

Application: 26-03-xx

(CPUC #940)

Exhibit #: 5

Date: March 16, 2026

Witness(es): Various

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**SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORKS RESPONSE TO  
D.23-06-055 OP 2 RECOMMENDED EDITS TO JOINT PA WORKING  
GROUP “STATEWIDE ENERGY EFFICIENCY PROGRAM ASSESSMENT  
CRITERIA” D.23-06-055 OP2 STATEWIDE ASSESSMENT FRAMEWORK  
DATED FEBRUARY 12, 2026**

**EXHIBIT 5**

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**SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK  
ENERGY EFFICIENCY 2028-2035 STRATEGIC BUSINESS PLAN AND 2028-2031  
PORTFOLIO PLAN**

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## **Exhibit 5: SoCalREN’s Response to D.23-06-055 OP 2 Recommended Edits to Joint PA Working Group “Statewide Energy Efficiency Program Assessment Criteria” D.23-06-055 OP2 Statewide Assessment Framework dated February 12, 2026**

### **A. SOCALREN’S RECOMMENDATION FOR ANNUAL SECTOR STATEWIDE PROGRAM ASSESSMENT**

California is the most demographically, geographically, and economically diverse state in the nation. Its communities range from densely populated urban centers to rural agricultural regions, from coastal moderate climates to extreme inland heat zones, and from affluent municipalities to deeply underserved tribal and environmental justice communities. A program designed to serve all of these communities through a single uniform framework inevitably prioritizes ease of administration over equitable and effective delivery.

The Commission has itself recognized this challenge, mandating through its Environmental and Social Justice Action Plan that at least 35% of program benefits flow to disadvantaged communities, and directing program administrators to employ culturally competent and locally responsive outreach strategies. Despite these mandates, statewide programs have consistently demonstrated gaps in reaching the communities that need them most.

California's statewide energy efficiency programs were designed with the laudable goal of delivering consistent, scalable benefits across the state. However, an assessment could find that a uniform statewide program model is structurally ill-equipped to serve the full diversity of California's communities — geographic, cultural, linguistic, and socioeconomic. Additionally, if a study on the SW portfolio was performed, the Commission could find that a locally differentiated program delivery model, administered by entities with deep community ties and regional expertise, is necessary to fulfill the Commission's equity mandates, maximize ratepayer value, and achieve the State's energy efficiency goals.

For these reasons and to address D.23-06-055 OP 2, SoCalREN recommends that the Commission initiate an EM&V study regarding the current Statewide portfolio. Given that the Statewide portfolio contains multiple sectors and programs, SoCalREN also recommends that each sector being studied separately from each other as opposed to all sectors in aggregate. This could be done on a rolling basis across a 4-year period with Residential statewide programs being assessed one year and then subsequently other sectors each year thereafter. The result of each study based on its research would then provide the Commission with findings and recommendations for each SW sector portfolio. To support this effort, the Commission could designate one Lead PA in collaboration with Energy Division EM&V staff to initiate this proposal through the current Commission EM&V process.

Below SoCalREN has drafted some potential study questions specifically designed to examine whether the current statewide energy efficiency portfolio of programs adequately reach California's diverse communities and populations to assist the Commission’s consideration.

#### **Example Study Questions to be Considered**

- i. Geographic Reach & Penetration
  - Did the program achieve proportional participation rates across all California climate zones, including rural, inland, and coastal communities?
  - Were there identifiable geographic gaps in program delivery, and if so, what structural or administrative factors contributed to those gaps?
  - Did program marketing, outreach, and delivery infrastructure extend meaningfully beyond major metropolitan areas?
  - How did participation rates in rural and agricultural communities compare to those in urban centers?
- ii. Cultural & Linguistic Access

- To what extent did language barriers limit awareness of, or participation in, the program among non-English speaking households and businesses?
  - Were community-based organizations (CBOs) engaged as trusted intermediaries to reach culturally diverse populations?
- iii. Socioeconomic & Environmental Justice
- Did program participation rates correlate with income levels, and if so, in which direction?
  - Were program co-pay or cost-share requirements a barrier to participation among lower to moderate-income ratepayers or communities?
  - How did the program perform against the Commission's mandate to direct at least 35% of benefits to disadvantaged communities as defined by CalEnviroScreen?
- iv. Program Design & Structural Barriers
- Were program eligibility criteria inadvertently exclusionary to certain community types, facility types, or agency sizes?
  - Was the program's measure menu sufficiently broad to address the diverse building stock, climate conditions, and operational needs across California?
- v. Local & Regional Program Comparison
- Did locally administered or regionally targeted programs achieve higher participation rates and deeper savings in underserved communities compared to the statewide program?
  - What is the evidence that local program administrators possess a comparative advantage in reaching diverse and hard-to-reach populations?
  - How did customer satisfaction and program experience differ between participants served through local delivery channels versus statewide delivery channels?

## B. SOCALREN SUGGESTED EDITS TO THE JOINT PA WORKING GROUP D.23-06-055 OP2 STATEWIDE ASSESSMENT FRAMEWORK

Please note SoCalRENs suggested edits are highlighted for ease of reference and review.

