

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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05/01/26
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Application of Association of Bay Area
Governments (CPUC ID 941) for Approval of the
Bay Area Regional Energy Network 2028-2031
Portfolio Plan and 2028-2035 Business Plan.

Application 26-03-009

And Related Matters.

Application 26-03-010
Application 26-03-011
Application 26-03-012
Application 26-03-013
Application 26-03-014
Application 26-03-015
Application 26-03-017
Application 26-03-018
Application 26-03-019
Application 26-03-020
Application 26-03-021
Application 26-03-028

**PROTEST OF SAN DIEGO COMMUNITY POWER
ON BEHALF OF THE SAN DIEGO REGIONAL ENERGY NETWORK**

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May 1, 2026

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SUMMARY OF RECOMMENDATIONS

- The Commission¹ should reject SoCalGas's proposed modifications to the Equity definitions.
- The Commission should modify PG&E's fuel-switching proposal to allow fuel switching from all non-regulated fuels.
- The Commission should defer consideration of PG&E and SCE's proposals to apply cost-effectiveness requirements to RENs, and should instead pursue the near- and long-term accountability measures described in Section II.C below.
- The Commission should modify PG&E's IDSM proposal to prevent excluding non-IOU PAs from pursuing load-shifting activities.
- The Commission should specifically incorporate the recommendations listed in Section III within the scope of policy issues to be considered in this proceeding.

¹ Acronyms and defined terms used in this Summary of Recommendations are defined within the body of this Protest.

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**PROTEST OF SAN DIEGO COMMUNITY POWER
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In accordance with Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), San Diego Community Power (“SDCP”), on behalf of the San Diego Regional Energy Network (“SDREN”), hereby submits this consolidated protest in the above-captioned proceeding.

All portfolio administrators (“PAs”) advanced proposals for new or modified energy efficiency (“EE”) policy through their 2028-2031 Portfolio Plan and 2028-2035 Business Plan applications. SDREN appreciates the PAs’ thoughtful recommendations and looks forward to engaging in more depth with these topics throughout the course of this proceeding. Through its preliminary analysis of PAs’ recommendations, SDREN identified several proposals related to

Equity definitions, fuel switching, regional energy network (“REN”) accountability, and integrated demand-side management (“IDSM”) that necessitate upfront rejection or modification. SDREN further identified numerous promising proposals that warrant additional comment and development in the instant proceeding. SDREN respectfully requests that the Commission reject, modify, and set proposals for consideration as described herein.

I. SDREN’S INTEREST

SDCP is a Community Choice Aggregator (“CCA”) serving the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City, and San Diego, as well as the unincorporated areas of San Diego County. SDCP is a load serving entity (“LSE”), and its customers are categorized as unbundled customers.

SDCP is also the lead administrator for SDREN, which serves the entirety of San Diego County and was authorized by the Commission in Decision 24-08-003.² SDREN aspires to be a regional leader in helping communities invest in strategies that advance decarbonization.³ SDREN’s portfolio of programs is designed to complement SDG&E offerings and make inroads into communities to reduce greenhouse gas emissions, achieve equity, drive market transformation, and provide value to ratepayers.⁴ At a fundamental level, SDREN’s priority is programming that best meets the needs of San Diego communities.

SDREN submitted its Application for Approval of its 2028-2031 Portfolio Plan and 2028-2035 Business Plan alongside other PAs on March 16, 2026.⁵ The Commission subsequently

² See generally, Decision (“D.”) 24-08-003 (Aug. 1, 2024).

³ Application (“A.”) 26-03-019, et al., Exh. SDREN-01: *2028-2031 Portfolio Plan and 2028-2035 Business Plan Testimony*, pp. 60:26-27 – 61:1 (Mar. 16, 2026).

⁴ *Id.* at 1:19-21.

