

Proceeding: A.26-03-009 et al.
Exhibit No.: 3C-REN-05
Date: September 30, 2026
Witnesses: Various

TRI-COUNTY REGIONAL ENERGY NETWORK

2028-2031 PORTFOLIO PLAN AND 2028-2035 BUSINESS PLAN

SUPPLEMENTAL TESTIMONY

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I. Summary of Application and Exhibit Changes

The following tables provide updated values and a log of changes made to the March 16, 2026, *Application of the County of Ventura (CPUC ID 220) for Approval of the Tri-County Regional Energy Network 2028-2031 Portfolio Plan and 2028-2035 Business Plan* (Application), Exhibits 3C-REN-01, 3C-REN-02, and the Application Tables excel workbook to reflect corrected Avoided Cost Calculator/Cost Effectiveness Test tool inputs and nonsubstantive corrections pursuant to the September 2, 2026, *Administrative Law Judge's Ruling Directing Submission of Corrections and Supplemental Information from All Business Plan Applicants* (September 2 Ruling) and the September 9, 2026, *E-mail Ruling Granting Motion for Extension of Time to Comply with September 2, 2026 Ruling*.

Table 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	\$0	\$0	0.00%	\$0	\$0	0.00%
Market Support	\$17,018,186	\$17,018,187	0.00%	\$0	\$0	0.00%
Equity	\$74,475,378	\$74,475,378	0.00%	\$34,197,490	\$33,986,579	-0.62%
EM&V	\$0	\$0	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$91,493,564	\$91,493,565	0.00%	\$34,197,490	\$33,986,579	-0.62%
Codes and Standards	\$8,989,276	\$8,989,276	0.00%	\$0	\$0	0.00%
Total Portfolio Including C&S	\$100,482,840	\$100,482,841	0.00%	\$34,197,490	\$33,986,579	-0.62%
2032-2035 Portfolio						
Resource Acquisition	\$0	\$0	0.00%	\$0	\$0	0.00%
Market Support	\$22,968,604	\$22,968,604	0.00%	\$0	\$0	0.00%
Equity	\$84,625,498	\$84,625,498	0.00%	\$41,348,374	\$41,058,661	-0.70%
EM&V	\$4,920,755	\$4,920,755	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$112,514,857	\$112,514,857	0.00%	\$41,348,374	\$41,058,661	-0.70%
Codes & Standards	\$10,504,023	\$10,504,023	0.00%	\$0	\$0	0.00%
Total Portfolio Including C&S	\$123,018,880	\$123,018,880	0.00%	\$41,348,374	\$41,058,661	-0.70%
2028-2035 Total						
Resource Acquisition	\$0	\$0	0.00%	\$0	\$0	0.00%
Market Support	\$39,986,790	\$39,986,791	0.00%	\$0	\$0	0.00%
Equity	\$159,100,876	\$159,100,876	0.00%	\$75,545,864	\$75,045,240	-0.66%
EM&V	\$4,920,755	\$4,920,755	0.00%	\$0	\$0	0.00%
Total Portfolio Excluding C&S	\$204,008,421	\$204,008,422	0.00%	\$75,545,864	\$75,045,240	-0.66%
Codes & Standards	\$19,493,299	\$19,493,299	0.00%	\$0	\$0	0.00%
Total Portfolio Including C&S	\$223,501,720	\$223,501,721	0.00%	\$75,545,864	\$75,045,240	-0.66%

Table 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	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Market Support	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Equity	0.26	0.26	0.41%	0.07%	0.32%	1.48%	1.56%
EM&V	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Total Portfolio Excluding C&S	0.24	0.24	0.69%	0.18%	0.36%	1.36%	1.42%
Codes & Standards	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Total Portfolio Including C&S	0.23	0.23	0.45%	0.22%	0.38%	1.31%	1.37%

*Values calculated using the rollup methodology described in the CEDARS CET User Guide, "How are cost effectiveness, savings, and budgets rolled up?" (cedars.cpuc.ca.gov)

