

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking to Enhance
Demand Response in California.

**OPENING COMMENTS OF
THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL ON
ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENTS ON STAFF
PROPOSAL TO EXTEND FLEX ALERT FUNDING TO 2026**

January 20, 2026

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I. INTRODUCTION

The California Efficiency + Demand Management Council (the “Council”) submits these Opening Comments on the Administrative Law Judge’s Ruling Seeking Comments on Staff Proposal to Extend Flex Alert Funding to 2026, issued in this proceeding on December 30, 2025 (“ALJ Ruling”). Attachment A to the ALJ Ruling is the “Staff Proposal: Extend Flex Alert Funding to 2026” (“Staff Proposal”). These Opening Comments have been timely filed and served pursuant to the Commission’s Rules of Practice and Procedure and the instructions contained in the ALJ Ruling.

II. BACKGROUND

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.¹ Our member companies employ many thousands of Californians throughout the state. They include energy efficiency (“EE”), demand response (“DR”), and distributed energy resources (“DER”) service providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and energy efficient product manufacturers. The Council’s mission is to support appropriate EE, DR, and DER policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructures, and environmental improvement.

¹ Additional information about the Council, including the organization’s current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at <http://www.cedmc.org>. The views expressed by the Council are not necessarily those of its individual members.

III. THE COUNCIL'S COMMENTS ON THE STAFF PROPOSAL

The Council strongly supports continuation of Flex Alert Marketing Program (“Flex Alerts”), but with the caveat that the program be modernized with customer-specific messaging building on recommendations in the recent Opinion Dynamics evaluation on this program.² The Council responds to the questions set forth in the ALJ Ruling as follows:

1. Should the Flex Alert Marketing Program continue in 2026?

Yes, Flex Alerts should continue in 2026 as a valuable tool in informing the general public of the value of peak demand reduction. Additionally, the Council urges the Commission to further enhance the value of Flex Alerts by reconsidering the current programmatic approach to broad-based messaging. For 2027, the Commission should modernize the program by offering tailored, customer-specific outreach and pre- and post-event messaging to maximize the value Flex Alerts drives for California's grid, ratepayers, and environment.

2. Should the Commission order Southern California Edison to extend or renew the existing Flex Alert Marketing Program contract with DDB through 2026, and if so, under what conditions or modifications, if any?

Flex Alerts should continue as they provide a pathway for customers to engage in emerging technologies and demand flexibility programs.

3. How much should the Flex Alert Marketing Program Budget be in 2026?

The Commission should retain the current \$22 million budget through 2026, and renew this budget beginning in 2027.

4. Are there any further issues, procedural requirements, contingencies, or program elements not addressed above that parties believe are necessary for the continuation and administration of the Flex Alert Program?

As stated in Response to Question 1, Flex Alerts have developed into a valuable, recognized brand in California and should be further leveraged to maximize the value of this important demand reduction program.

The recent independent evaluation of Flex Alerts by Opinion Dynamics underscores the need for this change in approach, and recommended that Flex Alerts:

² Opinion Dynamics: “2022 Flex Alert Marketing, Education and Outreach Effectiveness Study,” dated July 30, 2024, at p. 8 which can be found here: <https://pda.energydataweb.com/api/view/4033/CPUC%20Flex%20Alert%20Performance%20Analytics%20Report%20DRAFT%202024-08-29.pdf>

Help customers understand event-day behaviors that should occur outside event hours including pre-cooling the home before the event to increase comfort and shifting actions such as the use of major appliances and charging of electronic devices before or after event hours.³

In so doing Flex Alerts can continue to help California when called upon as a valuable tool to alleviate excess demand during grid emergencies and periods of increased demand.

IV. CONCLUSION

The Council appreciates the opportunity to provide Opening Comments on the Staff Proposal. The Council urges the Commission to continue Flex Alerts with specific modifications as set forth above.

Dated: January 20, 2026

Respectfully submitted,

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