



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: San Francisco Bay Area Regional Energy Network (BayREN) (#941)

Utility type:

☒ ELC ☒ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Jane Elias

Phone #: (415) 778-4428

E-mail: jelias@bayareametro.gov

E-mail Disposition Notice to: jelias@bayareametro.gov

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 24-E

Tier Designation: 2

Subject of AL: 2024-2027 Energy Efficiency Portfolio True-up Advice Letter

Keywords (choose from CPUC listing):

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☒ Other: Prior to start of a four-year portfolio

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

In compliance with D.15-10-029, D.18-05-041, D.21-05-031, D.21-09-037 and D.23-06-055

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? ☐ Yes ☒ No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? ☐ Yes ☒ No

Requested effective date: 11/15/23

No. of tariff sheets:

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: None

Pending advice letters that revise the same tariff sheets: None

¹Discuss in AL if more space is needed.

Protests and correspondence regarding this AL are to be sent via email and are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Jane Elias
Title: Energy Section Director
Utility/Entity Name: BayREN (#941)

Telephone (xxx) xxx-xxxx: (415) 778-4428
Facsimile (xxx) xxx-xxxx: N/A
Email: jelias@bayareametro.gov

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

ENERGY Advice Letter Keywords

| | | |
|---------------------------|--|--------------------------------|
| Affiliate | Direct Access | Preliminary Statement |
| Agreements | Disconnect Service | Procurement |
| Agriculture | ECAC / Energy Cost Adjustment | Qualifying Facility |
| Avoided Cost | EOR / Enhanced Oil Recovery | Rebates |
| Balancing Account | Energy Charge | Refunds |
| Baseline | Energy Efficiency | Reliability |
| Bilingual | Establish Service | Re-MAT/Bio-MAT |
| Billings | Expand Service Area | Revenue Allocation |
| Bioenergy | Forms | Rule 21 |
| Brokerage Fees | Franchise Fee / User Tax | Rules |
| CARE | G.O. 131-D | Section 851 |
| CPUC Reimbursement Fee | GRC / General Rate Case | Self Generation |
| Capacity | Hazardous Waste | Service Area Map |
| Cogeneration | Increase Rates | Service Outage |
| Compliance | Interruptible Service | Solar |
| Conditions of Service | Interutility Transportation | Standby Service |
| Connection | LIEE / Low-Income Energy Efficiency | Storage |
| Conservation | LIRA / Low-Income Ratepayer Assistance | Street Lights |
| Consolidate Tariffs | Late Payment Charge | Surcharges |
| Contracts | Line Extensions | Tariffs |
| Core | Memorandum Account | Taxes |
| Credit | Metered Energy Efficiency | Text Changes |
| Curtailable Service | Metering | Transformer |
| Customer Charge | Mobile Home Parks | Transition Cost |
| Customer Owned Generation | Name Change | Transmission Lines |
| Decrease Rates | Non-Core | Transportation Electrification |
| Demand Charge | Non-firm Service Contracts | Transportation Rates |
| Demand Side Fund | Nuclear | Undergrounding |
| Demand Side Management | Oil Pipelines | Voltage Discount |
| Demand Side Response | PBR / Performance Based Ratemaking | Wind Power |
| Deposits | Portfolio | Withdrawal of Service |
| Depreciation | Power Lines | |



October 16, 2023

California Public Utilities Commission
Energy Division Tariff Unit
505 Van Ness Ave.
Fourth Floor
San Francisco, CA 94102-3298

Advice Letter 24-E
(BayREN ID #941)

Tier Designation

This Advice Letter has a Tier 2 designation pursuant to Decision 21-05-031, Ordering Paragraph 10.

Subject:
BayREN 2024-2027 Portfolio True-Up Advice Letter

I. Purpose

The purpose of this Tier 2 Advice Letter is to true-up the portfolio and savings forecast for the Bay Area Regional Energy Network (BayREN) following the approval of its portfolio in Decision (D.)23-06-055. This advice letter is filed in compliance with Ordering Paragraph (OP) 38 of D.23-06-055, which directs portfolio administrators (PAs)¹ to submit their true-up advice letter (TUAL) no later than 60 days after the Commission issues a decision updating the energy efficiency potential and goals in Rulemaking 13-11-005.

¹ Per D.23-06-055 page 3, footnote 1, “In the past, the Commission has used the abbreviation “PAs” to refer to “program administrators.” However, as much of the portfolio has transitioned to being third-party designed and delivered, in this decision we are moving to the use of the term “portfolio administrator,” but using the same “PA” abbreviation.”

II. Background

BayREN is a coalition of the nine counties that make up the San Francisco Bay Area. Led by the Association of Bay Area Governments (ABAG)², BayREN implements effective energy saving programs on a regional level and draws on the expertise, experience, and proven track record of Bay Area local governments to develop and administer successful climate, resource, and sustainability programs. Since its inception, BayREN has been addressing the three areas indicated by the California Public Utilities Commission (“Commission” or “CPUC”) Decision 12-11-015 in the formation and implementation of programs: filling gaps that the investor-owned utilities (“IOUs”) are not serving; developing programs for hard to reach markets; and piloting new approaches to programs that have the potential to scale and offer innovative avenues to energy savings.

A. Regulatory Requirements

D.21-05-031 directed that each year on September 1, in the odd years when the energy efficiency (EE) potential and goals have been adopted by the Commission, each EE Portfolio Administrator (PA) shall file either a portfolio true-up (prior to the start of a four-year portfolio) or a mid-cycle review (in year two of a four-year portfolio) Tier 2 advice letter adjusting technical inputs, forecasts, and portfolio to account for the changes in energy efficiency potential and goals.³ The D.23-08-055 updating potential and goals was issued on August 16, 2023, thereby making the True Up Advice Letter due on October 16, 2023.⁴

D.23-06-055 approved PA Business Plans and required the following including updates based on the following:

- Guidance in D.21-05-031, such as adjustments to forecasts stemming from updated input, including TSB goals, avoided cost calculator updates, new database for energy efficiency (DEER) values, etc.;
- Updated statewide allocations and resulting budgets (within the authorized cap) and savings forecasts; and
- Updates or corrections to program segmentation.
- COL 6: The IOUs should reflect the updated statewide funding contributions in their 2023 True-Up advice letters.
- OP 38: The True-Up advice letter identified in Decision 21-05-031 as due on September 1, 2023 shall be due instead no later than 60 days after the Commission issues a decision updating the energy efficiency potential and goals in Rulemaking 13-11-005.

² On July 1, 2017, ABAG underwent a staff consolidation with the Metropolitan Transportation Commission (MTC). ABAG and its Executive Board continue to exist.

³ D.21-05-031 at OP 10.

⁴ D.23-06-055 OP 37.

IOU PAs will incorporate goals within the Decision into the TUAL.⁵

B. Filing Requirements

BayREN's TUAL complies with the directives provided in D.21-05-031⁶, meets the criteria applicable to RENs and provides a report on progress against metrics for each segment of the portfolio.

As directed in D.21-05-031, BayREN has distinguished between Program Implementation Costs and Portfolio Administration (i.e., Overhead)⁷ as described in the Portfolio Overview section of this TUAL.

D.21-09-037 established that non-IOU portfolio administrators may propose to revise their goals and savings forecast in the true-up or mid-cycle advice letters. BayREN's TUAL includes proposed revisions to forecasts and specifically identifies the factors impacting the proposed revisions in the sections that follow:

- Chapter III Section A. Portfolio Overview
- Chapter III Section B. Summary of Forecasted Portfolio Impacts
- Chapter IV Section A. Total System Benefit
- Chapter IV Section B. Total Resource Cost

D.23-06-055 directs PAs to include updates based on the items listed below in their TUALs.⁸ BayREN's TUAL includes adjustments to forecasts and its program segmentation has not changed.

Other guidance from D.23-06-055 is shown below. Note however that statewide contribution changes and MAP requirements are not applicable to REN PAs.

- The investor-owned utility portfolio administrators shall reflect the statewide contribution changes included in Tables 1, 2, and 3 of this decision in their True Up advice letters due in 2023 according to D.21-05-031. (OP 1)
- The True-Up advice letter identified in D.21-05-031 as due on September 1, 2023 shall be due instead no later than 60 days after the Commission issues a decision updating the energy efficiency potential and goals in Rulemaking 13-11-005. (OP 38)
- We will require all of the non-REN PAs (IOUs plus MCE) to make available MAP programs to address both residential and commercial downstream retrofit opportunities in

⁵ D.23-08-005 The Potential and Goals decision provides goals only for the Investor-Owned Utilities (IOUs) PAs; accordingly, non-IOU PAs may propose to revise their goals and savings forecast in the true-up or mid-cycle advice letters D.21-09-037.

⁶ D.21-05-031 at 42-43.

⁷ D.21-05-031 at 32-35.

⁸ D.23-06-055 at 97.

their territories, with start dates no later than July 1, 2024. In the MCE territory, MCE (as the originator of this program approach) should administer the MAP and not PG&E. These PAs should use existing processes (the true-up advice letter, third-party program advice letters, fund-shifting notifications, implementation plan submissions, etc.), as needed, to incorporate MAP plans into their portfolios. (pg. 72)

III. Discussion

A. Portfolio Overview

BayREN has programs in all segments, but as anticipated by the Commission, the majority of the portfolio is devoted to the Equity and Market Support segments. This portfolio segmentation approach leverages BayREN's strength as a local government organization by primarily implementing programs that offer co-benefits in addition to energy savings, as well as a targeted Resource Acquisition program that delivers savings while staying true to the mission of a REN of providing new or unique value to the Commission's energy, climate, and/or equity goals. The programs also meet the three CPUC-directed criteria for REN programs: filling gaps that the investor-owned utilities (IOUs) are not serving; developing programs for hard to reach markets; and piloting new approaches to programs that have the potential to scale and offer innovative avenues to energy savings⁹.

As California continues to invest in and design a pathway for a decarbonized state, BayREN has integrated multiple strategies to fill gaps in the CPUC EE portfolio. While continuing its six successful programs, BayREN will launch new programs and modifications to existing programs to expand serving hard to reach markets and under resourced youth populations, as well as integrate demand-side management (DSM) strategies that help prepare the local building stock to fully decarbonize. BayREN is incorporating two new sectors and four new programs designed to respond to quickly evolving energy and equity goals and climate policy trends at the local and state level. The two new Public Sector programs will expand BayREN's current offerings to ensure that local government staff have the support and technical assistance needed to develop effective local policies to both help meet local and state energy and emission reduction goals and better prepare communities for climate impacts with a focus on our most vulnerable populations.