⁵ See A.26-03-019, *Application of San Diego Community Power for Approval of the San Diego Regional Energy Network (CPUC ID U-4001-E) 2028-2031 Portfolio Plan and 2028-2035 Business Plan* (Mar. 16, 2026).

consolidated each authorized and prospective PAs’ applications into a single proceeding.⁶ Each of the PAs’ applications set for consideration in this consolidated proceeding set forth larger EE policy recommendations for Commission consideration. Several of these recommendations suggest targeted changes to the Commission’s regional energy network (“REN”) policy,⁷ while others pertain to broader policy issues that impact all PAs. Accordingly, SDREN has a real, present, tangible, and pecuniary interest in ensuring the Commission has a thorough and complete record by which it can evaluate these policy recommendations.

II. THE COMMISSION SHOULD REJECT OR MODIFY SEVERAL POLICY RECOMMENDATIONS RELATED TO EQUITY DEFINITIONS, FUEL SWITCHING, INTEGRATED DEMAND SIDE MANAGEMENT, AND REN ACCOUNTABILITY.

In investigating PAs’ proposals for new or modified EE policy, SDREN identified several recommendations that necessitate rejection or modification to avoid unintended consequences or to deepen the impact of the suggested policy change. Accordingly, SDREN respectfully requests that the Commission refrain from adopting specific policy considerations prior to exploring certain issues via the policy track of the instant proceeding. In some instances, SDREN recommends that the Commission to omit certain recommendations and proposals from further consideration in this proceeding, as detailed below.

⁶ A.26-03-009, et al., *Administrative Law Judge’s Ruling Consolidating Proceedings and Confirming Final Dates to File Protests, Responses and Replies* (Apr. 15, 2026).

⁷ See, e.g., A.26-03-017, Exh. PG&E-1: *Pacific Gas and Electric Company Energy Efficiency 2028-2035 Business Plan and 2028-2035 Portfolio Plan Prepared Testimony*, pp. 11-3 – 11-10 (Mar. 16, 2026); see also, A.26-03-010, Exh. SCE-01: *Direct Testimony of Southern California Edison Company in Support of its Application for Approval of its Energy Efficiency 2028-2031 Portfolio Plan and 2032-2035 Business Plan*, pp. 129-136 (Mar. 16, 2026).

A. The Commission Should Decline to Adopt Southern California Gas Company’s Recommendations for Changes to Equity Definitions.

In its Chapter 11 policy recommendations, Southern California Gas Company (“SoCalGas”) proposes a simplified, geography-based eligibility framework to identify Equity customers across the underserved, hard-to-reach (“HTR”), and disadvantaged communities (“DAC”) categories.⁸ Specifically, SoCalGas recommends that the Commission apply HTR treatment of local governments that meet certain geographic criteria to public school districts, state facilities, and federal facilities.⁹ SoCalGas further requests that the Commission align HTR and underserved definitions with the DAC model.¹⁰ While SDREN supports inclusion of streamlining and updating Equity definitions in the scope of this consolidated proceeding, the Commission should decline to adopt, and exclude from further deliberation, SoCalGas’s specific recommendations.

First, applying and/or extending HTR treatment of local governments to the entities SoCalGas suggests would have the inadvertent impact of limiting the number of local governments that can qualify as HTR. Currently, only local governments that fall within a U.S. Office of Management and Budget (“OMB”) metropolitan statistical area qualify as HTR. This excludes many rural communities due to the county-level granularity of the OMB indicator. Other indicators, such as the U.S. Department of Agriculture Rural Urban Commuting Areas (“RUCA”), are more accurate tools that are capable of identifying rural communities within counties.

Second, aligning HTR and underserved definitions with the DAC model could risk leaving behind vulnerable customers who are most in need of EE and electrification services. More detail

⁸ A.26-03-018, Exh. SCG-01: *Prepared Direct Testimony on Behalf of Southern California Gas Company (2028-2031 Portfolio Plan and 2032-2035 Business Plan)*, pp. 248:26-29 – 249:1-30 (Mar. 16, 2026).

⁹ *Id.* at 248-249.

¹⁰ *Id.*

is needed to evaluate how vulnerable customers in non-DAC communities would be treated under SoCalGas’s proposed policy change.

In sum, SDREN generally supports Commission consideration of updates to the relevant Equity definitions that would expand access to EE and electrification opportunities to vulnerable communities. However, SoCalGas’s specific recommendations are likely to result in unintended consequences. SDREN respectfully requests that the Commission reject SoCalGas’s proposal in favor of other proposals related to revisions of the Commission’s Equity definitions, as described in Section III.A below.