### Overview Of PA Coordination Through a Working Group Process

PG&E led a working group of participating PAs to refine an IOU developed proposal for evaluating EE programs pursuant to OP 2 of D.23-06-055.<sup>1</sup> The original draft of the IOU proposal began development in the summer of 2025 by a small IOU only working group (WG). The IOU WG's goal was to prepare a guiding framework for further development by the broader PA group (RENs, IOUs and CCA). This effort resulted in a draft proposal that was circulated with all PAs for the October 16, 2025 monthly all-PA call. Subsequently, on November 5, 2025, there was a kick-off meeting to jump start an all PA WG to refine the proposal.<sup>2</sup> Non-IOU PAs were not included prior to November and were given a draft proposal developed by the IOU PAs.<sup>3</sup> The WG's goal was to further refine the IOU developed proposal and to identify issues that the Commission would potentially need to address as part of this process. PAs were given the opportunity to provide feedback during the meetings and in redline/comment form on the draft proposal.<sup>4</sup> While there were a number of useful edits and questions raised in the document not all PAs agreed to the proposed first draft; however, the WG discussions that ensued were useful in identifying areas needing additional development and/or formal Commission input.<sup>5</sup>

### Supporting Information

In order to help stakeholders advance the OP 2 effort beyond this framework, the proposal includes supporting information in Appendices A and B. Specifically, Appendix A identifies

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<sup>1</sup> The portfolio administrators (PAs) must coordinate among themselves and propose a statewide program portfolio assessment process to review and recommend changes to the portfolio of statewide programs. This proposed assessment process shall be included in the PAs' portfolio applications to be filed in 2026 or may be filed as a motion in Rulemaking 13-11-005 or its successor, if the proposal is ready before the next portfolio application filing.

<sup>2</sup> The WG met from November 2025 through January 2026 on a close-to-weekly basis. However, certain PAs could not participate at this frequency due to workload and bandwidth of staff.

<sup>3</sup> The intent by the IOUs was to develop a starting point framework from which all PAs could use in order to address this complicated topic. The IOU developed straw proposal was intended to reduce the amount of time that it would take to develop a full proposal from scratch amongst the 12 PAs. Although, individual PAs were not precluded from developing their own proposal for submission as part of their Business Plan Application.

<sup>4</sup> The original 10/15/2025 draft proposal received edits and comments, which were consolidated into a 12/31/2025 draft for further consideration. Not all PAs agreed to sign on to the developed draft with most providing a qualified support as reflected in the survey results (See Appendix B). An updated version of the document was released on 1/16/2026 for review and a survey for completion by PAs. Subsequently, another draft was released on 1/27/2026 before it was finalized by the end of January 2026.

<sup>5</sup> Commission staff joined the December 22, 2025 WG meeting, which provided an opportunity for ED staff to hear about PA concerns. ED's participation was intended to be informal with no expectation of official Commission guidance.

issues that merit additional development and/or warrant formal input by the Commission; Appendix B includes results of a survey gauging general sentiment about the proposal along with PA specific feedback.

**GUIDING PRINCIPLES** - The following Guiding Principles represent the shared commitments of PAs in the delivery of statewide-administered energy efficiency programs.

1. Support the State’s energy efficiency policy goals. Orient portfolio design around State and Regulatory objectives and act in the best interests of all customers.
2. Do no harm. Make decisions that preserve our collective ability to meet energy savings goals, achieve TSB goals, achieve cost-effectiveness for the resource acquisition segment [IOUs only], and minimize impacts to existing local and downstream programs.
3. Advocate for all PAs. Recognize that the whole is greater than the sum of its parts. Be willing to collaborate with other PAs in planning and decision-making efforts.
4. Assume best intentions. In an environment of shared goals and shared directives, be humble in the approach and ambitious for the broader group’s success.
5. Be good listeners. Take responsibility for the environment by which decisions are made such that all participants have the opportunity to participate.
6. Take a stand for customers. Take into consideration the customer experience and strive for simplicity, clarity, and ease.
7. Wisely pursue change. Demonstrate open-mindedness to changes in design, delivery and administration

Programs should support customer fuel diversity,<sup>6</sup> affordability and strategic decarbonization in a way that reflects the diversity of California’s energy landscape. To support customer demand, statewide program pathways should be diverse with multiple paths considered or incentivized.

**STATEWIDE EE PROGRAM ADMINISTRATOR RESPONSIBILITIES** – The following responsibilities are directed by D.18-05-041, and are the responsibility of any PA leading a SW program.

- Program vision development, design/delivery, and intervention strategies<sup>7</sup>)
- Procurement, contract administration, and co-funding management from partner PAs.
- Implementer oversight:
  - The lead PA would have sole responsibility for implementer management,

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<sup>6</sup> There is a diversity of perspectives on whether the offering of dual fuel programs should be discretionary or required.

<sup>7</sup> SW program leads may coordinate with other PAs to address matters that may not be resolved through ongoing SW coordination efforts under the “SWEET” (Statewide Energy Efficiency Team) process. The SWEET, represented by SW PA leads, meets bi-weekly to address ongoing matters associated with SW program administration.

