California State Assembly

UTILITIES AND ENERGY

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AGENDA

Wednesday, August 5, 2026
1:30pm
1021 N Street, Room 1100

OVERSIGHT HEARING

Savings You Don't See:

California's Energy Efficiency Programs

Findings:

- *California has relied on energy efficiency and other demand-side management programs for 50 years to reduce energy consumption, ease peak demand, and support grid reliability. The state's per capita electricity use has stayed roughly flat since the early 1970s, even as the national average rose.*

- *These programs are funded entirely by a charge on utility ratepayers' bills, and account for roughly 1% of total authorized utility revenue requirements — a small share of a typical bill, though one that has drawn increasing legislative and regulatory attention.*

- *As the cheapest, easiest-to-measure saving opportunities are used up, and as the grid becomes more dependent on flexibility rather than simply reducing total load, energy efficiency programs must move towards more advanced approaches for energy savings. These programs are more complicated and costly, raising questions about whether the current regulatory framework is appropriate for these types of programs.*

- *The energy efficiency portfolios are administered through a mixed model of twelve entities created at different times for different reasons and evaluated on different terms. It is unclear whether coordination among them has kept pace with the entities' growth.*

- *Energy efficiency programs under the jurisdiction of the California Public Utilities Commission (CPUC) are paid for by investor-owned utility ratepayers. Ensuring that*

these ratepayer dollars are being used prudently has been the emphasis of a recent Executive Order, State Auditor's report, and Public Advocates Office scrutiny. Program evaluation is also under consideration in ongoing rulemakings at the CPUC.

- *Cost-effectiveness is used as a measure of energy efficiency program success, but is just one measure in a larger framework. Other barriers to program success may include overburdensome regulatory frameworks that result in duplicative work, delay program implementation, and discount program benefits.*

- *The CPUC reports to the Legislature on these programs roughly every three years. This hearing is a chance to ask panelists directly whether that reporting gives the Legislature what it needs to evaluate these programs on an ongoing basis.*

Energy efficiency is often summarized by an aphorism: *the cheapest kilowatt-hour is the one never used*. For fifty years, California has organized much of its demand-side management (DSM) policy – a utility strategy that shapes customer energy consumption, mainly through energy efficiency and demand response programs – around this premise. This organizational strategy has been successful. The state's per capita energy consumption has remained relatively flat since the early 1970s,[1] despite considerable population and economic growth (Figure 1) – though, as discussed below, how much of that flatness to credit to efficiency programs specifically, as opposed to climate, demographics, and industrial mix, is itself debated.

Some of the programs that helped deliver that outcome are the subject of this hearing, specifically programs funded by ratepayers and overseen by the California Public Utilities Commission (CPUC). According to the CPUC, between 2021 and 2023, ratepayers spent almost $3 billion on DSM programs — approximately $2.2 billion on energy efficiency and approximately $702 million on demand response[2] — roughly three DSM dollars toward traditional efficiency for every dollar spent toward the more grid-responsive programs discussed in Section II below. These DSM programs achieved approximately 1,920.5 gigawatt-hours (GWh) of electricity saved and 143.6 million therms of natural gas saved between 2021-2023.[3]

This money is collected through a charge on ratepayers monthly electric and gas bills. Program administrators – described in Section III – receive CPUC approval to invest this funding in a portfolio of energy efficiency programs. That portfolio is then operationalized by program implementers, with the goal that program benefits flow back to the ratepayers who funded the programs. The programs are evaluated at a portfolio-level on an ongoing basis, asking throughout: did the returns justify the investment, was the money well diversified, and are any programs underperforming and no longer worth pursuing?

A well-run energy efficiency portfolio has been compared to a diversified financial stock portfolio: not every program needs to yield a large return, so long as the portfolio as a whole

[1] https://www.eia.gov/states/CA/data/dashboard/electricity
[2]Tables 4 and 5, Report on Demand-Side Management Programs, CPUC, July 2025, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/report-on-demandside-management-programs-pursuant-to-puc-section-9135.pdf.
[3] Report on Demand-Side Management Programs, CPUC, July 2025, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/report-on-demandside-management-programs-pursuant-to-puc-section-9135.pdf

delivers a meaningful one (with some overhead being unavoidable). There is a reasonable case for that view: diversification lets the portfolio fund some higher-risk, higher-reward measures alongside safer ones, and a handful of underperforming programs is not automatically evidence of mismanagement. There is also a reasonable case for skepticism: unlike a financial portfolio, where a single statement lets investors check each holding's return against a benchmark, California's energy efficiency portfolio has no comparable statement – program results are scattered across data-dense reports, evaluated by different metrics, and often reliant on self-reported disclosures – so ratepayers and the Legislature have no easy way to judge whether the diversification analogy is being applied prudently or is instead providing cover for programs that a more legible accounting would have already ended. This hearing is an opportunity to ask panelists to make that accounting explicit, rather than simply taking the analogy on faith.

The purpose of this oversight hearing, then, is to follow the money that funds energy efficiency programs - from how it is collected from ratepayers, to the portfolio of programs it is spent on, to how success is measured – and to hear directly from the panelists on what is working, what has become harder to justify as the easy savings run out, and what the Legislature needs from future reporting to make its own judgement about these questions going forward.

This paper, and the hearing it supports, is not a comprehensive survey of energy efficiency in California. It focuses specifically on ratepayer-funded programs administered under CPUC jurisdiction. Meaningful efficiency work also happens outside that scope: the federal government sets baseline efficiency standards and has historically funded customer programs; the California Energy Commission (CEC) runs its own programs, research, and codes-and-standards work independent of the ratepayer-funded portfolio discussed here; and California's publicly owned utilities (POUs) administer their own efficiency programs under locally accountable governance. Each of those efforts shape the same broader goal and would reward their own review. Given the time available for this hearing, however, the scope is deliberately narrowed to the ratepayer-funded, CPUC-overseen programs, and the questions of structure, modernization, and transparency specific to that piece of the larger picture.

I. History of Energy Efficiency in California.

Energy efficiency in California was born out of the legislative direction in the Warren-Alquist State Energy Resources and Conservation Act that passed in 1974. The origins of this legislative proposal were a response to California's exceptional population and economic growth, which resulted in projections that energy demand would double every decade. This prompted forecasting from utilities for the development of nearly 60 new power plants (largely nuclear) across the state.[4] These significant projections inspired a legislative proposal from Assemblymember Charles Warren to overhaul state energy policy, creating the CEC to conduct independent demand forecasts, implement conservation measures, pursue alternative energy, and oversee power plant siting. Governor Reagan vetoed this proposal, just weeks before the oil embargo that sent prices soaring and exposed the vulnerabilities of our electricity system to

[4] Doctor, R.D., Anderson, K.P., Berman, M.B., Dole, S.H., Levin, M.H., McClure, P.T., Smith, C.B., California's Electricity Quandary: III. Slowing the Growth Rate. Santa Monica, CA: RAND Corporation, 1972. https://www.rand.org/pubs/reports/R1116.html.

dependence on foreign oil. The consequences of the oil embargo would bring Governor Reagan back to the table, and ultimately lead to the passage of the Warren-Alquist Act.[5]