B. The Commission Should Broaden PG&E’s Recommendation Related to Fuel Switching.

Pacific Gas & Electric Company (“PG&E”) requests that the Commission modify its existing policy to allow for the use of EE funds for propane-to-electric fuel switching incentives.¹¹ SDREN supports fuel switching from *all* non-regulated fuels to regulated fuels—not just propane. This is because many vulnerable customers rely on other non-regulated fuels such as wood and charcoal, or do not report any fuel use.

SDREN reserves the right to comment further on whether all regulated fuels should be available at the same incentive levels, but generally recommends that the Commission broaden this policy recommendation to allow incentives and programs for non-regulated fuel users that will facilitate fuel switching. As such, SDREN respectfully requests that the Commission include this broadened recommendation within the scope of this proceeding for further party comment.

¹¹ A.26-03-017, Exh. PG&E-1 at 11-15:17-27 – 11-16:1-20.

C. The Commission Should Leverage Existing Tools to Measure REN Performance, Defer Consideration of PG&E and SCE’s REN Accountability Recommendations Until Other Reform Efforts Have Been Completed, and Pursue Other PAs’ Longer-Term Recommendations.

Multiple parties advanced recommendations for new or modified REN policy, particularly as it relates to REN accountability. SDREN supports Commission use of accountability measures as applied to RENs and shares the priority of affordability as detailed by other PAs. To effectively carry out these goals, SDREN recommends that the Commission defer consideration of PG&E and Southern California Edison Company’s (“SCE”) recommended application of investor-owned utility (“IOU”) cost-effectiveness requirements to REN PAs. Instead, the Commission should: 1) effectuate near-term REN accountability through the use of existing tools, 2) allow for ongoing cost-effectiveness reforms and the development of new accountability measures to conclude before adopting new mandates, and 3) take steps to balance the need for near-term performance improvement while working towards long-term changes.

1. The Commission Should Effectuate Near-Term REN Accountability Using Existing Tools.

REN accountability for the purposes of preserving affordability is an important topic for Commission consideration. While RENs are not subject to the same cost-effectiveness requirements as IOU PAs, it is important to note that the Commission has already invested significant time and resources in the development of robust metrics (e.g., bill savings, unique value metrics (“UVMs”), and 100+ indicators) to assess REN performance in the near term. Leveraging these existing tools is an effective and efficient way to ensure REN accountability while preserving RENs’ ability to carry out their intended purpose.

For example, SDREN’s Application proposes lifecycle bill savings as its primary UVM, and all PAs are required to report bill savings. The Commission should use UVMs and PAs’

reported bill savings – in addition to the other 100+ metrics PAs report – to determine portfolio performance in the near term. Additionally, the existing PAs continue to work on the development of Equity and Market Support Goal Constructs, which the Commission explicitly indicated were to be used for the purposes of REN accountability.¹² Once complete, these Goal Constructs will serve as another effective tool that the Commission can leverage in the near-term to measure REN performance.

Beyond the existing metrics applied to RENs and those actively in development, the Tri-County Regional Energy Network (“3C-REN”) requests that the Commission initiate a process to apply Equity and Market Support indicators, including non-energy benefits (“NEBs”) and social costs, as well as awareness, knowledge, attitude, and behavior (“AKAB”) metrics as complementary tools for evaluation of REN portfolios. These metrics carry meaningful weight as compared to traditional cost-effectiveness metrics, and SDREN recommends that the Commission thoroughly evaluate use of these metrics as another effective means to measure REN performance.

2. The Commission Should Defer Consideration of PG&E and SCE’s REN-Related Recommendations, and Should Pursue Longer-Term Development of New REN Accountability Metrics.

Both PG&E and SCE put forward similar proposals that ultimately seek to limit REN budgets based on application of threshold cost-effectiveness requirements.¹³ Since the inception of RENs, the Commission has consistently maintained its policy of not applying cost-effectiveness requirements to RENs based both on their intended purposes and the characteristics of their programming.¹⁴ Nonetheless, SDREN agrees that increased accountability is prudent to ensure ratepayers are receiving as much value as possible from their investments into EE programs.