⁹ D.12-11-015

Table III.A.1 - Portfolio Budget by Sector and Segment (Cumulative for PY 2024-2027)

| Line | Budget Category | Program Segment | | | | Total |
|------|-------------------------------|----------------------|---------------------|----------------------|--------------------|----------------------|
| | | Resource Acquisition | Market Support | Equity | Codes & Standards | |
| 1 | Residential Sector | \$0 | \$16,391,216 | \$68,164,345 | \$0 | \$84,555,560 |
| 2 | Commercial Sector | \$18,860,198 | \$0 | \$17,502,541 | \$0 | \$36,362,739 |
| 3 | Industrial Sector | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | Agricultural Sector | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | Public Sector | \$0 | \$8,750,524 | \$0 | \$0 | \$8,750,524 |
| 6 | Cross Cutting Sector | | | | | |
| 7 | Emerging Tech | \$0 | \$0 | \$0 | \$0 | \$0 |
| 8 | WE&T | \$0 | \$0 | \$12,334,428 | \$0 | \$12,334,428 |
| 9 | Finance | \$0 | \$7,703,873 | \$0 | \$0 | \$7,703,873 |
| 10 | Codes & Standards | \$0 | \$0 | \$0 | \$7,446,000 | \$7,446,000 |
| 11 | Portfolio Support | \$978,647 | \$1,208,563 | \$5,082,552 | \$386,683 | \$7,656,446 |
| 12 | OBF Loan Pool | | | | | \$0 |
| 13 | Portfolio Subtotal [1] | \$19,838,845 | \$34,054,176 | \$103,083,867 | \$7,832,683 | \$164,809,571 |

New Programs

BayREN's two new Public Sector programs, the Integrated Energy Services program and the Targeted Decarbonization Services program, are market support programs. They seek to expand demand for high impact integrated building upgrades and support market development for decarbonization equipment and technologies through demonstrations of successful decarbonization projects. This type of support is critical for under-resourced local governments and enables local jurisdictions to benefit from BayREN's regional reach and expertise by creating platforms for exchanging knowledge and providing high-value, consistent, and no-cost technical assistance across the Bay Area.

BayREN's new Workforce Education and Training program is an equity program that seeks to fill gaps in the market and respond directly to the need to both grow the residential EE and electrification workforce and to provide high road jobs for low-income youth to meet statewide energy goals and support local economic development. The program will expand on the current Green House Calls offering that provides training and employment to youth from low-income households and allows participants to earn income by providing direct install residential EE services, as well as an outreach and customer acquisition mechanism. The new program will provide additional training and job placement in a green job.

BayREN Refrigerant Replacement (BRRR) is also an equity program. Its primary objective is to address environmental concerns by removing and recycling harmful refrigerants and enhancing energy efficiency within the food and beverage industries in the region. BRRR aims to achieve two key goals: decreasing greenhouse gas emissions originating from the refrigeration systems of these businesses and boosting participation in energy efficiency programs funded by ratepayers. The program intends to scale up by increasing the number of participating businesses annually. It will leverage BayREN counties and community-based organizations for marketing and outreach. Program staff will refine the enrollment and quality assurance processes to streamline efficiency

and reduce program costs. Finally, program staff will continuously review project costs and adjust incentive rates to enable more businesses to participate.

BayREN’s portfolio embraces actions to address the climate crisis and reduce emissions related to energy to support local jurisdictions, residents, and businesses in meeting statewide climate goals. The programs in the Equity and Market Support segments are intended to contribute to energy savings (or GHG reductions) in either the short or long-term. The BayREN Business program, the only Resource Acquisition program, will deliver savings for small, hard to reach (HTR) businesses. Bay Area Multifamily Building Enhancements (BAMBE), Home+, and the Workforce Education and Training, while focused primarily on equity populations, will also directly contribute energy savings, as will the Targeted Decarbonization projects within the Public Sector. The other five programs will indirectly support energy savings and/or GHG reductions by providing hands-on technical assistance, educating customers, and providing them with resources to pursue future energy efficient retrofits. Additionally, the Refrigerant Replacement (BRRR) and Water Upgrade Saves (WUS) programs make repairs and install energy-savings upgrades on site which result in further GHG reductions for BayREN customers.

Updates to Forecasts

In preparing budget forecasts for the 2024-2027 portfolio application period, BayREN has re-verified many of the assumptions that formed the basis for the initial budget filing. The overall budget changes are modest, as highlighted below.

Table III.A.2 – Portfolio Budget Changes by Cost Category

| Cost Category | 2024-2027 Portfolio Application Filing | 2024-2027 True-up Advice Letter |
|------------------------------------|---|--|
| Portfolio Administration | 6.7% | 4.5% |
| Program Administration | | 3.0% |
| Program Implementation | 37.7% | 35.8% |
| Marketing, Education, and Outreach | 10.3% | 10.4% |
| Incentives | 41.3% | 42.4% |
| EM&V | 4.0% | 4.0% |
| Total | 100.0% | 100.0% |

To verify the accuracy of the initial assumptions and activity levels, BayREN completed a six-month re-forecasting activity to determine anticipated participation by each member agency (i.e., BayREN, a coalition of the nine counties in the San Francisco Bay Area led by the ABAG) and the intertwining of BayREN programs more deeply into various jurisdictional priorities. For the first time, BayREN will hold four-year contracts with each county that incorporates an “escrow” function to ensure that ratepayer money is protected and that deliverables are met, particularly with the new programs.

The overall budget request is unchanged from the Portfolio Application filing for the four-year period. BayREN has provided zero-based forecasts using a bottom-up approach, wherein labor

hour rates, number of personnel, and anticipated activities drive the majority of non-incentive program expenses. While the organizational structure and salary ranges, benefits, and overhead cost components vary widely from county-to-county, BayREN has historical cost data ranging from 2013 for most BayREN member agencies. This data provides a baseline that is then adjusted for anticipated programmatic activities and jurisdictional priorities. BayREN anticipates staffing levels of at least 1.5 full time employee equivalents working on BayREN in each county. Program managers coordinate with county representatives to determinate an appropriate amount of proposed funding based on the activities and staffing levels that a county can effectively support. This process can include the proposal and development of pilot projects. ABAG/MTC, as the BayREN administrator, then enters into contract with each county for the activities and funding levels determined by this process.

BayREN's three resource programs: Single Family, Multifamily and Commercial have submitted updated energy savings forecasts in CEDARS for program years 2024-2027. The forecasts were updated to reflect achievable energy savings targets based on an additional year of program data following the original Business Plan filing. The revised forecasts also take into consideration program design changes, changes to incentive structures, and updated deemed measure packages.

Adjusted forecasts were run against the 2024 CET Avoided Cost Version (2022/E-5228). BayREN and all other PAs ran their forecasts for the original 2024-2031 application against the 2022 CET Avoided Cost Version. Due to the change in how the 2024 CET calculates fuel substitution measure savings, kWh targets changed significantly. Beginning with 2024, the CET no longer converts added kWh load into kWh savings. At the portfolio level, forecasted terms and TSB stayed within the 25% change threshold as established by the Reporting PCG. (See Attachment A, Appendix 1 table for further details.)

Portfolio Administration Costs

As directed by the CPUC in D.21-05-031, BayREN's Business Plan and Portfolio Application included annual segment- and portfolio-level tables that included "program implementation" and "portfolio administration" cost summaries. Where "portfolio administration" costs are provided, they are a sum of "program administration" costs for applicable programs. "Program implementation" costs are reflected as the sum of all programmatic costs other than administration, including marketing, direct implementation non-incentives, and incentives. To correctly categorize EE-related costs, BayREN uses the cost descriptions contained in the CPUC's EE Policy Manual (2020) and PG&E's allowable costs table (2009).

Following the filing of business plans, it became clear that all PAs were incurring portfolio administration costs but followed different methods to allocate the costs among programs. To address these differences, a Reporting and Data Management sub-group led by PG&E aimed to develop and suggest a simplified method for PAs to account for "Portfolio Support" costs that cannot be attributed directly to individual programs. BayREN participated in the group, which agreed on a methodology that in December 2022 was recommended to the CPUC's Energy Division for adoption. The proposed solution creates a "Portfolio Administration" cost category to record costs that cannot be directly attributed to a program. This change does not impact the

existing “Program Administration” cost category – costs that can be attributed directly to a program continue to be allocated to the program. The proposal was adopted by the CPUC. As a result, BayREN has updated its budgeting process to include both program and portfolio administration beginning with program year 2024. While the methodology for determining whether a cost is administrative or implementation has not changed, this distinction has resulted in greater clarity by identifying portfolio-specific administrative functions.

As part of developing its methodology, BayREN adopted separate roles and accountabilities to clearly identify distinct actions considered portfolio and program administration, and several activities that could be considered either depending on the context of the activity. A summary of activities includes, but is not limited to, the following:

| Portfolio Administration | Program Implementation |
|---|---|
| <ul style="list-style-type: none"> • Sharing progress, performance, and strategic data and information with the BayREN [Board]. • Ensuring invoices and reporting are submitted to [ABAG/MTC] in a timely manner. • Managing BayREN member agencies’ contract, budget, and relationships with elected and appointed officials. • Participating in BayREN-wide committees, retreats, and other activities. | <ul style="list-style-type: none"> • Direct labor – facilities audits, customer equipment testing and diagnostics, measure installation, customer equipment repair and servicing, etc. • Rebate processing and field verification • Contractor training • Project management activities such as responding to customer inquiries, |

This approach generally results in a decrease in most program administration budgets since previously, these types of activities were allocated amongst the programs rather than a separate category.

Other Considerations Related to Recent CPUC Decisions

Commission guidance in D.23-06-055 allows for innovation in program delivery through integrated demand-side management (IDSM) for ongoing non-event-based load shifting that reduces peak consumption.¹⁰ BayREN’s initial plans for its portfolio related to IDSM are described in the Cost Recovery section of the TUAL.