A key provision of the Act directed the CEC to develop the nation's first efficiency standards for appliances and buildings. The emphasis on efficiency was deepened under Governor Jerry Brown, who took office in 1975, and prioritized efficiency over new nuclear construction. A widely recounted conversation with physicist Art Rosenfeld, who would later become a CEC commissioner, is credited with shaping that approach.[6] Rosenfeld argued that requiring more efficient refrigerators could save as much electricity as a proposed nuclear plant in Kern County would generate. He was correct. California adopted refrigerator efficiency standards later in the decade, the plant was never built, and the state went on to lead the nation in appliance and building efficiency standards.[7]

The State's appliance (Title 20) and building (Title 24) efficiency standards are estimated to have saved Californians more than $200 billion in energy costs since 1978.[8] The success of these standards and other efficiency efforts are best captured in what is widely known as the Rosenfeld Curve (Figure 1).[9] Despite economic growth, California's electricity demand has remained relatively flat – a pattern often credited to California's efficiency standards, though some researchers caution the flat curve also reflects milder climate-driven growth, demographic shifts, and industrial mix, not efficiency policy alone.[10] This is not true with the rest of the U.S. which saw electricity consumption rise with economic growth, only to finally plateau in the last decade.

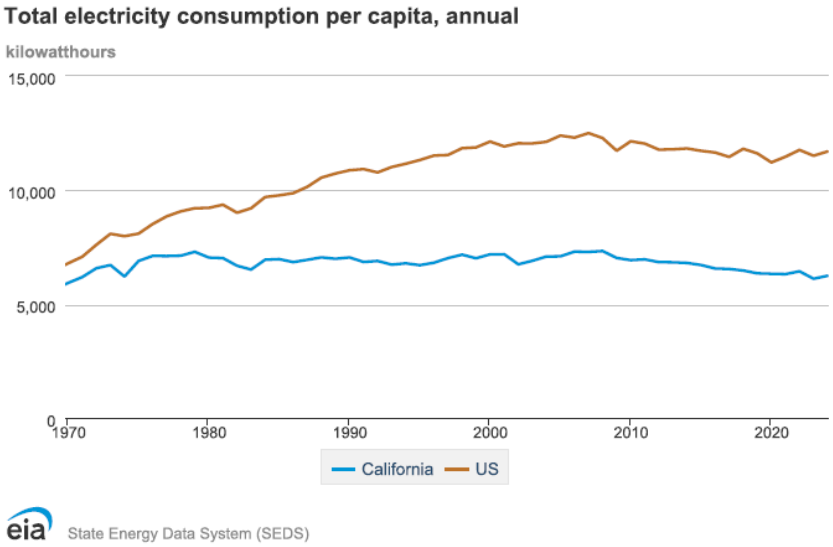

Figure 1. The Rosenfeld Curve, showing total electricity consumption per year for California (blue) and the nation (orange), demonstrating the flat nature of California's electricity consumption over the past four decades.

California's leading appliance and building standards are just one piece of how the state prioritizes energy efficiency practices. Energy savings are also embedded in the State's planning process: they are part of the demand forecast in the Integrated Energy

[5] History of the CEC – 50 Years of Energy Leadership, https://www.energy.ca.gov/about/50-years-energy-leadership
[6] Ibid, #2.
[7] American Council for and Energy-Efficient Economy regularly ranks California #1 on their annual State Energy Efficiency Scorecard. California ranked #1 again on their 2025 report - https://www.aceee.org/state-policy/scorecard
[8] California Energy Commission Response to Executive Order N-5-24, https://www.energy.ca.gov/sites/default/files/2025-02/California_Energy_Commission_Response_to_Executive_Order_N-5-24_ada.pdf
[9] https://www.eia.gov/states/CA/data/dashboard/electricity
[10] Davis, L., Deconstructing the Rosenfeld Curve, Energy Institute at Haas, 2013, https://energyathaas.wordpress.com/2013/08/05/deconstructing-the-rosenfeld-curve/comment-page-2/

Policy Report (IEPR) by the CEC, are first in the electric procurement loading order[11] considered in the Integrated Resource Planning by the CPUC, and count towards emission goals in the Scoping Plan by the California Air Resources Board. Several pieces of legislation have directly shaped how efficiency is considered and funded, including SB 1037 (Kehoe, Chapter 366, Statutes of 2005), which directs the CPUC to identify all cost-effective electricity efficiency savings and to set investor-owned utilities (IOUs) efficiency targets;[12] SB 350 (De León, Chapter 547, Statutes of 2015), which set a goal of doubling statewide energy efficiency savings by 2030;[13] and AB 802 (Williams, Chapter 590, Statutes of 2015), which authorized IOU incentives for measures that conform buildings to CEC standards.[14]

More recent legislation reflects a shift from expanding energy efficiency to examining how it operates. AB 3264 (Petrie-Norris, Chapter 762, Statutes of 2024) expands the CPUC's triennial evaluation[15] of energy efficiency and conservation programs to all demand-side management programs, and requires assessment of each program's bill savings, cost-effectiveness, and impacts.[16] That requirement is new, and one question this hearing may want to explore is whether the reporting it produces is reaching the Legislature in a form built for ongoing oversight, discussed further in Section V. Other bills in this session have also proposed further changes to how energy efficiency programs operate in the state, such as addressing how public purpose programs are funded (AB 2508, Hoover), changes to program offerings in the industrial and agricultural sectors (AB 2182, Irwin), and expanding considerations for the Energy Savings Assistance Program (SB 924, Hurtado).

These proposals may reflect a broader reality: what worked in the past, may no longer work in the future. For example, in 2016, installation of more energy efficient lighting made up over 50% of IOU energy efficiency installations. By 2022, lighting installations had fallen to just 7% (Figure 2).[17] That is not because efficient lighting stopped working, it is because LEDs became so widely adopted and cheaply available that IOUs

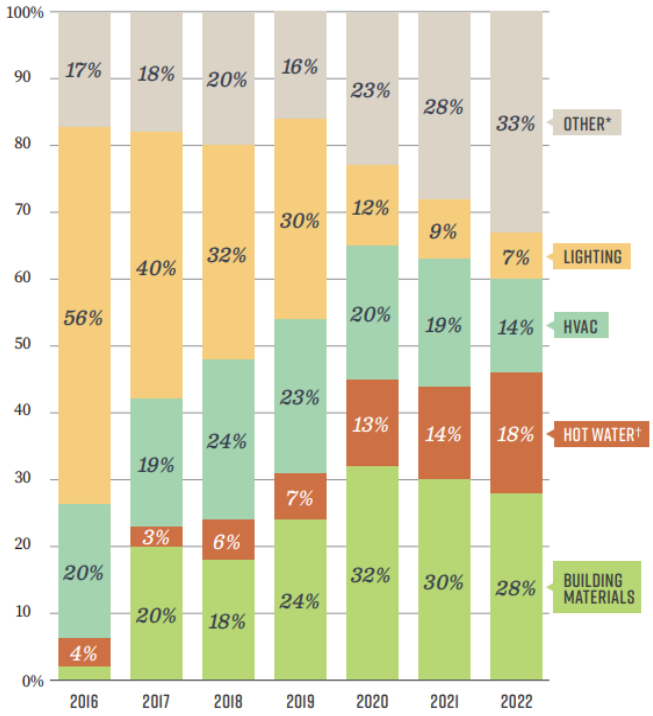

Figure 2. Percentage of type of installation for energy efficiency programs offered by IOUs.[17] The "Other" category includes recreation, irrigation, and commercial refrigeration. The "Hot Water" category includes water tanks, smart thermostats, and other technology to save energy.

