1st Quarter Activity Report

April 22, 2025

CalMTA is a program of the California Public Utilities Commission and is administered by Resource Innovations.

Agenda

Time	Agenda Item	Presenter
Part 1: Quarterly Activity Report		
1:00 p.m.	**1. Welcome, Agenda, & Introductions**	Stacey Hobart
1:10 p.m.	**2. CalMTA First Quarter Activity Report**	CalMTA Team
3:30 p.m.	*Break (20 min)*	
Part 2: Continued MTAB Meeting		
3:50 p.m.	**3. Review Draft MTAB Meeting Notes 2/19/25**	Stacey Hobart
3:55 p.m.	**4. Annual MTAB Charter & COI Refresher**	Stacey Hobart
4:10 p.m.	**5. CalMTA Application Update**	Lynette Curthoys
4:25 p.m.	**6. Review of Disposition Report for 2024 Request for Ideas**	Jennifer Barnes
4:45 p.m.	**7. Public Comment**	
4:55 p.m.	**8. Next Meeting & Next Steps**	Stacey Hobart
5:00 p.m.	*Adjourn*	
	Honoring Nils Strindberg	

Phone participants will be muted during the meeting and can raise their hand during public comments to be unmuted.

ACTIVITY REPORT

1st Quarter 2025

CalMTA made substantial progress on several operational and market transformation initiative (MTI) development milestones in the 1st quarter of 2025, driving us closer to MTI implementation and achieving California's goals for cost-effective energy efficiency, decarbonization, workforce development, and equity.

For previous Quarterly Reports, visit: Resources and Reports

For the 2025 CalMTA Operations Plan, visit: 2025 Operations Plan

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SECTION 01

Introduction

Stacey Hobart
Principal of Engagement &
Communications

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1st quarter key outcomes

2025 Operations Plan

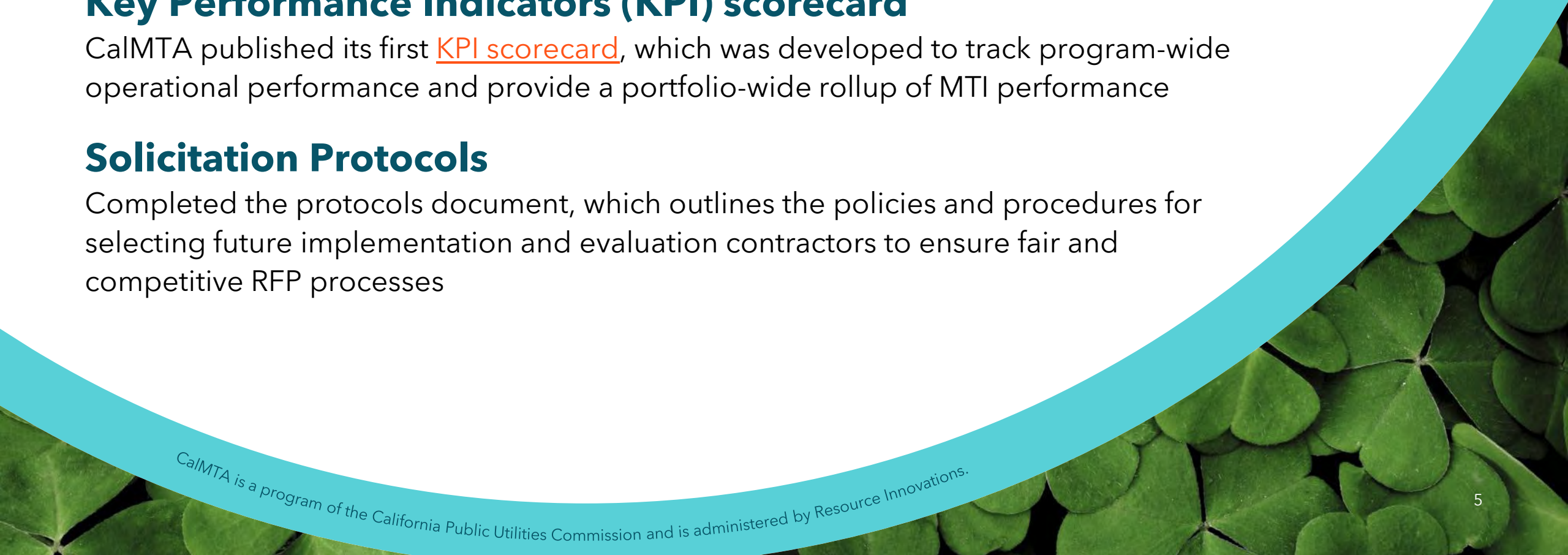
CalMTA published and began implementing the 2025 Operations Plan

Key Performance Indicators (KPI) scorecard

CalMTA published its first KPI scorecard, which was developed to track program-wide operational performance and provide a portfolio-wide rollup of MTI performance

Solicitation Protocols

Completed the protocols document, which outlines the policies and procedures for selecting future implementation and evaluation contractors to ensure fair and competitive RFP processes



1st quarter key outcomes

New Phase I MT idea

After scoring the second Request for Ideas (RFI) and drafting a Disposition Report, CalMTA launched development of the Advancement Plan for a new MT idea on optimizing energy performance in commercial buildings

National Room Heat Pump (RHP) Collaborative

CalMTA launched the RHP Collaborative to aggregate data, share pilot experiences, and measure development for programs both in and outside of CA to help build demand

Stakeholder survey

A survey was created and distributed to CalMTA stakeholders to better understand how California's market transformation efforts are being perceived

SECTION 02

MTI Development

Stacey Hobart
Principal of Engagement and Communications

Commercial Building Efficiency Accelerator (CBEA)

Key 1st quarter activities:

- **Phase I update** memo and presentation delivered to MTAB describing rationale for prioritization of ideas, preliminary MT Theory, CalMTA role, leverage points, and Phase I priority activities for (formerly) Building Performance Standards Accelerator
- **Launched CBEA Advancement Plan** at the end of February: held kickoff meeting, created project team, developed schedule, and assigned project roles
- **Convened a two-day in-person meeting** to create the conceptual logic model and begin Advancement Plan drafting

MTIs in Phase II

Room Heat Pumps

Induction Cooking

Commercial Rooftop Units

Foodservice Water Heating Systems

Commercial Replacement & Attachment Window Solutions

Residential Heat Pump Water Heating

Section 2.1 Forming Initiatives

Alex Wurzel, Program Manager

Marlee Konikoff, Market Researcher

Elaine Miller, Senior Strategy Manager

Alex Opipari, Market Researcher

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Room Heat Pumps

Room Heat Pumps outreach:

RHP Collaborative

- Held inaugural meeting on February 19 with RHP Collaborative partners – the Northwest Energy Efficiency Alliance (NEEA), New York State Energy Research and Development Authority (NYSERDA), and the Consortium for Energy Efficiency (CEE)
- 15+ participants at each meeting, including representatives from SCE, Eversource, MN CEE, Energy Solutions, NEEP, AEA, National Grid, EPRI, VEIC, and CalNEXT
- Convened in-person meeting at ACEEE Hot Air Forum on March 5
- Tackling issues like naming convention, labeling, data consolidation
- Up next: meeting in May

Room Heat Pumps:
Research activities

- **Window stock research**
  - Preliminary research revealed need for additional data
  - Completed first draft of survey, to be conducted and results evaluated in the 2nd quarter
  - Utilizing manufacturer input for key measurements

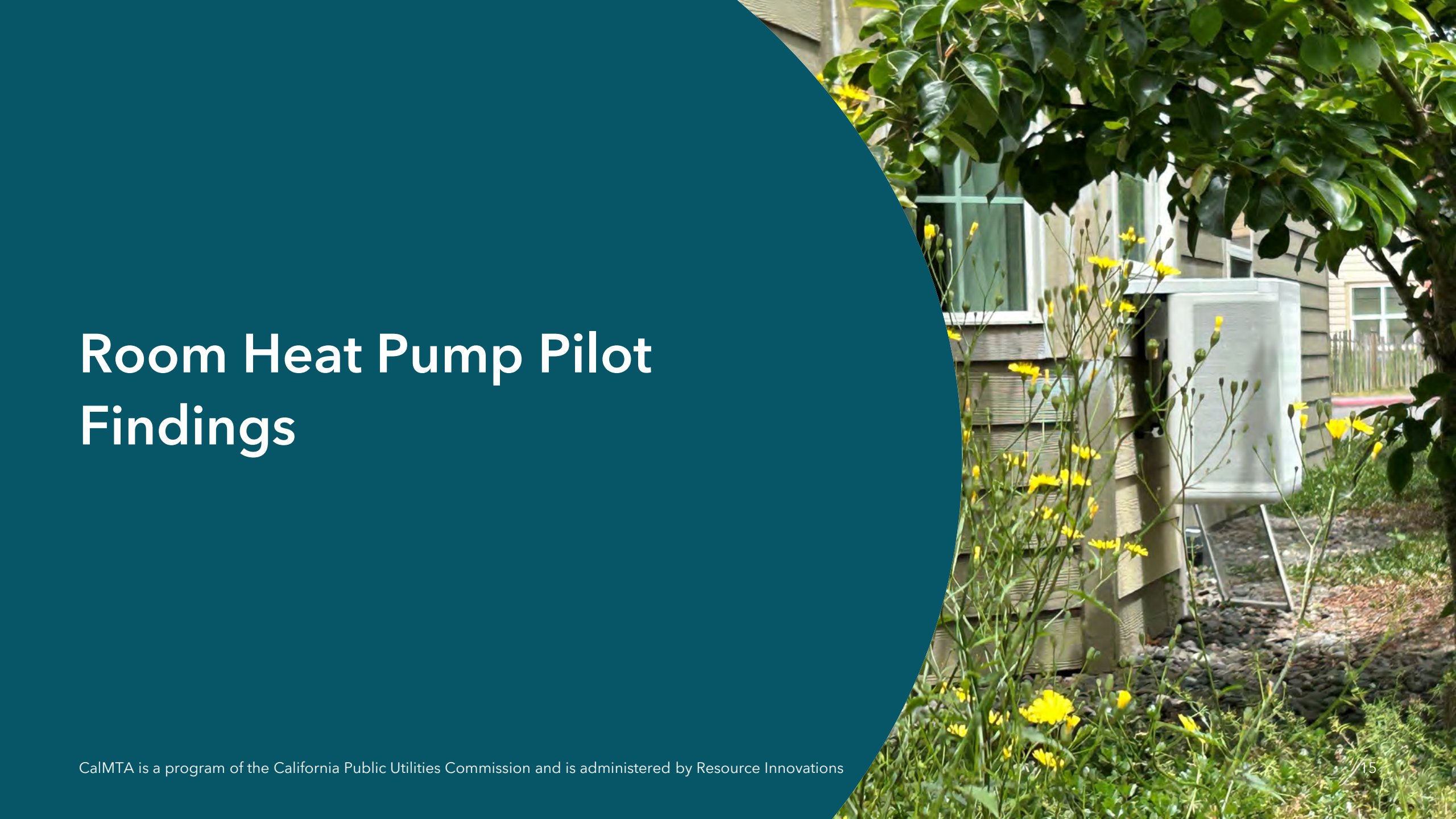
Lab testing

  - Five units testing to new ENERGY STAR test procedure
  - Additional load-based testing for real-world part-load performance (or how well a variable speed heat pump operates at partial capacity)
  - Inform energy modeling for measure packages and bill impacts
  - Testing to conclude at the end of May, shared results in August

