

Peninsula Clean Energy Authority and Bay
Area Regional Energy Network
Joint Cooperation Memorandum for
Program Years 2026-2027

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Overview

Background and Purpose of Joint Cooperation Memo

This is the first Joint Cooperation Memo (JCM) between Peninsula Clean Energy Authority (PCE) and Bay Area Regional Network (BayREN) and covers program years 2026-2027. PCE and BayREN (collectively the “Portfolio Administrators” or “PAs”) have committed to collaborating, coordinating, and ensuring the best service to shared customers. This JCM provides a summary of PCE’s FLEXmarket program and a summary of Energy Efficiency (EE) programs offered by BayREN. The purpose of the 2026-2027 JCM is to provide a framework to avoid customer confusion and prevent double dipping of incentives. The JCM describes coordination for programs offered by the PAs and demonstrates how the PAs intend to minimize duplication of efforts for programs targeting common sectors and customers in their overlapping service areas.

The PCE and BayREN teams have collaboratively discussed program coordination for 2026-2027. This 2026-2027 JCM includes the following information:

1. Summaries of comparable PCE and BayREN commercial program offerings;
2. Coordination framework between programs; and
3. Customer Referral Tree.

Regulatory Guidance

In Decision (D.) 18-05-041¹, the Commission ordered PAs with overlapping service areas to develop JCMs to coordinate program activities to avoid duplication and customer confusion. D. 23-06-055 supersedes prior guidance with respect to the timing and submission of JCMs and requires biennial submission of updated JCMs within 60 days following Commission approval of the PAs’ True-Up Advice Letters (TUALs) and Mid-Cycle Advice Letters (MCALs).²

D. 24-04-007³ further clarified that Community Choice Aggregators (CCAs) electing to administer EE programs are subject to the Commission’s JCM requirements where geography and programs overlap. Resolution E-5442, certifying PCE’s EE Program Administration Plan for

¹ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M215/K706/215706139.PDF>

² <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M512/K907/512907396.PDF>, OP 35

³ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M529/K980/529980620.docx>

the FLEXmarket program, specifically directed PCE to engage in JCMs with BayREN and the Pacific Gas and Electric Company (PG&E).⁴

Service Areas

PCE serves all of San Mateo County's 20 cities and unincorporated areas, as well as the City of Los Banos in Merced County. PCE's service area overlaps in San Mateo County with that of BayREN. Whereas BayREN administers a portfolio of EE programs, PCE just offers a single EE program within its service area.

Commercial Sector Overlapping Programs

PCE's FLEXmarket program, authorized under Resolution E-5442, is limited to commercial customers. For that reason, this JCM identifies BayREN programs that service the commercial sector and therefore require coordination due to potential for overlap.

PCE FLEXmarket Program (PCE01)

PCE previously administered this program from May 2022 through May 2025. PCE FLEXmarket is a commercial-sector, performance-based EE program that pays aggregators for verified, meter-based energy savings and demand flexibility. Using a population-level Normalized Metered Energy Consumption (PopNMEC) framework, the program compensates participants based on actual grid value delivered rather than predetermined rebates for specific measures. FLEXmarket is measure-agnostic and allows qualified aggregators to design and implement customized solutions—such as heating, ventilation, and air-conditioning (HVAC), lighting, controls, refrigeration, and building envelope upgrades—tailored to customer needs. Savings are quantified using standardized, state approved PopNMEC methodologies and valued based on the avoided costs.

⁴ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M590/K666/590666633.PDF>

BayREN Small Medium Commercial Buildings (SMCB) Program

The BayREN Small and Medium Commercial Buildings (SMCB) program consists of two subprograms: BayREN Business and BayREN Refrigerant Replacement (BRRR).

BayREN Business (BayREN06)

BayREN Business is a resource acquisition program serving SMCB using a PopNMEC approach. The program began in 2020 and by 2022, it shifted from using a single implementer to multiple implementers to deliver whole-building energy efficiency solutions. In June 2023, BayREN Business refined its service sector by only serving hard-to-reach (HTR) businesses with energy use of equal to or less than 150,000 kWh or equal to or less than 50,000 therms annually.

BayREN Business leverages data-driven targeting to identify potential participants in this category and provides technical assistance and energy efficiency rebates to businesses in retail, professional offices, restaurants, gyms/multi-use buildings, and grocery/corner stores.

Within PCE territory, BayREN Business will focus on HTR businesses⁵. A business is considered HTR if it is in a Disadvantaged Community (DAC)⁶ and meets one of the criteria below. Or, if the business is outside of a DAC, it is considered HTR by meeting all the criteria below:

- Language – primary language spoken is other than English;
- Size – less than 25 employees and/or classified as “Very Small” (business whose annual electric demand is less than 20kW or whose annual gas consumption is less than 10,000 therms);
- Leased or rented facilities – Investments in improvements to a facility rented or leased by a participating business.

In addition, businesses located in California Native American Tribes’ territory and businesses owned/operated by the tribe or tribal members are HTR.

