CALIFORNIA

Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Weekly Member Policy Call

August 14, 2026

REC

This call is being recorded.

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Today's Agenda

- Announcements
- Policy Updates - CPUC
  - A.26-07-004: Market Transformation
  - A.25-04-014 SDG&E to Exit Regional EE Programs
  - R.22-11-013 DER Cost Effectiveness
- Legislative Priorities
- Q&A

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Announcements

Two Happy Hours with Young Professionals in Energy - LA

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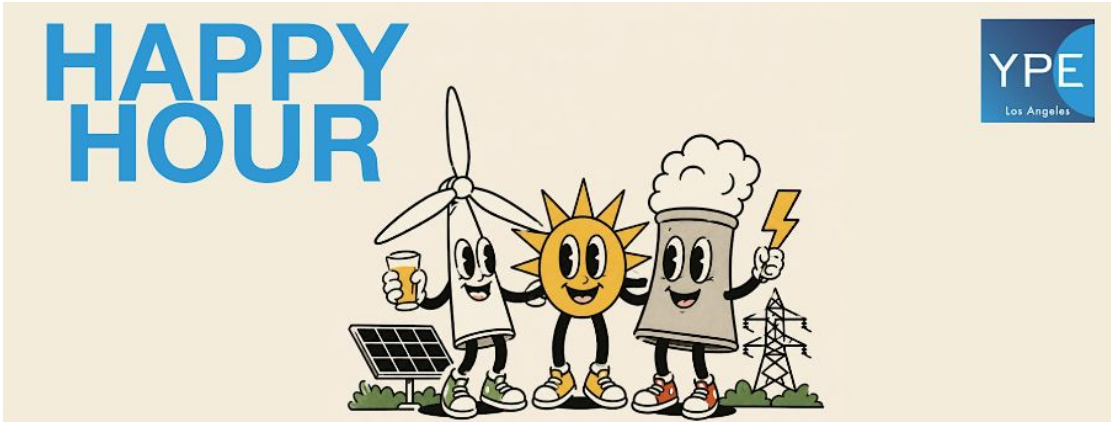
Happy Hour with Young Professionals in Energy LA - Hollywood

- Tuesday, August 18, 2026
- 6:00 – 8:00 PM
- West Hollywood, near Sunset Blvd & Hayworth
- *Free admission — register here to reserve your spot on 8/18*

Happy Hour with Young Professionals in Energy LA - Westside

- Tuesday, September 16, 2026
- 6:00 – 8:00 PM
- Ashland Hill – 2807 Main St, Santa Monica, CA 90405
- *Free admission - register here to reserve your spot on 9/16*



Join energy professionals of all backgrounds and experience levels for a relaxed evening with no agenda, no name badges required, just genuine connection across the full breadth of LA's energy community.

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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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New Proceeding Opened! CalMTA filed its Second Tranche Application proposing three new Market Transformation Initiatives (MTIs):

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

CEDMC Activity

- Filed a **Motion for Party Status**
- **August 7** Opening Response address
  - Support for the MTI approach
  - Proposed Tier 2 Advice Letter process for future MTIs
  - Affordability considerations

Why It Matters

- Creates future opportunities for members to develop and implement MTI programs.
- The Commission's decision on the proposed **Tier 2 Advice Letter** process could shape how future Market Transformation Initiatives are reviewed and approved.

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

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Opening responses reveal broad support for the proposed Market Transformation Initiatives, while the primary disagreement centers on how future MTIs should be approved.

Support for the Three Proposed MTIs

Support

CEDMC
NEEA
CEE
TURN
CEJA
SBUA (conditional)

Implementation Concerns

PG&E (questions Residential HPWH MTI)
SoCalGas (funding allocation concerns)
Public Advocates Office (budget and cost-effectiveness concerns

Key Policy Debate: Future MTIs

Should future Market Transformation Initiatives be approved through a streamlined Tier 2 Advice Letter process?

