

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

**ENERGY DIVISION**

**Agenda ID# 23483  
RESOLUTION E-5400  
June 12, 2025**

**R E S O L U T I O N**

Resolution E-5400. Revised 2024-27 energy efficiency portfolio business plans for Northern California Rural Regional Energy Network and Central California Rural Regional Energy Network.

**PROPOSED OUTCOME:**

- Approves the revised 2024-27 Energy Efficiency Portfolio Business Plan for Northern California Rural Regional Energy Network (NREN).
- Approves the revised 2024-27 Energy Efficiency Portfolio Business Plan for Central California Rural Regional Energy Network (CCR REN).

**SAFETY CONSIDERATIONS:**

- There are no safety considerations associated with this resolution.

**ESTIMATED COST:**

- The cost is \$60,029,938 to Pacific Gas and Electric customers, \$7,267,800 to Southern California Edison customers, and \$2,180,340 to Southern California Gas customers for a four-year period. This is \$14,731,402 lower than previously approved in Decision (D.) 23-06-055.
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**SUMMARY**

This resolution approves the revised 2024-27 Energy Efficiency Portfolio Business Plans for Northern California Rural Regional Energy Network (NREN) and Central California Rural Regional Energy Network (CCR REN).

**BACKGROUND**

On July 3, 2023, D.23-06-055 approved the Rural Regional Energy Network (Rural REN), designed to deliver energy efficiency programs to underserved rural customers, with an original budget of \$84 million for the program period 2024-2027. Several parties

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filed Petitions for Modification to D.23-06-055 regarding several administrative and jurisdictional issues of the Rural REN. The Commission adopted D.24-09-031 on October 2, 2024. The decision modified the Rural REN by splitting it into two RENs serving different geographic areas: the North Coast and Northern Sierra Regions and the Central Coast, Eastern Sierra, and San Joaquin Valley regions. Ordering Paragraph (OP) 9 of D.24-09-031 directed the two new rural RENs, NREN and CCR REN, to each submit a Tier 3 advice letter (AL) no later than December 31, 2024, updating the previously approved business and portfolio plans, program offerings, goals, and forecasts, for the period 2024 through 2027. NREN submitted an AL with their updated business plan on December 23, 2024, and CCR REN submitted an AL with their updated business plan on December 31, 2024. The revised business plans reflect the bifurcation of the business plan approved in D.23-06-055. Other than adjustments to budgets and number of program participants based on geography, the programs remain unchanged.

**NOTICE**

NREN and CCR REN state that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

**Protests**

Advice Letters NREN AL 003-E/003-G and CCR REN AL 001-E/001-G were timely protested by the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) on January 21, 2025, and January 27, 2025, respectively. The main concern raised by Cal Advocates is that NREN's Residential Equity RRN001 and Rural Residential Resource Acquisition RRN002 and CCR REN's Residential Equity CCR-RES-001 compete with the Energy Savings Assistance (ESA) energy efficiency activities. Cal Advocates argues that the duplication of ESA measures violates D.02-05-046, D.21-05-031, and D.23-06-055. Cal Advocates argues that both RENs should remove the measures that duplicate those of the ESA energy efficiency program. They suggest that the NREN administrative budget should be reduced by \$1.2M because of the proportional decrease in program offerings. Cal Advocates argues that CCR REN did not provide a budget breakdown or implementation plan, which prevents Cal Advocates from suggesting specific budget reductions to CCR REN's administrative cost for the overlapping measures. Cal Advocates requests that the Commission direct the RENs to refer low-income customers to ESA if they make no changes to the programs.

Both Cal Advocates protests argued for supplemental ALs to:

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- Remove all energy efficiency measures that also qualify as ESA measures, and reduce administrative cost proportional to the removal of such measures, and
- Include a requirement that each REN refers low-income customers to ESA if the programs maintain their target of low-income-income customers, so that the programs do not compete with ESA for the same group of customers

NREN responded to the Cal Advocates protest of NREN AL 003-E/003-G on January 27, 2025. NREN disagrees with Cal Advocates that NREN AL 003-E/003-G violates D.02-05-046, D.21-05-031, and D.23-06-055. They request Commission approval of the AL with no changes.

CCR REN responded to the Cal Advocates protest of CCR REN AL 001-E/001-G on February 3, 2025. CCR REN disagrees with Cal Advocates that CCR REN AL 001-E/001-G violates D.21-05-031, and D.23-06-055, and that a budget breakdown and implementation plan were not required at the time of the AL filing. They request Commission approval of the AL with no changes.

The Commission rejects the Cal Advocates requests for supplemental ALs because the budgets were already approved by D.24-09-031. However, we agree that NREN or CCR REN should adjust spending forecasts if their programs overlap or duplicate ESA measures. Spending forecasts are required to be reported in forthcoming mid-cycle advice letters.

## **DISCUSSION**

The Commission finds that the ALs comply with the directive in OP 9 in D.24-09-031, which directed NREN and CCR REN to file ALs updating their 2024-27 business and portfolio plans, program offerings, goals, and forecasts and a revised budget based on the updated funding amounts as listed in Table 4 of D.24-09-031.