Room Heat Pumps:
Research activities continued

- **Tech Challenge**
  - Meetings with the Building Decarbonization Coalition and the New York City Housing Authority
  - Discussing with manufacturers
  - Preliminary planning meetings for specification, form factor, demand aggregation
- **RHP Self-Installation Strategy Pilot Assessment Report preparations**

Room Heat Pump Pilot Findings



Strategy Pilot Background

- CalMTA partnered with three local organizations that have connections to environmental and social justice (ESJ) communities:
  1) Redwood Energy (Humboldt County) (n=34)
  2) El Concilio (San Mateo Country) (n=46
  3) U.S. Green Building Council – California (Los Angeles County) (n=46)

- Provided partners with room heat pump units at no cost for distribution and installation

- Partners recruited participants to self-install units and share feedback through two surveys:
  1) post-installation survey
  2) user experience survey

Strategy Pilot Types of Room Heat Pumps, AC

CalMTA engaged with manufacturers to secure approximately 150 units:

“Saddlebag” units (n=53)

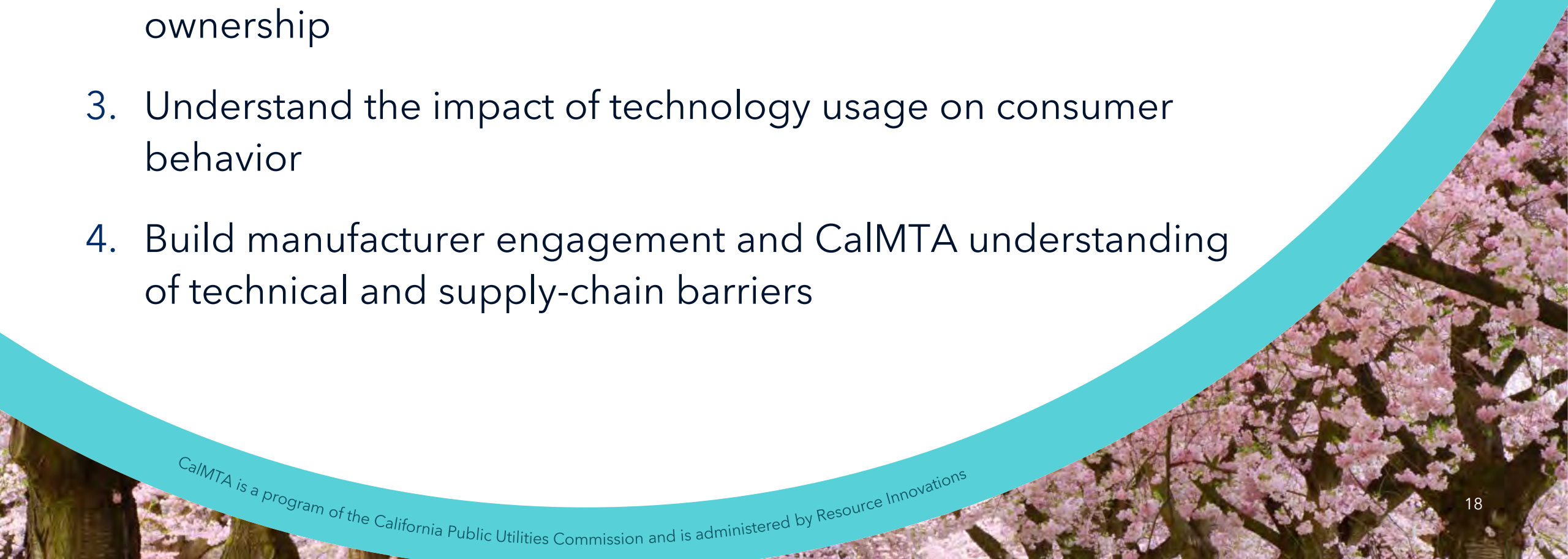
U-shaped units (n=18)

Conventional window units (n=10)

Portable products (n=45)

Strategy Pilot objectives

1. Verify the opportunity of room heat pump self-installation
2. Verify the consumer value proposition, including value of self-ownership
3. Understand the impact of technology usage on consumer behavior
4. Build manufacturer engagement and CalMTA understanding of technical and supply-chain barriers

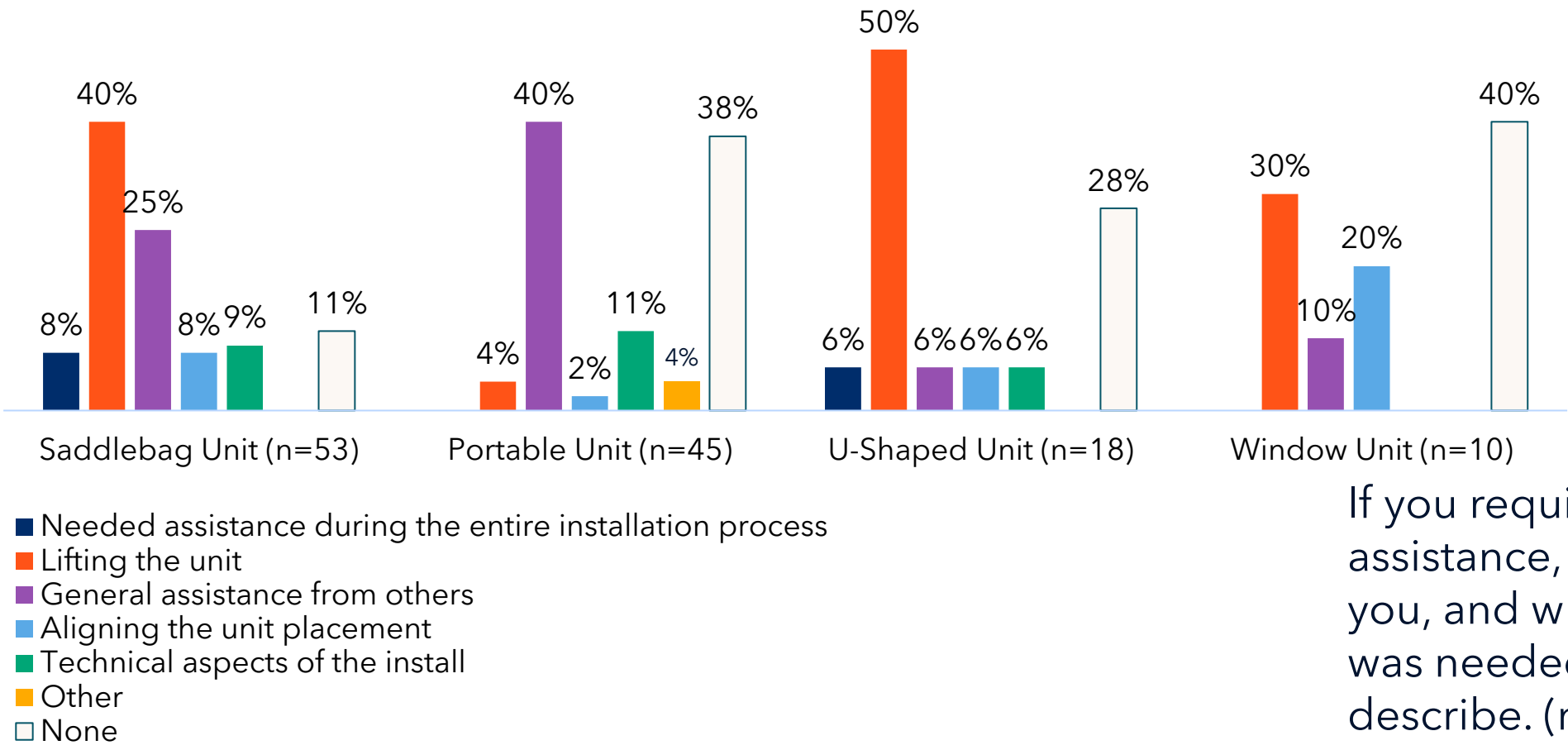


Customer feedback activities

Survey type	Survey information	Topics covered
Post-Installation Survey (n=126)	The Post-Installation Survey was administered by CBOs and was completed either directly after the installation or completed and returned by the participant.	• Type of unit installed • Types of cooling and heating systems in home prior to installation • Installation process • Satisfaction
User Experience Survey (n=94)	The User Experience Survey (UX Survey) was completed 30 days or more after the installation in order to capture participants' feedback after using their room heat pump.	• Satisfaction • Heat pump usage • Issues • Moving the unit