- rewards, and any necessary corrective action
- Lead PA would review implementer performance and program performance on a quarterly basis
- Meeting savings goals and customer satisfaction levels
- Metrics development
- Reporting
- Fiscal oversight

## OBJECTIVE

To provide a comprehensive, structured, and transparent framework for assessing **if a proposed or existing** Statewide energy efficiency programs **should be considered** across all portfolio administrators. This framework ensures that each **new proposed SW or existing** program is evaluated for statewide suitability, delivery efficiency, strategic alignment, equity, and market impact. The assessment process supports informed decisions on whether **a new or existing SW** programs should be maintained, redesigned, localized, sunset, transferred, or integrated, and guides the selection of lead administrators, all in alignment with California’s energy policy goals and stakeholder interests.

Program outcomes of the framework include:

- Continue as-is
- Redesign or expand
- Localize
- Sunset<sup>8</sup>

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<sup>8</sup> Consistent with D. 21-05-031, OP 12, an assigned lead PA for a Statewide program can sunset a SW Program by means of a Tier 2 Advice Letter. Likewise, “a Tier 2 advice letter is also required when an existing program

is being elevated from a local or regional program to a proposed statewide program or when the lead administrator for a statewide program is proposed to change.” Furthermore, D.23-06-055, dicta at p. 10 states: “Meanwhile, during 2024-2027, the composition of the statewide portfolio need not remain static. PAs may request program closure or downsizing where a statewide resource acquisition program has declining prospects through the filing of a Tier 2 advice letter. In addition, existing programs may also be modified by updating an implementation plan.”

- Reassign to another PA (IOUs, RENs, and CCAs)
  - Selection of Lead PA
- ~~Elevate to Statewide~~ [SoCalREN recommends this be removed since the assessment is to address Statewide new or existing programs. This language is redundant given a new proposal could arise from an existing program that is not currently statewide]
  - ~~Selection of Lead PA (IOUs, RENs, and CCAs)~~

## GUIDELINES FOR ASSESSMENT

- **Customer Affordability Or Ratepayer Benefit:** Identify EE programs that help customers achieve measurable energy and demand reductions that translate into lower utility bills. Or the identification of needed benefit in the current EE market (i.e. workforce market support that supports actual project delivery).
- **Ratepayer Affordability<sup>9</sup>:** Identify EE programs that deliver measurable value to ratepayers, with a focus on maximizing energy savings, benefits per dollar spent, and bill relief.
- **Efficient Program Delivery:** Focus on optimizing resource acquisition and/or customer benefits as appropriate based on program segmentation, and minimizing *redundant*<sup>10</sup> programs.
- **Equity:** Design programs to deliver to disadvantaged, underserved, and hard-to-reach communities (collectively referred to in this document as “equity criteria”)<sup>11</sup>
- **Transparency:** Use standardized, data-driven methodologies across all PAs, including customer data sharing to support claimable EE results.
- **Timing:** Assessment should be completed in time for results to be incorporated into Application for new proposed SW programs and for sunseting a SW programs, a PA could utilize the Tier 2 AL process at any time during a portfolio including within the TUAL, or MCAL cycles.<sup>12</sup>

<sup>9</sup> The initial draft proposal advanced “Affordability” as an over-arching assessment factor. However, at the tail end of the WG effort, one PA distinguished affordability between customer and ratepayer. While this distinction was not fully vetted by the WG, a PA did express concern about using “ratepayer affordability” due to the complexities involved. On the other hand, this same PA indicated that “customer affordability” is more easily determined as it can be isolated/attribution to a single program. This issue warrants further examination.

<sup>10</sup> The Working Group discussion revealed certain PAs had concerns about “relitigating” aspects of OP 32 from D.23-06-055, which commissioned a study “to provide information on substantively similar programs, and steps they have taken and will take to mitigate or minimize ratepayer risk of program overlap and duplication.” There is currently the Joint Coordination Memo (JCM) process that is intended to look at the overlap/duplication issue. However, it’s recognized there may be some level of strategic overlap that is acceptable based on a program’s profile.

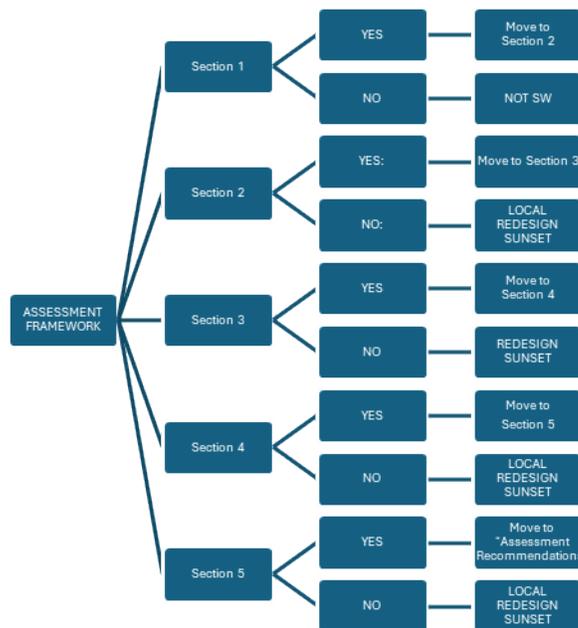
<sup>11</sup> *Equity Criteria:* The use of the term disadvantaged is in the context of Disadvantaged Communities (or DACs) as identified by the California Environmental Protection Agency pursuant to Health and Safety Code Section 39711. With respect to the use of the terms underserved and hard-to-reach, these are defined by CPUC Decision 23-06-055, COL 31, for underserved; and COL 33 for hard-to-reach. It should be noted that COL 32 provides flexibility to include additional groups within the underserved population based on the mechanism set forth by COL 32.

