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COUNCIL

Advancing Our Clean Economy

Weekly Member Policy Call

August 21, 2026

REC

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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.19-01-011 Building Decarbonization
  - R.21-06-017 High DER Future
- Legislative Priorities
- Q&A

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Announcements

Clean Power Alliance RFP: Instant AC Program

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Clean Power Alliance of Southern California ("CPA") is seeking proposals from qualified and experienced contractors to provide a full range of program development and implementation, customer outreach and engagement, and coupon administration services to implement CPA's Instant Air Conditioner Program. Click here to view full RFP details.

CPA will be accepting written questions regarding this RFP until August 25, 2026, at 4:00 PM (Pacific Time). Questions should be submitted in writing to contracting@cleanpoweralliance.org. When submitting questions, please specify which section of the RFP you are referencing and quote the language that prompted the question.

The deadline for proposals to this RFP is **September 17, 2026, at 4:00 PM** (Pacific Time).

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Happy Hour with Young Professionals in Energy - LA

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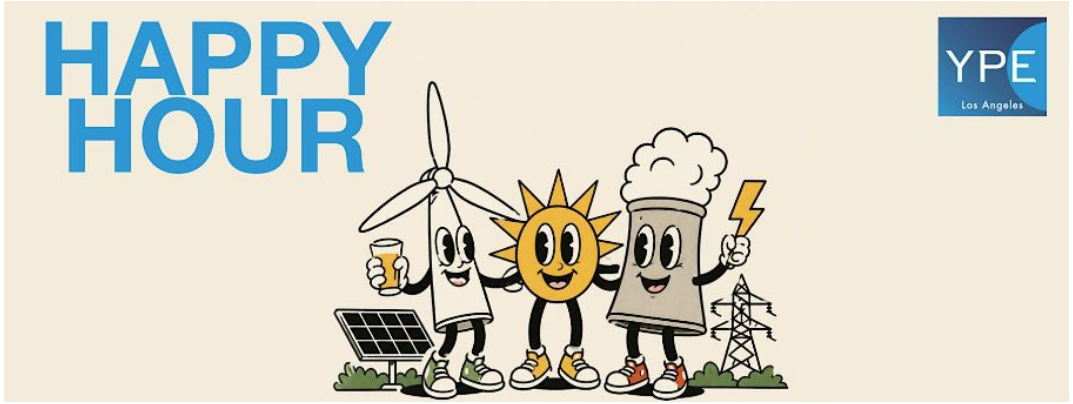
- Tuesday, September 16, 2026
- 6:00 – 8:00 PM
- Ashland Hill – 2807 Main St.
- Santa Monica, CA 90405



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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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 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 CalMTA Reply Filed – August 17

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CalMTA responded to concerns raised by SoCalGas and PG&E regarding the proposed MTIs and the use of Tier 2 Advice Letters for future initiatives.

Issue Raised	CalMTA's Response
SoCalGas: Cost Allocation — Questions allocation of costs for electrification-focused MTIs.	**Already addressed.** D.25-11-023 established fuel-specific cost allocation guidance that CalMTA says applies to these MTIs.
SoCalGas: Tier 2 Process — Opposes using Tier 2 Advice Letters to approve future qualifying MTIs.	**Existing safeguards are sufficient.** Future MTIs would remain subject to the Commission-approved framework and funding allocation; Tier 2 would not create new funding or increase the authorized budget.
PG&E: Residential HPWH MTI — Questions whether the initiative provides distinct, incremental value given existing HPWH programs and market activity.	**A transformation opportunity remains.** CalMTA argues existing programs do not address the broader market barriers targeted through product development, demand aggregation, and statewide market infrastructure.
PG&E: Tier 3 Process — Proposes Tier 3 rather than Tier 2 review for future MTIs.	**Tier 2 provides adequate oversight.** CalMTA points to eligibility criteria, technical documentation, stakeholder engagement, MTAB review, notice and protest rights, and Energy Division oversight; Tier 3 would add delay and cost.

CalMTA maintains that the proposed MTIs address distinct market barriers and that the existing Tier 2 framework provides sufficient Commission and stakeholder oversight.

A.25-04-014: SDG&E to Exit Regional EE Programs

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SDG&E filed its Sur-Reply on August 14, opposing proposals for a gap analysis and extended transition period before it exits regional energy efficiency program administration.