NREN and CCR REN submitted revised business plans following OP 9 of D.24-09-031. The revised business plans are consistent with the original Rural REN business plan approved in D.23-06-055, with some modifications. The revised business plans include programs across energy efficiency sectors: residential, commercial, public, workforce education and training, codes and standards, and finance. Cal Advocates protested that all three of the RENs' residential sector programs, RRN001, RRN002, and CCR-RES-001, compete with ESA. Cal Advocates did not protest programs in other sectors. Cal Advocates' main concern with the residential programs in NREN AL 003-E/003-G and CCR REN AL 001-E/001-G is that ESA-eligible customers might be charged some cost for the measures which could have been provided at no cost through ESA. Cal

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Advocates raised an additional concern that CCR REN's advice letter lacked enough detail in the budget breakdown and/or an implementation plan for Cal Advocates to understand the amount of budget reserved for measures that qualify as ESA measures.

ESA overlap

Cal Advocates argues that two NREN programs, Residential Equity RRN001 and Rural Residential Resource Acquisition RRN002, and one CCR REN program, Residential Equity CCR-RES-001, overlap with some ESA measures for ESA-eligible customers and those measures should be removed from the REN programs.

NREN disagrees. NREN discussed the potential for overlap in AL 003-E/003-G. NREN wrote that their "offerings should enhance and expand, but never duplicate ESA programs... [and they will] coordinate outreach and implementation with the ESA Programs."<sup>1</sup> In their reply to the protest, the NREN portfolio administrator states that they have a long history of coordinating with the implementer of the ESA program in their region and there are "mechanisms in place to refer qualifying customers to ESA."<sup>2</sup> The administrator, Redwood Coast Energy Authority, made 17 referrals in 2022, 37 referrals in 2023, 46 in 2024, and 2 referrals in the first two months of 2025.<sup>3</sup>

Furthermore, when conducting in-person outreach in the customers' rural, hard to reach communities, NREN "may be able to connect more customers to ESA programs than are already aware of or participating in those programs."<sup>4</sup>

Similarly, CCR REN argues in their reply to the Cal Advocates protest that their residential equity segment program will reach a broad range of rural customers, including low-income and moderate-income customers, and they will refer ESA-eligible customers to ESA, paving the way for more ESA enrollments for those who are eligible. Additionally, CCR REN states that the do-it-yourself energy efficiency activities in CCR-RES-001 differ from the ESA offerings, which provide professional installation.

Budget Breakdown/Implementation Plan

Cal Advocates requests that CCR REN reduce the administrative spending for CCR-RES-001 proportionally based on the removal of measures from CCR-RES-001 that also qualify as ESA measures. Cal Advocates protested that CCR REN AL 001-E/001-G does not include a detailed budget breakdown and CCR REN should be required to file a

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<sup>1</sup> NREN AL 003-E/003-G at 44

<sup>2</sup> NREN Reply at 4

<sup>3</sup> NREN Reply at 3

<sup>4</sup> NREN Reply at 3

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supplemental AL to provide a budget breakdown and/ or an implementation plan for CCR-RES-001 that includes administrative, marketing, implementation, and incentive costs.

Regarding the implementation plan, CCR REN replied that they are contracting with a third party implementor, and CCR REN will submit an implementation plan within 60 days after CCR REN AL 001-E/001-G is approved. CCR REN should note in the implementation plan what steps it has taken, or measures it is removing, to ensure no duplication with ESA.

We note that CCR REN will provide more details about their budget later in 2025, including any adjustments, if there is overlap or duplication of ESA measures. All Commission-authorized energy efficiency portfolio administrators are required to submit Tier 2 mid-cycle advice letters by September 1, 2025.<sup>5</sup> These advice letters provide another opportunity for the Commission to review updated information from the portfolio administrators.

### **COMMENTS**

Public Utilities Code Section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the CPUC. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

### **FINDINGS**

1. D.24-09-031 directed RREN North and CCR REN to file ALs updating 2024-27 business and portfolio plans, program offerings, goals, and forecasts and a revised budget based on the updated funding amounts as listed in Table 4 of D.24-09-031.
2. NREN submitted AL 003-E/003-G and CCR REN submitted AL 001-E/001-G with revised business plans following OP 9 of D.24-09-031.

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<sup>5</sup> OP 10, D. 21-05-031

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3. The revised business plans are consistent with the original Rural REN business plan that was approved in D.23-06-055, with some modifications to account for the geographic split of Rural REN, as per D.24-09-031.
4. The Commission rejects the Cal Advocates requests for supplemental ALs because the budgets were already approved by D.24-09-031.
5. It is reasonable for NREN and CCR REN to adjust spending forecasts if their programs overlap or duplicate ESA measures.

**THEREFORE IT IS ORDERED THAT:**

1. The request of Northern California Rural Regional Energy Network (NREN) as requested in Advice Letter 003-E/003-G is approved.
2. The request of Central California Rural Regional Energy Network (CCR REN) as requested in Advice Letter 001-E/001-G is approved.
3. If there are found to be reductions to forecasted spending for either NREN or CCR REN due to removal of measures that overlap with ESA, these changes shall be noted in the mid-cycle advice letters due September 1, 2025.

This Resolution is effective today.

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 12, 2025; the following Commissioners voting favorably thereon:

Commissioner Signature blocks to be added  
upon adoption of the resolution

Dated June 12, 2025, at <Voting meeting location>, California.