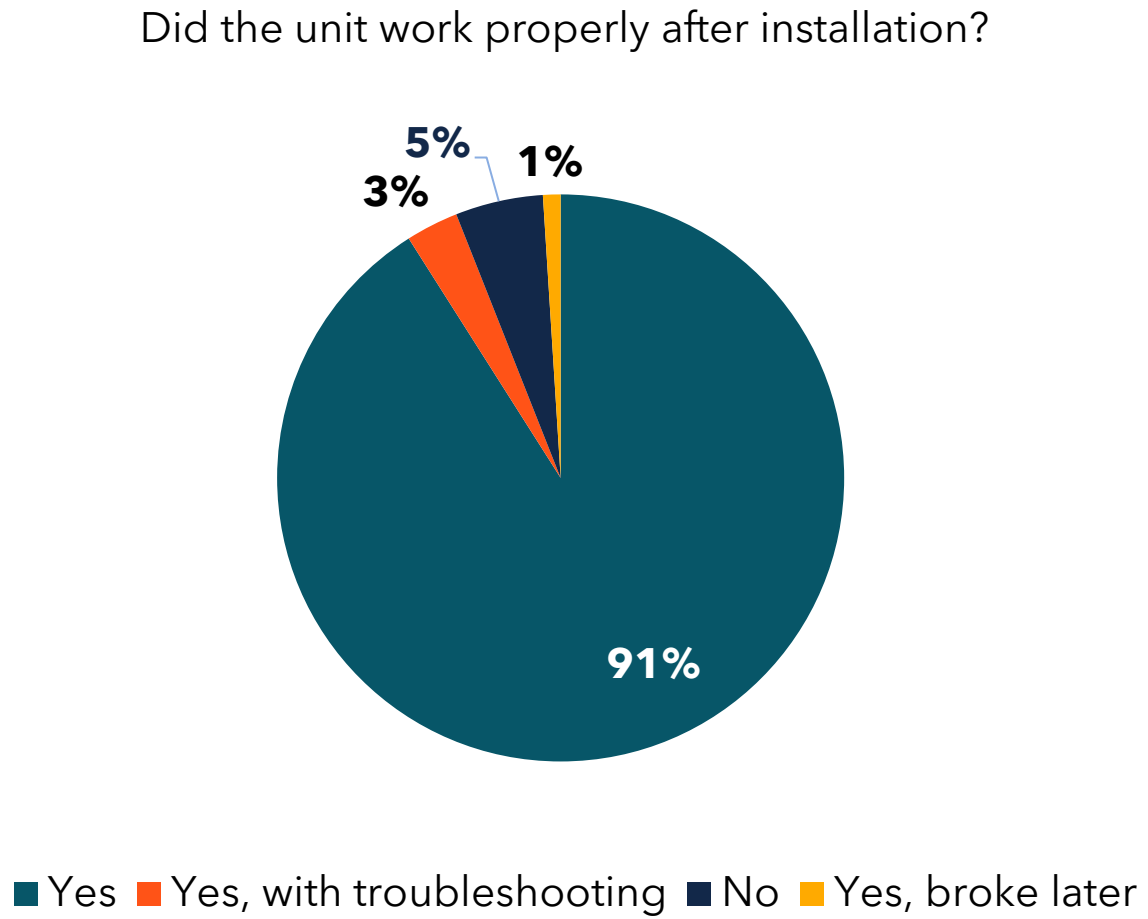
Post-Installation Survey Findings

Most respondents (75%) required assistance to complete the installation



If you required assistance, who assisted you, and what assistance was needed? Please describe. (n=126)

Most units worked properly after installation and few respondents needed to make adjustments after install

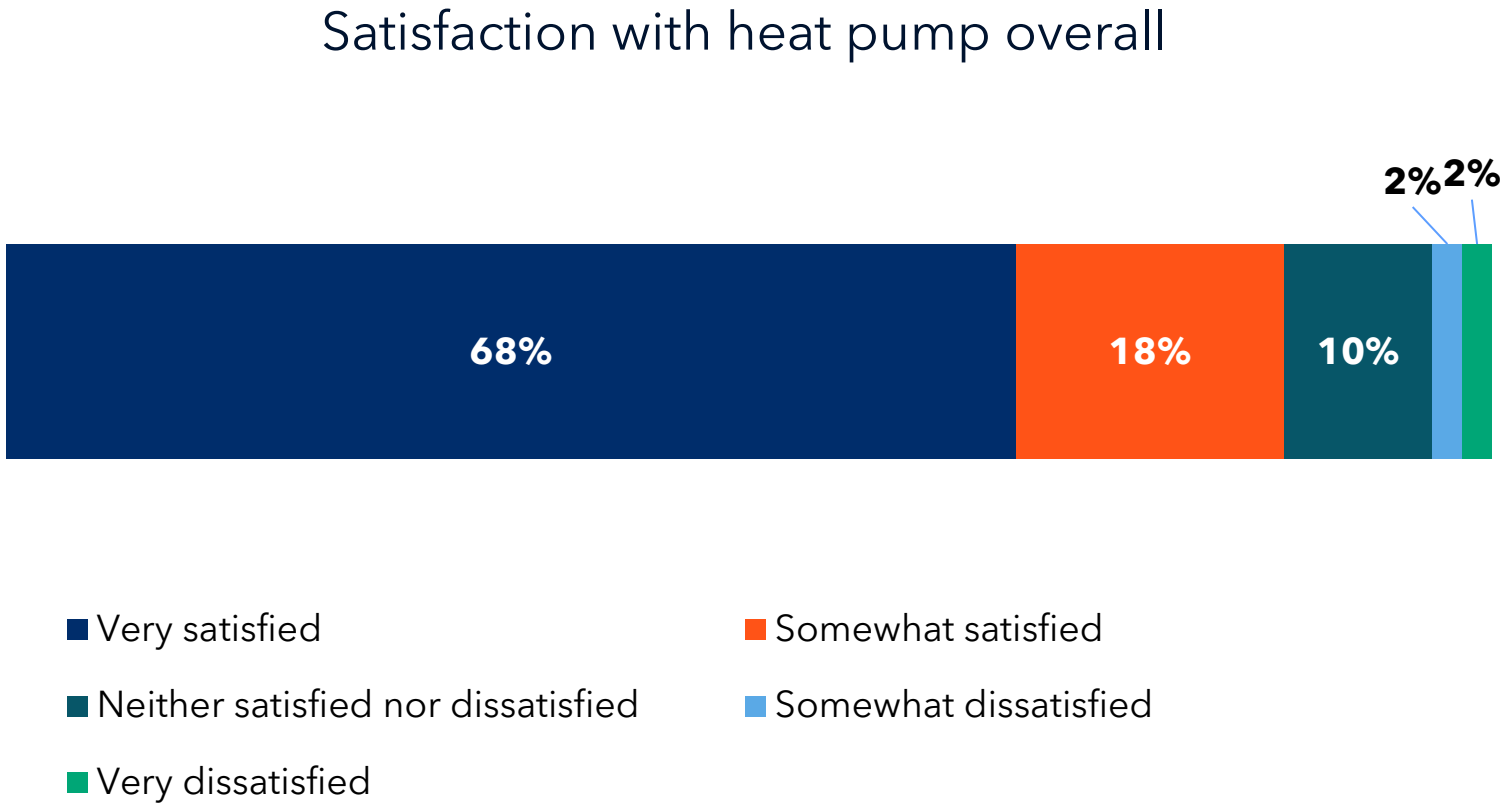


Did the unit work properly when you turned it on? (n=125)

User Experience Survey

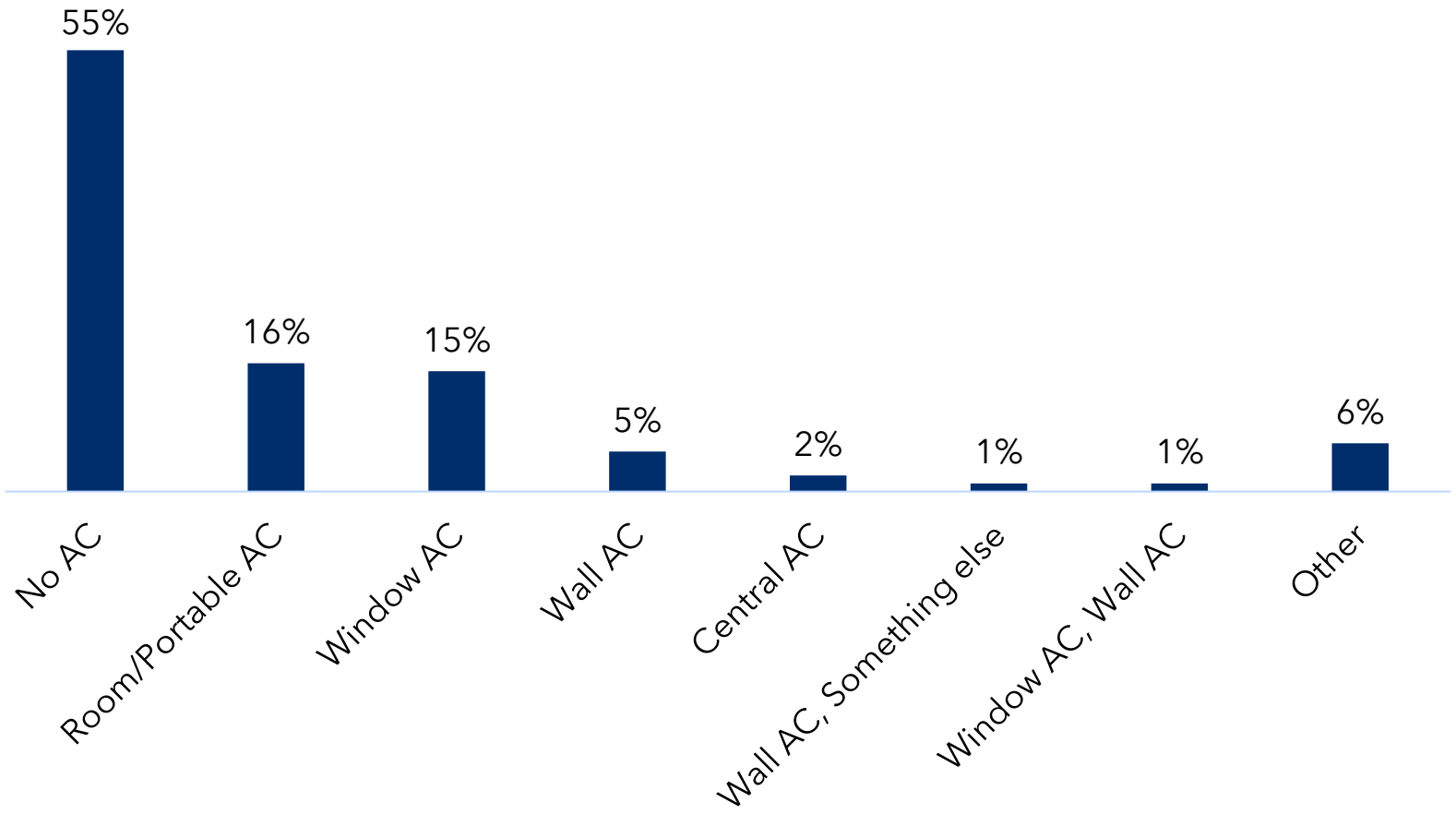
Survey was completed 30 days or more after installation during the summer and fall