<sup>12</sup> There is lack of consensus as to the appropriate forum and timing of these assessments. While the ability to undertake more frequently is preferable, the potential need for incremental funding and full regulatory vetting would generally point to the Application funding cycle as the best pathway. However, PAs appear to support the ability to undertaking assessments more frequently, potentially as part of the TUAL and MCAL or as part of a separate dedicated filing process (e.g., a Tier 3 submission)

## STATEWIDE ASSESSMENT FRAMEWORK

This framework supports a right-sized, effectively delivered, and efficiently administered statewide EE portfolio that aligns with today’s EE policy direction, market dynamics, and EE strategic priorities such as customer energy savings, cost-effectiveness, decarbonization, equity, and flexible delivery. It’s built on a series of gatekeeping questions split into sections (i.e., Sections 1-5) that aids the reviewer<sup>13</sup> in undertaking the assessment of the program in question. These questions are intended to be guides rather than absolute requirements in supporting the assessment process.

1. Figure 1. Overall Decision-Making Framework



### 2. Section 1. Statewide Program Gatekeeping Questions (New and Existing Programs)

The assessment of statewide or regional programs will begin with the following baseline questions based on its segmentation:<sup>14</sup>

<sup>13</sup> Informally, the Energy Division clarified that the undertaking of assessments would generally be PA driven and should be fair, unbiased, and consensus-driven.

<sup>14</sup> While Section 1 is limited to the Resource Acquisition, Market Support and Equity segments, this framework can be applied to Codes and Standards (C&S) along with Workforce, Education and Training (WE&T). Since future refinements to this framework are anticipated these additional segments could be developed at that time.

Criteria	Yes/No
<b>For Resource Acquisition Programs</b>	
Does the program ensure inclusion of all critical resources (gas and electric) necessary to maintain reliability, affordability, and customer choice during the transition? [See FN 6]	
Is the program truly mass-market <sup>15</sup> and uniform for both gas and electric across territories (e.g., smart thermostats)? [See FN 6]	
Does it use a non-site-specific delivery model including both fuels (e.g., original definition of midstream)? [See FN 6]	
Is the PA delivering program able to reasonably manage cross-utility risk without territorial control or data sharing challenges and barriers?	
Does the program solve an identified, statewide problem that cannot be effectively addressed by local or regional means?	
Does implementing statewide delivery significantly improve cost-effectiveness or enhance customer access compared to a local or regional delivery model?	
<b>For Market Support<sup>16</sup> Programs</b>	
Is the program's primary objective to support the statewide market rather than deliver immediate resource savings?	
Does the program target a statewide market failure or gap that cannot be addressed effectively by resource acquisition programs? (e.g., lack of supply chain readiness, emerging tech adoption, training/workforce?)	
Are there measurable market transformation indicators (market share, cost declines, codes/standards advancement) that can be tracked and are consistent throughout the state?	
Is there detailed evidence that statewide delivery would accelerate or amplify measurable market effects compared to local delivery?	

<sup>15</sup> Mass Market refers to broad market segments, like residential homes and small businesses, which share similar purchasing patterns and are targeted for energy-saving programs through accessible measures like rebates, simple installation processes, and standardized information.

<sup>16</sup> Decision 21-05-031 at p.14 defines Market Support as "Programs with a primary objective of supporting the long-term success of the energy efficiency market by educating customers, training contractors, building partnerships, or moving beneficial technologies towards greater cost-effectiveness."

<b>For Equity<sup>17</sup> Programs</b>	
Is the program’s primary objective to improve access, affordability, or resilience for meeting the needs of equity criteria populations (DAC, Hard-to-Reach, Underserved) statewide, rather than delivering energy savings or cost-effective benefits?	
Is the program reaching the intended equity criteria target populations?	
Are incentives and program processes aligned with accessibility and ease of participation for equity criteria target participants?	
Does the program address statewide barriers (financial or geographic) that limit participation by equity criteria communities?	
Is there a clear plan to engage trusted messengers (e.g., CBOs, tribal organizations, local governments) across the entire state?	
Is there detailed evidence that statewide delivery can create measurable improvements in equity criteria outcomes for the specific program, when compared to local-only delivery?	

If less than a majority<sup>18</sup> of answers are “No,” the program should not be statewide.

IF more than a majority of questions were answered as YES, continue on to Section 2.

