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Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Weekly Member Policy Call

June 11, 2026

REC

This call is being recorded.

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Today's Agenda

- Announcements
- Policy Updates
  - DER Cost Effectiveness
  - High DER
  - Enhance DR
  - SDG&E Application to withdraw from EE
- Legislative Priorities
- Q&A

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Announcements

CEDMC Member Survey – Due June 26

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Your engagement and satisfaction with the Council is important to us. Please help us help staff and the Board direct resources toward what you and your organization value by taking this short survey. It should take approximately 10 minutes to complete.

Please complete by

Friday, June 26, 2026.

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Hawaii PUC Market Potential Study RFP

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The Hawaii Public Utilities Commission (Commission) has just issued a request for proposals to select a contractor to provide independent evaluation, measurement, and verification services for the Public Benefits Fee Programs, prepare a statewide market potential study, and other programs/activities as directed by the Commission. Interested parties may obtain additional information at the Commission website here.

STATE OF HAWAII
PUBLIC UTILITIES COMMISSION

RFP submission deadline is July 10th

AESP California Chapter Event

- **NorCal Switch**
- **June 17 , 6:00 PM–8:30 PM PDT**
- **The Greenlining Institute, Oakland, CA**
- **Learn more and register**

Switch is a high-energy, fast-paced, and informative forum designed to unite the California energy community. It's an evening where you can learn, laugh, and network with fellow industry enthusiasts.

Presenters have 5 min. to deliver their message, accompanied by 20 slides – 15 seconds each! This concise and engaging format is back by popular demand!

CAISO DDEMI Meeting

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- **Demand & Distributed Energy Market Integration**
- **June 18 , 1:00 PM–4:0 PM PDT**
- **CAISO, Folsom, CA**
- **Learn more and register**

Purpose: Review feedback from comments on straw proposal and issue paper

California ISO

Prehearing Conference A.26-03-009

- **June 19, 1:30 PM**
- Webex
- Webinar number: 2480 745 4382
- Webinar password: 2026
- PHC Statements filed June 8, 2026
- Additional information in ALJ Ruling

Objective: Discuss scope and schedule of proceeding

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Policy Updates

R.22-11-013 DER Cost Effectiveness Proceeding

ALJ Issues Revised Staff Proposal and Reopens Comment Cycle

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June 5 Ruling

- Energy Division released a revised 2026 Avoided Cost Calculator (ACC) Staff Proposal.
- Opening comments due June 19; reply comments due June 26.
- Revisions focus on:
  - Integrated Calculation (IC) methodology
  - Transmission avoided cost calculations

Key Proposed Changes

- Replace Python-based IC optimization model with Excel-based calculation.
- Use RESOLVE GHG shadow prices directly within the IC framework.
- Modify SCE transmission avoided cost methodology to use DTIM (Discounted Total Investment Method) only.

Why It Matters

- ACC values influence EE, DR, DER, and electrification cost-effectiveness calculations.
- Changes may affect future avoided-cost values used across multiple CPUC proceedings.
- Additional stakeholder input will determine whether the revised methodology is adopted.

R.21-06-017 High DER Proceeding

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Parties filed Opening and Reply Comments on the Electrification Impact Study (EIS) Part 2 Final Reports.

Comments addressed the study's findings regarding electrification impacts on California's electric system and future planning considerations.

Proceeding webpage

R.25-09-004 Enhance Demand Response

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June 9-10

PG&E requested that parties stipulate to new list of issues including requests from CalPA to bifurcate proceeding into funding DR (phase 1) and addressing ELRP (phase 2). Main issue is proposed modifications to ELRP may take time to resolve.

Our focus is on limiting the areas of concern so we can avoid hearings, and thus delays, if possible. We do strongly advocate both for funding of DR programs and inclusion of ELRP in the bridge years.

A. 25-04-014 SDG&E Application to withdraw from EE

CEDMC Comments

CEDMC did not take a position on whether SDG&E should withdraw from regional EE administration.