In 2026, BayREN Business is expanding eligibility criteria to serve more businesses. First, the program will increase the annual electricity consumption threshold from 150,000 kWh to 300,000 kWh or less while keeping the annual 50,000 therms limit unchanged. Second, in addition to serving HTR businesses, the program is now also serving businesses located in low-income communities (LIC)⁷. Businesses that do not qualify for HTR must meet the geographic eligibility criteria in one of two ways:

- located in the Bay Area’s LICs, or

⁵ D.23-06-055, pg. 52-54, Hard To Reach definition: [512907396.PDF](#)

⁶ A DAC is in the top 25th percentile according to CalEnviroScreen 4.0:

<https://experience.arcgis.com/experience/11d2f52282a54ceebcac7428e6184203/>

⁷ Low-income communities are shown on the California Climate Investments Priority Populations [map](#).

- located in a DAC.

Lastly, in 2026, BayREN Business intends to increase the number of projects with fuel-substitution measures. Notably, the program will focus on replacing natural gas water heaters under 80 gallons with 120VAC or 240VAC heat pump water heaters in SMCB that have less hot water demand like offices and retail stores.

BayREN Refrigerant Replacement (BRRR) Program (BayREN10)

The BRRR Program is an equity program serving SMCB in food and floral sectors using direct install approach. The program primarily focuses on replacing environmentally harmful halocarbon refrigerants with less harmful refrigerants, including natural refrigerants. The program also advances refrigeration energy efficiency retrofits where the participating business pays little out-of-pocket costs. Furthermore, BRRR provides participating businesses with resources to sustain refrigeration maintenance and tracking their systems' energy consumption.

Within the PCE territory, the BRRR Program only serves food and floral sector businesses. Eligible businesses must operate at least one remote condensing refrigeration system with high global warming potential (>1800 GWP) refrigerant. Examples of food sector business include sit-down and take-out restaurants, small grocery and corner stores, drinking bars, and community kitchens. Additionally, businesses must be HTR, using the same HTR criteria as the BayREN Business program. Businesses that do not qualify for HTR must meet the geographic eligibility criteria in one of two ways:

- located in the Bay Area's LIC⁸, or
- located in a DAC.

⁸ Low-income communities are shown on the California Climate Investments Priority Populations [map](#).

Table 1 – PAs’ Comparable Programs in PCE Territory

Program ID	Program Name	2026/2027 Annual Budget	Sector	Segment	Measures										
					Lighting	Appliances	HVAC	Plug Load	Refrigeration	Custom	Lighting Controls	HVAC Controls	Whole Building	Water Heaters	Other
PCE01	Demand FLEXmarket	\$2,974,493.93 ⁹	Commercial	Resource Acquisition	x	x	x	x	x	x	x	x	x	x	x
BayREN06	BayREN Business Program	\$4,841,732/ \$4,876,746	Commercial	Resource Acquisition	x	x	x	x	x	x	x	x	x	x	x
BayREN10	BayREN Refrigerant Replacement Program	\$4,803,684/ \$4,773,846	Commercial	Equity	x	x			x	x	x				x

⁹ PCE does not maintain an annual budget for the Demand FLEXmarket program. Instead, the Demand FLEXmarket program operates under a three-year budget cycle authorized by Resolution E-5442.

Coordination Efforts between PCE and BayREN

General Program Coordination

The PAs will coordinate on a regular basis to update each other on program developments and discuss duplication and prevention of “double-dipping¹⁰” from incentives, rebates, or other EE program funding from the PAs. The PAs’ program managers will meet quarterly to:

- Review program updates that may affect coordination or overlap;
- Identify and address data sharing needs;
- Discuss anticipated program changes prior to implementation to prevent customer overlap and confusion; and
- Review and refine double dipping screening procedures, as needed.

Responsibility for scheduling and managing coordination meetings will be shared between the PAs’ program staff.

Program Referrals

The PAs will each designate primary points of contact to oversee their respective commercial programs and serve as central resources for coordination. These individuals will respond to inquiries from the other PA regarding commercial offerings and ensure consistent communication. The assigned contacts will also maintain familiarity with the other PA’s comparable programs (see Figure 1) and facilitate warm handoffs to the appropriate program representatives when necessary.

¹⁰ “Double dipping”, *Resource Savings Rulebook*, v 4.0, 10/2/2023, page 37:
<https://www.pge.com/assets/pge/docs/about/doing-business-with-pge/PGE-Resource-Savings-Rulebook.pdf#:~:text=Double%20Dipping%20and%20Double%20Counting&text=CPUC%20R%20requirement:%20Participants%20in%20meter%2Dbased%20programs%20are%20subject%20to%20the%20same%20double>

