

Proceeding: A.26-03-009 et al.
Exhibit No.: SoCalREN Exhibit 4
Date: September 30, 2026
Witness: Minh Le

**SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK
2028 PORTFOLIO PLAN AND 2028-2035 BUSINESS PLAN
EXHIBIT 4 CORRECTIONS AND SUPPLEMENTAL TESTIMONY**

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

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

And Related Matters.

Application 26-03-009
(Filed on March 16, 2026)

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

**CORRECTIONS AND SUPPLEMENTAL TESTIMONY OF SOUTHERN
CALIFORNIA REGIONAL ENERGY NETWORK (CPUC #940) ON SOCALREN'S
2028–2035 STRATEGIC BUSINESS PLAN AND SOCALREN'S 2028–2031
ENERGY EFFICIENCY PORTFOLIO PLAN**

Minh Le
General Manager, Energy
County of Los Angeles Office
1100 North Eastern Avenue
Los Angeles, CA 90063-3200
(323) 267-2006
MSLe@isd.lacounty.gov

For The Southern California Regional
Energy Network

September 30, 2026

Table of Contents

I. INTRODUCTION.....	3
II. BACKGROUND	3
III. PORTFOLIO LEVEL IMPACTS SUMMARY	4
1. Summary of Budget and TSB Impacts	4
2. Summary of Cost-Effectiveness Impacts	5
IV. SUMMARY OF TESTIMONY UPDATE LOCATIONS.....	6
V. ADDITIONAL RESPONSES TO ALJ RULING QUESTIONS.....	8
VI. CONCLUSION.....	11

1 **I. INTRODUCTION**

2 Pursuant to Article 2 of the Rules of Practice and Procedure of the California Public Utilities
3 Commission (Commission or CPUC), Public Utilities Code Section 850 et seq., and in accordance
4 with Decisions (D.)21-05-031 and D.23-06-055, the Southern California Regional Energy Network
5 (SoCalREN) respectfully submits this supplemental testimony regarding its 2028–2035 Strategic
6 Business Plan and 2028-2031 Energy Efficiency Portfolio Plan.

7 **II. BACKGROUND**

8 On March 16, 2026, SoCalREN filed its Application for approval of its 2028-2035 Strategic
9 Business Plan and 2028–2031 Energy Efficiency Portfolio Plan. On September 2, 2026,
10 Administrative Law Judge (ALJ) Fitch issued a ruling directing all 2028–2031 Portfolio Plan and
11 2028–2035 Business Plan applicants to submit revised cost-effectiveness results using corrected
12 Avoided Cost Calculator (ACC) and Cost-Effectiveness Tool (CET) inputs, along with any
13 necessary non-substantive corrections to supporting application materials.

14 The ruling also requested supplemental testimony addressing the potential impacts of the
15 California Air Resources Board's (CARB's) proposed Clean Space and Water Heater Standards and
16 the applicant's anticipated third-party solicitation schedule and timeline.

17 The original deadline for submission was September 18, 2026. Following a request by Inland
18 Regional Energy Network (I-REN), ALJ Fitch granted an extension moving the filing deadline to
19 September 30, 2026.

20 Consistent with the ALJ's direction, SoCalREN updated its California Energy Data and
21 Reporting System (CEDARS) forecasts, budget filing appendices, associated testimony references,
22 and supporting application materials to reflect corrected CET outputs. This supplemental testimony

summarizes the resulting portfolio-level impacts, identifies the locations of updated information, and provides SoCalREN's responses to the additional questions posed in the ruling.

III. PORTFOLIO LEVEL IMPACTS SUMMARY

1. Summary of Budget and TSB Impacts

Table X-1 below reflects the summarized updated Budget and TSB impacts for the 2028–2031 portfolio years based on the corrected ACC/CET inputs. Please note 2032-2035 portfolio forecasts did not include CET calculations and the high-level methodology used was not revised based on the minute impact to 2028–2031.