¹² D.23-06-055, p. 71 (Jul. 3, 2023).

¹³ See Exh. PG&E-1 at 11-3 – 11-10.

¹⁴ See D.12-11-015, p. 37 (Nov. 15, 2012) (declining to apply cost-effectiveness requirements to RENs “because the size of the REN portfolios is smaller, and because the RENs are inherently designed to

While SDREN supports the longer-term development of additional accountability measures tailored to the unique REN role (as described below), the Commission should defer consideration of PG&E and SCE’s specific recommendations. Adoption of these recommendations would constitute a major shift in the Commission’s REN framework, which is premature and likely to result in inefficiencies and duplication of efforts given major efforts that are concurrently underway to modify or reform cost-effectiveness methodologies (e.g., Equity and Market Support Goal Constructs, Equity Segment NEBs Study, etc.). The Commission should allow these efforts to conclude before adopting wholesale overhauls to the REN framework. Moreover, the Commission should abstain from adoption of PG&E’s and SCE’s recommendations until broader cost-effectiveness reform has taken place.

SDREN strongly supports longer-term Commission efforts to develop accountability measures that preserve RENs’ ability to carry out their unique role. SDREN specifically supports several PAs’ proposals to effectuate this outcome. First, the Southern California Regional Energy Network (“SoCalREN”) recommends that the Commission adopt a REN Total Benefit Metric as an accountability mechanism, which is to be determined through a NEBs calculator.¹⁵ The Northern California Rural Regional Energy Network (“NREN”) elevates this proposal, recommending that SoCalREN initiate a stakeholder workgroup for feedback and to include RENs

take on filling gaps in the other larger portfolios or serving the needs of hard-to-reach customer segments/markets that will be naturally less cost-effective to serve”); *see also id.* at 19 (“...many of the REN program plans address hard to reach market segments that are generally more expensive than average to deliver. REN proposals should not be punished for that, because, if successful, their pilot approaches could lead to breakthroughs for more cost-effective solutions in the future”); D.19-12-021, p. 82 (Dec. 12, 2019) (“because RENs are designed to fill gaps and serve hard-to-reach customers, and because their portfolios are smaller, their program offerings are likely to be naturally less cost-effective than the larger portfolios of the utilities”).

¹⁵ See A.26-03-015, Exh. SCR-01: *Southern California Regional Energy Network Energy Efficiency 2028-2035 Strategic Business Plan and 2028-2031 Portfolio Plan Prepared Testimony*, pp. 77-78 (Mar. 16, 2026).

in the testing and development of the NEBs calculator.¹⁶ The REN Total Benefit Metric shows great promise, and SDREN supports NREN’s recommendations for a stakeholder workgroup and REN participation in the testing and development of the NEBs calculator.

In addition to the REN Total Benefit Metric, numerous PAs proposed additional reforms. SDREN specifically supports the following:

- Central California Rural Regional Energy Network (“CCR REN”): Strengthen the Total Resource Cost test’s (“TRC”) participant benefits estimation methodology and adopt a participant NEB adder.¹⁷ In pursuing this policy recommendation, SDREN recommends that the Commission consider whether the Vermont model of a 15% adder remains an appropriate amount, or whether that figure (as originally developed in 2012) warrants updating.
- Marin Clean Energy (“MCE”): Exclude participant costs from cost-effectiveness tests.¹⁸
- MCE: Incorporate NEBs in EE portfolios as more metrics become available.¹⁹ Importantly, MCE’s NEBs recommendation speaks to at least two ongoing efforts that will help the Commission accurately incorporate NEBs into the EE portfolio. The first is the ongoing development of the Commission-directed Equity Segment NEBs Study (to be completed in 2026), which employs robust methodologies to calculate and assign dollar amounts to various social, economic, and environmental benefits. As a result of this process, PAs will begin reporting on NEB indicators in their Q1 2028 quarterly reports. Second, MCE notes

¹⁶ A.26-03-013, Exh. NREN-1: *2028 Portfolio Plan and 2032-2035 Business Plan*, p. 125 (Mar. 16, 2026).