While BayREN’s portfolio does not include new construction and therefore is not subject to the elimination of ratepayer-funded incentives for gas measures as ordered in D.23-04-035,¹¹ BayREN will look to develop a comprehensive strategy for promoting exempt measures in the equity segment. As directed in D.23-04-035, this strategy will be included in BayREN’s next application in 2026 and will include “targeted outreach and engagement and pilots to identify

¹⁰ D.23-06-055 COL 41.

¹¹ D.23-04-035 OP 3.

and develop solutions for key barriers, needed education and training/workforce readiness and technical assistance, and other relevant elements.”¹²

BayREN will also look to develop plans for compliance with a new directive in D.23-08-005 regarding implementer involvement in using the Inflation Reduction Act (IRA) tax credits to influence customer adoption, for programs where marketing and promotion of IRA tax credits occurs.¹³

BayREN will continue its existing portfolio that serves the Residential, Commercial, and Cross-Cutting (Codes & Standards program and Water Upgrades Save program) sectors. BayREN will add one additional program in its Cross-Cutting sector (Workforce, Education and Training program). Beginning in 2024, BayREN will also add the Public sector into its portfolio with the two new public programs (Integrated Energy Services program and Targeted Decarbonization Services program). The following provides a summary for each of the programs within the four sectors of BayREN’s portfolio.

Residential Sector

There are three programs within the Residential Sector: (1) Home+, an equity program for single family homeowners and renters that targets underserved households, (2) Bay Area Multifamily Building Enhancements (BAMBE), an equity program that targets affordable multifamily properties designed to engage multifamily property owners who are sensitive to the barriers of participating in a rebate program and helps them plan and undertake upgrades. BAMBE offers no-cost technical assistance and a per-unit flat rebate for multiple measure energy upgrade scopes that save a minimum percentage of the whole building’s energy usage, and (3) Green Labeling, a market support program that trains Bay Area assessors to perform a United States Department of Energy (DOE) Home Energy Score¹⁴ and offers a rebate for each score, and continuing education for realtors, appraisers, and lenders to increase their ability to understand, market and evaluate energy efficient and green homes. The vision for the residential sector is to provide an affordable and feasible pathway for underserved and Environmental and Social Justice (ESJ) communities to benefit from ratepayer programs, rebates, and financing to make homes more energy efficient, healthier, and resilient.

Single Family Home+ Program

The Home+ program provides a variety of service offerings to Bay Area single family homeowners and renters including rebates for qualifying measures, an online energy evaluation, no-cost energy efficiency kits, in-home education, and direct install services. A central part of this program is free energy advising from certified building performance professionals (Energy Advisors) that work hand in hand with customers through the entirety of their energy retrofit project.

¹² D.23-04-035 OP 6.

¹³ D.23-08-005 OP 2.

¹⁴ <https://www.energy.gov/eere/buildings/articles/home-energy-score>

The Single Family program focuses on assisting underserved communities to access EE and electrification resources. One aspect of the underserved audience is moderate income households that do not qualify for income qualified weatherization programs¹⁵ up to the moderate income level¹⁶ per household by county designated by the California Department of Housing and Community Development.¹⁷ The Green House Call program, which trains and employs local low-income youth Energy Specialists to provide a residential EE service called the Green House Call (GHC), works in concert with Home+. This is a change for the 2024-27 period, in that GHC, through BayREN's Workforce Education and Training program will be part of the cross-cutting sector.

BayREN's Single Family program has submitted updated energy savings forecasts in CEDARS for program years 2024-2027. The forecasts were updated to reflect achievable energy savings targets based on an additional year of program data following the original Business Plan filing. The revised forecasts also take into consideration program design changes, changes to incentive structures, and updated deemed measure packages. Adjusted forecasts were run against the 2024 CET Avoided Cost Version (2022/E-5228). Due to the change in how the 2024 CET calculates fuel substitution measure savings, kWh targets changed significantly. (See Attachment A, Appendix 1 table for further details.)

Green Labeling Program

The Green Labeling program promotes two major activities: real estate professional training and the proliferation of the DOE Home Energy Score. The Home Energy Score component of the Green Labeling program targets contractors, home inspectors, raters, and other building professionals to conduct home assessments and produce the Home Energy Score Report. The primary objective of the Green Labeling program is to increase awareness and transparency of residential energy information, thereby being a driver of energy efficient investments that lead to energy savings in single-family homes and will likely expand to multifamily buildings in subsequent years.

Jurisdictions outside of the BayREN territory have expressed interest in joining this program. With increased interest and a significant uptake in Scores, BayREN proposed and was approved in D.23-06-055 to offer a statewide Home Energy Score program to be funded by an additional \$9.9 million between 2024 and 2027. By no later than July 1, 2026, BayREN will submit a Tier 2 advice letter with details of the statewide plan.¹⁸

Multifamily Program

The BayREN Multifamily program provides no-cost technical assistance, rebates, and targeted outreach to multifamily property owners to promote whole building upgrades. Participating

¹⁵ <https://www.csd.ca.gov/Pages/LIHEAP-Income-Eligibility.aspx>

¹⁶ BayREN incorporated input from a listening session with cross-sector stakeholders when developing a revised definition of moderate income for the Home+ program (BayREN New Ideas for Residential Listening Session, 9/16/21).

¹⁷ <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/income-limits-2021.pdf>

¹⁸ D.23-06-055 OP 3.

property owners receive customized, accessible, and streamlined no-cost technical assistance and a simple yet flexible per unit rebate for meeting minimum scope requirements.

BayREN's Multifamily program has submitted updated energy savings forecasts in CEDARS for program years 2024-2027. The forecasts were updated to reflect achievable energy savings targets based on an additional year of program data following the original Business Plan filing. The revised forecasts also take into consideration program design changes, changes to incentive structures, and updated deemed measure packages. Adjusted forecasts were run against the 2024 CET Avoided Cost Version (2022/E-5228). Due to the change in how the 2024 CET calculates fuel substitution measure savings, kWh targets changed significantly. (See Attachment A, Appendix 1 table for further details.)

Commercial Sector

There are two programs within the Commercial Sector: the existing BayREN Business normalized metered energy consumption (NMEC) program in the resource acquisition segment, and a new BayREN Refrigerant Replacement program (BRRR) in the equity segment. They share a common vision of enabling decision-makers for hard to reach businesses to increase engagement in EE behaviors, upgrades, and equipment maintenance as a matter of regular practice.

BayREN Business Program

BayREN Business will continue to deliver energy savings through a population-based, NMEC approach. When started in 2019, BayREN Business was one of the pioneering programs to adopt the pay-for-performance approach for assisting SMB's. BayREN Business stands as the sole energy efficiency program dedicated to exclusively serving hard to reach commercial businesses, while employing the NMEC approach.

During the 2024 to 2027 program cycle, BayREN Business will remain dedicated to serving hard to reach businesses while striving to enhance its cost-effectiveness. However, as the RENs' directive is to focus on filling gaps, piloting different or unique approaches that have the potential to scale and/or targeting hard to reach customers, there is not a particular cost-effectiveness threshold applied. This was reaffirmed in D.19-12-021: "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."¹⁹

BayREN Business has been able to pilot unique activities that cannot be undertaken by other portfolio administrators given cost-effective limitations. Acknowledging the well-documented difficulties in serving this sector, BayREN Business has outlined several strategies to improve cost efficiency.

¹⁹ D.19-12-021, Finding of Fact 10, page 82.

- BayREN Business will harness the collective power of BayREN's coalition of counties to boost their marketing and outreach efforts. This collaborative approach will alleviate customer acquisition costs for installation contractors.
- BayREN Business will introduce targeted incentive "kickers" designed to encourage specific outcomes, such as increasing the number of projects in underrepresented counties, promoting underrepresented measures like HVAC and refrigeration retrofits, and recruiting women-owned and/or minority-owned installation contractors into the program.
- BayREN Business will work towards reducing administration and implementation costs by simplifying the enrollment process and enhancing quality assurance procedures. These streamlining measures will help optimize the program's overall efficiency.

One modification from the Business Plan pertains to the program's target sector. Specifically, BayREN Business has refined its eligibility criteria to target hard to reach businesses. These businesses, when compared to other types, are identified as having a smaller potential for energy savings based on their typology. Consequently, BayREN Business has scaled back its annual goals for completed projects and energy savings accordingly.

BayREN Business does not foresee any impacts from the Natural Gas Incentives Phase Out Decision D.23-04-035.

BayREN Business revised its forecasted energy savings and Total System Benefit goals since the original Business Plan application based on quantifications and characteristics of past and current projects. The forecast has been further refined using regional SMB trends.

- Past and Current Projects – Program staff used several metrics from past and current BayREN Business projects to estimate total system benefits potential. Metrics include average energy savings per project, average project cost, average total system benefit, impacts from changes to core incentive rate, and effective useful life.
- SMB Trends – During 2024-2027, several trends are anticipated to persist in the region's SMB sector such as:
 1. Rising operational expenses could be alleviated - to some extent - through energy-efficient renovations.
 2. Due to restricted financing options and the substantial initial expenses of retrofits, the program's core incentives will see a more moderate reduction in 2024.
 3. The ongoing prevalence of remote work is diminishing the necessity for traditional office spaces, consequently driving greater interest in smaller co-working environments.
 4. As the Bay Area experiences ongoing recovery, particularly in the food-service sector, there is a corresponding uptick in energy demand, expanding this submarket sector for the program.

BayREN Business formulated its projected energy savings and Total System Benefit objectives primarily by drawing from a 5-year pilot program, which received funding from the local utility

and the Bay Area Air Quality Management District (BAAQMD). This pilot program yielded crucial metrics, including estimates of average project expenses, measure costs, and energy savings.

BayREN's Commercial program has submitted updated energy savings forecasts in CEDARS for program years 2024-2027. The forecasts were updated to reflect achievable energy savings targets based on an additional year of program data following the original Business Plan filing. The revised forecasts also take into consideration program design changes, changes to incentive structures, and updated deemed measure packages. Adjusted forecasts were run against the 2024 CET Avoided Cost Version (2022/E-5228). Due to the change in how the 2024 CET calculates fuel substitution measure savings, kWh targets changed significantly. (See Attachment A, Appendix 1 table for further details.)