Table X-1: Summary of Budget and TSB Impacts

Segment	Original Budget	Revised Budget	Budget % Change	Original TSB	Revised TSB	TSB % Change
2028-2031 Portfolio						
Resource Acquisition	\$144,960,490	\$144,960,490	0%	\$224,266,357	\$225,765,020	0.67%
Market Support	\$91,874,469	\$91,874,469	0%	\$0	\$0	0%
Equity	\$122,734,683	\$122,734,683	0%	\$71,386,395	\$71,219,163	-0.23%
EM&V	\$14,982,068	\$14,982,068	0%	\$0	\$0	0%
Total Portfolio Excluding C&S	\$374,551,710	\$374,551,710	0%	\$295,652,752	\$296,984,183	0.45%
Codes & Standards (C&S)	\$0	\$0	0%	\$0	\$0	0%
Total Portfolio Including C&S	\$374,551,710	\$374,551,710	0%	\$295,652,752	\$296,984,183	0.45%
2032-2035 Portfolio						
Resource Acquisition	\$181,062,010	\$181,062,010	0%	\$308,923,126	\$309,885,328	0.31%
Market Support	\$112,347,787	\$112,347,787	0%	\$0	\$0	0%
Equity	\$151,413,320	\$151,413,320	0%	\$97,615,295	\$97,254,760	-0.37%
EM&V	\$18,534,296	\$18,534,296	0%	\$0	\$0	0%

Segment	Original Budget	Revised Budget	Budget % Change	Original TSB	Revised TSB	TSB % Change
Total Portfolio Excluding C&S	\$463,357,412	\$463,357,412	0%	\$406,538,422	\$407,140,088	0.15%
Codes & Standards (C&S)	\$0	\$0	0%	\$0	\$0	\$0
Total Portfolio Including C&S	\$463,357,412	\$463,357,412	0%	\$406,538,422	\$407,140,088	0.15%
2028-2035 Total						
Resource Acquisition	\$326,022,500	\$326,022,500	0%	\$533,189,483	\$535,650,348	0.46%
Market Support	\$204,222,256	\$204,222,256	0%	\$0	\$0	0%
Equity	\$274,148,003	\$274,148,003	0%	\$169,001,690	\$168,473,923	-0.31%
EM&V	\$33,516,364	\$33,516,364	0%	\$0	\$0	0%
Total Portfolio Excluding C&S	\$837,909,122	\$837,909,122	0%	\$702,191,174	\$704,124,271	0.28%
Codes & Standards (C&S)	\$0	\$0	0%	\$0	\$0	0%
Total Portfolio Including C&S	\$837,909,122	\$837,909,122	0%	\$702,191,174	\$704,124,271	0.28%

2. Summary of Cost-Effectiveness Impacts

Table X-2 below reflects the summarized updated Budget and TSB impacts for the 2028-2031 portfolio years based on the corrected ACC/CET inputs. Please note 2032-2035 portfolio forecasts did not include CET calculations and did not have a cost-effectiveness showing

Table X-2. Summary of Cost-Effectiveness Impacts

Segment	Original TRC	Revised TRC	TRC % Change	PAC % Change	RIM % Change	SCT-Base % Change	SCT-High % Change
2028-2031 Portfolio							
Resource Acquisition	1.23	1.23	0.34%	0.16%	0.51%	2.02%	2.09%
Market Support	0.00	0.00	0%	0%	0%	0%	0%

Equity	0.57	0.58	0.78%	0.62%	0.61%	-0.01%	-0.01%
EM&V	0.00	0.00	0%	0%	0%	0%	0%
Total Portfolio Excluding C&S	0.75	0.75	0.68%	0.57%	0.59%	0.95%	0.97%
Codes & Standards (C&S)	0.00	0.00	0%	0%	0%	0%	0%
Total Portfolio Including C&S	0.75	0.75	0.68%	0.75%	0.59%	0.95%	0.97%%%

37

38 IV. SUMMARY OF TESTIMONY UPDATE LOCATIONS

39 Table X-3 identifies the locations of updates made to SoCalREN's Application, Business Plan,
40 and supporting materials in response to the September 2, 2026 Administrative Law Judge Ruling.
41 Updates primarily reflect revised cost-effectiveness values resulting from corrected CET inputs,
42 associated revisions to TSB, and related updates to program cards, budget filing appendices,
43 CEDARS forecasts, and supporting testimony.

