOUs and CAISO to support efficient participation and reduce barriers, particularly for residential, small commercial, and equity-focused portfolios.

Regulatory Calendar

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- **April 14: CEDMC Call on High-DER Comments**
- **April 15: 3PP Stakeholder Meeting**
- **April 16: EE Working Group Call on BPA Response**
- **April 17: DR Working Group Call on Bridge Funding Comments**
- **April 20: Opening Comments High-DER Track 2 Comments**
- **April 30: Comments due on DR Bridge Funding Ruling (R.25-09-004)**
- **April 30: Replies on High-DER Track**
- **May 1: Responses/Protests to EE Business Plan Applications (A.26-03-XXX)**
- **May 21: Replies on DR Bridge Funding (R.25-09-004)**
- May 18: PA Responses due (A.26-03-XXX)

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Legislative Updates

Legislative Priorities

- CEDMC Priority Bill List - March 2026
- Legislative Priorities and Actions
- Budget Priorities and Actions

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Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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