¹⁷ A.26-03-020, Exh. CCR-01: *2028-2031 Portfolio Plan and 2032-2035 Business Plan*, pp. 1-155 – 1-158 (Mar. 16, 2026).

¹⁸ A.26-03-014, Exh. MCE-01: *Testimony of Marin Clean Energy Regarding its 2028-2031 Energy Efficiency Portfolio Plan and 2032-2035 Energy Efficiency Business Plan*, pp. 172-174 (Mar. 16, 2026).

¹⁹ *Id.* at 193-196.

the California Energy Commission’s (“CEC”) current proceeding to evaluate non-energy impacts. SDREN concurs that the Commission should coordinate with the CEC on this complementary effort to optimize resource sharing and minimize duplication of effort.

3. To Reconcile the Need for Near-Term Improvements with the Need for Longer-Term Reforms, the Commission Should Hold a Workshop to Optimize Cost-Effectiveness within Current Framework.

To advance longer-term, comprehensive reforms while simultaneously addressing immediate pressure to improve performance under the current CET framework, SDREN recommends that the Commission address EE cost-effectiveness matters in Rulemaking (“R.”) 25-04-010, in alignment with its response to the March 2025 State Auditor’s Report. Specifically, SDREN recommends that the Commission hold an Energy Division-led workshop (with consultant support) in R.25-04-010 to educate stakeholders on the mechanics of current cost-effectiveness tests, strategies for optimizing cost-effectiveness in program design within the current framework, and strategies to adapt programs to increase cost-effectiveness. The workshop should explore concrete options to reform the Commission’s cost-effectiveness framework. A Commission-led workshop is key to ensure a broader number of intervenors and stakeholders have an opportunity to participate in and benefit from the workshop as compared to California Energy Efficiency Coordinating Committee (“CAEECC”) processes.

It is imperative that this workshop address the tension between the need to improve performance under the current CET framework in the near-term while developing longer-term reforms. SDREN recommends that the workshop specifically include the following:

- A panelist who can provide level-setting context that summarizes the National Standard Practice Manual and the methodologies used to calculate TRC, Program Administrator Cost, Ratepayer Impact Measure, and others.

- A panelist, such as an implementer, who can speak to case studies and tangible strategies to design cost-effective programs and portfolios.
- A Portfolio Administrator (or Administrators) who can speak to implementing corrective actions and adaptively managing programs and their portfolio to successfully increase the cost-effectiveness of their programs and portfolio.
- A panelist (or panelists) who can speak to strategies and options to reform the current Commission cost effectiveness methodology per the recommendations in the State Auditor’s Report, such as integrating non-energy benefits into cost-effectiveness calculations. The Commission may wish to incorporate other reforms as proposed by other PAs into this discussion.

D. The Commission Should Slightly Modify PG&E’s IDSM Recommendation to Avoid Excluding Non-IOU PAs from Load-Shifting Activities.

PG&E recommends that the Commission allow PAs to continue using EE funds for load shifting *unless the Commission authorizes load shifting program activities elsewhere.*²⁰ SDREN agrees that continuation and expansion of IDSM in EE portfolios is the next step to maximize the benefits of EE. However, SDREN opposes the latter half of PG&E’s recommendation.

As proposed, PG&E’s recommendation would have the inadvertent negative impact of limiting administration of load shifting programs to IOUs. While IOUs can seek authorization of their demand response (“DR”) portfolios through DR applications, there is currently no regulatory mechanism outside of the EE portfolio by which REN and CCA PAs may administer load shifting programs. Accordingly, SDREN requests that the Commission decline to adopt PG&E’s proposal as-is, and instead evaluate the following alternative recommendations:

²⁰ A.26-03-017, Exh. PG&E-1 at 11-17:14-24 – 11-18:1-4.