For NEW and EXISTING PROGRAMS which pass Section 1, CONTINUE

### 3. Section 2. Delivery Model and Risk Evaluation

<b>Question</b>	<b>Consideration</b>	<b>Yes/No</b>
Does the program use a midstream delivery model?	<i>Sales-only ( midstream/upstream) vs. install-based (downstream/direct install)</i> Midstream= Yes Downstream= No Upstream= Yes	

<sup>17</sup> Decision 21-05-031 at p.14-15 defines Equity as “Programs with a primary purpose of providing energy efficiency to hard-to-reach or underserved customers and disadvantaged communities in advancement of the Commission’s Environmental and Social Justice (ESJ) Action Plan; Improving access to energy efficiency for ESJ communities, as defined in the ESJ Action Plan, may provide corollary benefits such as increased comfort and safety, improved indoor air quality, and more affordable utility bills, consistent with Goals 1, 2, and 5 in the ESJ Action Plan

<sup>18</sup> The threshold for “majority” should be established by the PAs and/or set by the Commission. In some cases a simple majority (i.e., greater than 50%) is sufficient and in other cases a “super-majority” might be appropriate (i.e., greater than 66.6%).

Is the model still aligned with CPUC policy?	<i>E.g., does it still meet the intent of midstream?</i>	
Is downstream data collection or quality verification <b>unnecessary</b> for this program?	<i>If yes, it may be feasible for statewide. Although, gathering downstream data for all participants is complex and burdensome in SW offerings.</i>	
Is the administrative burden on the lead PA proportionate to the value delivered?	<i>Legal, regulatory, QA/QC, EM&amp;V risk, data sharing, etc.</i>	

If at least three (majority) of the answers are YES, continue onto Section 3.

If more than one of the answers are NO, consider LOCALIZATION, REDESIGN, or SUNSET program.

#### 4. Section 3. Strategic Fit

Question	Yes/No
Does the program align with the (or latest) Business Plan (e.g., decarbonization, equity, electrification)?	
Does the program align with the CPUC's policy objectives as stated in decision language or Public Utilities Code statute?	
Does the program avoid overlapping with or negatively impacting existing local delivery options?	

If at least two (majority) of the answers are YES, continue to Recommendations.

If more than one of the answers are NO, consider LOCALIZATION, REDESIGN or SUNSET program.

#### 5. Section 4. Performance and Accountability Assessment (EXISTING)

Metric	Assessment Notes	Yes/No/NA
Is the program achieving program goals and metrics? (TSB, GWh, MW)	Is it performing as expected?	
Is the program contributing to portfolio goals?	Is it advancing decarbonization, fuel substitution, etc.?	
Is the program cost-effective (applies only to RA)?	Is it successfully delivering cost effective savings, or failing the TRC tests?	
Is the program forecasting accurately?	Is the program accurately forecasting TSB, GWh, MW and budget?	

Is the program demonstrating clear signs of growth and scalability?	Is it scaling or stalling?	
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Are there minimal barriers to participation or savings realization?	Market, tech, permitting, site-specific issues?	
Have past corrective actions, if any, been successful in correcting program performance?	Have the actions been successful in correcting program performance?	

If majority of the answers are YES, continue onto Section 4.

If majority of the answers are NO, consider REDESIGN, LOCALIZE, or SUNSET program.

## 6. Section 5. Market Support & Equity Assessment

Question	Yes/No
<b>Market Support</b> – Focus on supporting long-term success of the market, enabling market viability and innovation	
Does statewide administration reduce market confusion and create consistent signals to manufacturers, distributors and contractors?	
Are the risks of statewide delivery (e.g., uneven market maturity, inconsistent supply chains) outweighed by benefits of a statewide approach?	
Are there clear measurable indicators of long-term success of the energy efficiency market that can be tracked at a statewide level?	
Would statewide delivery meaningfully accelerate innovation or technology adoption compared to local implementation?	
<b>Equity</b> – Focuses on equity criteria population	
Would statewide delivery ensure consistent access and reduce inequities across service territories?	
Can program risks (such as differing local needs or reliance on CBOs) be managed affordably and effectively at a statewide scale?	
Are there equity specific outcomes that can be measured and reported consistently statewide?	
Has or will the program demonstrate the ability to overcome participation barriers at scale?	
Would statewide delivery expand reach and scale and benefits in a way local delivery could not?	

If majority of the answers are YES, continue onto Assessment Recommendations.

If majority of the answers are NO, consider REDESIGN, LOCALIZE, or SUNSET program

## ASSESSMENT RECOMMENDATIONS

Summary of the above scoring system, and assessment recommendation.

### 7. Suggested Program Reclassification Options

Recommendation	Description
If Section 1-5 result in YES	
<b>Maintain or Launch Statewide</b>	Only if program meets all core criteria and delivers value
If Section 1-5 results in NO Options below	
<b>Redesign or Maintain as a local program</b>	If program needs local tailoring, complexity makes it better as a local or regional offer
<b>Sunset Program</b>	If program is obsolete, low-performing, or creates administrative risk
<b>Transfer to non-IOU PA or State Agency</b>	Consider having non-IOU PAs (e.g., RENs, CCAs) or state agencies (e.g., CEC) run the program; IOU acts as fiscal agent only
<b>Integrate into existing local programs</b>	Fold into existing contracts/programs to improve customer experience and delivery efficiency

<b>Compliance Check Before Final Recommendation</b>	<b>Yes/No</b>
Will recommendations cause any IOU to fall below the 20% statewide funding requirement, exceed the 30% MS+E cap, jeopardize meeting the TSB goal or affect any other compliance requirement?	
If a CCA program is converted to SW, will CCA still maintain cost-effective portfolio requirement?	
<b>CONSENSUS CHECK BEFORE SUBMITTING PROPOSAL</b>	<b>Yes/No</b>
Was consensus reached among all PAs regarding the assessment results and proposed outcomes?	