BayREN Refrigerant Replacement Program (BRRR)

BayREN's new BRRR program provides direct-install refrigeration and EE services to the food and beverage industries in the region. BRRR's primary objective is to address environmental concerns by removing and recycling harmful refrigerants and enhancing energy efficiency. Its goals are to reduce high Global Warming Potential (GWP) and Ozone Depletion Potential (ODP) refrigerants, replace defective refrigerant system components, such as compressors, fan motors, coils and refrigerant lines and valves, and raise awareness about the importance of routine equipment maintenance. At the same time, the program will strive to increase participation in energy efficiency programs funded by ratepayers.

Cross-Cutting Sector

There are three separate and distinct programs within the Cross-Cutting sector: Codes and Standards; Water Upgrades Save; and Workforce, Education and Training. The Codes and Standards program along with Water Upgrades Save share a vision of providing a connected suite of offerings to local governments to increase the development, adoption, implementation, and enforcement of state and local energy codes and policies. The new Workforce Education and Training program addresses the need to create a locally available trained workforce to ensure that the industry and workforce are prepared to meet the demand of the emerging residential building decarbonization industry. Moreover, the program specifically targets youth from traditionally under resourced communities.

BayREN Codes and Standards Program

BayREN's Codes and Standards (C&S) program currently supports Bay Area local governments to more effectively and efficiently develop and implement state and local energy codes and policies.²⁰ BayREN's Codes and Standards program works in two areas: code compliance and energy policy. For code compliance, the current program offers training and resources to local building departments to aid them in enforcing and complying with the Energy Code. Resources

²⁰ The BayREN Codes & Standards program's decarbonization efforts directly align with SB 1477 and AB 3232.

include technical assistance sheets and electronic tools for building department staff, as well as permit guides and electronic tools for applicants. The C&S program also works in the local and state energy policy arenas, providing support for local government staff relative to development, adoption, and implementation of reach codes and other energy policies. This support includes regular policy calls for local government staff, quarterly Regional Forums and other events, templates, and other resources.

Building on the existing program, through the 2024-27 Business Plan period, BayREN will refine the C&S program to better address challenges and opportunities, and to further BayREN's portfolio goals, particularly related to building decarbonization and the importance of EE as one of the tools needed to achieve decarbonization goals.

Water Upgrades Save Program

As an existing program designed to deliver multiple customer and system benefits within CPUC's ground-breaking water/energy nexus initiative, the Water Upgrades Save program allows water customers to install efficiency upgrades with little-to-no upfront cost using an on-bill charge that is significantly lower than the estimated bill savings. Water Upgrades Save serves renters and property owners and helps local governments, residents, and businesses pursue upgrades required by building code changes, time-of-sale requirements, and water-use regulations. The Water Upgrades Save program expands the BayREN water-energy efficiency program throughout the region.

Workforce Education and Training Program

The new BayREN Workforce Education and Training (WE&T) program seeks to address the needs of creating a locally available trained workforce and filling gaps in the market with Climate Careers, a youth workforce development program that focuses on youth from low-income households, and an emphasis on opportunity youth.

As a workforce program focusing on youth in low-income communities, BayREN has established a scalable pathway to grow cross-cutting and equity programs in the region. The program is also leveraging connections to amplify BayREN funding, by working with local partners to support the development of the Bay Area High Road Training Partnership (H RTP)²¹ for the emerging residential building decarbonization industry to create a collaborative structure to ensure that the industry and workforce are prepared to meet demand while prioritizing equity, job quality, and job access.

BayREN's new WE&T program offers an integrated, cross-sector model. The program simultaneously serves as a direct install EE program, as well as an outreach and customer acquisition mechanism—performed by youth participants who can most benefit from job training, exposure, and access. It creates opportunities for youth from low-income households and ESJ communities to gain real world work experiences in targeted sectors and specifically addresses Bay Area youth unemployment, particularly among youth of color, while building a future EE and clean economy workforce.

²¹ <https://risingsunopp.org/wp-content/uploads/Rising-Sun-HRTP-Press-Release.pdf>

Public Sector

BayREN was approved for two new programs in the Public Sector to support the long-term success of the EE market. Through these programs, local governments will be able to reach their energy goals, including reducing energy use and global warming emissions for their own facilities and Community Resilience Centers, and demonstrate successful approaches that could be applied to other sectors.

Integrated Energy Services (IES) Program

The new IES program will seek to build, enable, and maintain demand for high-impact, integrated building energy upgrades and operations. The program proposes to satisfy the unique energy and resilience goals of each participating agency²² by coordinating existing and emerging programs addressing EE, demand response, distributed energy resources, and more, and providing supplemental services to fill gaps in transforming public agency buildings and infrastructure.

Targeted Decarbonization Services (TDS) Program

The new TDS program will build the market for decarbonization equipment and technologies and demonstrate the feasibility of decarbonization. The program will do this through improved information, education, and financing for local governments.

B. Summary of Forecasted Portfolio Impacts

D.21-09-037 established that non-IOU PAs may propose to revise their goals and savings forecast in the true-up or mid-cycle advice letters. BayREN proposes to update its portfolio goals in accordance with D.21-09-037. BayREN's three resource programs: Single Family, Multifamily and Commercial have submitted updated energy savings forecasts in CEDARS for program years 2024-2027. The forecasts were updated to reflect achievable energy savings targets based on an additional year of program data following the original Business Plan filing. The revised forecasts also take into consideration program design changes, changes to incentive structures, and updated deemed measure packages.

Adjusted forecasts were run against the 2024 CET Avoided Cost Version (2022/E-5228). BayREN and all other PAs ran their forecasts for the original 2024-2031 application against the 2022 CET Avoided Cost Version. Due to the change in how the 2024 CET calculates fuel substitution measure savings, kWh targets changed significantly. Beginning with 2024, the CET no longer converts added kWh load into kWh savings. At the portfolio level, forecasted therms and TSB stayed within the 25% change threshold as established by the Reporting PCG. (See Attachment A, Appendix 1 table for further details.)

²² For example, agencies often have several goals related to the energy systems in their buildings, including minimizing energy costs, reducing or eliminating carbon emissions, improving resilience, and providing electric vehicle charging. BayREN's program would consider all these goals together so that local governments can approach reaching the goals in a coordinated and integrated way.

D.21-05-031 directed PAs to distinguish between Program Implementation Costs and Portfolio Administration (i.e., Overhead). BayREN budgets have been adjusted to incorporate this new designation. BayREN has also allocated a budget to IDSM activities as allowed by D. 23-06-055.

Table III.B.1 - Annual and Cumulative Codes and Standards Savings Forecast

| Line | Savings Unit | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|----------------------------|---------|---------|---------|---------|------------|
| 1 | GWh Forecast | 0 | 0 | 0 | 0 | 0.0 |
| 2 | GWh CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 3 | <i>GWh Forecast/Goal</i> | - | - | - | - | - |
| 4 | MW Forecast | 0 | 0 | 0 | 0 | 0.0 |
| 5 | MW CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 6 | <i>MW Forecast/Goal</i> | - | - | - | - | - |
| 7 | MMThm Forecast | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 8 | MMThm CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 9 | <i>MMThm Forecast/Goal</i> | - | - | - | - | - |

Table III.B.2 - Annual and Cumulative Budget

| Line | Segment | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| 1 | Resource Acquisition | \$4,830,805 | \$4,965,670 | \$5,005,579 | \$5,036,791 | \$19,838,845 |
| 2 | Market Support | \$5,400,131 | \$5,943,919 | \$10,639,197 | \$12,070,928 | \$34,054,176 |
| 3 | Equity | \$24,504,459 | \$25,841,848 | \$26,229,085 | \$26,508,474 | \$103,083,867 |
| 4 | Codes and Standards | \$1,977,663 | \$1,905,662 | \$1,959,179 | \$1,990,180 | \$7,832,683 |
| 5 | EM&V (PA and ED) | \$1,529,711 | \$1,610,712 | \$1,826,377 | \$1,900,266 | \$6,867,065 |
| 6 | Total Budget w/o OBF Loan Pool | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 7 | Market Support and Equity, percent of Total Budget w/o OBF Loan Pool | | | | | 79.9% |
| 8 | OBF Loan Pool Addition | \$0 | \$0 | \$0 | \$0 | \$0 |
| 9 | Budget excluding Portfolio Oversight | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 10 | ED Portfolio Oversight | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11 | Total Portfolio Budget w/ ED Portfolio Oversight | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 12 | Approved Budget Cap¹ | | | | | \$171,676,637 |

¹Decision 23-06-055 OP 5

IV. Energy Efficiency Portfolio Details

A. Total System Benefit

While as a Regional Energy Network, BayREN is not required to hit a Total System Benefit (TSB) target, BayREN does maintain an eye on cost-effectiveness results and strives to set attainable goals and demonstrate responsible use of ratepayer funds²³.

Significant portfolio changes contributing to TSB

BayREN's original application for 2024-2031 was forecast using the Avoided Cost Calculator Vintage 2021/E-5150. For the True-up Advice Letter, the new Avoided Cost Calculator Vintage 2022/E-5228 was leveraged. This new version was considered a "Major Update" to the ACC, details of the updates can be found in Resolution [E-5228](#). The adoption of the new ACC version had significant implications for EE Portfolio Administrators' TSB and other cost-effectiveness metrics.

Additionally, BayREN's forecasted TSB was impacted by program and portfolio-level changes since the original application. Updates include allocation of budget to Portfolio Admin and IDSM activities, both of which are non-resource (no claimable energy savings). BayREN's resource programs also updated their respective forecasts to reflect changes in program design, updated incentive structure, and new deemed workpaper versions. An additional year of program performance data was also used to inform program forecasting since the original application. While there was variation in program-level TSB, BayREN's portfolio-level TSB falls within 25% of the original forecast. As a Regional Energy Network, BayREN is not required to hit a TSB target, but maintains an eye on cost-effectiveness results, strives to set attainable goals and demonstrate responsible use of ratepayer funds.