Table 3 : Summary of Testimony Update Locations

Document (Testimony or Excel)	Exhibit	Chapter	Page/Sheet	Table, Figure, or Line Number	Summary of Change
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Total System Benefit (TSB)	Adjusted TSB to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Total Resource Cost (TRC) Ratio	Adjusted TRC to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Program Administrator Cost (PAC) Ratio	Adjusted PAC to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Societal Cost Test (SCT) - Base	Adjusted SCT to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Societal Cost Test (SCT) - High	Adjusted SCT to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Ratepayer Impact Measure Test Ratio (RIM)	Adjusted RIM to reflect impacts from ACC change.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Lifecycle MWh/GWh	Adjusted to correct previous data transfer error.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: First Year MW	Adjusted to correct previous data transfer error.

Document (Testimony or Excel)	Exhibit	Chapter	Page/Sheet	Table, Figure, or Line Number	Summary of Change
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Lifecycle MMOTHERMS	Adjusted to correct previous data transfer error.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Lifecycle Net Electric CO2 Metric Tons	Adjusted to correct previous data transfer error.
Testimony	1	2	29	Table 2-7. 4-year Portfolio Forecast Summary (2028-2031); Line: Lifecycle Net Gas CO2 Metric Tons	Adjusted to correct previous data transfer error.
Testimony	2	n/a	9	Program Card for TCR-COM-001 COMMERCIAL MARKETPLACE	Adjusted TSB to reflect impacts from ACC change.
Testimony	2	n/a	13	Program Card for TCR-RES-002 MULTIFAMILY HOME ENERGY SAVINGS	Adjusted TSB to reflect impacts from ACC change.
Testimony	2	n/a	14	Program Card for TCR-RES-002 MULTIFAMILY HOME ENERGY SAVINGS	Adjusted CET ratios to reflect impacts from ACC change.
Testimony	2	n/a	18	Program Card for TCR-RES-003 SINGLE FAMILY NMEC (HOME ENERGY SAVINGS)	Adjusted TSB and CET ratios to reflect impacts from ACC change.
Testimony	3	n/a	n/a; all pages updated	n/a; all pages updated	Replaced CEDARS filing receipts with receipts for September 22, 2026 runs
Excel Workbook	n/a	n/a	1. Participant Bill Impacts	Cell F18	Corrected formula in one cell due to formula error identified.
Excel Workbook	n/a	n/a	4.1 Program Budget	All	Corrected all values associated with ACC revision.

Document (Testimony or Excel)	Exhibit	Chapter	Page/Sheet	Table, Figure, or Line Number	Summary of Change
Excel Workbook	n/a	n/a	4.2 Sector Seg Budget	All	Corrected all values associated with ACC revision.
Excel Workbook	n/a	n/a	4.3 TSB and C&S Targets	Columns G-I and blue cells	Corrected to zeros in Columns G-I as there are no C&S savings values to report and full portfolio values were reported prior.
Excel Workbook	n/a	n/a	Budget Filing Data	All	Corrected all values associated with ACC revision.
Excel Workbook	n/a	n/a	10 Indicators and Metrics	All	Corrected copy and paste error for multifamily forecasts, some values for multifamily forecasts reported full portfolio values. Also corrected all values associated with ACC revision.
Excel Workbook	n/a	n/a	11 Program Card	All	Corrected all values associated with ACC revision.

II. Supplemental Testimony Regarding CARB Clean Space and Water Heater Standards

In response to the questions set forth in the September 2 Ruling, the Tri-County Regional Energy Network (3C-REN) submits the following supplemental testimony in its Application.

Q1: Does your business plan application consider the impact of the California Air Resources 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?