[11] Energy Action Plan II, October 2005, https://docs.cpuc.ca.gov/published/Report/51604.htm
[12] Public Utilities Code § 454.5 (c)
[13] Public Resources Code § 25310 (c)
[14] Public Utilities Code § 381.2 (b)
[15] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/report-on-demandside-management-programs-pursuant-to-puc-section-9135.pdf
[16] Public Utilities Code § 913.5
[17] From 2023-124 State Auditor's Report, Figure 4, https://www.auditor.ca.gov/wp-content/uploads/2025/03/2023-127-Report.pdf

no longer needed to subsidize them.[18] Today, the programs that can still produce significant energy savings are ones that are more expensive or complex – home retrofits involving wall insulation and efficient water heaters or furnaces, for example, rather than a lightbulb swap. The low-hanging fruit has been plucked. Section II explores what that shift may demand of program design.

II. A Grid in Transition: What Programs Are Being Asked To Do.

The lighting data above illustrates a pattern worth putting directly to the panel: the savings that were cheapest and easiest to measure have seemingly been captured or absorbed into the state's appliance and building standards, leaving costlier, more complex measures — home retrofits, fuel substitution, building electrification — as the frontier. Those measures may not fit as neatly within a framework built decades ago to count avoided kilowatt-hours, program by program. In 2021, the CPUC took a step toward addressing that mismatch by adopting Total System Benefit (TSB), a single, fuel-agnostic metric intended to capture the value of energy, peak-demand, and greenhouse-gas benefits together and to "encourage programs to target 'high-value' load reduction and longer-duration energy savings."[19] Whether that metric change is enough on its own, or whether program design itself needs to change is a valuable question for the panel to address.

California's demand response programs offer one instructive comparison. Each utility administers its own demand response programs, the state separately administers programs like Demand-side Grid Support (DSGS), and third-party providers bid directly into the California Independent System Operator (CAISO) market under yet another regime.[20] Some observers describe this as a cautionary example of fragmentation outpacing coordination, — pointing to states that have consolidated into a single administered suite of programs or a single statewide platform[21] — and note that customers cannot always enroll flexible devices across multiple programs even when they own several. The CPUC has opened a proceeding to standardize (though not necessarily consolidate) demand response methods and data.[22] Whether energy efficiency risks a similar fragmentation problem is worth exploring with the panel rather than assuming an answer.

Energy efficiency and demand response are regulated separately, but from a ratepayer's perspective, both reduce strain on the grid. As California pursues 100% clean electricity by 2045 and more end uses electrify, the timing and location of demand reduction, not just its total volume, may matter more than it once did. That raises a genuine design question: should energy efficiency programs be designed and evaluated with an explicit eye toward how they complement demand response and other grid-flexibility efforts, or would that risk overcomplicating a model that has worked reasonably well on its own terms for fifty years?

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[18] By 2018, LEDs had become the second-most common lighting in U.S. commercial building, https://www.eia.gov/todayinenergy/detail.php?id=49816

[19] D.21-05-031, at 2; CPUC, "CPUC Better Aligns Energy Efficiency Programs to Reduce GHG Emissions and Increase Grid Stability," https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-better-aligns-energy-efficiency-programs-to-reduce-ghg-emissions-and-increase-grid-stability.

[20] Internal memorandum summarizing issues before the CPUC's demand response proceeding, R.25-09-004 (Sept. 29, 2025).

[21] Citing APS's unified virtual power plant in Arizona and Ontario IESO's statewide virtual power plant.

[22] R.25-09-004

Reasonable panelists are likely to disagree, and that disagreement is worth surfacing on the record.

III. The Energy Efficiency Ecosystem

Energy efficiency in California involves many entities and factors, ranging from the CEC's work on appliance and building standards to ratepayer funded energy efficiency programs overseen by the CPUC. The focus of this hearing is on the latter. But even in that narrower scope, the ecosystem includes more players, and a more layered structure, than most ratepayers may expect.

A. Key Players

At the center of how energy efficiency programs are funded and operated is the CPUC, which is mandated by law to ensure programs produce cost-effective energy savings and to identify appropriate energy saving targets for the entities that create them.[23] To identify energy savings, the CPUC hires independent consulting firms to identify achievable potential energy savings (called Potential and Goals studies),[24] which assess different technologies and strategies that can be used in energy efficiency programs. After energy savings are identified and assigned to IOUs, the CPUC reviews and approves budget proposals for the entities that carry out these programs – the program administrators – and approves which entities may administer portfolios in the first place.

Twelve separate entities currently administer ratepayer-funded energy efficiency portfolios: four IOUs, seven Regional Energy Networks (RENs),[25] and one Community Choice Aggregator (CCA). That structure did not emerge by happenstance. IOUs administer the largest portfolios and face strict requirements. RENs were authorized starting in 2012, specifically to reach customers and market segments IOUs were serving less effectively, particularly hard-to-reach, underserved, and disadvantaged communities.[26] CCAs may participate through a lighter-touch "Elect to Administer" pathway limited to their own customers, or a full "Apply to Administer" pathway with IOU-equivalent requirements.[27]

Program administrators are the entities under CPUC jurisdiction that assemble a portfolio of programs and decide (with CPUC approval) how ratepayer dollars will be spent. These portfolios may be made up of a mix of program types, such as resource acquisition, market support, or equity programs. Box 1[28] provides a brief overview of the different programs that may be included in a portfolio. These four different segments were split by a CPUC decision.[29]

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[23] Public Utilities Code § 454.55

[24] 2025 Energy Efficiency Potential and Goals Study – Final, Guidehouse Outwit Company, Prepared for the CPUC, June 23, 2025, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/energy-efficiency/2025-potential-goals-study/2025-group-e-potential--goals-study-final-report-20250717.pdf

[25] Bay Area Regional Energy Network (BayREN), Southern California Regional Energy Network (SoCalREN), Tri-County Regional Energy Network (3C-REN), Inland Regional Energy Network (I-REN), Central California Rural Regional Energy Network (CCR-REN), Northern Rural Energy Network, San Diego Regional Energy Network (SDREN).

[26] D.12-11-015 and D.12-05-015; D.19-12-021.

[27] Pub. Util. Code § 381.1; D.14-01-033.

[28] Adapted from Table 1 in the State Auditor's Report (2023-127), https://www.auditor.ca.gov/wp-content/uploads/2025/03/2023-127-Report.pdf

[29] D.21-05-031

Highlighted below are the different types of program administrators and their varying portfolio requirements.