44 ***Table X-3. Summary of Testimony Update Locations***

Document (Testimony or Excel)	Exhibit	Chapter	Page or Sheet	Table, Figure, or Line Number	Summary of Change
Excel BPA Workbook	N/A	N/A	Budget Filing Data, 4.1 Program Budget 2028- 2031, 4.2 Sector Seg Budget 2032- 2035, 4.3 TSB and C&S Targets, 10 Indicators & Metrics,	See Page/Sheet column	All fields impacted by CET change, e.g. TSB, TRC, RIM, PAC, CO2e, Electric Benefits, Water- Energy Benefits

Document (Testimony or Excel)	Exhibit	Chapter	Page or Sheet	Table, Figure, or Line Number	Summary of Change
			11 Program Card.		
Testimony	1	2	87–9	Table 2	Updated budget, TSB, TRC, PAC, RIM, SCT, savings, emissions, and portfolio forecast metrics based on corrected CET outputs.
Testimony	1	6	51–52	Residential Sector narrative	Corrected Multifamily Rural Hard-to-Reach Direct Install program name and updated related references for consistency with CEDARS filing.
Testimony	2	Agricultural Sector	7–12	Agriculture Retrofit Program Card; Rural Hard-to-Reach Agriculture Direct Install Program Card	Updated TSB, TRC, PAC, and related cost-effectiveness values based on corrected CET outputs.
Testimony	2	Commercial Sector	13–21	Commercial Resiliency Program Card; Hard-to-Reach Commercial Direct Installation Program Card	Updated TSB, TRC, PAC, and related cost-effectiveness values based on corrected CET outputs.
Testimony	2	Public Sector	75–84	Rural Hard-to-Reach Public Agency Direct Install Program Card; Streamlined Savings Pathway Program Card; Underserved Communities SEM Program Card	Updated TSB, TRC, PAC, and related cost-effectiveness values based on corrected CET outputs.
Testimony	2	Residential Sector	86	SoCalREN Rural Hard to Reach Direct Install	Corrected Residential multifamily direct install program name and related program references for

Document (Testimony or Excel)	Exhibit	Chapter	Page or Sheet	Table, Figure, or Line Number	Summary of Change
					consistency with current program nomenclature.
Testimony	2	Residential Sector	86–89	SoCalREN Rural Hard to Reach Direct Install; Multifamily Program; Residential Resiliency Program	Updated TSB, TRC, PAC, and related cost- effectiveness values based on corrected CET outputs.

V. ADDITIONAL RESPONSES TO ALJ RULING QUESTIONS

In addition to the correction of cost-effectiveness and benefit values discussed above, the ALJ requested supplemental testimony addressing (1) the potential implications of the California Air Resources Board's proposed Clean Space and Water Heater Standards and (2) anticipated third-party solicitation activities during the 2028–2031 portfolio period. SoCalREN's responses are provided below.

1. Does your business plan application consider the impact of the California Air Resource Board's (CARB) potential new rules on Clean Space and Water Heater Standards, or other regional standards? If not, how would your business plan application need to be adjusted if CARB's current proposal is adopted, effective in 2030?¹

Yes. SoCalREN's 2028–2031 Business Plan recognizes that evolving state and regional building-decarbonization requirements, including CARB's proposed Clean Space and Water Heater Standards, may materially affect the measures, savings opportunities, costs, and delivery strategies available during the portfolio period. Because CARB's proposal had not been finalized

¹ California Air Resources Board, 2022 Scoping Plan – Appendix F: Building Decarbonization (Nov. 2022), pp. 15-16, describing proposed Zero-Emission Space and Water Heater Standards with a 2030 implementation assumption.

when the Business Plan was developed, the application does not assume a single final regulatory outcome or incorporate a fully revised portfolio based on standards that remain subject to change.