Overall, participants were satisfied with their room heat pumps



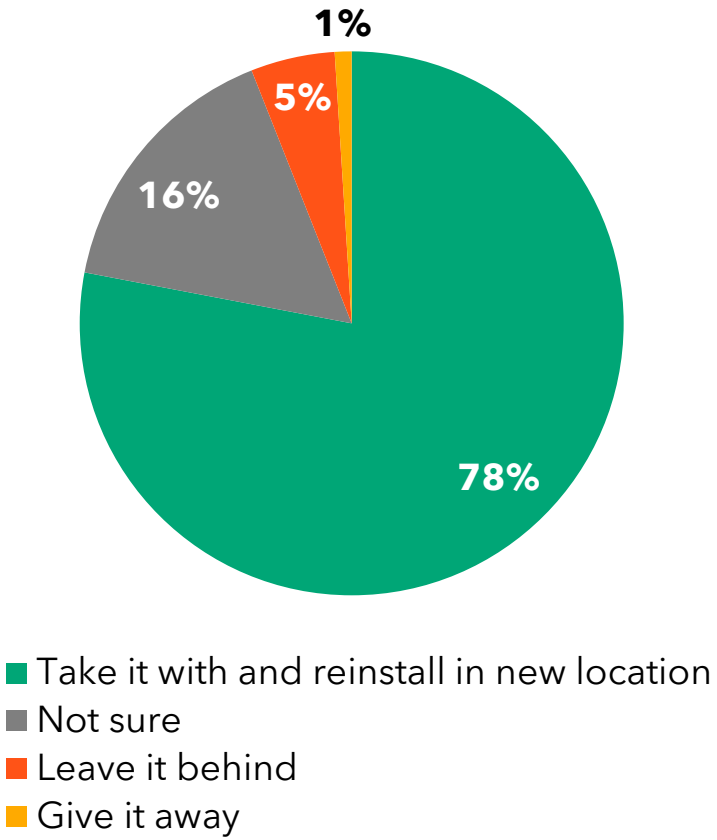
Considering your full experience – installation, performance, comfort, and electric bills – how satisfied would you say you are with the heat pump overall? (n=95)

Most respondents (55%) did not have air conditioning prior to their room heat pump installation



Please specify the type of air conditioning system(s) already present in the home, if any. (n=125)

Most respondents believe that if they move, they will take the room heat pump with them and reinstall it in their new location



In the event that you were to move, what do you think you would do with your portable heat pump? (n=95)

Partner Findings

The majority of pilot models require a single or double-hung window; however, horizontal sliding windows were much more common in California

- Our partners found horizontal sliding windows were much more common than single or double-hung windows, especially in low-income neighborhoods
- Sparked additional research efforts by CalMTA to better quantify this issue to effectively demonstrate the need for new products to meet California's needs

Findings, conclusions, and recommendations

Key findings

1. **Most participants reported high satisfaction with their new units**
   - Some participants who received early RHP product models experienced performance issues
   - A few participants mentioned window-related security concerns
2. **Most participants required some assistance with installing their units**
   - Most participants found the product instructions useful, but many felt there was room for improvement
3. **Participants who previously had no air conditioning and added an RHP unit may increase electricity use**
4. **Most participants indicated they would take their RHP units with them if they moved**
5. **The pilot validated issues related to compatibility of the units to the existing window stock in California**

Conclusions & Recommendations

1. Room heat pumps were well received overall by pilot participants, but most consumers in the study required installation assistance with the models installed. CalMTA should consider approaches to facilitate self-installation.
2. The CalMTA team should work with manufacturers to ensure they have addressed known product issues and improvements to instructional manuals.
3. Most participants said they would bring their RHP if they moved to a new residence. CalMTA should include that as part of the value proposition to consumers.
4. Currently available RHP model form factors are not suitable for the predominant California window types. CalMTA should complete supplementary research on window types to support manufacturer investment in new California-appropriate models.

Induction Cooking

Induction Cooking:

Research activities

- **Copper data collection at Emerson Arms**
  - Drafted qualitative survey for residents of Emerson Arms to be distributed in May 2025 regarding their experience with Copper Ranges
  - Initiated first pull of Copper usage data from November 12 – January 31 for upcoming analysis
- **Opening Price Point (OPP) research**
  - Met with Efficiency for Everyone partners about administering a survey for OPP customers to understand induction purchase decisions
  - Finalized SOW and contract for the survey (results to be delivered in August)

Induction Cooking:
Strategy Pilots

- **ESRPP**
  - Met with Best Buy, Nationwide, Home Depot, and Lowe's to discuss 2024 ESRPP findings and discuss best ways to support program in 2025
  - Signed 2025 Retailer Contracts for ESRPP with above retailers
  - Pilot Report: Held launch meeting to begin analysis of ESRPP pilot findings
- **Chefluencer**
  - Held three in-store retailer Chefluencer events in February with South Bay Appliance, Waadt Appliance, and The Appliance Outlet
  - Distributed Sales Associate & Customer survey to understand how the Chefluencer demos influenced perception of induction cooking
  - Pilot Report: Completed first draft of Chefluencer Pilot Report for internal review; final to be released in early Q2

Chefluencer Strategy Pilot: Induction Cooking

Why “Chefluencer”? / MTI Plan alignment

- Addresses key barriers to adoption: low consumer awareness of induction and its benefits, cultural and consumer attachment to gas, and concerns about durability
- Strategic Intervention #5 in Logic Model: build consumer acceptance and awareness through marketing and education campaigns
- Inform potential interventions and messaging that could shift public perceptions and ultimately grow market demand for Induction Cooking

What is a "Chefluencer"?

- Building Decarbonization Coalition's (BDC) "Chefluencer" program features professional chefs as they lead live cooking events using induction stovetops
- These events are engaging, multilingual, culturally relevant, and allow participants to try foods prepared and ask questions about induction

Strategy Pilot update

- CalMTA's six-month timeline for in-store Chefluencer was not feasible for big box retailers such as Lowe's, Best Buy, and Nationwide
- The modified scope pivoted to 12 community events scheduled from August to October 2024
- These events occurred at farmer's markets, community centers, public libraries, and other community learning events throughout California
- CalMTA incentivized participants with gift cards/raffles to complete post-event surveys

Strategy pilot objectives

Key research objectives:

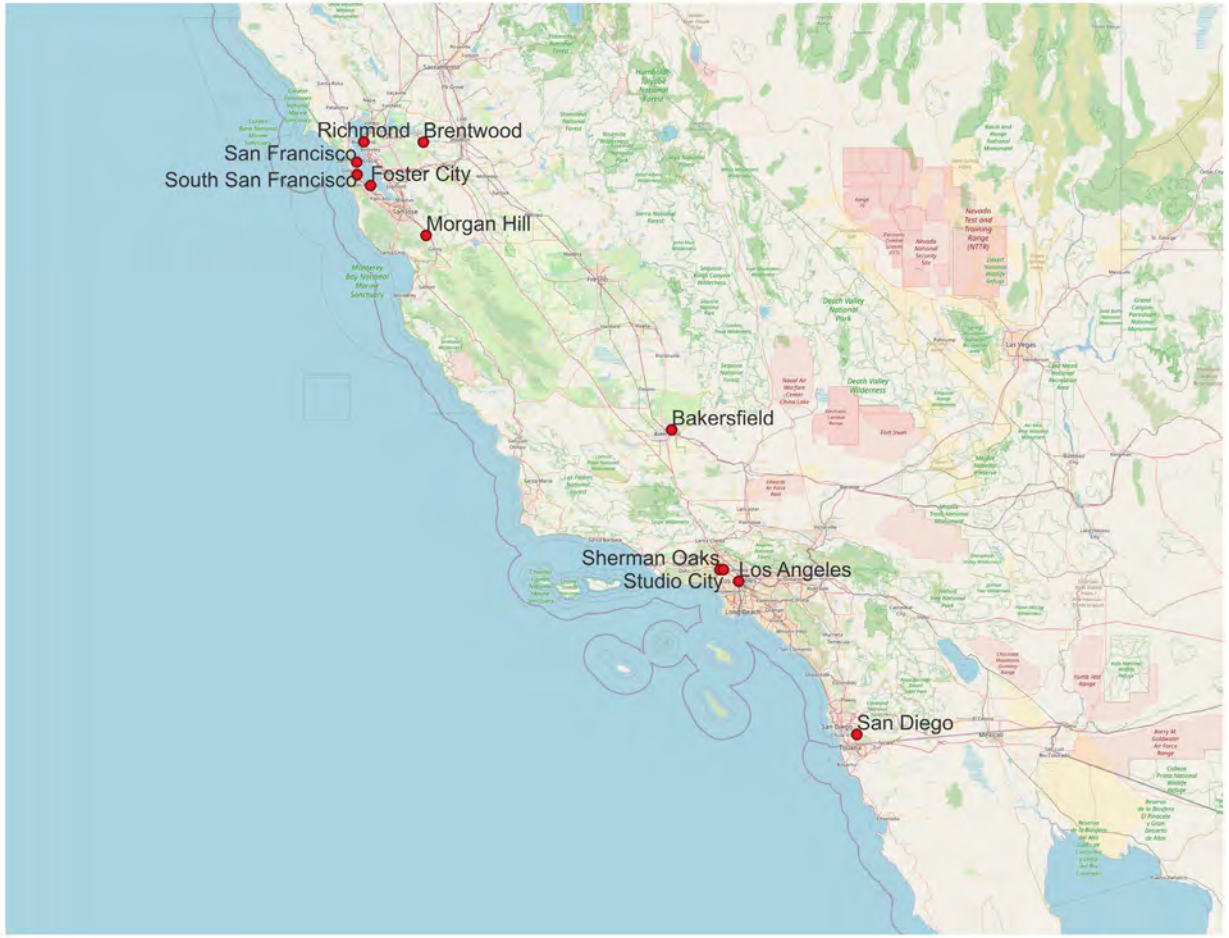
Do Chefluencer events change public opinion?