Support Tier 2

CEDMC
NEEA
CEE

No Position

TURN
CEJA
SBUA

Prefer Additional Review

PG&E (Tier 3)
SoCalGas
Public Advocates Office

A.25-04-014

SDG&E to Exit Regional EE Programs

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On August 5, SDG&E filed a Motion requesting permission to submit a **Sur-Reply Brief** addressing the gap proposals discussed in the Opening and Reply Briefs.

SDG&E argued that several parties, including CEDMC, supported recommendations regarding a transition ("glide path") for customers if SDG&E exits its energy efficiency programs before replacement programs are available.

The Administrative Law Judge has **approved SDG&E's request** and directed SDG&E to file its Sur-Reply Brief by **Today, August 14**.

No additional response opportunity has been provided to the other parties.

R.22-11-013 DER Cost Effectiveness Avoided Cost Calculator

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CPUC Proposed Decision (Issued July 31, 2026)

Key adopted changes:
Single electricity-based GHG value used across both electric and gas sector calculations (replacing separate values), and elimination of the related "GHG rebalancing" adjustment
No cap on GHG value tied to the Societal Cost of Carbon (rejected due to inconsistency concerns across state frameworks)
A simplified "Integrated Calculation" combining generation capacity and GHG avoided costs using a hybrid solar+storage resource and the IRP's GHG "shadow price," intended to be more transparent and stable than the 2024 methodology
Switch from EUE to Loss of Load Hours (LOLH) to allocate generation capacity value (better reflecting marginal reliability benefit)
Use of energy prices instead of temperature to identify high-value reliability days (accounting for growing winter/renewable-driven risk)
New differentiation between weekday vs. weekend reliability risk in capacity allocation
Updated transmission capacity allocation using IEPR load forecasts instead of historical loads, and a single DTIM methodology (dropping the combined DTIM/LNBA approach) applied consistently across all electric utilities (PG&E, SCE, SDG&E)

R.22-11-013 DER Cost Effectiveness

Avoided Cost Calculator

CEDMC convened a small working group to discuss the July 31 Proposed Decision updating the Avoided Cost Calculator (ACC). While the group expressed concerns about applying a single electricity-based greenhouse gas value across both electric and gas sector calculations, members recognized that the change is intended as an interim adjustment and may not apply to future ACC updates.

The working group determined that CEDMC will not file comments on the Proposed Decision but will participate in a broader stakeholder response to the draft resolution, if needed.

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Legislative Update

Legislative Update

- CEDMC Priority Bill List - August2026
- Legislature on Summer Recess
- Full Coverage will Continue when Session Resumes

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Assembly Committee Examines California's Energy Efficiency Programs

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On **August 5**, the Assembly Utilities and Energy Committee held an informational hearing titled *Savings You Don't See: California's Energy Efficiency Programs*. The hearing explored the value of California's energy efficiency programs, opportunities to improve program delivery, and ongoing discussions around program cost-effectiveness.

Key Discussion Topics

- Whether current cost-effectiveness tests fully capture the value of energy efficiency.
- Why implementation costs account for a significant share of program spending.
- How customer costs and benefits should be reflected in cost-effectiveness analyses.
- Timeline for the CPUC's ongoing energy efficiency cost-effectiveness review.

CEDMC Participation

- CEDMC coordinated with Committee staff and stakeholders in advance of the hearing.
- **Laurel Rothschild** participated as a panelist, representing the implementer perspective.

Why It Matters

The discussion signals continued legislative interest in how California measures the value of energy efficiency and how programs can better support affordability, reliability, and grid modernization.

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

CEDMC convened a small working group to discuss next steps following the August 5 Assembly Utilities & Energy Committee hearing. The group considered proposing a timeline for the CPUC to address energy efficiency cost-effectiveness reforms, but instead agreed to begin by providing the Committee consultant with recommendations for establishing a task force or working group to develop consensus recommendations for the CPUC.

Any recommendations developed through that process would be expected to align with the National Standard Practice Manual (NSPM), AB 802, and SB 350.

Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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