Before proposing the assessment outcomes in the appropriate filing mechanism, the party conducting the assessment may conduct regional focus groups to gather community input across the state. These focus groups should include specific questions that guide feedback and inform the proposing PA if the SW proposal is still appropriate as designed, or redesign, localize or sunset. The results of this effort shall be reported when the party proposes the assessment outcomes in the filing process.

## SELECTION/TRANSITION OF LEAD PA

### 8. Stakeholder Involvement

- Ensure a transparent and inclusive selection process by actively engaging stakeholders such as other IOUs, RENs, and CCAs.
- Solicit stakeholder feedback through options such as, but not limited to, public workshops, comment periods, or advisory panels.

### 9. Qualification Criteria:

Define clear, objective criteria for selecting the lead PA, including but not limited to:

- **Relevant Experience and Track Record:** Demonstrated history of successfully administering similar programs, including past performance metrics and lessons learned.
- **Market Expertise:** Understanding of the target market, including customer segments, supply chain dynamics, and regulatory requirements.
- **Training Infrastructure and Workforce Support:** Ability to provide training, technical assistance, and workforce development to support program delivery at scale, if needed.
- **Data Management and Reporting Capabilities:** Robust systems for data collection, analysis, and reporting, ensuring compliance with CPUC requirements and enabling transparent program evaluation and data sharing capabilities with other non-lead PAs.
- **Contract and Solicitation Resources:** Capacity to manage competitive solicitations, vendor contracts, and procurement processes efficiently and fairly.
- **Past Performance:** Evidence of meeting or exceeding program goals, maintaining compliance, and effectively managing budgets and timelines.
- **Interest and Commitment:** Clear expression of willingness and capacity to lead the statewide program, including resource allocation and organizational support.

1. **NEW PROGRAM PA SELECTION PROCESS :**

- Interested Lead PA successfully completes the assessment
- Interested Lead PA presents assessment results and proposed outcomes to all PAs<sup>19</sup> (*Engage in good faith effort to reach consensus among PAs*)
- Interested Lead PA proposes SW Program concept in **their respective Business Plan Application** ~~an appropriate~~ filing mechanism as determined by CPUC input.
- The CPUC approves or denies SW Program.

**10. TRANSITIONING PROGRAMS PROCESS (transitioning programs):**

- Current Lead PA coordinates with PAs to inform PAs of proposed transition
- Current Lead PA receives input and response to proposed transition
- Allow all PAs to submit proposals or statements of interest
- Current Lead PA engages in good faith effort to reach consensus among PAs
- Current Lead PA makes a recommendation via Tier 2 AL per D.21-06-055
- Current Lead PA announces the newly selected lead PA

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<sup>19</sup> D.18-05-041 at pp. 80-81 provides guidance on lead PA coordination.

## 11. Appendix A Issues Needing Further Development and/or Clarification by the Commission

**1. Scope of OP 2:** The full scope of OP 2 was unclear to all PAs. Specifically, whether the assessment was intended to include both upleveling (local/regional to statewide) and down-leveling (SW to local/regional) of programs. While the language of OP 2 addresses the evaluation of SW programs and the related dicta<sup>20</sup> is suggestive of upleveling, there is no language indicative of down-leveling. The bullet points below summarize the three discrete possibilities.

- SW only [language of OP 2]
- Local/regional to SW (uplevel) [language of dicta]
- SW to local/regional (down-level)

Action Item: Formal Commission input warranted.

**2. Regulatory Process for Proposing a SW Program:** While PAs seek maximum flexibility in undertaking the OP 2 assessment, there is lack of clarity about the appropriate venues for doing so. While there is general consensus that the Application cycle is an appropriate venue, some PAs believe the TUAL and the MCAL could also be vehicles for advancing OP 2. Moreover, there is consideration as to whether a separate dedicated process, such as a unique Tier 3 filing, could also be a viable mechanism. The one potential impediment is that in certain cases incremental funding might be necessary, which is generally requested and approved as part of the periodic EE Application. In the case of a regional or local program being converted to SW, PAs would need the appropriate venue to rebalance their remaining portfolio and address any implementation issues (see #4 below).

Action Item: Formal Commission input warranted.

**3. Applicability of dual fuel or single fuel:** There is a diversity of perspectives on whether the offering of dual fuel programs should be *discretionary* or *required*.

Action Item: Formal Commission input warranted.