What induction cooking benefits did participants take away from the events?

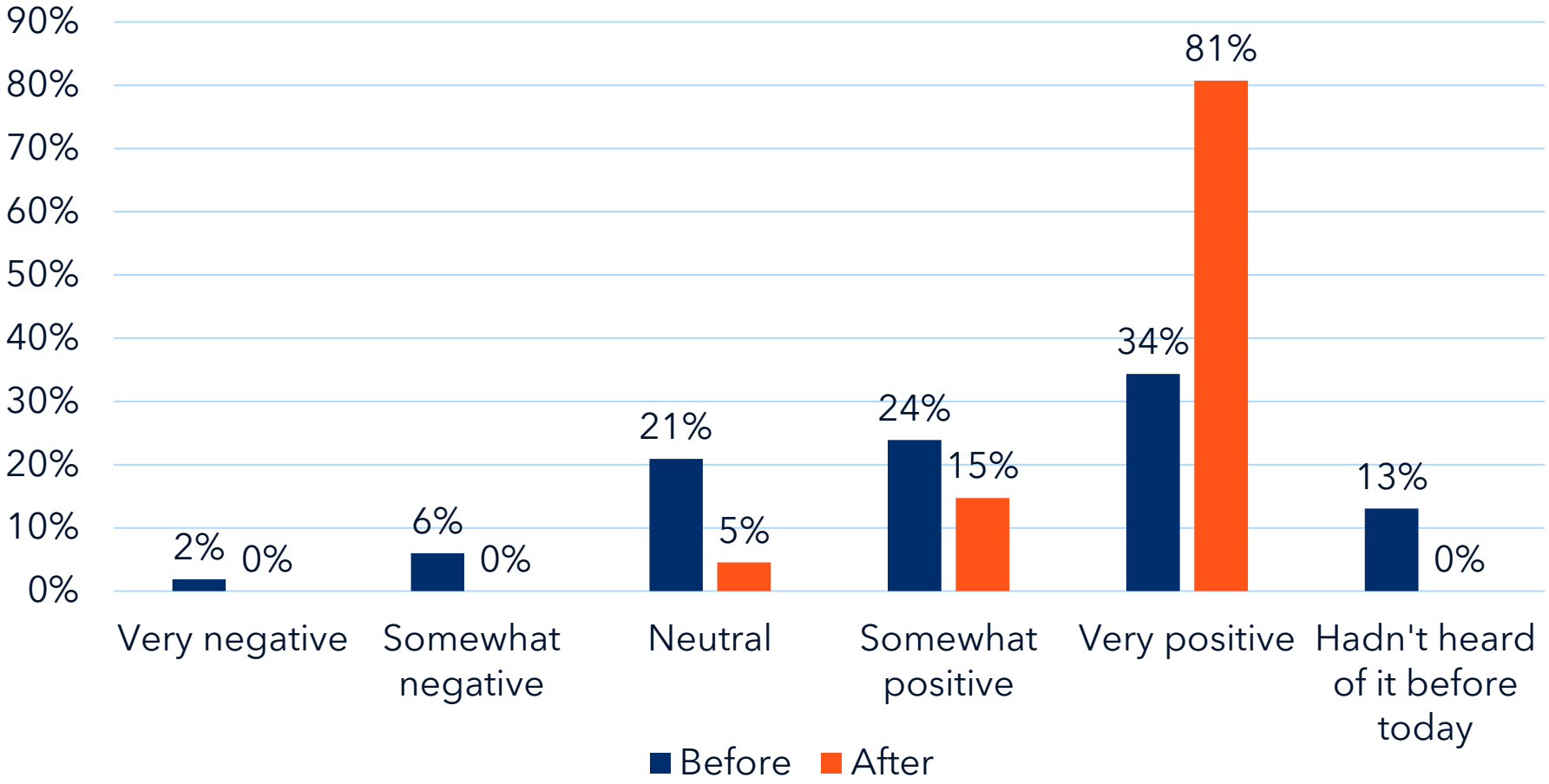
Evaluation metrics:

- Opinions before/after event
- Likelihood to purchase
- What influenced opinion

Chefluencer events took place across 11 locations from August to October 2024



Respondents reported more positive opinions post-event



CalMTA Chefluencer Customer Survey Question B4: "Before today's event, what was your opinion of induction appliances?" & Question B5: "After attending today's event, what is your opinion of induction appliances?"

What caused changes in opinion of induction appliances

Reason	% of Respondents (n=120)
Appliance/food quality	37%
The Chefluencer event itself	36%
Safety considerations	17%
Energy/cost savings	10%
Other	1%

CalMTA Chefluencer Customer Survey Question B6: "What caused your opinion of induction appliances to change?"

Seeing it in action was really cool- reminds me of a George Foreman Grill! Plus the fact that it's better for the environment and healthier

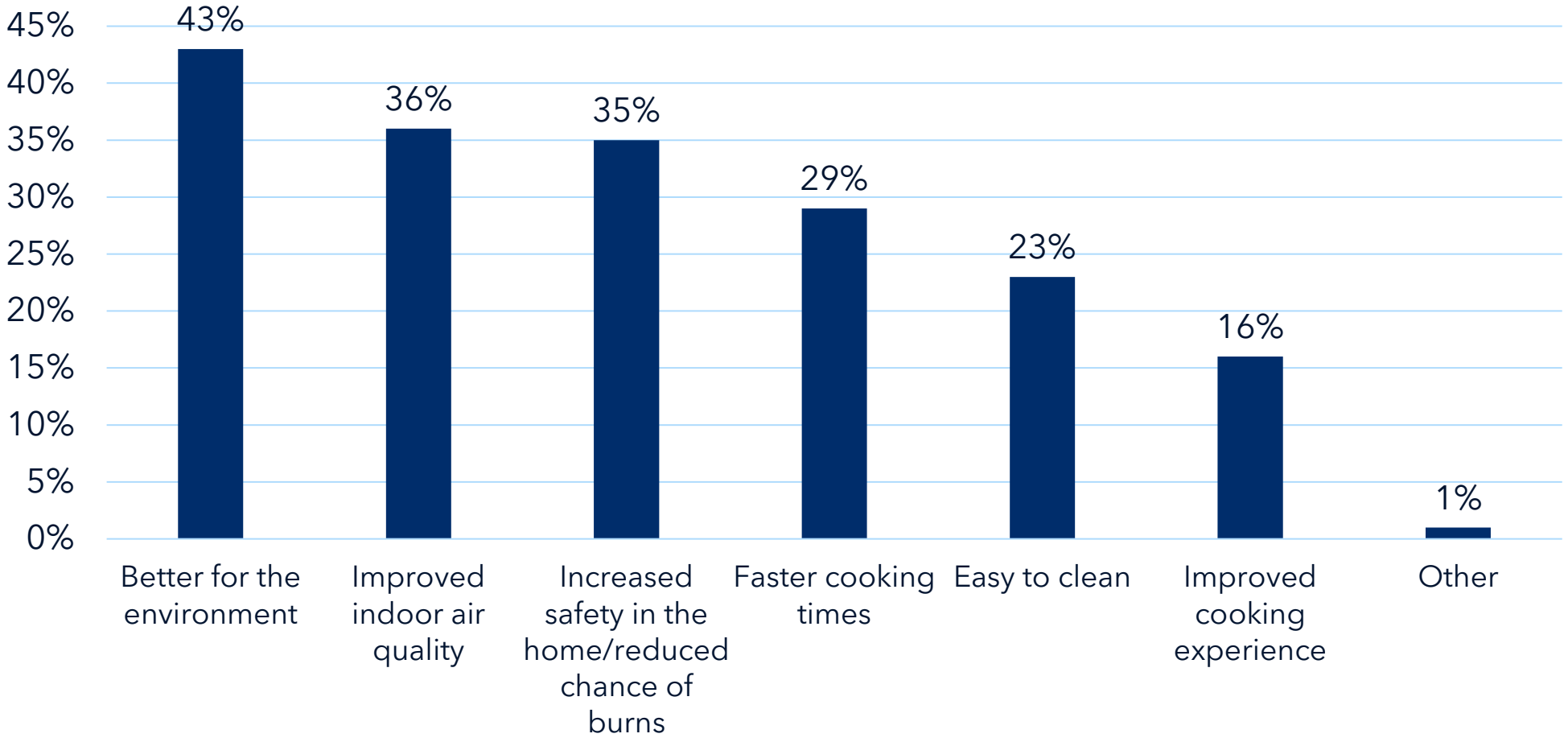
"**So much more efficient and healthy than using a gas stove**"

It seems like the future!