Table IV.A.1 - Annual and Cumulative Total System Benefit Forecast

| Line | Segment | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|--------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| 1 | Resource Acquisition | \$1,691,781 | \$1,908,133 | \$2,412,478 | \$2,393,970 | \$8,406,362 |
| 2 | Market Support | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | Equity | \$3,569,145 | \$3,784,213 | \$3,913,586 | \$4,298,576 | \$15,565,521 |
| 4 | Total TSB Forecast | \$5,260,926 | \$5,692,346 | \$6,326,064 | \$6,692,547 | \$23,971,883 |
| 5 | CPUC TSB Goal | N/A | N/A | N/A | N/A | \$0 |
| 6 | <i>TSB Forecast / TSB Goal</i> | N/A | N/A | N/A | N/A | N/A |

²³ The Potential and Goals decision (D.23-08-005) provides goals only for the Investor-Owned Utilities (IOUs) PAs; accordingly, non-IOU PAs may propose to revise their goals and savings forecast in the true-up or mid-cycle advice letters per D.21-09-037.

B. Total Resource Cost

RENs are not required to meet a cost-effectiveness threshold, as affirmed in D.21-05-031:

Therefore, we will require that all program administrators with energy efficiency resource acquisition programs, excluding RENs whose portfolios have different rules, to show that the resource acquisition segment of their portfolio, with all resource acquisition programs' costs and benefits combined together, is cost-effective on an ex ante basis, with a TRC ratio of at least 1.0 or greater. This requirement applies before (or excluding) consideration of Codes and Standards programs.²⁴

However, BayREN endeavors to manage its portfolio of programs with an eye toward long-term cost efficiency as a good steward of ratepayer dollars.

Significant portfolio changes contributing to changes to the TRC

D.21-09-037 established that non-IOU PAs may propose to revise their goals and savings forecast in the true-up or mid-cycle advice letters, because the potential and goals decision does not set goals for non-IOU PAs. As part of the TUAL process, BayREN has adjusted its savings forecast and budget as described in the section on Updates to Forecasts within the Portfolio Summary. Those adjustments resulted in decreases overall to BayREN's TRC forecast. However, BayREN's portfolio-level Total System Benefit (TSB) remained within the 25% change threshold.

Table IV.B.1 - Portfolio Cost Effectiveness Ratios (PY 2024-2027)

| Line | | | TRC ratio | PAC ratio | RIM ratio |
|------|-----------|---------------------------|--------------|--------------|--------------|
| 1 | Segment | Resource Acquisition | 0.24 | 0.38 | 0.29 |
| 2 | | Market Support | 0.00 | 0.00 | 0.00 |
| 3 | | Equity | 0.15 | 0.17 | 0.18 |
| 4 | | Codes and Standards (C&S) | 0.00 | 0.00 | 0.00 |
| 5 | Portfolio | Including C&S | 0.13 | 0.14 | 0.14 |
| 6 | | Excluding C&S | 0.13 | 0.15 | 0.15 |

C. Market Support & Equity

Not applicable.²⁵

²⁴ D.21-05-031 at 22.

²⁵ D.21-05-031 at 23.

Significant portfolio changes contributing to Market Support & Equity

Not applicable.²⁶

D. Statewide / Third Party Compliance

Not applicable.²⁷

Solicitations

Not applicable. BayREN is not proposing new programs not included in its application.²⁸

E. Progress on segment metrics – Introduction to metrics

Pursuant to D.18-05-041, BayREN reported on sector-level metrics in their EE Annual Report filings filed in CEDARS. For the latest update on Resource Acquisition Metrics and BayREN's Value metrics, please refer to the 2022 Annual Report in CEDARS.

Regarding progress against segment metrics, D.23-06-055 adopted objectives and indicators for the market support and equity segments and designated how often indicators should be reported (quarterly or annually) and at what level (segment or portfolio). However, it deferred reporting and metrics/goal development to a later time. BayREN has reviewed the indicators and other guidance adopted in D.23-06-055 and has identified a set of indicators with relevance to its portfolio (below). BayREN Program Leads continue to define methodologies and collect baselined data to inform future targets for their segment metrics, once adopted. Note: indicator wording reflects original CAEECC working group recommendations and may be adjusted as part of the refinement of indicator methodologies based on implications of D.23-06-055.

BayREN will participate in the various stakeholder processes prescribed in D.23-06-055 in the coming months and years, which may include but are not necessarily limited to the following:

- May 1, 2024 advice letter to clarify indicators adopted in D.23-06-055 and identify information that can be used as baselines for future targets or methodologies for how to use indicator information as baselines (D.23-06-055 OP 11).
- August 1, 2024 advice letter regarding plans for awareness, knowledge, attitude, and behavior (AKAB), surveys to inform baselines, PA progress, and setting of targets and goals for the market support segment (D.23-06-055 OP 25).
- September 1, 2025 report regarding preferred approaches to demographic participation data to be proposed in next portfolio proposals due in 2026 (D.23-06-055 OP 23).

²⁶ Ibid.

²⁷ The statewide allocations established in D.16-08-019 and updated in D.23-06-055 apply to IOUs only, and D.16-08-019 establishes the definition of third-party programs as being offered by IOU PAs.

²⁸ Ibid.

- Development of community engagement indicators for equity segment, to include in 2025 Mid Cycle Advice Letter (MCAL) and be reported on in Annual Reports thereafter (D.23-06-055 OP 24).
- March 1, 2025 advice letter regarding study to set goals for the market support and equity segment indicators to begin in 2028 (D.23-06-055 OP 24).
- BayREN will continue work on proposed Total Community Benefit metric, as applicable.

BayREN has selected, and had begun tracking, the following segment indicators:

| Index | Indicator |
|---------------|--|
| Equity_1_BVM | Total # residential (MF unit) equity-targeted households (HHs) served by the Equity programs |
| Equity_1_BVM | Total # residential (SF) equity-targeted households (HHs) served by the Equity programs |
| Equity_17_BVM | Total # small and medium business (SMB) equity-targeted participants served by the Equity programs |
| Equity_2_BVM | Single Family – equity market support (ex: education, information, training, technical support, etc.) |
| Equity_23_BVM | Total # of contractors/workers served by Equity Segment Programs |
| Equity_24_BVM | Total # (indicator for all) [and % (metric for PAs with no relevant legal restriction)] of contractors and/or workers that are disadvantaged workers or otherwise underrepresented, who are directly involved in implementing Equity Segment programs |
| Equity_26_BVM | Expected first-year bill savings in total \$ for equity-targeted program participants (metric) |
| Equity_27_BVM | GHG reductions (tons)_EquityAll |
| Equity_3_BVM | Single family – equity resource acquisition (ex: energy saving action, etc.) |
| Equity_31_BVM | Total kWh savings_EquityAll |
| Equity_35_BVM | Total kW savings_EquityAll |
| Equity_39_BVM | Total Therm savings_EquityAll |
| Equity_43_BVM | Community engagement activities during program design and to identify community needs and solutions |
| Equity_44_BVM | Community engagement activities during program implementation |
| Equity_47_BVM | Health – “non-energy benefits” in “counts of participants receiving this benefit” until we can monetize. Reporting at least one of: Indoor air quality, Outdoor air quality (e.g., reduction in emissions from gas combustion appliances that vent to nearby outdoor air), Reduction in interior contaminants/biologics, other |
| Equity_48_BVM | Comfort - “non-energy benefits” in “counts of participants receiving this benefit” until we can monetize. Reporting at least one of: reduced drafts, quieter interior, managed interior temp, other |

| Index | Indicator |
|---------------|--|
| Equity_49_BVM | Safety - “non-energy benefits” in “counts of participants receiving this benefit” until we can monetize. Reporting at least one of: improved safety of appliances, other |
| Equity_5_BVM | Multifamily – equity resource acquisition (ex: energy saving action, etc.) |
| Equity_50_BVM | Economic or other “non-energy benefits” (as proposed by the PAs or program) in dollars or “counts of participants receiving this benefit” until we can monetize |
| Equity_6_BVM | Total # MF equity-targeted buildings served by the Equity programs |
| MS_02_BVM | <p>Number and % increase/decrease of customers receiving information, education, or outreach on EE projects, products, and services through relevant MS programs</p> <p>[Local government staff are aware of the most current information on technologies, programs and incentives relevant to their agency's specific energy goals]</p> |
| MS_02_BVM | <p>Number and % increase/decrease of customers receiving information, education, or outreach on EE projects, products, and services through relevant MS programs</p> <p>[LGs receive: 1) actionable roadmaps with specific steps identified for achieving their energy goals and 2) tailored support for implementation]</p> |
| MS_02_BVM | <p>Number and % increase/decrease of customers receiving information, education, or outreach on EE projects, products, and services through relevant MS programs</p> <p>[LGs staff knowledgeable of decarbonization technologies and financing options]</p> |
| MS_06_BVM | % of customer sample that has taken action towards obtaining EE product/service (behavior a) |
| MS_07_BVM | <p>% of customers that have obtained EE products/services (behavior b)</p> <p>Home Energy Scores and referrals to Home+ EA as needed (everyone and follow up if low score, i.e., sites obtain an EE product/service)</p> |
| MS_10_BVM | <p>% of market actors knowledgeable of energy efficient products and/or services that can be supplied to customers (knowledge)</p> <p>Local lenders knowledgeable about the benefits of EE lending options and/or how to market green lending (i.e., EE services that can be supplied to customers)</p> |

| Index | Indicator |
|-----------|---|
| MS_10_BVM | % of market actors knowledgeable of energy efficient products and/or services that can be supplied to customers (knowledge) Local realtors and appraisers green certified and/or are trained and knowledgeable about how to evaluate energy efficiency and green homes (i.e., EE services that can be supplied to customers) |
| MS_17_BVM | Number of EE customers/market actors reached through partner networks and partner communications channels [Customers obtain/install EE products and water measures] |
| MS_18_BVM | Assessed value of the partnership by partners |
| MS_20_BVM | Number of partners by type and purpose (specifically, Purpose of partnership) |
| MS_20_BVM | Number of partners by type and purpose (specifically, Number of partners by type) |
| MS_23_BVM | Number of market support projects (outside of ETP) that validate the technical performance, market and market barrier knowledge, and/or effective program interventions of an emerging/under-utilized or existing energy efficient technology [showcases] |
| MS_23_BVM | Number of market support projects (outside of ETP) that validate the technical performance, market and market barrier knowledge, and/or effective program interventions of an emerging/under-utilized or existing energy efficient technology [projects] |
| MS_31_BVM | Total projects completed/measures installed and dollar value of consolidated projects (specifically, Total projects completed) |
| MS_31_BVM | Total projects completed/measures installed and dollar value of consolidated projects (specifically, Dollar value of consolidated projects) |

F. Request to Open / Significantly Change Programs (OPTIONAL)

Not applicable. BayREN is not proposing new programs or significant changes to programs not included in its application.

