

Application No.: 24-12-XXX (CalMTA)  
Exhibit No.: MTA-04  
Witness: Stacey Hobart  
Commissioner:  
ALJ:

**CALIFORNIA MARKET TRANSFORMATION ADMINISTRATOR  
PREPARED TESTIMONY OF STACEY HOBART**

MTAB RECRUITMENT,  
CONFLICT OF INTEREST RULES, AND COMPENSATION

Application 24-12-XXX  
California Market Transformation Administrator (CalMTA)

December 20, 2024

**EXHIBIT MTA-04**  
**MTAB RECRUITMENT, CONFLICT OF INTEREST RULES, AND**  
**COMPENSATION**

Q. 1. *What is the purpose of your testimony in this Application?*

A. 1. As indicated in my Statement of Qualifications, I am Resource Innovations' Principal of Stakeholder Engagement and Communications for CalMTA. In that role, I have overseen all aspects of the recruitment, conflict of interest rules, and compensation policy for the Market Transformation Advisor Board (MTAB). I am providing this testimony as part of this Application where the MTAB has played a central role in the solicitation and selection of the two initial MTI proposals that CalMTA has brought before the Commission for its approval in this Application.

Q. 2. *As a starting point, can you give us a summary of what the Commission required and expected in terms of the creation, roles, and responsibilities of the MTAB?*

A. 2. Yes. By Decision (D.)19-12-021, the Commission directed the formation of the MTAB for the purpose of its members to offer unbiased expertise and non-binding recommendations to CalMTA and the Commission in the selection, development, and implementation of market transformation initiatives (MTIs). To that end, OP 8 of D.19-12-021 required CalMTA to: 1) manage a process to designate the Market Transformation Advisory Board (MTAB), to advise CalMTA on its plans and activities; 2) ensure that the MTAB is diverse and from a broad set of perspectives within the national or international energy efficiency (EE) community.; 3) develop conflict-of-interest (COI) rules for the MTAB in consultation with Commission staff and file the proposed membership and COI rules in a Tier 2 advice letter; and 4) compensate MTAB members for their time and travel expenses.

1 D.19-12-021 allowed the MTAB to have up to nine members, including two non-  
2 voting, ex-officio members,<sup>1</sup> one member to represent the investor-owned utilities  
3 (IOUs) and one member to represent the Regional Energy Networks  
4 (RENs)/Community Choice Aggregators (CCAs), both the IOU and REN/CCA  
5 members are self-select by mutual agreement of their constituents.  
6

7 Q. 3. *What steps did CalMTA take to comply first with the recruitment requirements*  
8 *D.19-12-021?*  
9

10 A. 3. To recruit the remaining five MTAB members, outreach activities were conducted  
11 to ensure interested parties were aware of the opportunity including working with  
12 various EE, environmental advocacy, equity focused, and ratepayer advocacy  
13 organizations to share information about the formation of MTAB. In addition, a  
14 notice about the opportunity to apply was sent to the EE proceeding service list  
15 (R.13-11-005) and shared via CalMTA's newsletter. Finally, D.19-12-021 included  
16 an MTAB seat for a CCA EE professional. However, after consultation with  
17 Commission staff on January 9, 2023, it was agreed that the CCA's MTAB seat  
18 would be for both CCAs and RENs. The RENs and CCAs agreed to confer and  
19 select a representative for their category.<sup>2</sup>  
20

21 Q. 4. *How does the MTAB membership comply with requirements of D.19-12-021?*  
22

23 A. 4. The MTAB members represent all the required backgrounds described in  
24 Attachment A of the D.19-12-0213 including:

- 25 • Ratepayer advocacy/protection
- 26 • Workforce and/or labor

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<sup>1</sup> See D.19-12-021, p. 121.

<sup>2</sup> See, AL RI-CalMTA-1-A, which was approved by Energy Division on May 17, 2023.

<sup>3</sup> See D.19-12-021, pp. 121-122.

- Environmental advocacy
- Evaluation professional
- National/regional energy efficiency policy professional
- IOU energy efficiency representative
- Community Choice Aggregator (CCA) energy efficiency professional

CalMTA filed Advice Letter RI-CalMTA-1-A on April 10, 2023, detailing its MTAB member selection process and proposed MTAB members in compliance with D.19-12-021. No concerns about CalMTA's process for seeking and selecting MTAB members or the diversity of MTAB representation were raised in the comments received on the advice letter or by CPUC Energy Division staff in discussions with CalMTA, and, on May 17, 2023, AL RI-CalMTA-1-A was approved by Energy Division disposition letter.

Q. 5. *How did CalMTA develop Conflict-of-Interest (COI) rules for the MTAB?*

A. 5. CalMTA consulted with Commission staff on the COI rules between December 8, 2022, and February 21, 2023. Commission staff advised CalMTA to add language to the COI rules stating that MTAB members cannot receive funding, directly or indirectly, from CalMTA contracts, including Resource Innovations and its subcontractors: Cadmus, 2050 Partners, The Ortiz Group, Brio, and Unrooz Solutions.

The MTAB COI rules require MTAB members to provide an annual written disclosure of any financial relationships the MTAB member, family members, or employer may have with CalMTA's lead implementer, Resource Innovations, or the subcontractors listed above. These disclosure forms are posted for public access on CalMTA's MTAB website page. On May 17, 2023, the COI, which as

1 included in AL RI-CalMTA-1-A, was approved by Energy Division disposition  
2 letter.

3  
4 Q. 6. *Did CalMTA develop a compensation policy for MTAB members?*

5  
6 A. 6. Yes, CalMTA developed a compensation policy in consultation with Commission  
7 staff. The compensation policy was included and approved in Appendix A of  
8 Advice Letter RI-CalMTA-1-A. CalMTA also created a handbook for MTAB  
9 members on our compensation policy.<sup>4</sup>

10  
11 Q. 7. *Does that conclude your testimony?*

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13 A. 7. Yes.

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<sup>4</sup> CalMTA's reimbursement policy is located here: [MTAB-Stipend-Payment-and-Travel-Policy .pdf](#)