Box 1: Types of Energy Efficiency Programs

Resource Acquisition: Programs that achieve measurable energy savings (grid benefits), such as directly installs energy-efficient products, like a SMART thermostat, for program participants.

Market Support: Programs that educate program participants, train contractors, build partnerships, or move beneficial technologies towards greater cost-effectiveness. A program that provides marketing support may help home builders and sales agents effectively communicate the value of a home's energy-efficient features to potential homebuyers.

Equity: Programs that provide energy efficiency improvements to hard-to-reach and underserved program participants and disadvantaged communities. Such a program could include educating communities about a utility's services and making referrals to energy savings assistance programs.

Codes and Standards: Programs that influence standards and code-setting bodies, such as the California Energy Commission, to strengthen energy efficiency regulations and improve compliance with existing regulations.

Investor-Owned Utilities (IOUs). The four large IOUs[30] administer the largest portfolios and have the strictest requirements: resource acquisition programs must be cost-effective, no more than 30% of program offerings may be classified as market support or equity programs, and at least 60% of annual spending must go through competitive third-party solicitation.

Regional Energy Networks (RENs). RENs are regional entities, typically formed by local governments or joint-powers authorities, first authorized as pilots in 2012[31] and created to reach customers and market segments the IOUs were serving less effectively. [32] RENs operate within IOU territories – their budgets are collected and distributed by IOUs – but face no cost-effectiveness requirements, reflecting their historical focus on market support and equity work. To be approved by the CPUC, a REN business plan must propose activities that meet at least one of the following criteria: (a) Activities that IOU or CCA program administrators cannot or do not intend to undertake; (b) Pilot activities where there is no current IOU or CCA program offering, and where there is potential for scalability to a broader geographic reach, if successful, or (c) Activities serving hard-to-reach markets, whether or not there is another IOU or CCA program that may overlap.[33]

Community Choice Aggregators (CCAs). CCAs may become portfolio administrators through one of two distinct, CPUC-defined pathways established under statute.[34]

- **"Elect to Administer"**: a lighter-touch process in which a CCA files a Tier 3 Advice Letter[35] (rather than a full business plan application), and may offer programs only to its

[30] Pacific Gas and Electric (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E), and Southern California Gas (SoCalGas)
[31] D.12-11-015 and D.12-05-015
[32] California's Regional Energy Networks: Empowering Local Solutions for a Clean, Affordable Energy Future, https://civicwell.org/civic-news/currents-californiarens/
[33] D.19-12-021
[34] Public Utilities Code Section § 381.1
[35] D.14-01-033

own customers. This pathway to administer a program is much more limited, and there are not any requirements for market support or equity programs for CCAs that elect to administer.

- **"Apply to Administer"**: a formal application process, comparable to an IOU's application, under which a CCA becomes a program administrator with the same requirements as IOUs, except that there is no requirement for third-party contractors. Marin Clean Energy is the only CCA with "apply to administer" status. WestLight Energy (formerly Peninsula Clean Energy) recently submitted an application for "apply to administer" status.

Program administrators often do not deliver programs directly. Instead, they contract with third-party program implementers for program delivery. The relationship resembles a general contractor and its subcontractors. Like a general contractor, the administrator is the party accountable for the finished product: it sets the budget, competitively selects who does the work, and answers for the result, even though it rarely installs anything itself. Third-party program implementers play the subcontractor's role, competing for the work by proposing staffing approaches, work plans, and costs, and bringing the specialized skill and creativity of an enhanced private sector to program delivery. Program administrators set contract terms, negotiate the budget, and oversee expenditures. Once contracts are in place, administrators and implementers actively monitor implementation. As with a general contractor signing off on a subcontractor's work, the administrator remains responsible for the results — including verifying that the savings an implementer claims are real.

B. Funding.

Energy efficiency programs are funded by a nonbypassable charge on bills of IOU ratepayers. These charges are part of the Public Purpose Program charge and originated in 1996 with AB 1890, which created the Public Goods Charge to fund energy efficiency, renewables, research and development, and low-income assistance. In 2024, across PG&E, SCE, and SDG&E, PPP costs made up about 5.8% of authorized revenue requirements, with energy efficiency programs making up about 20% of PPP related costs — just over 1% of total authorized revenue requirements.[36] That works out to roughly $500 million of the approximately $42 billion IOUs collected from ratepayers in 2024.

The amount that is collected for energy efficiency programs is proposed by Program Administrators on a 4-year budget cycle and authorized by the CPUC at the portfolio level.[37] When proposing a budget, it must be a "zero-based approach" meaning that expenses are not allowed to continue year to year just because they were approved in the past. This requires that each function of the budget be analyzed for its contribution and cost before being included in the proposal.[38] Program administrators forecast the costs of individual programs but those are ultimately determined during contract negotiations between the administrators and implementers.

[36] Data taken from Table 2.1 and 5.1 in the 2024 California Electric and Gas Utility Costs Report https://webproda.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/ab67_puc913_102425.pdf
[37] D.21-05-031
[38] *Ibid.*, D.21-05-031

For RENs and CCAs, an IOU acts as the fiscal agent for their approved funds and collects those costs on customer bills.

In March 2026, thirteen program administrators filed applications to the CPUC for approval of their 2028-2035 Energy Efficiency Business Plans and 2028-2031 Energy Efficiency Portfolio Plans.[39] These plans encompass proposals for the 4-year budget cycle and 8-year business plans. Decisions on these proposals are expected by mid-2027 and are currently undergoing public comment and review.[40] Below are the proposed budgets for each program administrator for 2028, listed in order of total proposed budget amount and separated by program type.[41]

Table 1. 2028 Budget Fillings for all Program Administrators. Highlighted in blue is IOUs, orange is RENs, and purple is CCAs.

	Resource Acquisition	Market Support	Equity	Codes and Standards	EM&V	**Total Budget**
SCE[42]	$160,230,516	$67,336,533	$3,160,080	$18,966,104	$13,639,578	**$263,332,812**
PG&E[43]	$112,695,553	$51,247,43	$17,243,642	$36,039,395	$9,051,097	**$226,563,330**
SoCalGas[44]	$98,167,143	$29,332,012	$14,520,752	$6,170,916	$1,809,178	**$150,000,000**
SoCal REN[45]	$29,745,933	$20,013,231	$26,479,290	--	$3,176,602	**$79,415,056**
SDG&E[46]	$51,846,786	$8,763,184	$233,788	$4,847,216	$2,737,124	**$68,428,098**
Bay REN[47]	$5,930,578	$5,327,914	$29,906,040	$1,786,450	$1,710,273	**$44,661,255**
SD REN[48]	$5,641,004	$13,435,638	$18,167,061	$2,405,983	$1,570,134	**$41,219,821**
CCR REN[49]	$18,977,715	$5,650,713	$4,299,247	$1,259,835	$1,308,372	**$31,495,882**
Tri-county REN[50]	--	$4,045,265	$17,347,142	$2,118,094	$979,604	**$24,490,106**
Inland REN[51]	--	$5,618,103	$7,975,638	$748,631	$4,373,393	**$18,715,765**
Rural REN North[52]	--	$2,476,669	$15,467,526	--	$747,675	**$18,691,870**
MCE[53]	$9,501,996	$764,630	$4,687,336	--	$623,082	**$15,577,044**
WestLight Energy[54]	$4,449,000	$378,000	$1,503,000	--	$263,750	**$6,593,750**