G. Request for Program Closures (OPTIONAL)

Not applicable. BayREN is not proposing to close any programs.

H. EM&V

BayREN is requesting its full PA EM&V budget (\$1,888,443) for the 2024-2027 period. Compared to the Business Plan, the EM&V budget has increased by \$108,900 (6%) due to the approval of the Statewide Home Energy Score Program. This budget will be used for new and continued process evaluation and support with ongoing assistance to ensure proper tracking and reporting on metrics, as well as other activities that may be identified, including funding for the California Technical Forum and/or Electronic Technical Reference Manual.

BayREN notes that the CPUC's D.23-06-055 approval of the Statewide Home Energy Score program and accompanying decision adjustment of \$9.9 million currently does not account for additional funding for EM&V purposes (i.e., \$9.9 million was approved for programmatic activities, but no additional funding was approved for EM&V). BayREN respectfully identifies and clarifies the \$9.9 million request as program funding, exclusive of EM&V; however, to ensure compliance with the approved 2024-2027 budget cap established in Table 7 of D.23-06-055, BayREN has diverted program funding to EM&V. Because the program is dependent upon the approval of a Tier 2 Advice Letter expected to be filed in program year 2025, BayREN proposes addressing this discrepancy in the forthcoming advice letter so that the CPUC can consider the request in the context of additional program details.

I. Cost Recovery

Table IV.I.1 - Total Cost Recovery Request, Including REN/CCA and Other Costs

| Line | Program Administrator | (a) PA Programs | (b) ED Portfolio Oversight | (c) EMV PA | (d) EMV ED | (e) Unspent & Uncommitted Funds for 2024-2027 Offset | (f) Total |
|------|-----------------------|----------------------|----------------------------|--------------------|--------------------|--|----------------------|
| 1 | BayREN | \$164,809,571 | \$0 | \$1,888,443 | \$4,978,622 | \$0 | \$171,676,636 |
| 2-6 | REN/CCA – N/A | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 7 | Total | \$164,809,571 | \$0 | \$1,888,443 | \$4,978,622 | \$0 | \$171,676,636 |

IDSM Budget

In accordance with D.23-06-055, BayREN proposes to set aside \$2,090,361 (1.2%) of its energy efficiency portfolio for the portfolio period for IDSM program elements. These program elements are anticipated to span four programs in two sectors: Single Family and Multifamily in the residential sector, and Integrated Energy Services and Targeted Decarbonization Services in the public sector. The requested amount is less than the maximum 2.5% (\$4,291,916) or \$4 million identified in D.23-06-055.

BayREN intends to file a Tier 3 Advice Letter no later than March 15, 2024, to provide additional detail for the proposed program elements. The program elements will be developed in accordance with guidance issued by the CPUC no later than January 1, 2024.

J. Misc. / Corrections

Not applicable.

V. List of Attachments

Attached hereto are the following:

Attachment A: TUAL Attachment A

Attachment B: CEDARS Confirmation Sheet

VI. Protest

Anyone may protest this Advice Letter. The Protest must state the grounds upon which it is based. The Protest must be made in writing and received by the Commission within 20 days of the date this Advice Letter was filed with the Commission, or November 5, 2023. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

California Public Utilities Commission
CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. It is also requested that a copy of the protest be sent by email to address shown below on the same date it is mailed or delivered to the Commission.

Jane Elias
Section Director, Energy Programs
Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105
jelias@bayareametro.gov

VII. Effective Date

BayREN requests that this Tier 2 advice filing become effective on regular notice November 15, 2023, which is 30 calendar days from the date of this filing.

VIII. Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to service lists for R.13-11-005 and A.22-02-005 and uploaded to the CPUC Energy Division Advice Letter database (cpucadviceletters.org). Address changes to the General Order 96-B service list should be directed to Jane Elias at jelias@bayareametro.gov or by calling (415) 778-4428.

/s/ Jane Elias _____

Jane Elias
Section Director, Energy Programs
Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105
E-mail: jelias@bayareametro.gov
Tel: (415) 778-4428



Local Governments Empowering Our Communities

Bay Area Regional Energy Network (BayREN)

Advice Letter 24-E

2024-2027 Portfolio True-Up Advice Letter

Attachment A – TUAL Attachment A

Appendix 1 - 2024 - 2027 Program Portfolio Budget and Targets

| (a) Program ID | (b) Program Name | (c) Target Exempt | (d) Program Type | (e) Business Sector | (f) Portfolio Segment | (g) Budget | (h) TSB | (i) kWh | (j) kW | (k) TWh | (l) Change Notes |
|----------------------------|---|-------------------|------------------|----------------------|-----------------------|-------------------|------------------|-----------------|-------------|----------|--|
| BAYREN02 | MULTIFAMILY | No | Core PA | Residential | Equity | \$ 32,931,616.40 | \$ 7,200,942.53 | (954,672) | 99 | 393,823 | Forecast adjusted based program performance to date, incentive structure changes and new 2024 ACC version. Portion of budget allocated to IDSM per D. 23-06-096. |
| BAYREN02_IDSM | MULTIFAMILY IDSM | No | Core PA | Residential | Equity | \$ 1,094,838 | \$ - | - | - | - | Added per D. 23-06-096 |
| BAYREN03 | CODES AND STANDARDS | Yes | Core PA | Codes & Standards | Codes & Standards | \$ 7,446,000 | \$ - | - | - | - | |
| BAYREN04 | WATER/ENERGY NEXUS | Yes | Core PA | Finance | Market Support | \$ 7,703,873 | \$ - | - | - | - | |
| BAYREN05-A | EMEV | | | | | \$ 6,667,065 | \$ - | - | - | - | |
| BAYREN06 | COMMERCIAL | No | Core PA | Commercial | Resource Acquisition | \$ 18,880,198 | \$ 8,400,362 | 11,970,000 | 1,390 | (26,179) | Forecast adjusted based program performance to date and new 2024 ACC version. |
| BAYREN07 | GREEN LABELING | Yes | Core PA | Residential | Market Support | \$ 6,667,216 | \$ - | - | - | - | |
| BAYREN08 | SINGLE FAMILY | No | Core PA | Residential | Equity | \$ 33,412,991 | \$ 9,364,638.95 | (2,506,143) | 613 | 931,963 | Forecast adjusted based program performance to date and new 2024 ACC version. Portion of budget allocated to IDSM per D. 23-06-096. |
| BAYREN08_IDSM | SINGLE FAMILY IDSM | No | Core PA | Residential | Equity | \$ 724,930 | \$ - | - | - | - | Added per D. 23-06-096 |
| BAYREN09 | CLIMATE CAREERS | Yes | Core PA | Workforce, Education | Equity | \$ 12,334,428 | \$ - | - | - | - | |
| BAYREN10 | BAYREN REFRIGERANT REPLACEMENT | No | Core PA | Commercial | Equity | \$ 17,502,541 | \$ - | - | - | - | |
| BAYREN11 | INTEGRATED ENERGY SERVICES | Yes | Core PA | Public | Market Support | \$ 3,055,050 | \$ - | - | - | - | Budget updated |
| BAYREN11_IDSM | INTEGRATED ENERGY SERVICES IDSM | Yes | Core PA | Public | Market Support | \$ 454,498 | \$ - | - | - | - | Added per D. 23-06-096 |
| BAYREN12 | TARGETED DECARBONIZATION SERVICES | Yes | Core PA | Public | Market Support | \$ 4,965,755 | \$ - | - | - | - | |
| BAYREN12_IDSM | TARGETED DECARBONIZATION SERVICES IDSM | Yes | Core PA | Public | Market Support | \$ 270,893 | \$ - | - | - | - | Added per D. 23-06-096 |
| BAY_EQUTY_PORTFOLIOSUPPORT | PORTFOLIO ADMIN-EQUITY | Yes | Core PA | | Equity | \$ 5,082,682 | \$ - | - | - | - | Added per D. 21-05-031 and PA Guidance Documents |
| BAY_MS_PORTFOLIOSUPPORT | PORTFOLIO ADMIN-MARKET SUPPORT | Yes | Core PA | | Market Support | \$ 1,208,563 | \$ - | - | - | - | Added per D. 21-05-031 and PA Guidance Documents |
| BAY_RA_PORTFOLIOSUPPORT | PORTFOLIO ADMIN-RESOURCE ACQUISITION | Yes | Core PA | | Resource Acquisition | \$ 878,647 | \$ - | - | - | - | Added per D. 21-05-031 and PA Guidance Documents |
| BAY_CS_PORTFOLIOSUPPORT | PORTFOLIO ADMIN-CODES & STANDARDS Portfolio | Yes | Core PA | | Codes & Standards | \$ 366,683 | \$ - | - | - | - | Added per D. 21-05-031 and PA Guidance Documents |
| BAY_SW_HESC | SW Home Energy Score California | Yes | SW Third Party | Residential | Market Support | \$ 9,504,000 | \$ - | - | - | - | Added per D. 23-06-096 |
| BAY_SW_HESC_PA | SW Home Energy Score California - PA Costs | Yes | SW Third Party | Residential | Market Support | \$ - | \$ - | - | - | - | Added per D. 23-06-096 |
| Total | | | | | | \$ 171,676,634.21 | \$ 23,971,883.04 | \$ 8,567,164.13 | \$ 2,101.83 | 887,607 | Forecast updated per program performance and 2024 ACC version |

TSB and Budget values that have changed more than 25% are flagged in red (decrease) or green (increase). See Change Notes for details.