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<sup>20</sup> *In comments on the proposed decision, numerous parties, including Oracle as one of the implementers, opposed the conversion of these two programs to statewide administration, arguing that they have unique characteristics at the individual IOU level and are not appropriate for statewide implementation. In light of these comments, we will defer on converting these programs to statewide at this time. Once a statewide assessment process has been proposed and approved, then we will use the process to evaluate whether these programs should be converted to statewide during the next portfolio application cycle.*

**4. Attribution:** It is understood that moving a local/regional program to a SW program would preclude program benefit attribution for non-IOU PAs, which presents a challenge for maintaining a cost-effective portfolio and performance at a PA level. Several solutions are available to the Commission including, but not necessarily limited to the following:

- Equal attribution of Statewide Program TSB benefits and costs to all PAs.
- Cost-effectiveness/performance adjustment or relief to impacted non-IOU PA(s).

Action Item: As many EE policies are impacted by potential changes in attribution, cost-effectiveness or program delivery model, the Commission should scope further discussion in R.25-04-010 (EE proceeding) – or the upcoming consolidated Business Plan Application proceeding - to ensure that any solutions are holistic and informed by the public record.

**5. Responsibility for Undertaking the Assessment:** The PAs generally agree that the assessment process is PA led, which is consistent with the informal perspective shared by Energy Division during the December 22, 2025 working group call. There were no objections to the idea that a PA could engage a third-party entity to facilitate or even to undertake such an assessment.

Action Item: Request Commission to affirm the assumption that the assessment process is PA driven rather than by the CPUC.

**12. Appendix B PA  
Survey**  
**Updated 2/12/2026**

Each PAs was asked to complete a survey with the four questions shown below. Based on the results, all of the respondents selected a “Qualified Support” for the proposal. Certain PAs also provided responses to questions three and/or four. Each PA’s survey response is included in this Appendix B.

*1. Which Program Administrator (PA) do you represent?*

*Enter the full name of your PA (please provide one survey response per PA).*

*2. Do you support the statewide assessment proposal for evaluating programs?*

*Select one option that best represents your position (please **bold** and underline your selection).*

- *Yes*
- *Qualified Support*
- *No*

*3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.*

*Your explanation will help stakeholders understand your perspective.*

*4. Do you have any additional comments or suggestions regarding the proposal?*

*Optional: Share any other thoughts or recommendations.*

## 2. NREN

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

Northern Rural Regional Energy Network (NREN)

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

NREN appreciates the time and effort from the PAs during this process to create a statewide portfolio assessment process. At this time, NREN would like additional clarity of certain assessment questions, and would like to review the new clean version closely.

Overall, NREN understands the assessment process and agrees with the guiding principles, but would like to reiterate the gap-filling purposes of RENs that should be kept in mind when an assessment of a regional or local program is taking place.

Additionally, NREN would like to note that not all PAs were represented throughout the entire process of developing this proposal, which may indicate unequitable representation of PAs.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

It is noteworthy that Joint Cooperation Memos (JCMs) already exist to limit program overlap and ensure PA coordination, and that regional programs all differ from each other as they are unique to each region. These JCMs and other means of coordination should be taken into account when conducting an assessment.

### 13. BayREN

#### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

BayREN

#### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

Qualified Support

#### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

BayREN appreciates the participation of the PAs and the collaborative effort to produce a statewide portfolio assessment proposal. BayREN offers qualified support for the proposal and will provide more reasoning for our qualified support in our business plan application. BayREN would like more time to evaluate the proposal to determine if it agrees with what has been drafted.

#### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

3. **3C-REN**

1. Which Program Administrator (PA) do you represent?

Tri-County Regional Energy Network (3C-REN)

2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

3C-REN offers qualified support for the statewide assessment proposal and will provide more reasoning for our qualified support in our business plan application after having more time to review a clean copy. Some items we will use the additional time to review include:

- Proposed Scope (Upleveling v. Down-leveling)
  - 3C-REN leans toward relying on the explicit decision language, which focuses on the evaluation of existing statewide programs. If the Commission ultimately relies on the dicta to support upleveling, it is important that this approach be balanced with a fair and equal pathway for down-leveling where appropriate.
- REN programs operating in tandem with statewide programs
  - 3C-REN wants to ensure that even if a statewide program passes the assessment matrix and does not require localization, this should not preclude the continued delivery of localized programs where they improve equitable access.

4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

## 14. SoCalREN

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

Southern California Regional Energy Network (SoCalREN)

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

SoCalREN believes there should be an assessment regarding the efficacy of the current statewide programs. It would benefit the state to understand are statewide program performing proportionally across the state or are their communities or pockets of regions not being reached. Are rate payer dollars being effectively utilized for mid-stream and up-stream models or is there too little oversight to understand where SW ratepayer dollars are actually being realized into impact. These are just a few questions and much more could be identified.

SoCalREN does support some portions of the proposal for instance the gate assessment process for considering a PA’s proposal for a program to be delivered statewide. However, their lacks certain nuances that must be considered. For instance in the assessment for considering a program be delivered SW there should exist a requirement that the PA engage communities in some form across the state to acquire input. Many communities are often disenfranchised by statewide programs due their standardization. In addition, SW proposals should only be considered in Applications which require Commission approval.

SoCalREN intends to file an alternate proposal that captures some of the Joint PAs work and builds off of it.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

None at this time.