The fact that you can put your hand just a few inches away from the stove and not burn

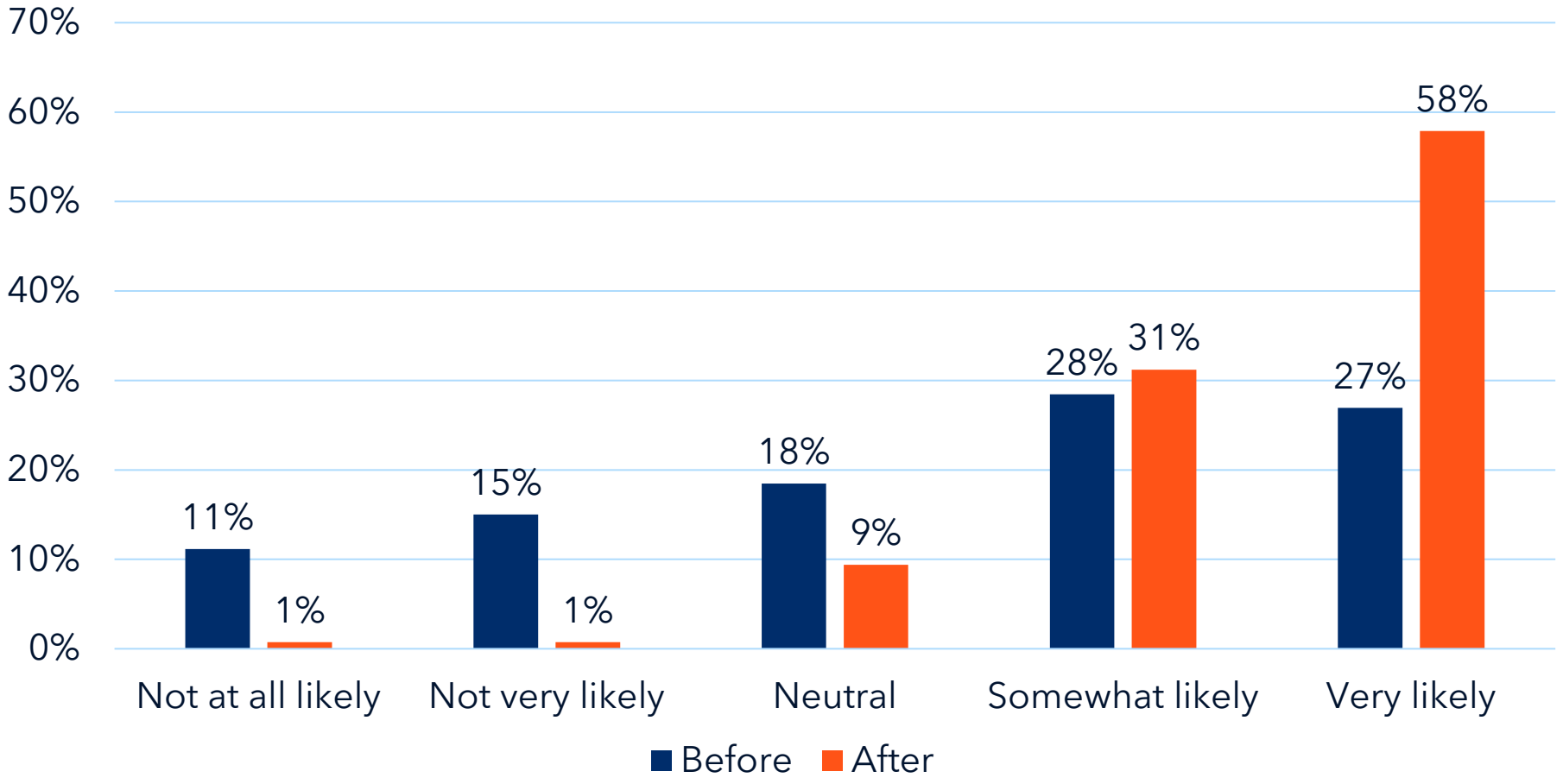
Chef Kimberly was able to cook her food so efficiently in a short amount of time

Environmental and safety benefits were the primary takeaways by event participants



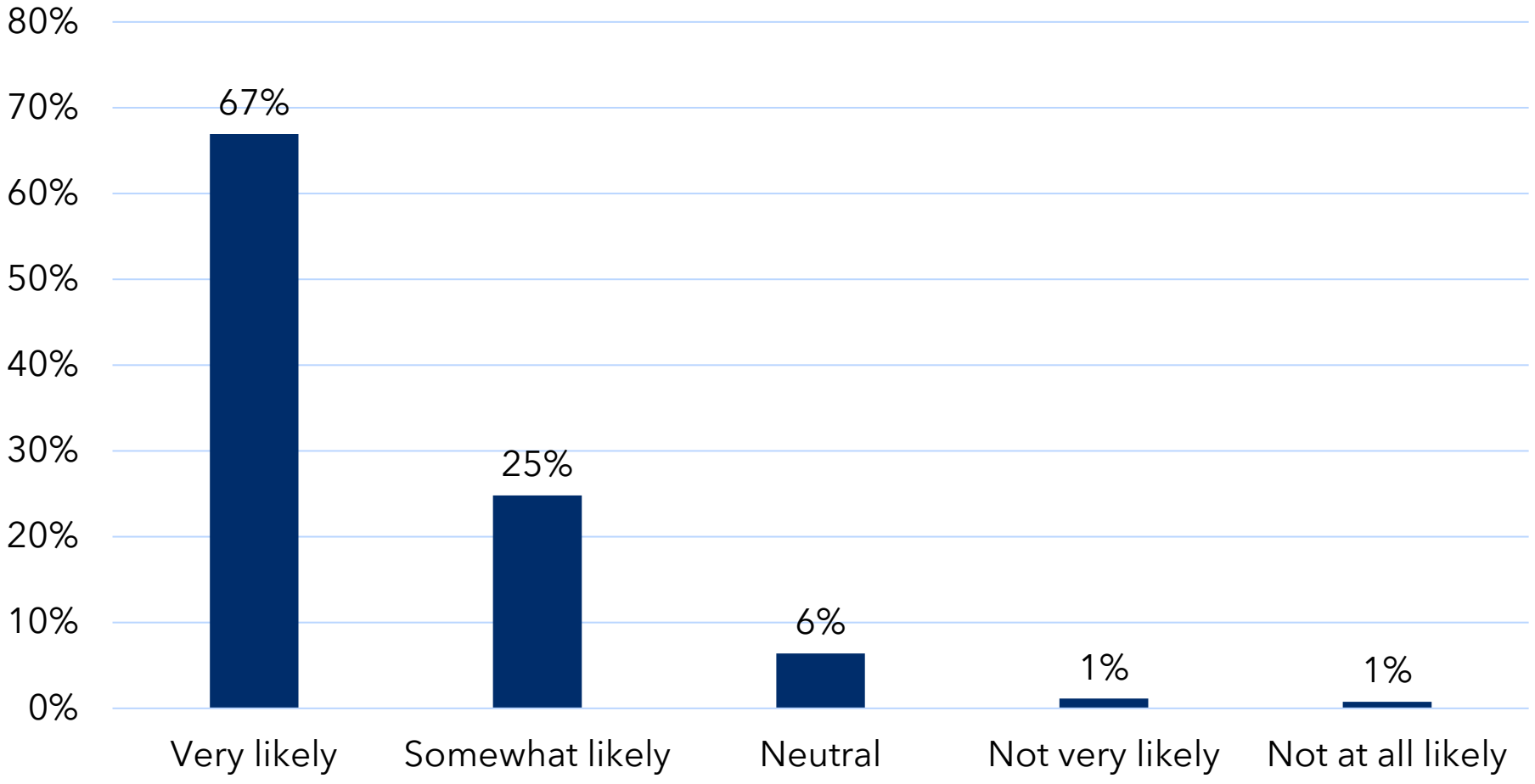
CalMTA Chefluencer Customer Survey Question B8: "Thinking about what you learned at the professional chef demonstration event today, what would you say are the benefits of using induction appliances? Please choose your top two."

Respondents were more likely to buy induction appliances after attending event



CalMTA Chefluencer Customer Survey Question C1: "Before today's event, how likely were you to buy an induction appliance if your current one broke or you were fixing up your kitchen?" & Question C2: "After learning about induction cooking today, how likely are you to buy an induction appliance if your current one breaks or you are updating your kitchen?"

Respondents were very likely to suggest induction appliances to friends and family



CalMTA Chefluencer Customer Survey Question C4: "After learning about induction cooking today, how likely are you to suggest induction appliances to your friends and family?"

2025 Retailer Events

CalMTA successfully hosted three Chefluencer demonstration events in retail locations across Southern California

- These events were held at small retail locations
- These retail events engaged potential customers and store sales associates
- Opinions on induction appliances prior to attending the event varied among the 11 customers who responded, however, they all indicated very positive opinions after attending the event
- Some sales associates indicated they had prior knowledge of induction appliances, but all five still said they had very positive views after the event

Conclusions

1

Change in respondent opinion of induction appliances following the event highlights the **effectiveness of the Chefluencer demonstrations**, and the **quality of the education** provided to participants. Additionally, the **educational and informational content** provided during the event was beneficial to respondents' overall knowledge and opinions of induction appliances.

2

Respondent opinions on the primary benefits of induction appliances indicated their main takeaways were **environmental impacts** and **health and safety considerations**.

3

The likelihood that respondents would buy an induction appliance if their current one failed or they were remodeling their kitchen increased from pre to post attending the event, suggesting that **the event influenced their perception of the technology**.

Recommendations for future data collection

1. Ask respondents if they **currently have or have had induction appliances in the past** to differentiate existing levels of knowledge prior to Chefluencer events. Also ask respondents if they **own or rent** their home to provide insight regarding their ability to make retrofits as well as what a realistic timeframe would be and how willing they are to pay. These questions were added to the most recent round of surveys conducted for the February events.

2. Conduct **follow-up surveys** with respondents to quantify the impact of Chefluencer events by asking if they had purchased an induction appliance and gather feedback if so. Additionally, ask these respondents if they had shared their experience with induction appliances with others to determine the impact of word-of-mouth awareness.

Recommendations for future events

3

Include distributors or contractors with knowledge of installing induction appliances either by being **present or having their business cards available** to distribute to attendees to begin the process of purchasing and installing an appliance or gathering further information.

4

Focus future educational content on **environmental benefits of induction appliances and air quality components**, in addition to the cooking and food quality. These were identified by attendees and should be emphasized as providing further benefits.

5

Include information regarding **configurations** of induction appliance units, **price points** for different models, and the **level of effort** required to have one installed. This will help attendees better understand what is involved in the process and how to go about starting it.

Recommendations for future events cont.

6

Ensure information regarding **local programs** (such as utility offerings) that include incentives for induction cooking and/or information on available tax credits are present at future events. This will **help improve customer awareness** of the assistance for purchasing and installing induction appliances.

7

Target specific audiences such as **culinary school students and community college students** to gather their opinions and develop additional chefs to participate in Chefluencer events.

8

Partner with retailers to continue the progress already established from the prior Chefluencer events. Future events should be coordinated with retailers to give appropriate lead time and conduct events while customers are actively shopping at stores to gain visibility.

Questions?

Comments?