Table 1.1 - Portfolio Budget by Sector and Segment (Cumulative for PY 2024-2027)

| Line | Budget Category | Program Segment | | | | Total |
|------|-------------------------------|----------------------|---------------------|----------------------|--------------------|----------------------|
| | | Resource Acquisition | Market Support | Equity | Codes & Standards | |
| 1 | Residential Sector | \$0 | \$16,391,216 | \$68,164,345 | \$0 | \$84,555,560 |
| 2 | Commercial Sector | \$18,860,198 | \$0 | \$17,502,541 | \$0 | \$36,362,739 |
| 3 | Industrial Sector | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | Agricultural Sector | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | Public Sector | \$0 | \$8,750,524 | \$0 | \$0 | \$8,750,524 |
| 6 | Cross Cutting Sector | | | | | |
| 7 | Emerging Tech | \$0 | \$0 | \$0 | \$0 | \$0 |
| 8 | WE&T | \$0 | \$0 | \$12,334,428 | \$0 | \$12,334,428 |
| 9 | Finance | \$0 | \$7,703,873 | \$0 | \$0 | \$7,703,873 |
| 10 | Codes & Standards | \$0 | \$0 | \$0 | \$7,446,000 | \$7,446,000 |
| 11 | Portfolio Support | \$978,647 | \$1,208,563 | \$5,082,552 | \$386,683 | \$7,656,446 |
| 12 | OBF Loan Pool | | | | | \$0 |
| 13 | Portfolio Subtotal [1] | \$19,838,845 | \$34,054,176 | \$103,083,867 | \$7,832,683 | \$164,809,571 |

[1] excludes EM&V and Portfolio Oversight

Table 1.2 - Total Cost Recovery Request, Including REN/CCA and Other Costs

| Line | Program Administrator | (a) PA Programs | (b) ED Portfolio Oversight | (c) EMV PA | (d) EMV ED | (e) Unspent & Uncommitted Funds for 2024-2027 Offset | (f) Total |
|------|---|----------------------|----------------------------|--------------------|--------------------|--|----------------------|
| 1 | AL Author PA name - BayREN | \$164,809,571 | \$0 | \$1,888,443 | \$4,978,622 | \$0 | \$171,676,636 |
| 2 | REN/CCA 1 (as applicable) - <i>insert name here</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | REN/CCA 2 (as applicable) - <i>insert name here</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | REN/CCA 3 (as applicable) - <i>insert name here</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5 | REN/CCA 4 (as applicable) - <i>insert name here</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 6 | REN/CCA 5 (as applicable) - <i>insert name here</i> | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 7 | Total | \$164,809,571 | \$0 | \$1,888,443 | \$4,978,622 | \$0 | \$171,676,636 |

Table 2.1 - Annual and Cumulative Total System Benefit Forecast

| Line | Segment | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|--------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| 1 | Resource Acquisition | \$1,691,781 | \$1,908,133 | \$2,412,478 | \$2,393,970 | \$8,406,362 |
| 2 | Market Support | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | Equity | \$3,569,145 | \$3,784,213 | \$3,913,586 | \$4,298,576 | \$15,565,521 |
| 4 | Total TSB Forecast | \$5,260,926 | \$5,692,346 | \$6,326,064 | \$6,692,547 | \$23,971,883 |
| 5 | CPUC TSB Goal | NA | NA | NA | NA | \$0 |
| 6 | <i>TSB Forecast / TSB Goal</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> |

Table 2.2 - Annual and Cumulative Codes and Standards Savings Forecast

| Line | Savings Unit | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|----------------------------|---------|---------|---------|---------|------------|
| 1 | GWh Forecast | 0 | 0 | 0 | 0 | 0.0 |
| 2 | GWh CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 3 | <i>GWh Forecast/Goal</i> | - | - | - | - | - |
| 4 | MW Forecast | 0 | 0 | 0 | 0 | 0.0 |
| 5 | MW CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 6 | <i>MW Forecast/Goal</i> | - | - | - | - | - |
| 7 | MMThm Forecast | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 8 | MMThm CPUC Goal [1] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 9 | <i>MMThm Forecast/Goal</i> | - | - | - | - | - |

1. Savings Goals as adopted in CPUC Decision 23-08-xxx

Table 2.3 - Annual and Cumulative Budget

| Line | Segment | PY 2024 | PY 2025 | PY 2026 | PY 2027 | Cumulative |
|------|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| 1 | Resource Acquisition | \$4,830,805 | \$4,965,670 | \$5,005,579 | \$5,036,791 | \$19,838,845 |
| 2 | Market Support | \$5,400,131 | \$5,943,919 | \$10,639,197 | \$12,070,928 | \$34,054,176 |
| 3 | Equity | \$24,504,459 | \$25,841,848 | \$26,229,085 | \$26,508,474 | \$103,083,867 |
| 4 | Codes and Standards | \$1,977,663 | \$1,905,662 | \$1,959,179 | \$1,990,180 | \$7,832,683 |
| 5 | EM&V (PA and ED) | \$1,529,711 | \$1,610,712 | \$1,826,377 | \$1,900,266 | \$6,867,065 |
| 6 | Total Budget w/o OBF Loan Pool | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 7 | Market Support and Equity, percent of Total Budget w/o OBF Loan Pool | | | | | 79.9% |
| 8 | OBF Loan Pool Addition | \$0 | \$0 | \$0 | \$0 | \$0 |
| 9 | Budget excluding Portfolio Oversight | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 10 | ED Portfolio Oversight | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11 | Total Portfolio Budget w/ ED Portfolio Oversight | \$38,242,769 | \$40,267,811 | \$45,659,417 | \$47,506,639 | \$171,676,636 |
| 12 | Approved Budget Cap [1] | | | | | \$171,676,637 |

1. Decision 23-06-055 OP5

Table 3 - Portfolio Cost Effectiveness Ratios (PY 2024-2027)

| Line | | | TRC ratio | PAC ratio | RIM ratio |
|------|-----------|---------------------------|-----------|-----------|-----------|
| 1 | Segment | Resource Acquisition | 0.24 | 0.38 | 0.29 |
| 2 | | Market Support | 0.00 | 0.00 | 0.00 |
| 3 | | Equity | 0.15 | 0.17 | 0.18 |
| 4 | | Codes and Standards (C&S) | 0.00 | 0.00 | 0.00 |
| 5 | Portfolio | <i>Including C&S</i> | 0.13 | 0.14 | 0.14 |
| 6 | | <i>Excluding C&S</i> | 0.13 | 0.15 | 0.15 |

Table 4 - Portfolio Statewide and Third-party Contribution Percentage Requirements (IOU only)

| Line | Budget Component | Qualifying Budget | Cumulative Total Budget w/o OBF Loan Pool | Contribution Percentage | Minimum Threshold |
|------|------------------|-------------------|---|----------------------------|----------------------|
| 1 | Statewide [1] | | \$171,676,636 | 0.0% | 20% |
| 2 | Third-party [2] | | \$171,676,636 | 0.0% | 60% |

1 SW program definition per XYZ (+other references as needed), +minimum threshold reference to application decision.

2 Third party program definition per D.16-08-019, OP 10 (+other references as needed), +minimum threshold reference (vary by IOU)

This table is not applicable to BayREN

Appendix 2 - Energy Efficiency Cap And Target Expenditure Projections (Cumulative for PY 2024-2027)

| Line | Budget Category | Expenditures | | | Cap & Target Performance | | |
|------|---|--------------------------------------|----------------------------------|---------------------|--------------------------------------|--------------------|--------------|
| | | (a) Non-Third Party Qualifying Costs | (b) Third Party Qualifying Costs | (c) Total Portfolio | (d) Percent of Budget ^[a] | (e) Cap Percentage | (f) Target % |
| 1 | Administrative Costs | | | | | | |
| 2 | PA ^[1] | \$ 2,426,583 | | \$ 2,426,583 | 1.4% | 10.0% | |
| 3 | Non-PA Third Party & Partnership ^[2] | \$ - | \$ - | \$ - | 0.0% | | 10.0% |
| 4 | PA & Non-PA Target Exempt Programs ^[3] | \$ 10,333,514 | \$ - | \$ 10,333,514 | | | |
| 5 | Marketing and Outreach Costs | | | | | | |
| 6 | Marketing & Outreach | \$ 17,875,296 | \$ - | \$ 17,875,296 | 10.4% | | 6.0% |
| 7 | Direct Implementation Costs | | | | | | |
| 8 | Incentives and Rebates | \$ 72,743,718 | \$ - | \$ 72,743,718 | | | |
| 9 | Non Incentives and Non Rebates | \$ 32,289,513 | \$ - | \$ 32,289,513 | 18.8% | | 20.0% |
| 10 | Target Exempt (Non Incentives and Non Rebates) | \$ 29,140,946 | \$ - | \$ 29,140,946 | | | |
| 11 | EM&V Costs (PA and ED) ^[4] | \$ 6,867,065 | \$ - | \$ 6,867,065 | 4.0% | 4.0% | |
| 11a | EM&V - PA | \$ 1,888,443 | | \$ 1,888,443 | | | |
| 11b | EM&V - ED | \$ 4,978,622 | | \$ 4,978,622 | | | |
| 12 | PA Spending Budget Request (excluding OBF Loan Pool Additions and excluding ED Portfolio Oversight) | \$ 171,676,636 | \$ - | \$ 171,676,636 | | | |
| 13 | Total Third-Party Qualifying Costs ^[5] | | \$ - | | 0.0% | | 60.0% |
| 14 | OBF Loan Pool Addition | \$ - | | \$ - | | | |
| 15 | PA Spending Budget Request (excluding ED Portfolio Oversight) | | | \$ 171,676,636 | | | |
| 16 | ED Portfolio Oversight | \$ - | | \$ - | | | |
| 17 | EE-Funded IDSM ^[7] | \$ 2,544,847 | | | 1.5% | 2.5% | |
| 18 | PA Spending Budget Request | | | \$ 171,676,636 | | | |

[1] 10% cap requirement based on D. 09-09-047 for IOU only

[2] New Third party program definition per D.16-08-019, OP 10. For Row 3 of this table, the "Third Party & Partnership" administrative costs under the "Non-Third Party Qualifying Costs" column are costs for programs that met the old Third Party definition prior to the transition to the new third party definition.

[3] Target Exempt Programs include: Emerging Technologies, Workforce Education & Training, Strategic Energy Resources (SER) program, 3P Placeholder for Public LGPs, and Codes & Standards programs (excluding Building Codes Advocacy, Appliance Standards Advocacy and National Standards Advocacy).