Instead, CEDMC challenged SDG&E's rationale for withdrawal, arguing that:

- SDG&E did not adequately demonstrate affordability benefits.
- Cost-effectiveness data presented was incomplete and potentially misleading.
- Transition costs, implementation disruption, and lost savings were not sufficiently analyzed.
- Different program types (Resource Acquisition, Equity, and Market Support) should not be evaluated using the same cost-effectiveness lens.

Key Message: Before approving significant changes to EE program administration, the Commission should have a more complete understanding of costs, benefits, and potential impacts.

A. 25-04-014 SDG&E Application to withdraw from EE

Other Party Comments

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Joint RENs	Opposed Settlement Terms 3 and 4 regarding cost effectiveness methodology.
	Argued settlement should not establish broader statewide policy.
	Raised concerns about future impacts on RENs and non-IOU administrators.
SBUA	Opposed Settlement Terms 3 and 4.
	Focused on impacts to small businesses, equity customers, and hard-to-reach communities.
	Argued traditional cost-effectiveness tests do not capture all program benefits.
SDREN / CEA / City of San Diego	Opposed Settlement Terms 3 and 4.
	Argued cost-effectiveness policy should be addressed through statewide proceedings rather than a settlement agreement.
	Raised legal and procedural concerns regarding the settlement.

A. 25-04-014 SDG&E Application to withdraw from EE

Key Themes Across Comments

Broad Opposition to Settlement Terms 3 and 4

Most commenters argued the settlement should not be used to establish broader energy efficiency policy.

Continued Debate Over Cost-Effectiveness

Parties questioned whether traditional cost-effectiveness metrics fully capture:

- Equity benefits
- Market support activities
- Long-term customer and system benefits

Support for Regional and Non-IOU Administrators

Several parties defended the role of RENs, CCAs, and other non-IOU administrators in serving hard-to-reach customers and addressing regional needs.

A. 25-04-014 SDG&E Application to withdraw from EE

Comparison to CEDMC & Why It Matters

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Where CEDMC Aligned

- Concerns about broad policy changes being made through this proceeding.
- Skepticism toward applying uniform cost-effectiveness standards across all program types.
- Recognition of the unique role of non-IOU administrators.

Where CEDMC Stood Apart

- Focused primarily on SDG&E's justification for withdrawal rather than the legality of the settlement.
- Emphasized affordability claims, missing data, transition costs, and potential disruption to EE delivery.

Why It Matters

The comments highlight broader ongoing debates around:

- Energy efficiency affordability,
- Appropriate cost-effectiveness metrics,
- The role of regional and non-IOU administrators,
- And how future EE portfolios should be structured and evaluated.

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Legislative Updates

Legislative Priorities

- CEDMC Priority Bill List - June 2026
- Election Update
- Bill Update
- Budget Priorities and Actions

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California Election Update

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Governor's Race

- **Xavier Becerra (D)** advanced to the November General Election.
- **Steve Hilton (R)** is expected to advance as the second candidate in California's top-two primary system.
- **Tom Steyer (D)** has conceded and endorsed Becerra. (Graphic below from 6/9)

What This Means

- California is currently on track for a **Becerra (D) vs. Hilton (R)** November matchup.
- The outcome would provide voters with a clear ideological contrast rather than an all-Democrat runoff.

Key Dates

- **July 3:** County results due
- **July 10:** State certification of results
- **November 3:** General Election

Candidate	Votes	Percent
Xavier Becerra (Party Preference: DEM)	1,884,857	27.2%
Steve Hilton (Party Preference: REP)	1,794,651	25.9%
Tom Steyer (Party Preference: DEM)	1,490,192	21.5%

California State Auditor Update

Electricity and Natural Gas Rates Report (2022-115)

The California State Auditor posted updated responses related to recommendations issued in its report:

"Electricity and Natural Gas Rates: The California Public Utilities Commission and Cal Advocates Can Better Ensure That Rate Increases Are Necessary."

Recent updates include Recommendations:

- #7 – Utility cost projections
- #8 – Verification of utility work completion
- #9 – Balancing account review
- #11 – Coordination with CPUC on balancing account reviews
- #12 – Protest review procedures

Status: All five recommendations were assessed by the State Auditor as **Fully Implemented**.

Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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