View the Chefluencer Strategy Pilot video:

https://www.youtube.com/watch?v=Lbu2dR3OWO0

Section 2.2 Market Transformation Initiatives in development

Nick Fiore, Program Manager

Katie Teshima, Program Manager

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MTIs in Phase II

Room Heat Pumps

Induction Cooking

Commercial Rooftop Units

Foodservice Water Heating Systems

Commercial Replacement & Attachment Window Solutions

Residential Heat Pump Water Heating

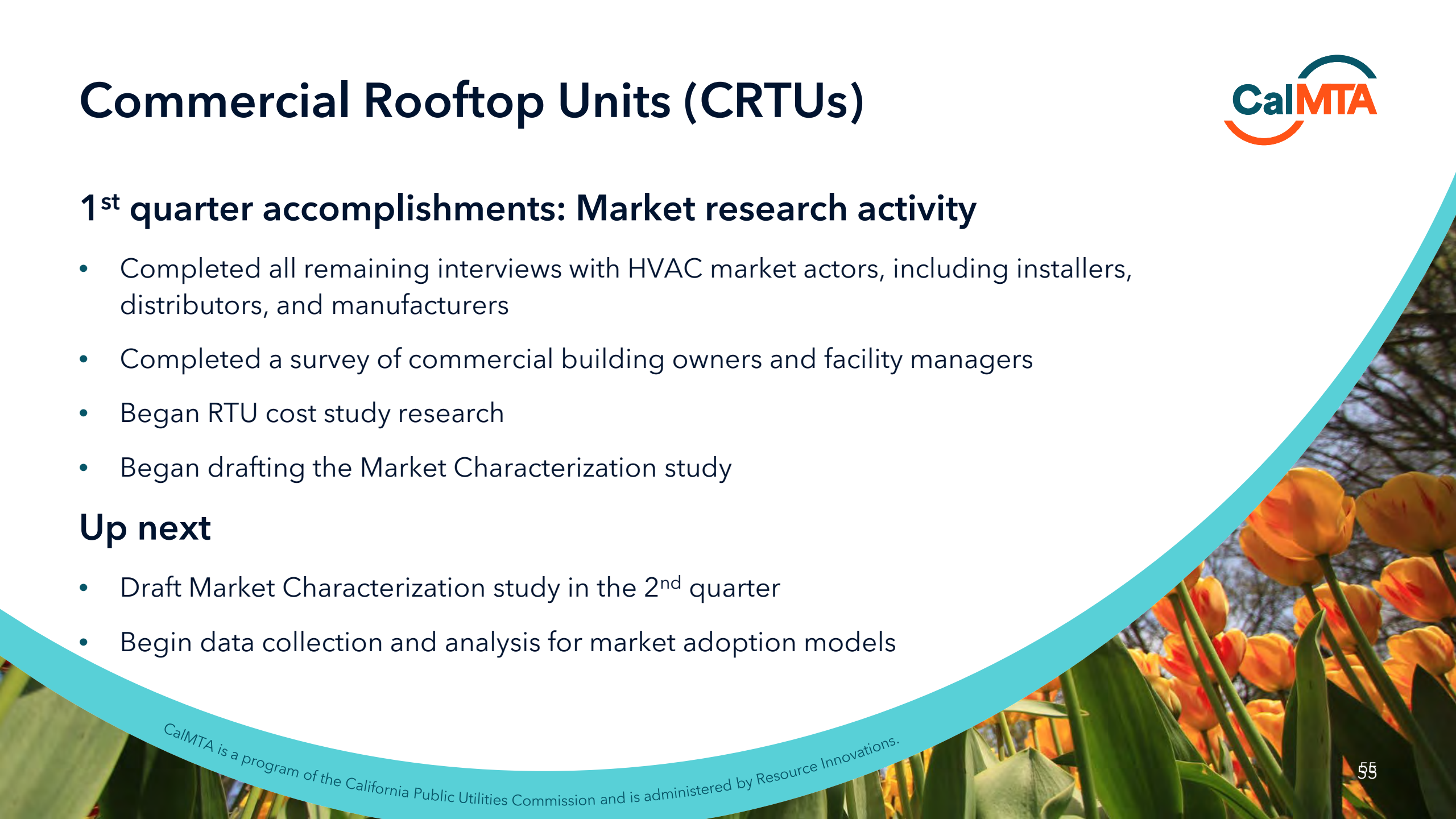
Commercial Rooftop Units (CRTUs)

1st quarter accomplishments: Market research activity

- Completed all remaining interviews with HVAC market actors, including installers, distributors, and manufacturers
- Completed a survey of commercial building owners and facility managers
- Began RTU cost study research
- Began drafting the Market Characterization study

Up next

- Draft Market Characterization study in the 2nd quarter
- Begin data collection and analysis for market adoption models



Product definition

CalMTA's CRTU MTI defines a rooftop unit (RTU) as a single-zone, packaged, forced-air, heating, ventilation, and air-conditioning (HVAC) system with between 3- and 20-tons of cooling capacity that is installed on the roof of a non-residential building.

Product definition cont.

The CRTU MTI will promote increased adoption of variable-speed heat pump CRTUs that exceed federal minimum cooling efficiency by at least 20%, and leverage sensors, analytics, cloud-connectivity, and simple app-based tools to:

- Increase installed efficiency through improved startup, commissioning, and compliance with Title 24 Acceptance Testing requirements
- Optimize long-term operational efficiency through predictive analytics and machine learning
- Increase grid flexibility and occupant comfort through integration of weather data, utility DR signals, and thermal load data
- Remotely monitor CRTU performance to detect, diagnose, and resolve faults by providing alerts to owners and actionable information to HVAC technicians

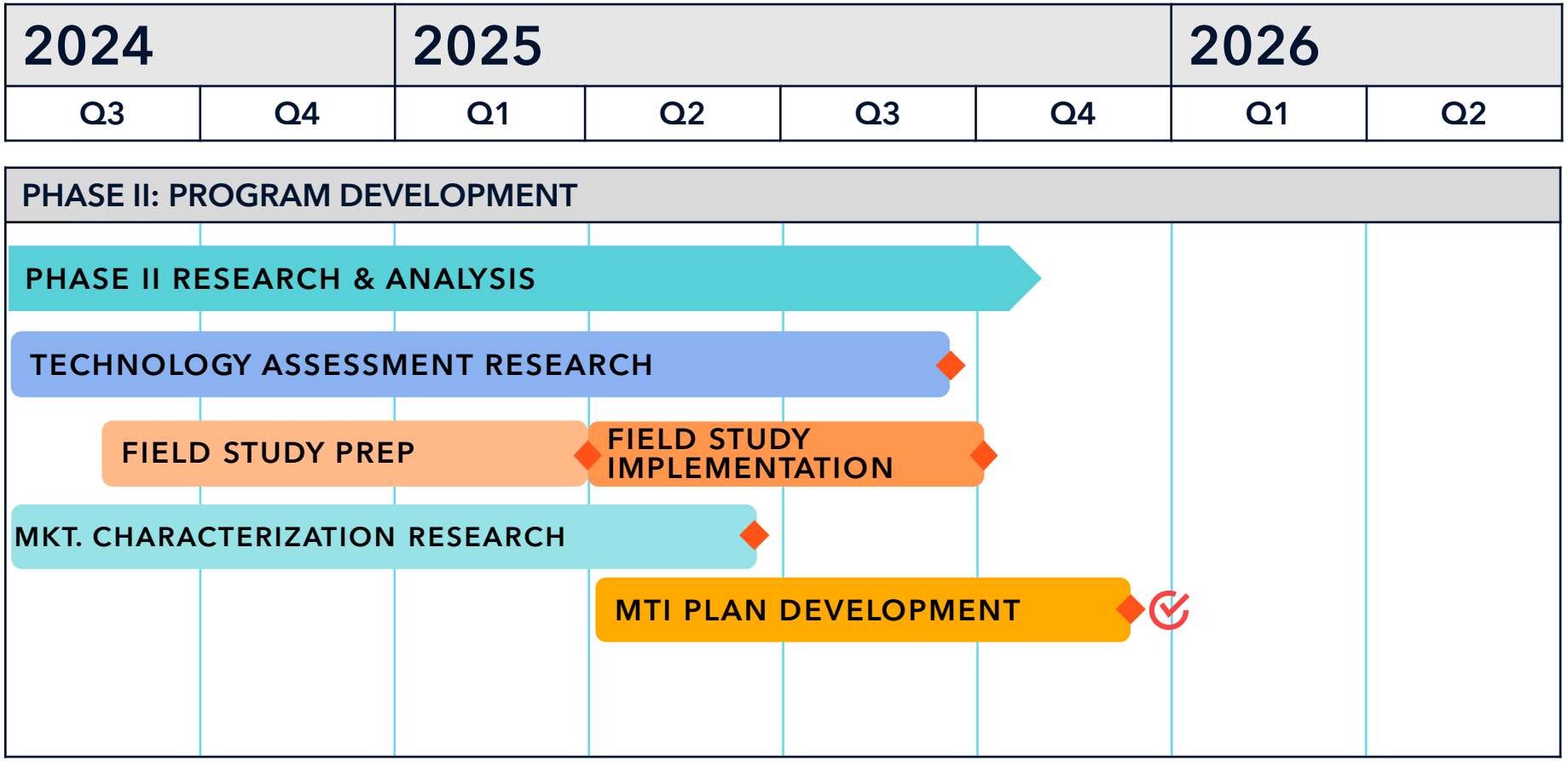
CRTUs: Field Study update

With the help of UC Davis facilities, Western Cooling Efficiency Center (WCEC) staff, and CalNEXT, we installed our field study unit: a CaptiveAire HP RTU!

