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Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Weekly Member Policy Call

July 31, 2026

REC

This call is being recorded.

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Today's Agenda

- Announcements
- Policy Updates - CPUC
  - A.26-07-004: Market Transformation
  - R.21-06-017: High DER Future
  - A.26-03-009: EE Business Plans
  - R.19-01-011: Building Decarbonization
- Legislative Priorities
- Q&A

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Announcements

CEDMC Fundraiser for Senator Stern LAST CHANCE!

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We have a unique opportunity to host a political event for longtime energy efficiency ally, Senator Henry Stern.

Details:

- Meet and mingle with an intimate group of CEDMC members
- Allow CEDMC to support the Senator's continued service to our state.
- One hour on a Tuesday, Wednesday, or Thursday in August
- Minimum of 5 companies to anchor this event - **We only have 3 so far**

Donation request: $2,000 per company.

Interested? Please email Kira ASAP at admin@cedmc.org.

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NOW HIRING

Managing Director

California Efficiency + Demand Management Council

Reports To: CEDMC Board of Directors

Terms: Part-Time Salaried (24 hrs/week)

Location: Remote in California

Compensation: $106,000 – $112,000 annually

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Candidates should submit a resume and cover letter outlining their interest, qualifications, salary expectations within the posted range, and available start date to ops@cedmc.org.

CEDMC is seeking a dynamic and strategic Managing Director to lead the organization through its next phase of growth and impact. This part-time exempt position serves as the primary public representative, spokesperson, and relationship-builder for the organization while providing leadership in support of the Council's mission, strategic priorities, and member engagement efforts.

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Inaugural CalNEXT Innovation Nexus

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On August 26 in Irwindale, the CalNEXT Innovation Nexus will create a space to explore how emerging technologies and utility programs can contribute to California's energy efficiency goals. CalNEXT project findings will be presented and will connect research to potential outcomes for developing and utilizing new technologies.

FREE EVENT!

August 26 in Irwindale

See the full agenda and register at:

https://calnext.com/events/innovation-nexus/

Keynote Speaker

Gene Rodrigues

former Assistant Secretary of Energy for Electricity Delivery and Energy Reliability at the Department of Energy

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Policy Updates - CPUC

A.26-07-004 California Market Transformation Administrators' (CalMTA) Second Tranche Application

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CalMTA filed an application for their second tranche of market transformation initiative (MTI) programs, featuring:

- Residential Heat Pump Water Heating
- Commercial Replacement and Attachment Window Solutions
- Commercial Rooftop Units

CEDMC will file an Opening Response by August 7

- Request for CEDMC to support merits of MTI approach, "affordability crisis" language from our BPA filing, Tier 2 Advice Letter approach

R.21-06-017 High DER Proceeding

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Two Major Workstreams Continue to Advance

Flexible Service Connections (FSCs) (Track 3)

Develops a statewide framework for faster DER interconnections.

Focuses on **how customers connect** to the grid.

Assigned Commissioner's Proposal under review.

DER Orchestration (Track 2)

Develops a framework for coordinating DERs and improving transmission-distribution operations.

Focuses on **how connected DERs operate** once online.

CEDMC filing Reply Comments today, July 31, on DER Orchestration

Please check the website for recent filings

R.21-06-017 High DER Proceeding Opening Comments

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Flexible Service Connection Topics

- Debate is scope and permanence
- RTP should be opt-in, not default
- Certification: single standard vs. technology-neutral
- Fleets need firm power, not dynamic pricing
- Risk: FSCs mask, don't fix, upgrade delays

DER Orchestration Main Topics

- Debate is sequencing: move fast vs. framework first
- DSO role: signal-only vs. direct control
- Utility conflict of interest as Distribution System Operator
- Common statewide architecture vs. utility-specific applications
- Storage, valuation, and double compensation rules

R.21-06-017 High DER Proceeding CEDMC's Reply Positions

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Key Recommendations:

Flexible Service Connections (FSCs)

- **Keep real-time pricing voluntary (opt-in only).**
- **Maintain technology-neutral certification standards.**
- **Avoid exclusive vendor, cloud, or aggregator lock-in.**

DER Orchestration (Track 2)

- The DSO should provide grid signals rather than directly control DER operations.
- Adopt one consistent set of standards across all IOUs.
- Prevent double compensation through an enforceable tracking mechanism.
- Value DERs using locational, temporal, and avoided-cost principles.
- Support neutral third-party market administration.

A.26-03-009 EE Business Plans

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Scoping Memo Issued – July 24, 2026

- Establishes priorities for 2028–2031 Energy Efficiency Portfolio Plans and 2028–2035 Business Plans
- Applications filed by 12 existing Program Administrators and 1 proposed new Program Administrator
- Defines the issues and schedule for the proceeding (**see next slide**)

Schedule

- Aug./Sept. – Workshops (if needed)
- October – Testimony
- Late 2026 – Evidentiary hearing ruling
- Mid/Late 2027 – Proposed Decision

A.26-03-009 EE Business Plans

Scope of the Proceeding

🟢 In Scope
(Will be addressed in this proceeding)

- Budgets & load forecasts
- Energy savings, GHG goals & total system benefits
- Program design & delivery
- Statewide program rules & third-party procurement
- Equity definitions & Integrated Demand-Side Management (ISDM)
- Workforce standards
- Building decarbonization & fuel-switching

🟡 Deferred to R.25-04-010
(Addressed in the Energy Efficiency proceeding)

- Energy efficiency cost-effectiveness methodology
- Net-to-gross methodology
- Participant costs & benefits
- Regional Energy Networks (RENs) policies & oversight
- Energy Efficiency Policy Manual updates
- CAEECC governance
- Evaluation, Measurement & Verification (EM&V)
- DEER process & "bus stop" schedule
- Multifamily project treatment
- Custom project review process

🔴 Out of Scope

- Moratorium on new RENs
- Avoided cost & cost-effectiveness changes beyond energy efficiency
- Cost-effectiveness requirements for portfolio segments
- Eliminating programs based solely on cost-effectiveness
- Use of EE funding for event-based demand response
- Development of general non-energy benefits

R.19-01-011 Building Decarbonization

Limited Proceeding Reopened, July 23, 2026

Scoping Memo Issued

- Reopens a limited portion of the Building Decarbonization proceeding
- Considers whether **Tribal lands** should be exempt from the Commission's decision eliminating electric line extension subsidies for mixed-fuel new construction
- Responds to a request from the **Morongo Band of Mission Indians**

Key Questions

- Is a Tribal exemption warranted?
- Does the current policy align with the CPUC's **Environmental and Social Justice Action Plan?**

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Legislative Update

Legislative Update

- CEDMC Priority Bill List - July2026
- Legislature on Summer Recess
- Full Coverage will Continue when Session Resumes

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California State Assembly Utilities and Energy Committee Hearing (August 5)

The Assembly Utilities and Energy Committee is scheduled to hold an informational hearing on August 5 titled *Savings You Don't See: California's Energy Efficiency Programs*. The hearing is expected to examine the role of California's EE programs, their benefits to customers and the electric grid, and opportunities to improve program delivery and oversight. CEDMC has been coordinating with Committee staff and other stakeholders to prepare for the hearing, and we have been invited to participate on the panel. All are welcome to attend

UTILITIES AND ENERGY; PETRIE-NORRIS, Chair

1:30 p.m. — 1021 O Street, Room 1100, Sacramento

Listening Only: https://autl.assembly.ca.gov/hearings

Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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