- “Allow PAs to continue use of EE funding for ongoing load shifting that reduces peak consumption for the 2028-2031 portfolio period ~~—or until the Commission authorizes load shifting program activities in another proceeding [...]~~”
- “Allow PAs to continue use of EE funding for ongoing load shifting that reduces peak consumption for the 2028-2031 portfolio period – or, in the case of IOUs only, until the Commission authorizes load shifting program activities in another proceeding [...]

III. The Commission Should Set Several Important Policy Recommendations for Consideration in the Policy Track of this Consolidated Proceeding.

Numerous PAs proposed new or modified EE policy recommendations that are likely to result in positive improvements in portfolio performance, accessibility, and overall efficiency. SDREN specifically supports inclusion of the recommendations described below in the scope of this proceeding for further Commission evaluation.

A. The Commission Should Include Several Recommendations Related to the REN Criteria, Equity Definitions, and Accessibility Within the Scope of this Proceeding.

Pursuant to Energy Division’s request, SDREN hereby incorporates its 2025 Annual Report recommendation to add USDA RUCA census tracts to the definition of “underserved.”²¹ SDREN respectfully requests that the Commission include this specific recommendation within the scope of policy recommendations it intends to consider in this proceeding. SDREN advanced this recommendation as an SDREN-specific proposal, but welcomes Commission consideration of its application statewide. Should the Commission decline to apply this recommendation to all PAs more broadly, SDREN intends to continue implementation of this proposal as an SDREN-specific modification to the underserved definition as described in its 2025 Annual Report.

²¹ For a more in-depth description of this recommendation, *see* San Diego Regional Energy Network’s 2025 Annual Report, pp. 22-26 (Apr. 14, 2026) (accessible on CEDARS).

SDREN further supports the following proposals for deliberation in this consolidated application proceeding:

- 3C-REN: Clarify inclusion of DACs, HTR, and underserved communities into the REN criteria.²²
- 3C-REN: Expand HTR definition to include all multifamily properties and medical baseline customers.²³
- Inland Regional Energy Network (“I-REN”): Re-evaluate HTR geographic criteria.²⁴
- I-REN: Examine challenges with workforce standards for non-residential projects as the current requirements create barriers for disadvantaged workers.²⁵
- SoCalGas: Add medical baseline customers into the HTR definition.²⁶
- SoCalREN: Allow minor remediations in EE programs and add a remediation adder.²⁷
- NREN: Address equity gaps in deemed measures.²⁸
- NREN: Allow rebates higher than incremental cost gaps.²⁹

B. The Commission Should Evaluate Targeted Updates to Cost-Effectiveness and Evaluation Metrics.

SDREN elevated the need for Net-to-Gross (“NTG”) reform in Chapter 11 of its Application, as did numerous other PAs with varying levels of nuance. SDREN recommends that the Commission specifically include the following related topics for consideration within the consolidated application proceeding:

²² A.26-03-011, Exh. 3C-REN-01 at 215-218.

²³ *Id.* at 219-222.

²⁴ A.26-03-028, Exh. I-REN-01 at 180-182.

²⁵ *Id.* at 165-172.

²⁶ A.26-03-018, Exh. SCG-01 at 248.

²⁷ A.26-03-015, Exh. SCR-01 at 81-82.

²⁸ A.26-03-013, Exh. NREN-01 at 119-122.

²⁹ *Id.* at 122-124.

- Bay Area Regional Energy Network (“BayREN”): Direct a study on the appropriate NTG treatment for equity segment participants.³⁰
- CCR REN: Reconcile Preponderance of Evidence (“POE”) and NTG assumptions for custom and accelerated replacement/retirement projects.³¹
- SCE: Assume a NTG of 1.0 and disallowing discounting of program savings until programs are evaluated.³²
- SCE: Adopt a default NTG of 1.0 for custom projects.³³
- SoCalREN: Establish a NTG value of 1.0 for all custom projects that satisfy POE requirements.³⁴

C. The Commission Should Consider Modifications to the IDSM Framework.

While many underserved and hard-to-reach customers still need “traditional” EE services, SDREN believes that we are in an era where the timing of EE savings matters just as much as the volume. To optimize EE, EE programming should be integrated with other demand side management initiatives. The Commission recognized this value in D.23-06-055, which allowed PAs to seek authorization for IDSM frameworks and programs via Advice Letter (“AL”). As highlighted in the numerous PAs’ applications, there is an opportunity to continue and streamline the incorporation of IDSM into current and future PA portfolios. SDREN specifically supports consideration of the following recommendations within this consolidated application proceeding:

- 3C-REN: Allow approval of IDSM programs via business plan applications (“BPAs”) instead of ALs.³⁵

³⁰ A.26-03-009, Exh. BAYREN-01 at 235-241.
³¹ A.26-03-020, Exh. CCR-01 at 1-164 – 1-165.
³² A.26-03-010, Exh. SCE-01 at 158-161.
³³ *Id.* at 161.
³⁴ A.26-03-015, Exh. SCR-01 at 80-81.
³⁵ A.26-03-11, Exh. 3C-REN at 234-236.

- BayREN: Affirm approval of IDSM from ALs extends through the 2028-2035 BPA period.
- MCE: Explicitly authorize IDSM for 2028-2031 and beyond.³⁶

In addition to administrative efficiency, SDREN recommends that any authorization mechanism allow for continuous program administration without undue delays that could reduce market demand for IDSM.

D. The Commission Should Consider Several Recommendations Related to Fuel Switching, Electrification, and Decarbonization Pathways.

Several PAs elevated policy recommendations related to fuel switching. SDREN encourages the Commission to evaluate fuel switching of *all* unregulated fuels, not just propane. The following figure highlights the need for fuel switching to apply to all non-regulated fuels, demonstrating that San Diego County reports use of unregulated fuels beyond propane.

Figure 1 – San Diego County, 2024 ACS 1-Year Estimates Detailed Tables, House Heating Fuel³⁷

Label	San Diego County, California	
	Estimate	Margin of Error
▼ Total:	1,185,092	±6,462
Utility gas	631,976	±10,750
Bottled or tank gas (propane, butane, etc.)	39,589	±3,282
Electricity	418,647	±9,253
Fuel oil, kerosene, etc.	911	±498
Coal or coke	0	±225
Wood	6,344	±1,458
Solar energy	31,252	±3,468
Other fuel	1,611	±795
No fuel used	54,762	±5,878

³⁶ A.26-03-014, Exh. MCE-01 at 196-197.

³⁷ Figure 1 captures data for single-family homes, multifamily apartments, mobile homes, other occupied residential housing units. Similarly granular data is not available for commercial buildings.

Beyond fuel switching, SDREN encourages the Commission to elevate the specific policy recommendations for further deliberation:

- Peninsula Clean Energy (“PCE”): Establishment of “right sizing” as a guiding principle for electrification.³⁸
- PCE: Allow for standalone low-global warming potential (“GWP”) measures under the EE portfolio.³⁹
- SoCalREN: Allow EE programs to support small battery storage systems for rural and HTR customers impacted by PSPS events.⁴⁰ In elevating this recommendation, SDREN encourages the Commission to request stakeholder feedback on whether only rural and HTR customers should be eligible for these storage systems, or whether these systems should be made available to other vulnerable communities.

SDREN reserves the right to comment further on the extent to which fuel switching to natural gas should be allowed should the Commission elevate fuel switching for discussion in the instant proceeding or in R.25-04-010.

E. The Commission Should Pursue Policy Updates that Streamline Regulatory, Technical, Reporting, and Administrative Processes.

PAs recommended a wide variety of recommendations to streamline and improve regulatory, technical, reporting, and administrative processes within the Commission’s EE administrative framework. SDREN encourages the Commission to evaluate the following recommendations:

³⁸ A.26-03-021, Exh. PCE-01 at 10-14 – 10-18.

³⁹ *Id.* at 10-9 – 10-11.

⁴⁰ A.26-03-019, Exh. SCR-01 at 81.