[4] For IOUs, EM&V costs only includes IOU's Total EM&V budget (PA + ED) and does not include REN or CCAs EM&V budget. For RENs & CCAs, include EM&V-PA Budget and EM&V-ED = \$0. The EM&V percentage is based on PA's total portfolio budget (from line 13) RENs, and CCAs

[5] IOU's Third-Party Implementer Contracts (as defined per D.16-08-019, OP 10) includes third-party contract and incentive budgets and statewide qualifying contract and incentive budgets. Calculation of (d) Percent of Budget for Third-Party Implementer Contracts uses \$171,676,636 as its denominator.

[6] With the exception of Third Party Implementer Contracts as noted in footnote [5], calculation of (d) Percent of Budget uses \$171,676,636 as the denominator; equal to line 15 PA Budget Spending Request.

[7] D.23-06-055 OP 29: Portfolio administrators (PAs) may set aside up to 2.5 percent, or \$4 million, whichever is greater, up to a maximum of \$15 million, from within their total budgets during 2024-2027 approved in this decision to fund innovative integrated demand-side management projects, including ongoing load-shifting that is not event-based. Energy efficiency funding shall not be used for rebating capital costs of non-efficiency technologies, except as already provided for electric panel upgrades in Decisions 19-08-009 and 23-04-035.



Local Governments Empowering Our Communities

Bay Area Regional Energy Network (BayREN)

Advice Letter 24-E

2024-2027 Portfolio True-Up Advice Letter

Attachment B – CEDARS Confirmation Sheet

CEDARS FILING SUBMISSION RECEIPT

The BAY portfolio budget filing has been submitted and is now under review. A summary of the budget filing is provided below.

PA: Bay Area Regional Energy Network (BAY)

Budget Filing Year: 2024

Submitted: 00:14:55 on 12 Oct 2023

By: Jane Elias

Advice Letter Number: 24-E

* Portfolio Budget Filing Summary *

- TRC: 0.14
- PAC: 0.16
- TRC (no admin): 0.37
- PAC (no admin): 0.58
- RIM: 0.16
- Budget: \$38,242,768.52
- TotalSystemBenefit: \$5,260,926.31
- ElecBen: \$2,072,183.10
- GasBen: \$3,963,124.94
- OtherBen: \$0.00
- TRCCost: \$44,356,396.83
- PACCost: \$38,484,449.41

* Programs Included in the Budget Filing *

- BAY_CS_PortfolioSupport: PORTFOLIO ADMIN-CODES & STANDARDS
- BAY_Equity_PortfolioSupport: PORTFOLIO ADMIN-EQUITY
- BAY_MS_PortfolioSupport: PORTFOLIO ADMIN-MARKET SUPPORT
- BAY_RA_PortfolioSupport: PORTFOLIO ADMIN-RESOURCE ACQUISITION
- BAYREN02: Multi Family
- BAYREN02_IDSM: MULTIFAMILY IDSM
- BAYREN03: Codes and Standards Program
- BAYREN04: Water Upgrades Save
- BAYREN05-A: Evaluation Measurement and Verification - BAYREN
- BAYREN06: Commercial

- BAYREN07: Green Labeling
- BAYREN08: Single Family
- BAYREN08_IDSM: SINGLE FAMILY IDSM
- BAYREN09: Climate Careers
- BAYREN10: Refrigerant Replacement
- BAYREN11: Integrated Energy Services
- BAYREN11_IDSM: INTEGRATED ENERGY SERVICES IDSM
- BAYREN12: Targeted Decarbonization Services
- BAYREN12_IDSM: TARGETED DECARBONIZATION SERVICES IDSM
- BAY_SW_HESC: SW Home Energy Score California
- BAY_SW_HESC_PA: SW Home Energy Score California - PA Costs

CEDARS FILING SUBMISSION RECEIPT

The BAY portfolio budget filing has been submitted and is now under review. A summary of the budget filing is provided below.

PA: Bay Area Regional Energy Network (BAY)

Budget Filing Year: 2025

Submitted: 00:15:54 on 12 Oct 2023

By: Jane Elias

Advice Letter Number: 24-E

* Portfolio Budget Filing Summary *

- TRC: 0.14
- PAC: 0.16
- TRC (no admin): 0.38
- PAC (no admin): 0.6
- RIM: 0.17
- Budget: \$40,267,811.33
- TotalSystemBenefit: \$5,692,346.22
- ElecBen: \$2,283,683.59
- GasBen: \$4,246,560.34
- OtherBen: \$0.00
- TRCCost: \$46,755,243.64
- PACCost: \$40,516,978.36

* Programs Included in the Budget Filing *

- BAY_CS_PortfolioSupport: PORTFOLIO ADMIN-CODES & STANDARDS
- BAY_Equity_PortfolioSupport: PORTFOLIO ADMIN-EQUITY
- BAY_MS_PortfolioSupport: PORTFOLIO ADMIN-MARKET SUPPORT
- BAY_RA_PortfolioSupport: PORTFOLIO ADMIN-RESOURCE ACQUISITION
- BAYREN02: Multi Family
- BAYREN02_IDSM: MULTIFAMILY IDSM
- BAYREN03: Codes and Standards Program
- BAYREN04: Water Upgrades Save
- BAYREN05-A: Evaluation Measurement and Verification - BAYREN
- BAYREN06: Commercial

- BAYREN07: Green Labeling
- BAYREN08: Single Family
- BAYREN08_IDSM: SINGLE FAMILY IDSM
- BAYREN09: Climate Careers
- BAYREN10: Refrigerant Replacement
- BAYREN11: Integrated Energy Services
- BAYREN11_IDSM: INTEGRATED ENERGY SERVICES IDSM
- BAYREN12: Targeted Decarbonization Services
- BAYREN12_IDSM: TARGETED DECARBONIZATION SERVICES IDSM
- BAY_SW_HESC: SW Home Energy Score California
- BAY_SW_HESC_PA: SW Home Energy Score California - PA Costs

CEDARS FILING SUBMISSION RECEIPT

The BAY portfolio budget filing has been submitted and is now under review. A summary of the budget filing is provided below.

PA: Bay Area Regional Energy Network (BAY)

Budget Filing Year: 2026

Submitted: 00:19:38 on 12 Oct 2023

By: Jane Elias

Advice Letter Number: 24-E

* Portfolio Budget Filing Summary *

- TRC: 0.14
- PAC: 0.16
- TRC (no admin): 0.4
- PAC (no admin): 0.65
- RIM: 0.14
- Budget: \$45,659,417.68
- TotalSystemBenefit: \$6,326,063.78
- ElecBen: \$2,824,974.47
- GasBen: \$4,376,367.90
- OtherBen: \$0.00
- TRCCost: \$52,971,085.80
- PACCost: \$45,936,581.19

* Programs Included in the Budget Filing *

- BAY_CS_PortfolioSupport: PORTFOLIO ADMIN-CODES & STANDARDS
- BAY_Equity_PortfolioSupport: PORTFOLIO ADMIN-EQUITY
- BAY_MS_PortfolioSupport: PORTFOLIO ADMIN-MARKET SUPPORT
- BAY_RA_PortfolioSupport: PORTFOLIO ADMIN-RESOURCE ACQUISITION
- BAYREN02: Multi Family
- BAYREN02_IDSM: MULTIFAMILY IDSM
- BAYREN03: Codes and Standards Program
- BAYREN04: Water Upgrades Save
- BAYREN05-A: Evaluation Measurement and Verification - BAYREN
- BAYREN06: Commercial

- BAYREN07: Green Labeling
- BAYREN08: Single Family
- BAYREN08_IDSM: SINGLE FAMILY IDSM
- BAYREN09: Climate Careers
- BAYREN10: Refrigerant Replacement
- BAYREN11: Integrated Energy Services
- BAYREN11_IDSM: INTEGRATED ENERGY SERVICES IDSM
- BAYREN12: Targeted Decarbonization Services
- BAYREN12_IDSM: TARGETED DECARBONIZATION SERVICES IDSM
- BAY_SW_HESC: SW Home Energy Score California
- BAY_SW_HESC_PA: SW Home Energy Score California - PA Costs

CEDARS FILING SUBMISSION RECEIPT

The BAY portfolio budget filing has been submitted and is now under review. A summary of the budget filing is provided below.

PA: Bay Area Regional Energy Network (BAY)

Budget Filing Year: 2027

Submitted: 00:21:34 on 12 Oct 2023

By: Jane Elias

Advice Letter Number: 24-E

* Portfolio Budget Filing Summary *

- TRC: 0.14
- PAC: 0.16
- TRC (no admin): 0.41
- PAC (no admin): 0.68
- RIM: 0.17
- Budget: \$47,506,639.02
- TotalSystemBenefit: \$6,692,546.73
- ElecBen: \$2,784,543.75
- GasBen: \$4,844,452.93
- OtherBen: \$0.00
- TRCCost: \$55,141,438.69
- PACCost: \$47,839,573.55

* Programs Included in the Budget Filing *

- BAY_CS_PortfolioSupport: PORTFOLIO ADMIN-CODES & STANDARDS
- BAY_Equity_PortfolioSupport: PORTFOLIO ADMIN-EQUITY
- BAY_MS_PortfolioSupport: PORTFOLIO ADMIN-MARKET SUPPORT
- BAY_RA_PortfolioSupport: PORTFOLIO ADMIN-RESOURCE ACQUISITION
- BAYREN02: Multi Family
- BAYREN02_IDSM: MULTIFAMILY IDSM
- BAYREN03: Codes and Standards Program
- BAYREN04: Water Upgrades Save
- BAYREN05-A: Evaluation Measurement and Verification - BAYREN
- BAYREN06: Commercial

- BAYREN07: Green Labeling
- BAYREN08: Single Family
- BAYREN08_IDSM: SINGLE FAMILY IDSM
- BAYREN09: Climate Careers
- BAYREN10: Refrigerant Replacement
- BAYREN11: Integrated Energy Services
- BAYREN11_IDSM: INTEGRATED ENERGY SERVICES IDSM
- BAYREN12: Targeted Decarbonization Services
- BAYREN12_IDSM: TARGETED DECARBONIZATION SERVICES IDSM
- BAY_SW_HESC: SW Home Energy Score California
- BAY_SW_HESC_PA: SW Home Energy Score California - PA Costs