Yes. 3C-REN's Application already anticipates and aligns with the market transition expected from potential CARB regulations affecting residential and commercial space and water heating as part of its broader building-decarbonization strategy. The Application explains that 3C-REN's strategy is shaped by evolving statewide policy and market conditions, including California's goal of installing six million heat pumps by 2030, anticipated CARB policies affecting gas furnaces and water heaters beginning in 2030, and continued statewide investment in heat-pump market-transformation initiatives.¹

Importantly, adoption of CARB's proposal would reinforce, not fundamentally alter, the direction of 3C-REN's proposed portfolio. The Application advances this strategy through programs serving residential, multifamily, and commercial customers. The Home Energy Savings, Multifamily Home Energy Savings, and Commercial Energy Savings programs support electrification and comprehensive building improvements, including heat-pump HVAC and water-heating measures. Building Performance Training develops local workforce capacity related to heat-pump technologies and high-performance buildings. Energy Code Connect provides training

¹ A.26-03-009 et al., Exhibit 3C-REN-01R, *Tri-County Regional Energy Network 2028-2035 Business Plan Direct Testimony*, at 47.

and technical assistance concerning Title 24, electrification, heat-pump water heating, permitting, equipment sizing, installation practices, and code compliance.

CARB's proposal is not an equipment-replacement or building-level installation mandate. Rather, the potential rules would set limits on sales of GHG-emitting space and water heaters that a manufacturer can sell in California each calendar year starting in 2030.² Owners could continue operating and repairing existing equipment, and individual projects would not be required to use a specific technology. By changing the mix of equipment sold in California, however, the proposal could increase the availability and adoption of zero-emission equipment in both residential and commercial markets, complementing 3C-REN's existing electrification, technical-assistance, workforce, and code-support activities. That transition makes 3C-REN's existing focus on workforce readiness, technical assistance, customer education, code support, and equitable access to efficient electric technologies even more important.

The proposal would also operate within an existing regulatory framework that 3C-REN's programs already consider. Title 24 governs the energy performance of new construction, additions, and covered alterations; federal standards establish minimum equipment efficiencies; and regional air districts may establish separate NO_x-emission limits. Federal requirements include amended consumer water-heater standards generally applicable to covered residential products manufactured on or after May 6, 2029, as well as amended commercial water-heating equipment standards with an October 6, 2026 compliance date.

Federal efficiency standards, CARB sales requirements, Title 24, and regional air-quality rules address different aspects of the equipment and building markets; therefore, multiple

² California Air Resources Board, *Zero – Emission Space and Water Heater Standards* (Dec. 11, 2025) at 8, 11, available at https://ww2.arb.ca.gov/sites/default/files/2025-12/December_2025_Workshop_Slides_ADA.pdf.

requirements may apply to a given project. Although the final CARB requirements could affect certain technical and operational assumptions, any resulting updates would be implementation considerations within the portfolio's existing direction rather than changes to its overall strategy.

The 3C-REN Business Plan Application does not need to be revised to incorporate proposed CARB requirements. 3C-REN may make future updates to its program manuals, implementation plans, incentives, or other portfolio elements if the regulation is adopted. Depending on when the CARB regulations are, the 2027 True-Up Advice Letter (TUAL) or 2029 Mid-Cycle Advice Letter (MCAL) would provide an opportunity to align the portfolio with the latest regulatory guidance. The nature and extent of any updates cannot be determined until CARB finalizes the covered products, sales limits, credit provisions, exemptions, enforcement requirements, and implementation schedule. 3C-REN will continue monitoring the CARB rulemaking and use the TUAL or MCAL process, as appropriate, to address any material effects on its portfolio.

Q2. *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.caeec.org/market-rate-ee-r25-04-101>, for reference and required fields.*

Not Applicable. The Commission has determined that third-party requirements do not apply to non-utility EE portfolio administrators.³ 3C-REN therefore does not administer third-party programs, so it does not have a third-party solicitation schedule.

³ D.16-08-019, *Decision Providing Guidance for Initial Energy Efficiency Rolling Portfolio Business Plan Filings*, (Aug. 25, 2016), Conclusion of Law 60; see also D.18-01-004, *Decision Addressing Third Party Solicitation Process for Energy Efficiency Programs*, (Jan. 17, 2018) at 46-47; see also D.23-02-002, *Decision Addressing Energy Efficiency Third-Party Processes and Other Issues*, (Feb. 2, 2023), Finding of Fact 1.