Key Arguments:

Future program expansion is speculative. SDG&E argues that proposals for a transition period assume other Program Administrators will expand their offerings in the region, but the Commission has not yet evaluated or approved any such expansion.
Existing programs would limit potential service gaps. SDG&E maintains that customers would continue to have access to statewide programs, SDREN programs, ESA, Market Transformation, and other EE opportunities after its withdrawal.
The potential loss of customer savings is overstated. SDG&E argues that more than 95% of the lifecycle bill savings cited by parties comes from statewide Codes & Standards activities that would continue regardless of its withdrawal.
A transition through 2031 would delay customer bill savings. SDG&E says its proposal could reduce residential bills by approximately **$1.36/month**, with larger savings for some commercial customers, and argues a lengthy transition would postpone those savings.
Future cost-effectiveness is uncertain. SDG&E points to proposed Avoided Cost Calculator changes and updates to water-heating calculations that it says could further reduce the cost-effectiveness of regional EE programs, particularly gas-saving and water-heating measures.
Continued overlap could increase administrative costs. SDG&E argues that maintaining both SDG&E and SDREN regional activities requires significant coordination and can create overlapping programs and stakeholder confusion.

SDG&E's Request: Approve its application ***as filed***, allowing existing regional contracts to sunset according to their terms rather than requiring an extended transition through 2031.

R.19-01-011 Building Decarbonization
Amended Phase 3B Scoping Memo

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The Commission is considering whether to create an exemption from **D.23-12-037**, which eliminated electric line extension subsidies for mixed-fuel new construction, for certain projects on Tribal lands. The issue arose following a request from the Morongo Band of Mission Indians.

August 14 Comments Highlight Different Views on Scope:

SDG&E / SoCalGas — Broader Review

- Urge the Commission to consider impacts of subsidy elimination beyond federally recognized Tribal lands.
- Recommend examining potential disproportionate impacts on non-federally recognized tribes, low-income customers, small businesses, and disadvantaged communities.

PG&E — Address Tribal Issues First

- Raises questions about the Commission's jurisdiction over Tribal lands.
- Recommends government-to-government engagement and workshops before moving toward substantive policy changes.

Public Advocates Office — Narrow Exemption

- Supports an exemption limited to new residential and essential Tribal community-serving buildings on Tribal lands.
- Opposes extending the exemption broadly to off-reservation development or Tribal commercial projects.

Key Question: Should the Commission create a targeted exemption for Tribal lands—or use this proceeding to reconsider the impacts of the subsidy elimination more broadly?

R.21-06-017 High DER Proceeding

Clean Coalition filed a Motion to Compel on **August 19** seeking hourly load data from SCE for specific facilities in the Goleta/Santa Barbara area.

What's at Issue:

Clean Coalition requested 8760 hourly load data to evaluate location- and time-specific grid needs and opportunities for DERs and load flexibility.
SCE declined to provide the data, raising concerns related to scope, burden, confidentiality, and the timing of the request.
Clean Coalition argues the requested information is necessary to evaluate DER orchestration opportunities and meaningful third-party participation.

Why It Matters:
The dispute raises a broader Track 2 policy question: **What grid data should third parties be able to access in order to effectively participate in DER orchestration?** Clean Coalition argues that withholding granular grid data could itself become a barrier to third-party participation and effective DER deployment.

Next Step: Commission action on the Motion to Compel.

IOUs also filed their "Grid Needs Assessments" and "Distribution Upgrade Project Reports" on **August 17th** to help inform California's flexible service connections (Track 3).

CEDMC's Upcoming Meeting with Energy Division

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CEDMC Engagement on Business Plan Proposals

CEDMC is developing proposed language for Energy Division related to third-party requirements in the Business Plan proposals, including:

- **60% third-party requirement** — PG&E and SCE propose lowering the current requirement
- **Program design** — appropriate level of Program Administrator input
- **Procurement streamlining** — opportunities to simplify the procurement process
- **PRG participation** — role of Procurement Review Groups

Cost-Effectiveness Discussion

CEDMC will also discuss cost-effectiveness methodology and related efforts following the August 5 Assembly Utilities & Energy Committee hearing.

Energy Division is currently evaluating cost-effectiveness measures that may appear in near-term rulings, and CEDMC is interested in learning more about those efforts and their potential implications.

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

CEDMC is preparing a brief follow-up for the Assembly Utilities & Energy Committee highlighting key takeaways from the August 5 hearing.

Key Items

- **Explore more accurate measures of ratepayer value** and does not capture the full benefits of energy efficiency.
- **Energy efficiency portfolios should be evaluated holistically**, rather than assessing individual programs in isolation.
- **There are good examples of public-facing databases** that clearly communicate the benefits and outcomes of energy efficiency investments for ratepayers.

Looking Ahead

CEDMC has also asked to:

- Be kept informed of and involved in any related proposals that emerge during the final weeks of the legislative session.
- Meet with Committee staff this fall to discuss recommendations in greater detail and explore potential 2027 legislation.

Discussion and Questions

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Thank You!

Please contact us if you have any questions.

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