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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking for
Oversight of Energy Efficiency
Portfolios, Policies, Programs, and
Evaluation.

Rulemaking 25-04-010

**ADMINISTRATIVE LAW JUDGE'S RULING PROVIDING NOTICE AND
OPPORTUNITY TO COMMENT ON UPDATED POTENTIAL AND GOALS
STUDY RESULTS**

This ruling provides notice and opportunity to comment on updated results for the draft 2025 Energy Efficiency Potential and Goals Study (draft study).

On May 1, 2025, the Chief Administrative Law Judge issued a ruling providing notice and inviting comments on the draft study. On May 12, 2025, Commission staff hosted a webinar to present the draft study results and provide stakeholders an opportunity to ask questions and provide feedback on the results. Based on stakeholder feedback shared during the May 12, 2025, workshop, Guidehouse made two revisions:

1. Corrected the savings values for all industrial, agricultural and custom impacts used as top-down analysis inputs to be based on net savings (rather than gross savings), which significantly decreased achievable potential in the industrial sector.
2. Revised the default net to gross value for non-direct install residential and commercial energy efficiency measures. This had a small decrease on the overall results for these sectors.

In comparison to the industrial sector achievable potential reflected in the 2023 adopted goals, the updated results are 35 to 40 percent lower. This lower savings potential in the industrial sector significantly impacted overall statewide achievable total system benefit (TSB). The results reflected in the draft study (and presented during the May 12, 2025, webinar) showed a 42 percent increase in overall statewide achievable TSB from the 2023 adopted goals. In comparison, the updated results show a 6 - 11 percent increase from the 2023 adopted goals.

The updated results will be available on the Commission's 2025 Potential and Goals study webpage by the end of Tuesday, June 10, 2025. The uniform resource locator for the 2025 Potential and Goals study webpage is:

<https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/energy-efficiency/energy-efficiency-potential-and-goals-studies/2025-potential-and-goals-study>.

Parties wishing to file comments on the updated results are directed to focus their comments on whether and how the updated results alter their earlier comments (on the draft study). Comments shall be limited to five pages and may be filed no later than June 16, 2025; requests for extension to this date will not be granted. Reply comments will not be accepted.

IT IS SO RULED.

Dated June 9, 2025, at San Francisco, California.

/s/ VALERIE U. KAO
Valerie U. Kao
Administrative Law Judge