- PG&E and SoCalGas: Streamline and improve the California Database for Energy Efficient Resources processes and measure package reviews.⁴¹
- MCE: Reform Evaluation, Measurement, and Verification (“EM&V”) requirements to facilitate easier PA and stakeholder review of EM&V studies.⁴²
- 3C-REN and CCR REN: Streamline and adjust the POE requirements.⁴³
- CCR REN: Update the EE policy manual to capture policy changes and reflect differences among PA types.⁴⁴
- CCR REN: Modernize EE planning and reporting by integrating and automating existing data systems.⁴⁵
- MCE: Streamline CEDARS and improve customer navigation of programs.⁴⁶
- San Diego Gas & Electric Company (“SDG&E”): Revise the timelines for True-Up Advice Letters and the 4-year rolling portfolio application.⁴⁷
- SoCalREN: Establish streamlined and transparent custom project review approval timelines.⁴⁸

F. The Commission Should Include SoCalREN and 3C-REN’s Recommendations for Statewide Programs for Consideration in this Proceeding.

SDREN identified six policy recommendations specific to statewide programs throughout the PAs’ various applications. SDREN specifically supports SoCalREN’s proposal for an annual

⁴¹ A.26-03-017, Exh. PGE-01 at 11-20 – 11-21.

⁴² A.26-03-014, Exh. MCE-01 at 190-193.

⁴³ A.26-03-011, Exh. 3C-REN-01 at 230-234.

⁴⁴ A.26-03-020, Exh. CCR-01 at 1-154.

⁴⁵ *Id.* at 1-161 – 1-163.

⁴⁶ A.26-03-014, Exh. MCE-01 at 188-190.

⁴⁷ A.26-03-012, Exh. SDGE-01 at KO-11-3 – KO-11-4.

⁴⁸ A.26-03-015, Exh. SCR-01 at 79.

EM&V study to assess the efficacy and reach of existing statewide programs.⁴⁹ SDREN also generally supports 3C-REN’s recommendation as it relates to needing to balance the EE portfolio to avoid overreliance on statewide Codes and Standards (“C&S”), particularly in light of the recent CEC study finding that actual compliance rates with code are ~30%.⁵⁰ SDREN reserves the right to comment on the other statewide policy recommendations throughout this proceeding.

G. The Commission Should Deliberate Several Updates to Governance, Oversight, and Stakeholder Processes.

Within this category of policy recommendations, SDREN supports both PG&E and SDG&E’s recommendations to re-examine and reform CAEECC by converting CAEECC to a fully virtual format, electing for bi-annual instead of quarterly meetings, direct stakeholder engagement with PAs in lieu of formal consults, and Energy Division-led workshops in lieu of CAEECC-led annual and semi-annual workshops.⁵¹ SDREN concurs that it would be prudent for the Commission to evaluate CAEECC’s role for the purposes of determining whether other processes would better achieve objectives set for CAEECC.

IV. CATEGORIZATION OF PROCEEDING, ISSUES TO BE CONSIDERED, NEED FOR HEARINGS, AND PROPOSED PROCEDURAL SCHEDULE.

SDREN hereby incorporates its recommendations as to categorization, the need for hearings, and the proposed procedural schedule set forth in its Application. SDREN does not object to the proposed scope set forth by any PA applicants.

⁴⁹ *Id.* at 82.

⁵⁰ See California Energy Commission Docket 24-BDST-05, “California Energy Code Compliance Gap Analysis” (Jul. 29, 2025). Accessible at: <https://efiling.energy.ca.gov/GetDocument.aspx?tn=265065&DocumentContentId=101838>; see also, A.25-04-014, *Direct Testimony of Steven Moss on Behalf of the Bay Area Regional Energy Network and the Tri-County Regional Energy Network*, pp. 3:18-21 – 4:1-23 (Jan. 15, 2026).

⁵¹ See A.26-03-017, Exh. PGE-01 at 11-11 – 11-12; A.26-03-012 at Exh. SDGE-01 at KO-11-1.

V. CONCLUSION

SDREN greatly appreciates the Commission's continued support of meaningful and beneficial EE programming and looks forward to working with the Commission and other stakeholders to further develop the policy recommendations described herein. SDREN respectfully requests that the Commission adopt the recommendations for the scope of policy issues to be considered as set forth in the Summary of Recommendations.

Respectfully submitted,

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May 1, 2026

*On behalf of the San Diego Regional Energy
Network*