If CARB adopts its current proposal with a 2030 effective date, SoCalREN would evaluate the adopted requirements and revise affected portfolio elements through the applicable Commission processes. Potential adjustments would include updating measure eligibility and savings baselines; revising forecasts, budgets, implementation plans, and third-party scopes; accelerating development of electric space- and water-heating strategies where technically and financially feasible; and diversifying measure offerings to reduce reliance on gas water-heating savings.

Depending on the timing and scope of any final CARB requirements, SoCalREN anticipates that some forecast, measure, and implementation updates could be incorporated through existing Commission-approved portfolio management processes, including program modifications addressed through True-Up Advice Letter (TUAL) or Mid-Cycle Advice Letter (MCAL) filings, as appropriate. The specific implementation pathway would depend on the final requirements adopted, the timing of adoption relative to the portfolio cycle, and the nature of the changes required to maintain compliance and program effectiveness.

SoCalREN would also evaluate the customer-affordability and equity implications of the adopted standards. Electrification projects may require electrical-panel, distribution-system, building-infrastructure, or other enabling upgrades that substantially increase project cost. These barriers may be particularly significant for multifamily properties, small businesses, rural customers, and other underserved market segments. Accordingly, any portfolio adjustment should preserve flexibility to support customers through the transition, coordinate energy-efficiency measures with necessary enabling improvements, and identify sufficient funding so that higher-cost electrification projects do not displace other cost-effective or equity-focused services. These

adjustments would be coordinated in collaboration with the Commission, CARB, the California Energy Commission, utilities, regional partners, and other program administrators to align program requirements with the final standards, avoid duplication, and maintain consistent customer guidance during implementation.

2. Provide a third-party solicitation schedule and timeline from 2028 to 2031. Use the solicitation schedule posted to the California Energy Efficiency Coordinating Committee website, available at <https://www.caeccc.org/market-rateeee-r25-04-101>, for reference and required fields.²

The Commission's third-party solicitation schedule requirements have historically been applied within the investor-owned utility (IOU) third-party program framework. Consistent with other Regional Energy Networks and SoCalREN's existing procurement practices, SoCalREN does not maintain a single portfolio-wide third-party solicitation schedule.

SoCalREN utilizes a staggered procurement approach in which solicitations are conducted according to sector-specific implementation needs, existing contract status, funding availability, portfolio performance, and applicable County procurement requirements. This approach allows SoCalREN to maintain program continuity while responding to changing implementation and administrative needs throughout the portfolio cycle. Solicitation activities are planned and conducted on a sector-by-sector basis rather than through a single portfolio-wide solicitation timeline. Competitive procurements will continue to be conducted, as appropriate, throughout the 2028-2031 portfolio period in accordance with County procurement requirements, Commission direction, and programmatic needs.

² See D.18-01-004, Decision Addressing Energy Efficiency Business Plans, Modifying Portfolio Approval and Oversight Process, and Establishing Energy Efficiency Policy and Program Guidance for 2018 and Beyond.

105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121

122
123
124
125
126
127

As summarized in this supplemental testimony, the revised CET inputs result in only minor changes to portfolio-level Total System Benefits and cost-effectiveness metrics and do not alter SoCalREN's overall portfolio strategy, program design, implementation approach, or requested budget. Accordingly, SoCalREN respectfully requests that the Commission consider this supplemental testimony, together with the updated application materials and previously submitted testimony and exhibits, in its review of SoCalREN's 2028–2035 Strategic Business Plan and 2028–2031 Energy Efficiency Portfolio Plan.

/s/ Minh Le

September 30, 2026