[39] A26-03-017, Example Application from PG&E
[40] R.25-04-010, EMAIL RULING PARTIALLY GRANTING RULE 11.6 EXTENSION REQUEST FOR ENERGY EFFICIENCY APPLICATIONS AND BUSINESS PLANS, March 18, 2026
[41] https://cedars.cpuc.ca.gov/filings/list/
[42] A26-03-010
[43] A26-03-017
[44] A26-03-018
[45] Southern California REN, A26-03-015
[46] A26-03-012
[47] Bay Area REN, A26-03-009
[48] San Diego REN, A26-03-019
[49] Central California Rural REN, A26-03-020
[50] A26-03-011
[51] A26-03-028
[52] A26-03-013
[53] Marin Clean Energy, A26-03-014
[54] A26-03-021

C. Administrative Design: Coordination and Program Evaluation.

In practice, a custom project moves through a defined sequence of handoffs between three parties: the project implementer, the program administrator, and the CPUC, as detailed in Figure 3.[55] A project begins when a developer or implementer identifies an opportunity and submits a project feasibility study, a customer application, and a custom project submittal. The program administrator then conducts its own pre-installation review and adds qualifying projects to a biweekly list. In CPUC-authorized programs, the CPUC's Energy Division reviews that list and decides whether a project should be selected for a Custom Project Review — an additional checkpoint, with its own disposition, that does not exist outside CPUC jurisdiction. Only once that determination is resolved does the administrator issue install approval and the project moves into implementation. After installation, the administrator conducts a post-installation review and updates the feasibility study; the CPUC again decides whether a post-installation Custom Project Review is required before the administrator can issue final approval and pay claims. A subset of completed projects is then selected for independent evaluation, measurement, and verification (EM&V). Outside CPUC jurisdiction, as shown Figure 4 below, the same project moves from pre-installation review directly to installation, post-installation review, and final approval — without either Custom Project Review checkpoint.

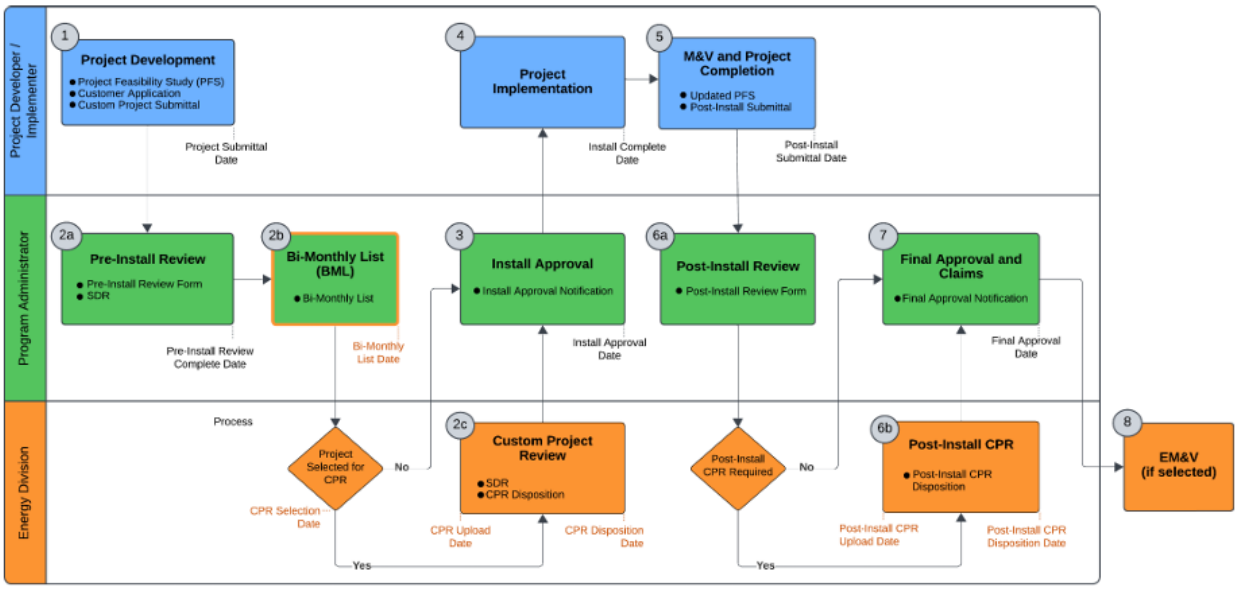

Figure 3. Custom project stages with key milestones and deliverables through a CPUC oversight process. CPR stands for Custom Project Review.

IV. Measuring Success.

A persistent rise in electricity rates in California has driven increased scrutiny of the costs that go into them. Energy efficiency programs account for just over 1% of total costs in 2024,

[55] Adopted from Figure 3 from Custom Rulebook v1, https://californiatechnicalforum.sharepoint.com/sites/CalTFCustomInitiative/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2FCalTFCustomInitiative%2FShared%20Documents%2FCustom%20Rulebook%2FCustom%20Rulebook%5Fv1%2E0%2Epdf&parent=%2Fsites%2FCalTFCustomInitiative%2FShared%20Documents%2FCustom%20Rulebook&p=true&ga=1

approximately $500 million.[56] While not a large, or even driving factor of rate increases, ensuring ratepayer dollars are being spent prudently has been a critical and lively topic of discussion.

Underlying most discussions is the question of how to assess program success. Programs can be assessed by how much energy they save, whether those savings justify the cost, whether the program helps hard-to-reach or disadvantaged communities, or whether the program is innovative and pushes development forward. Evaluating success is therefore multifaceted, and each of the measures below involves a genuine trade-off rather than a single correct answer.

A. Total System Benefits

Historically, savings were measured separately by fuel type: kilowatt-hour (kWh) for electricity, therms for gas. Starting with program year 2024,[57] Total System Benefit (TSB) — a fuel-agnostic, dollar-denominated metric combining energy, peak-demand, and greenhouse-gas value — replaced those separate goals as the primary metric, though administrators still report kWh, kW, and therm outcomes as well.

The TSB includes avoided costs (same as Avoided Cost Calculator for other DERs), among other costs such as avoided cost of refrigerant leakage, and avoided gas infrastructure costs.[58] Subtracted from the TSB is the impact of increased supply costs, such as from increased load. It is also adjusted via the net-to-gross calculation. The net-to-gross calculation is derived from an assessment completed from customer self-report surveys. After participating in an energy efficiency program, a participant would be asked a series of behavioral questions to assess whether they would have engaged in the energy efficient behavior without the program. As utilities report gross savings from their programs, the net-to-gross calculations adds a post-hoc adjustment to those measured savings based on responses from the participant. For example, in an incentive based program, a net-to-gross value of .70 means that 30% of the energy savings were from program participants who would have installed the measure/participated without the incentive. Therefore, a program administrator would see their TSB be reduced by 30% due to the net-to-gross calculation, which will also lead to impacts in how the program is evaluated for cost-effectiveness.