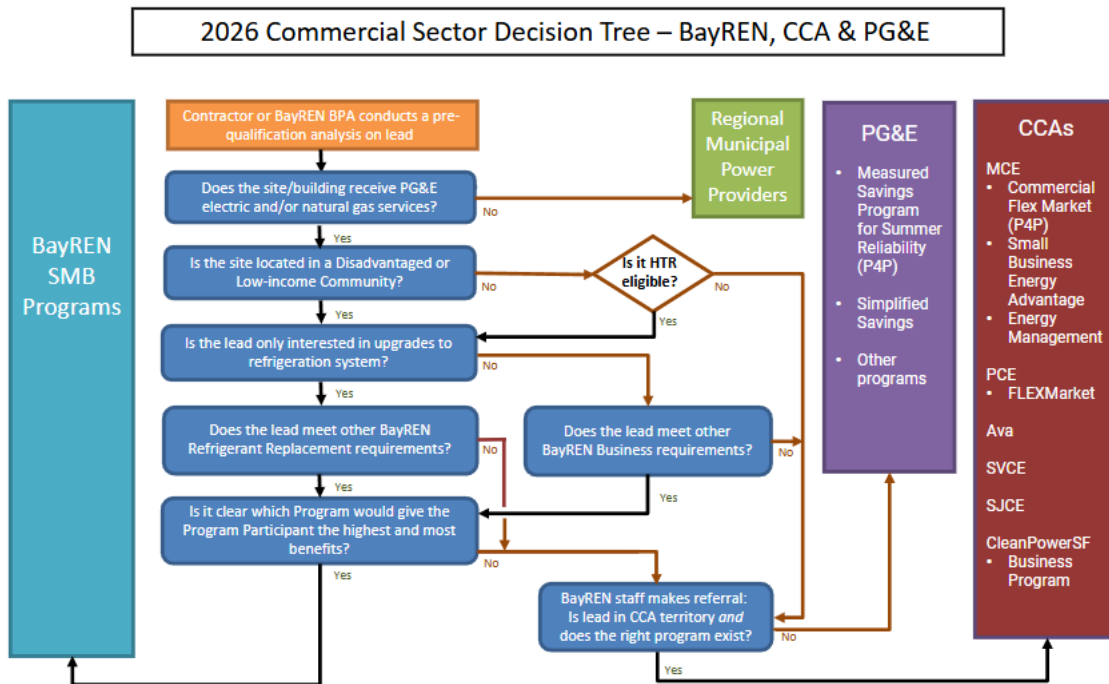


Figure 1 Commercial Sector Decision Tree

Marketing

The PAs recognize the importance of coordinating marketing efforts to reduce potential customer confusion. Prior to program launch, PCE will distribute a marketing brief to BayREN outlining the FLEXmarket program’s key messaging and positioning. In addition, the PAs will collaborate during recurring coordination meetings to align on campaign strategies, customer-facing outreach materials, and implementation timelines.

Data Sharing and Double Dipping Prevention

Data sharing is integral to effective coordination between the PAs and to ensure accurate reporting and savings claims. The PAs recognize the importance of safeguarding customer data and preventing duplicate incentive payments for the same intervention.

To protect customer data, PCE and BayREN will mutually execute and maintain applicable Non-Disclosure Agreements (NDAs) governing the exchange of customer information for the purposes of administering energy efficiency programs.

¹¹ [EE-2024-Business-PortfolioPlan_Final-Dec_CPUC_20230629_D-23-06-055_757324.pdf](#), pg 52-54

Both BayREN and PCE have data governance and protection obligations for sharing any customer data. Before sharing data for double-dip check purposes or to support a program, both parties will ensure that the following data security and privacy protocols have been completed:

- PCE and BayREN have signed the BayREN-PCE Mutual NDA.

Data Sharing and Double-Dipping Prevention Procedures

Accordingly, the PAs have established the following data sharing protocols and double-dipping prevention procedures. PCE and BayREN will transmit requested EE data directly to each other only and will not provide such data to the other PA's contractors.¹² Should a PA's contractors need access to such data, then the PA receiving the data may pass on the data to its contractors consistent with applicable data security and confidentiality requirements.

1. Program managers will meet on a regular basis to review general updates to programs that may impact coordination and program overlap and check data sharing needs. BayREN and PCE programs staff will share the responsibility of scheduling and managing meetings.
2. Implementers or contractors serving PCE and BayREN programs are not allowed to "split" applications or scopes of work between the PAs. The contractor process to avoid double dipping is as follows:
 - a. Participating contractors in PCE and BayREN programs will be notified of policies pertaining to double dipping;
 - b. Multiple violations of double-dipping policies may disqualify a contractor from program participation.
3. All program documentation (marketing collateral, participation forms, application forms, etc.) must indicate that program participants may not apply to multiple programs for the same measures.
4. Project enrollment forms require an attestation that the customer has not applied for or received incentives from a different program for the same measures.
5. If any PA discovers a potential or actual overlap, the affected projects will be evaluated at the intervention level. If a pattern of double dipping is identified, PCE and BayREN will work together to implement appropriate program modifications. If both PCE and BayREN have claimed the same project interventions, the parties will determine how the project will be attributed and will review cost recovery options with the program partner or entity that received duplicate funding. If a trend of double dipping is associated with a specific contractor or installer, corrective actions may be taken.

¹² This includes program implementers.