#### 4. MCE

1. Which Program Administrator (PA) do you represent?

MCE

2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

MCE does not agree with the threshold criteria for each set of scoring questions and notes that there are logical errors in the proposed thresholds. For some sets of criteria a “majority” may not be sufficient, and a program should pass all screening criteria to be considered for statewide implementation. There should be further discussion to refine the threshold criteria for each section.

Other comments will be provided in MCE’s testimony.

4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

## 5. SDREN

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

San Diego Regional Energy Network

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

- SDREN supports the proposal if it is not used to relitigate currently authorized programs.
- SDREN supports the proposal if it is conducted by an independent third party.
- SDREN supports the proposal if the “ratepayer affordability” language under “Guidelines for Assessment” is removed. There are many bill components that impact ratepayer affordability (e.g., generation, transmission, and distribution) so assessing singular programs using this as a guideline is infeasible. The “customer affordability” language under the “Guidelines for Assessment” section is more easily determined and can be isolated/attributed to single programs. Therefore, SDREN supports the “customer affordability” language and recommends “ratepayer affordability” be removed. Additionally, this language was added last-minute and was not discussed with the full PA group prior to including.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

## 6. I-REN

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

Inland Regional Energy Network (I-REN)

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please bold and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

At the time of this survey I-REN offers “qualified support” rather than full support or non-support of the proposal and will provide additional detail in our forthcoming business plan application. I-REN appreciates the framework’s reiteration of the guiding principles of good-faith PA consensus and coordination. While this point is identified in the overview, it is worth highlighting in these comments that the development of this proposal only included REN and CCA PAs a few months after IOUs initiated the effort exclusively. Nevertheless, I-REN participated in this effort in good faith and will continue to identify refinements to the framework to promote equity among PAs between now and the business plan application submittal.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

I-REN would like to thank all PAs involved in this effort for their contributions, and restate the importance of local and regional efforts led by RENs to provide equity communities with critical support and market access.

## 7. CCR REN

1. Which Program Administrator (PA) do you represent?

Central California Rural Regional Energy Network (CCR REN)

2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

We have some small comments in the draft we would like to be considered.

4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

Not at this time.

## 8. SDG&E

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

SDG&E

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

The requirement that PAs conduct regional focus groups to gather community input, as proposed by SCR, should be optional rather than mandatory, as regional focus groups may not be practical on a statewide basis.

The proposed transition of a statewide lead PA is also allowed to be requested within the Business Plan Applications per the Energy Division template, not only Tier 2 Advice Letter.

Already resolved in the draft: SDG&E supports majority versus 80% supermajority within the gating questions.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

9. **SCE**

1. Which Program Administrator (PA) do you represent?

Southern California Edison

2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

SCE is generally supportive of the Statewide Assessment proposal; however, SCE emphasizes that this assessment should include regional programs and notes that the assessment should not be used as a basis for program closures, as an established process and procedure for closing programs already exists.

4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

## 15. SoCalGas

### 1. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

SoCalGas

### 2. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please **bold** and underline your selection).

- Yes
- **Qualified Support**
- No

### 3. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

### 4. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

**The proposal should heavily weigh the customer’s best interest and provide the structure to allow utilities to adapt program designs for customer benefit.**

## 10. PG&E

### 11. Which Program Administrator (PA) do you represent?

Enter the full name of your PA (please provide one survey response per PA).

PG&E

### 12. Do you support the statewide assessment proposal for evaluating programs?

Select one option that best represents your position (please bold and underline your selection).

- Yes
- **Qualified Support**
- No

### 13. If you selected “Qualified Support” or “No,” briefly explain your reasoning.

Your explanation will help stakeholders understand your perspective.

There are unresolved issues that merit further development and/or formal CPUC input. These are noted in the body of the proposal (primarily as footnotes) and/or summarized in Appendix A.

PG&E’s perspective continues to be that the lead-PA of any SW program should have the ability to make program specific decisions, specifically allowing the lead-PA to determine whether a SW program is single or dual fuel. PG&E provides additional context in its testimony.

PG&E requests stakeholders consider this perspective when reviewing the proposal.

### 14. Do you have any additional comments or suggestions regarding the proposal?

Optional: Share any other thoughts or recommendations.

PG&E volunteered to facilitate this all-PA process as it wasn’t obvious if any other PA had interest in doing so. It is understood that efforts of this nature, which involve a dozen PAs is both challenging and time consuming. In hindsight this process would have been better suited to a professionally facilitated working group, which could have included formal workshops with Energy Division staff participation. Even so, PG&E appreciates ED staff joining one of our weekly meetings on December 22, 2025, in order to entertain PA questions and to share *unofficial* thoughts on OP 2. Also, PG&E appreciates the collaborative engagement by the PAs.

SoCalREN 2028–2035 Strategic Business Plan  
and 2028–2031 Portfolio Plan | Exhibit 5: SoCalREN’s Response to D.23-06-055 OP 2 Recommended Edits to Joint  
PA Working Group “Statewide Energy Efficiency Program Assessment Criteria” D.23-06-055 OP2 Statewide  
Assessment Framework dated February 12, 2026

PG&E believes this proposal is a reasonable starting point for further development by the Commission and interested stakeholders. Further discussion and context on the unresolved items is located in PG&E’s testimony.