B. Non-Energy Benefits

A recurring question is whether cost-effectiveness tests should account for non-energy benefits (NEBs): values beyond avoided energy costs, such as improved health, cleaner air, or higher property values. Proponents argue NEBs would more fully value programs that deliver public benefits, particularly decarbonization and equity measures. Opponents counter that NEBs do not deliver system cost savings to ratepayers and could raise overall system costs if used to deem a program "cost-effective" without reducing procurement or infrastructure costs. In 2024 the CPUC adopted the Societal Cost Test as an information-only supplemental test for distributed energy resources (not energy efficiency), incorporating a social discount rate, an air-quality

[56] 2024 California Electric and Gas Utility Costs Report https://webproda.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/ab67_puc913_102425.pdf
[57] D. 21-05-031, p. 2
[58] Total System Benefit Technical Guidance, https://pda.energydataweb.com/api/view/2530/DRAFT%20TSB%20Tech%20Guidance%20081621.pdf

value, and a greenhouse-gas adder — addressing some of the same concerns without formally changing the primary test.[59]

C. Cost-Effectiveness Measures

Resource-acquisition programs are measured by the Total Resource Cost (TRC) test — energy savings divided by program costs, including what participants themselves pay out of pocket. The Program Administrator Cost (PAC) test, sometimes called the Utility Cost test, uses the same benefit side but excludes participant costs from the denominator. For example, if a program offered a $1000 incentive to install an energy efficient appliance but the participant had to pay an additional $2000 for that appliance, the TRC denominator (cost) would include that additional $2000 paid for by the program participant, whereas the PAC would include the $1000 incentive cost. The difference is narrow in definition but consequential in effect: as programs increasingly involve large customer investments — heat-pump rebates, whole-home retrofits — the choice of test increasingly determines which programs are judged worthwhile.

The CPUC has favored the TRC on the grounds that it reflects the true total cost of delivering savings and that the PAC and Ratepayer Impact Measure "only look at a portion of the total costs."[60] Proponents of shifting to the PAC counter that it better answers the question the CPUC is actually trying to answer — whether ratepayer funds are being spent prudently — evaluated from the program administrator's and system's perspective rather than the individual participant's, and that the TRC's inclusion of participant costs can obscure the very barriers to participation that determine whether a program reaches customers at all.

Table 2. Comparison of proposed budgets, TSB, TRC, and PAC for 2028 portfolios.

	Total Budget	TSB	TRC – portfolio	PAC – portfolio	TRC – RA	PAC – RA
SCE[61]	$263,332,812	$1,101,502,020	1.40	4.30	1.28	1.51
PG&E[62]	$226,563,330	$1,327,337,117	1.48	5.37	4.70	5.92
SoCalGas	$150,000,000	$445,590,958	1.44	2.86	1.78	2.04
SoCal REN[63]	$79,415,056	$56,224,427	0.68	0.76	1.12	1.34
SDG&E[64]	$68,428,098	$268,615,866	1.43	3.94	2.39	2.86
Bay REN[65]	$44,661,255	$7,690,863	0.22	0.21	0.23	0.23
SD REN[66]	$41,219,821	$9,409,499	0.25	0.26	0.52	0.64
CCR REN[67]	$31,495,882	$32,432,602	0.92	1.03	1.24	1.46

[59] D.23-06-055; D.24-07-015; R.14-10-003.
[60] D.92-02-075, p. 36 (basing funding on the PAC "would lead to the inefficient allocation of resources, since investments would be based on an evaluation of only a portion of total costs"; the RIM test likewise "only looks at a portion of the total costs" and "does not identify least-cost resource options, from an economic efficiency perspective").
[61] A26-03-010
[62] A26-03-017
[63] Southern California REN, A26-03-015
[64] A26-03-012
[65] Bay Area REN, A26-03-009
[66] San Diego REN, A26-03-019
[67] Central California Rural REN, A26-03-020

Tri-county REN[68]	$24,490,106	$7,240,236	0.21	0.42	--	--
Inland REN[69]	$18,715,765	$562,987	0.03	0.03	--	--
Rural REN North[70]	$18,691,870	$4,496,531	0.32	0.32	--	--
MCE[71]	$15,577,044	$16,737,430	0.98	1.07	1.21	1.41
WestLight Energy[72]	$6,593,750	$5,272,530	0.58	0.80	0.68	0.98

D. Market support and equity evaluation.

Market support and equity programs are exempt from cost-effective evaluations but still must meet specified objectives and indicators for program success. However, there is no standardized goal or construct by which these programs are evaluated (like the TRC for cost effectiveness). In 2023, the CPUC required program administrators to propose potential goal constructs for market support and equity programs.[73] The CPUC is evaluating these proposals, meaning that there is presently no standardized evaluation practice for these types of programs. In 2025, program administrators submitted the goal constructs for CPUC consideration, including ensuring a count of participation in distinct groups to ensure target population are being served by equity programs.[74] These considerations remain ongoing at the CPUC.

E. Evaluating Trade-offs.

None of these choices has a clear right answer. A cost-effectiveness threshold protects ratepayers from funding programs that cost more than they deliver. But applied rigidly it can screen out equity programs and emerging technologies that serve state goals in ways the tests do not fully measure. Choosing the PAC over the TRC may better align with the state's decarbonization priorities, but at the cost of a metric that no longer accounts for what participants themselves spend. The goal of this hearing is not to resolve these trade-offs in advance, but to give the Committee and the public a clearer sense of what is actually being traded, so that the trade-offs might be weighed.

V. Recent Reviews and Reform Efforts.

Several recent reviews have examined whether ratepayer dollars for energy efficiency are being spent well. The report methodologies, scopes, and conclusions differ, and are summarized below. It is worth noting upfront that the CPUC's own statutory report on these programs describes their return in strongly positive terms, characterizing demand-side management spending — under 5% of revenue requirements — as demonstrating "a highly effective return on investment through

[68] A26-03-011
[69] A26-03-028
[70] A26-03-013
[71] Marin Clean Energy, A26-03-014
[72] A26-03-021
[73] D.23-06-055
[74] PG&E Advice Letter 5095-G/7664-E, filed 8/1/2025, https://www.pge.com/tariffs/assets/pdf/adviceletter/GAS_5095-G.pdf

lowered overall system energy costs."[75] The reviews below reach more mixed conclusions from overlapping data. Where the CPUC's own assessment and outside reviewers diverge, and why, is itself a question for the panel.

A. Executive Order N-5-24

On October 30, 2024, Governor Newsom issued Executive Order N-5-24, directing the CPUC to identify underperforming ratepayer-supported programs and return unused program funds to customers as bill credits. The order also directed the CPUC to evaluate whether its own rules and orders were unduly adding to rates, and whether certain program costs might more appropriately be funded from a source other than ratepayers, and directed the CEC to conduct a parallel review of its programs.[76] In response, the CPUC opened a new energy efficiency rulemaking that included a focus on cost-effectiveness.[77]

B. The California State Auditor's Report

In March 2025, at the direction of the Joint Legislative Audit Committee, the State Auditor issued Report 2023-127, titled *California Public Utilities Commission: Without Improving Its Oversight, the Benefits of Energy Efficiency Programs May Not Be Worth Their Cost to Ratepayers*. Reviewing the 2012–2022 portfolios of the four large IOUs and 20 specific programs, the Auditor found that the portfolios generally fell short of their savings goals, were rarely cost-effective, and that the reviewed programs generally achieved neither their expected savings nor cost-effectiveness.[78] Two of the Auditor's findings concerned oversight rather than any single program: the CPUC funded independent program evaluations but did not consistently ensure that program administrators acted on the resulting recommendations, and it had permitted program administrators to operate programs for years that met neither their savings goals nor the cost-effectiveness test.

The Auditor recommended a suite of actions to address some of their findings, all of which the CPUC agreed with. This included requiring program administrators to create corrective action plans when programs do not meet energy-savings goals or are not cost-effective. The report also recommended the CPUC track the status of recommendations resulting from Evaluation, Measurement, and Value (EM&V) Studies to ensure program administrators are implementing the findings from these studies. As noted by the Auditor's office, the CPUC has not shown a formalized process for creating corrective action plans.[79] While the Auditor notes that the CPUC has developed a tracking process for ensuring EM&V recommendations are implemented by program administrators,[80] there has also been no formalized process or public decision to ensure these audit recommendations are implemented.

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[75] Report on Demand-Side Management Programs, CPUC, July 2025, Executive Summary, supra.
[76] Office of Governor Gavin Newsom, "Governor Newsom Issues Executive Order Tackling Rising Electric Bills" (Oct. 30, 2024); Executive Order N-5-24 - https://www.gov.ca.gov/wp-content/uploads/2024/10/energy-EO-10-30-24.pdf
[77] https://www.cpuc.ca.gov/-/media/cpuc-website/industries-and-topics/reports/cpuc-response-to-executive-order-n-5-24.pdf
[78] California State Auditor, Report 2023-127, *California Public Utilities Commission: Without Improving Its Oversight, the Benefits of Energy Efficiency Programs May Not Be Worth Their Cost to Ratepayers* (Mar. 18, 2025). https://www.auditor.ca.gov/reports/2023-127/
[79] Recommendation 3, https://www.auditor.ca.gov/reports/responses-2023-127-all/
[80] Recommendation 9, https://www.auditor.ca.gov/reports/responses-2023-127-all/

C. The Public Advocates Office.

In a March 2025 report, PAO reported that more than 63% of the reviewed programs failed to meet cost-effectiveness criteria, and that over the prior four years, ratepayers had contributed more than $1.3 billion to programs it concluded did not produce sufficient benefits to justify their cost.[81] It should be noted that in 2021, the CPUC modified policy regarding cost-effectiveness requirements, changing the policy to no longer require the entire portfolio to be cost effective, and instead apply cost-effectiveness measures only to resource acquisition programs (see Box 1 for the distinction).[82] The analysis done by the PAO was not specific to programs beholden to cost-effectiveness standards, which may have impacted some of their findings. However, this may not have changed the conclusion drawn about reevaluating funding sources for RENs. As noted above, RENs are not required to offer cost-effective programs as part of their portfolio given the focus on market support and equity programs. The PAO report raises the possibility of finding an alternative funding source for the programs offered by RENs. The idea to move energy efficiency programs to an alternative funding source is not new,[83] but as seen in previous legislative proposals,[84] the idea appears to lack the feasibility and traction to be implemented.

D. Ongoing CPUC rulemakings.

In April of 2025, the CPUC opened a new rulemaking proceeding for the oversight of energy efficiency portfolios, policies, programs, and evaluations.[85] This proceeding is the successor to the most recently closed rulemaking – R.13-11-005. There are a number of issues within the scope of this rulemaking, including for the sake of this hearing, portfolio oversight and cost-effectiveness. The most recent developments with this proceeding are related to natural gas energy efficiency incentives and the budget approach for CCAs that elect to administer. It is unclear how and when the rulemaking will take up discussions specific to portfolio oversight reform or cost-effectiveness measurements.

Related to energy efficiency is the CPUC's ongoing rulemaking related to distributed energy resource (DER) program cost-effectiveness issues (among other topics).[86] This is related to energy efficiency programs because the same calculations (such as TRC) used to evaluate other types of DERs are also used to evaluate energy efficiency programs.

VI. Inefficient Efficiency: The Cost of the System Itself.

Cost-effectiveness is just one measure of program and portfolio success. It does not measure whether the *system* that produces, reviews, and delivers programs is itself efficient or cost-

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[81] Public Advocates Office, "Addressing Underperforming Ratepayer-Funded Programs" (Mar. 12, 2025). https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/250312-public-advocates-office-addressing-underperforming-ratepayer-funded-programs.pdf

[82] D.21-05-031

[83] Reforming California's Energy Efficiency Programs to Lower Bills and Safeguard Statewide Benefits, California Environmental Legislation and Policy Clinic, UCLA School of Law, December 2025, https://law.ucla.edu/sites/default/files/PDFs/Publications/Emmett%20Institute/Reforming%20CAs%20EE%20Programs%20to%20Lower%20Bills%20and%20Safeguard%20Statewide%20Benefits_FINAL.pdf

[84] See AB 2508 (Hoover, 2026), AB 982 (Villlapudua, 2023), AB 2765 (Santiago, 2022)

[85] R.25-04-010

[86] R.22-11-013

effective. Several features of the current structure may impose costs that never appear in any single program's evaluation but impose barriers or unnecessary costs to program delivery.

A. Overlapping offerings.

With twelve, potentially thirteen, administrators sometimes operating in overlapping territories, similar programs are sometimes developed independently. The CPUC's own guidance recognizes that some overlap can be positive, where administrators coordinate and intentionally target different segments, but it also directs RENs to focus on the hardest-to-reach customers specifically where their offerings might otherwise overlap with an IOU's.[87] Administrators operating in the same area are required to file Joint Cooperation Memoranda (JCMs) describing how they will align offerings, but the CPUC has not conducted a comprehensive review of whether JCMs actually reduce overlap, and it is the administrators themselves who decide when duplication is acceptable. The 2024–2025 JCM filed by SDREN and SDG&E illustrates the limits of self-reported coordination: it describes each administrator's workforce-training offerings as "distinct," even though both target the same disadvantaged and hard-to-reach communities with substantially similar services, and participants eligible for both simply choose which one to enroll in.[88] That does not necessarily mean the overlap is wasteful — offering multiple, differently-branded entry points can be a deliberate outreach strategy for reaching an underserved population through more than one trusted messenger. It does mean that, as currently reported, the Committee has little insight into which explanation applies in a given case.

B. Review and verification.

The processes standing between an authorized budget and a completed project — pre-installation review, competitive solicitation, ongoing contract management, post-installation review, and CPUC evaluation — each exist for a stated reason, chiefly to verify that claimed savings are real. Figure 3 above shows the stages a custom project passes through under CPUC jurisdiction; Figure 4 shows the equivalent process outside CPUC jurisdiction, at a POU. The CPUC-authorized process includes three additional Energy Division checkpoints that do not exist in the non-CPUC version.

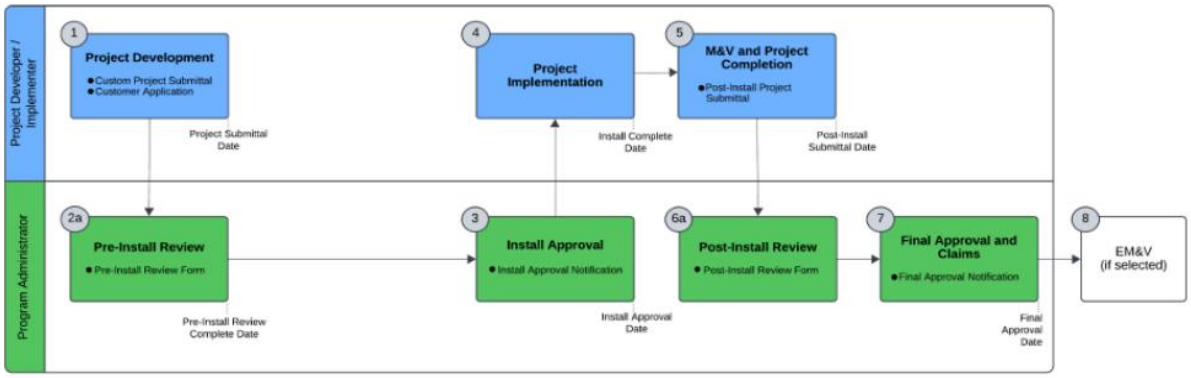

Figure 4. Equivalent custom project stages outside CPUC jurisdiction (non-CPUC programs).

[87]D.23-06-055; D.18-05-041.

[88]San Diego Regional Energy Network & San Diego Gas & Electric, 2024-2025 Joint Cooperation Memorandum, at 13, 15, https://www.caeecc.org/_files/ugd/849f65_dffbf21eca2041feaa4811fba972ad87.pdf.

In 2016, IOUs submitted over 14,000 custom projects for review; the CPUC selected less than 1% for pre-installation ("ex ante") review.[89] Post-installation evaluation is smaller still — roughly 200 projects a year, about 4% of completed projects — though it is weighted toward the largest projects and covered about 20% of statewide electric and 43% of statewide gas savings in the most recently completed evaluation cycle. Among the projects evaluated, actual realized savings ran only 45% to 62% of what was estimated at the outset.[90] Reasonable people can read these data differently. Some may see evidence that oversight is thinnest exactly where verification matters most; others may see a sensible, risk-based sampling approach that concentrates limited CPUC staff time on the largest, most consequential projects. Both readings are worth putting to the panel directly.

C. A live example: SDG&E pending application.

In April 2025, SDG&E filed an application to discontinue regional energy efficiency program administration, closing the majority of its regional programs and transferring its remaining statewide programs to other IOUs, citing a goal to "reduce redundancies and close non-cost-effective programs" and to create statewide efficiencies by consolidating administration with entities better positioned to run it.[91] The application would cut SDG&E's energy efficiency budget by approximately $300 million between 2026 and 2031 and would exempt SDG&E from certain IOU program-administrator requirements, including the 30% market-support-and-equity cap. SCE's response brief in the same proceeding raised a related concern — that the growing number of non-IOU administrators has created overlapping offerings without consistent cost-effectiveness standards across the portfolio.[92] Other stakeholders in that proceeding may see it differently — as a budget-driven retreat from the equity and market-support work RENs are specifically positioned to deliver, rather than evidence the model itself is broken. The Committee may want to ask panelists directly how they read SDG&E's application: an early signal the program-administrator model needs updating, or one utility's response to its own specific affordability pressures?

VII. Questions for the Panelists.

- Cost-effectiveness is one of the primary measures to judge program success. What are the strongest arguments for and against the CPUC's reliance on the Total Resource Cost test over the Program Administrator Cost test? Is there a workable way to account for non-energy benefits that Total System Benefits does not currently capture?
- Twelve entities currently administer energy efficiency portfolios, each created for different reasons. Given SDG&E's pending application to withdraw from regional energy efficiency programs, does the current program-administrator model still match the purposes it was designed to serve? Should there be any permissible overlap or duplication between IOU and REN offerings, and how should it be managed?

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[89] CPUC Energy Division, Custom Project Review Process (internal informational memorandum).
[90] Id., Table 2 (2013–2015 Custom Impact Evaluations for Industrial, Agriculture, and Large Commercial sectors, prepared by Itron).
[91] Application of San Diego Gas & Electric Company (U 902-M) to Revise its 2024-2031 Energy Efficiency Rolling Portfolio Business Plan, A.25-04- (filed Apr. 25, 2025), at 1–3.
[92] Cited in Reforming California's Energy Efficiency Programs to Lower Bills and Safeguard Statewide Benefits, UCLA School of Law CELP Clinic, Dec. 2025, at 7–8.

- The Total Resource Cost and net-to-gross both take into consideration the participants costs and willingness to participate. Are both necessary to evaluate the cost-effectiveness of energy efficiency programs? Does the duplicative nature of these measures result in discounted energy savings from program implementation?
- The State Auditor and Public Advocates Office reached critical findings. The CPUC's own report to the Legislature reaches a considerably more positive assessment from overlapping data. How should the Committee weigh these different accounts, and what would help reconcile them going forward?
- Based on findings from the State Auditor's Office, there may be room for improvement in how the CPUC oversees energy efficiency portfolios. Related to those suggestions, what should the CPUC's role be in directing that programs be ended, in tracking duplicative offerings across administrators, and in ensuring that EM&V recommendations result in program changes?
- For programs that are not held to a cost-effectiveness threshold, such as market support and equity programs, what should be the standard of success and who should decide it? Should these programs be funded by ratepayers if they are exempt from cost-effectiveness requirements?
- As California moves toward 100% clean electricity and broader electrification, should energy efficiency programs be designed and evaluated together with demand response and other flexible-load programs? What would that require, and what would be lost by moving away from evaluating efficiency on its own terms?
- Where in the current regulatory and administrative process do panelists see the clearest opportunities to reduce costs and delay without weakening the oversight that protects ratepayers?
- The CPUC's Section 913.5 report to the Legislature is comprehensive but data-dense. What would make future reporting more useful for the Legislature's ongoing oversight, without creating a new reporting burden that itself adds cost?

VIII. Conclusion.

California's energy efficiency programs have a fifty-year track record and broad credit for helping keep the state's per-capita electricity use flat even as the national average rose. That track record does not settle the questions this hearing raises: whether the mix of programs and the way they are measured still fit a grid that is changing, whether the multi-administrator model still matches the purposes it was built for, and whether the Legislature's own oversight tools give it what it needs to judge these programs on an ongoing basis. The State Auditor, the Public Advocates Office, the CPUC's own reporting, and an IOU's own application to restructure its portfolio all offer different, sometimes conflicting, answers to those questions. This hearing is an opportunity to hear directly from the people running, evaluating, and overseeing these programs — and to let their testimony shape the Committee's conclusions on how best to ensure that the money ratepayers contribute to energy efficiency continues to buy savings worth the investment.

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