CRTUs: Field Study Update

- Team received bids for ~7.5 ton replacement unit for UC Davis Demonstration Project
- Included baseline code-minimum heat pumps and CRTUs with all desired features from four different OEMs:
  - Insulated enclosure
  - Variable speed heat pump
  - High efficiency cooling
  - Energy Recovery Ventilator (ERV)
  - Connected commissioning and controls
- Cost for full-featured CRTU with ERV was 3 to 4 times baseline heat pump CRTU
- CRTU selected for study did not have insulated box or ERV, significantly reducing cost
- ERV is unlikely to be cost-effective in most parts of CA
- Detailed cost analysis currently underway—but UC Davis bids helped to refine product definition

Commercial Rooftop Units timeline



Final deliverable Advice Letter

View the video of the CRTU installation at UC Davis: https://youtu.be/NHn_-IoC7yE

Commercial Replacement and Attachment Window Solutions (CRAWS)

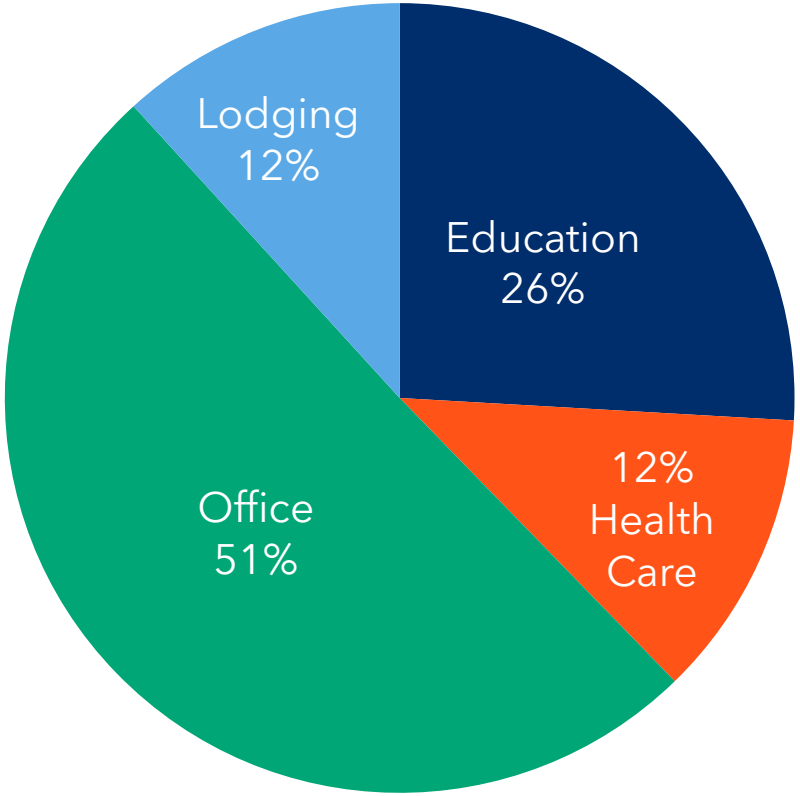
Commercial Replacement and Attachment Window Solutions (CRAWS)

1st quarter accomplishments: Market research and product assessment

- Ongoing secondary research and literature review
- Began stakeholder interviews with:
  - Municipal, University, School, and Hospital (MUSH) building owners
  - Commercial building tenants and business owners
- Completed 2024 codes and standards review
- Completed preliminary Energy Modeling analysis

CRAWS Preliminary Energy Modeling Analysis:

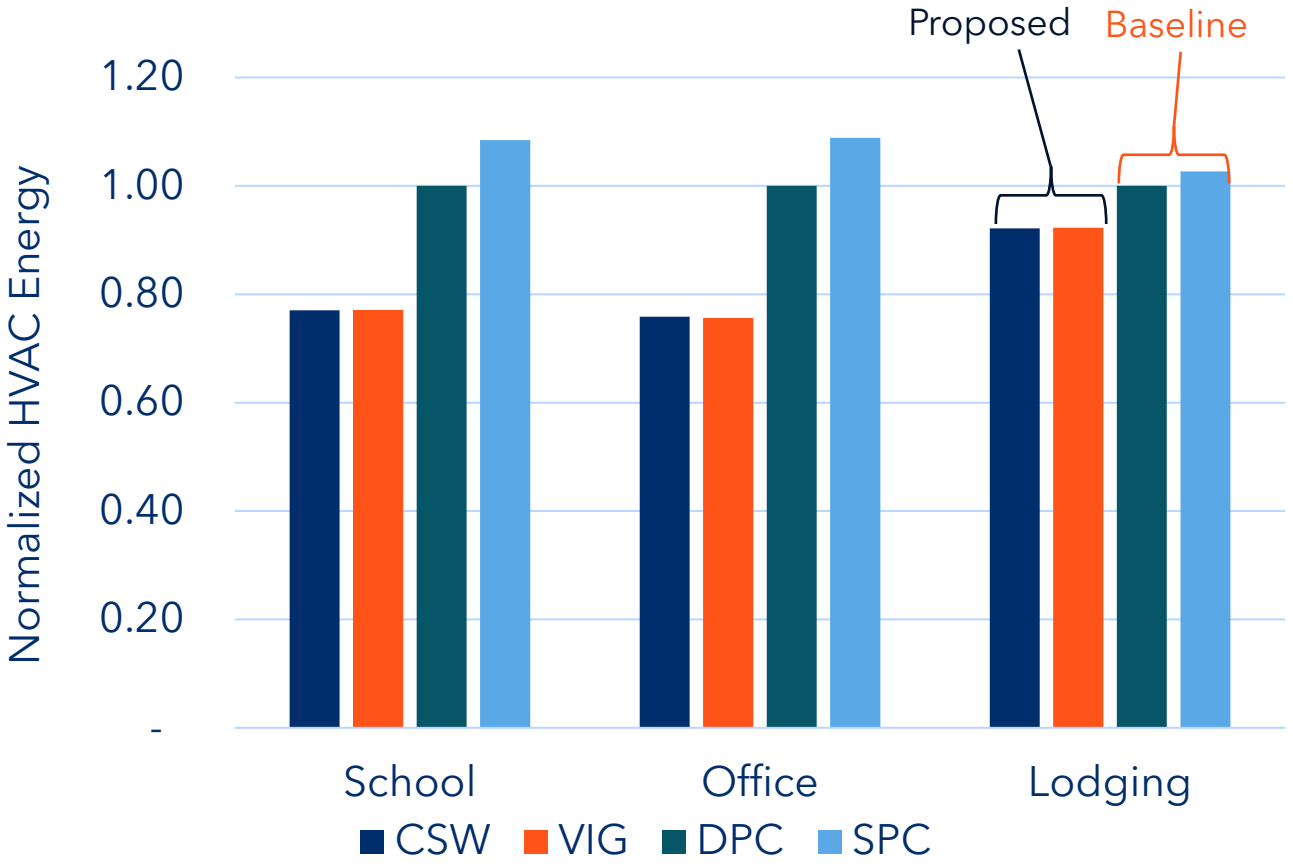
CA Commercial building type floor space



This is a rough approximation of floor space by commercial building type in California

Energy analysis continued:

Energy intensity by window type



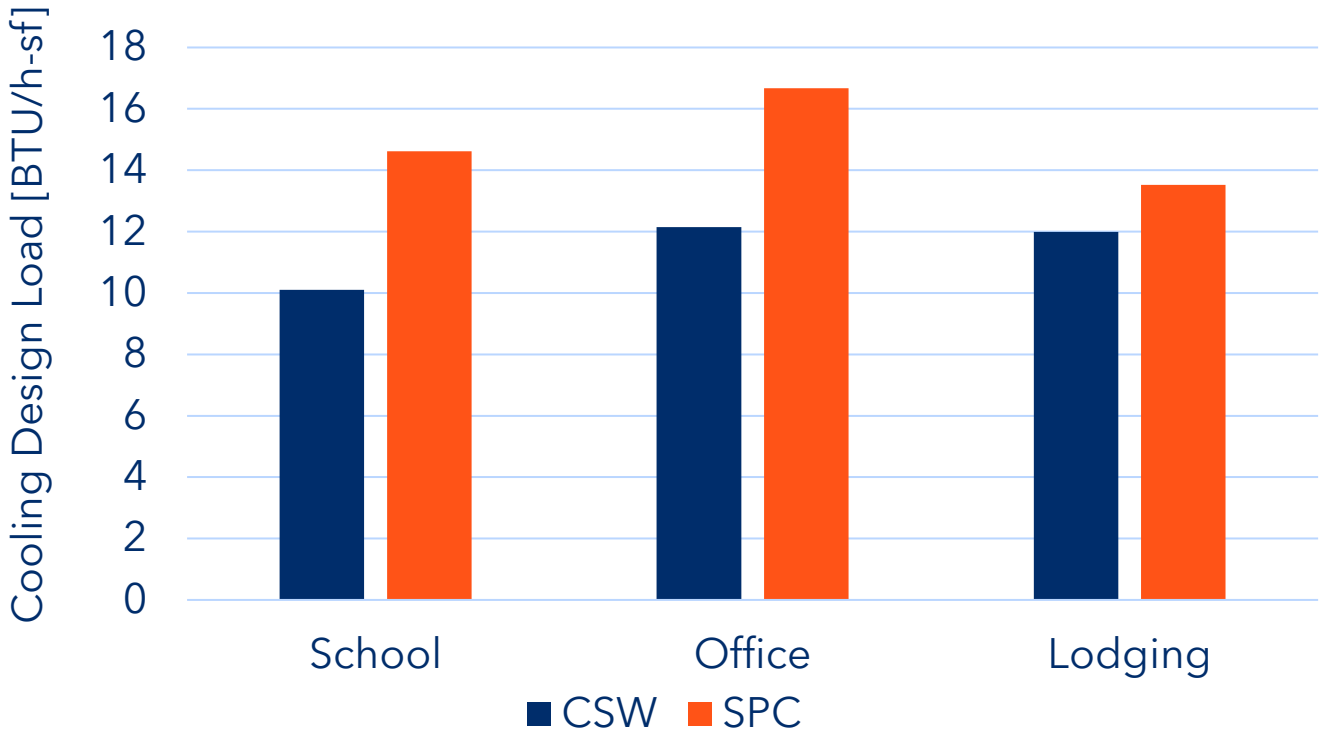
- Preliminary modeling shows average HVAC energy savings of 18-25%
- Energy of proposed window (CSW & VIG) are similar, within 2% on average
- Energy of baseline window (SPC & DPC) are similar, within 7% on average

CSW = commercial secondary windows
VIG = vacuum insulating glass
SPC = single pane clear
DPC = double pane clear

Modified DOE Prototypes from 90.1-2004, Average results from all 16 CA climate zones

Energy analysis continued:

HVAC sizing improvements



DOE 90.1-2004 buildings, average of 16 CA climate zones

- Cooling loads are reduced with addition of CSW
- 23% reduction in cooling load on average
- CSW → smaller AC, cost savings on HVAC replacement
- Still investigating impact on heating load (heat pumps)

CRAWS preliminary energy modeling analysis:

Key findings

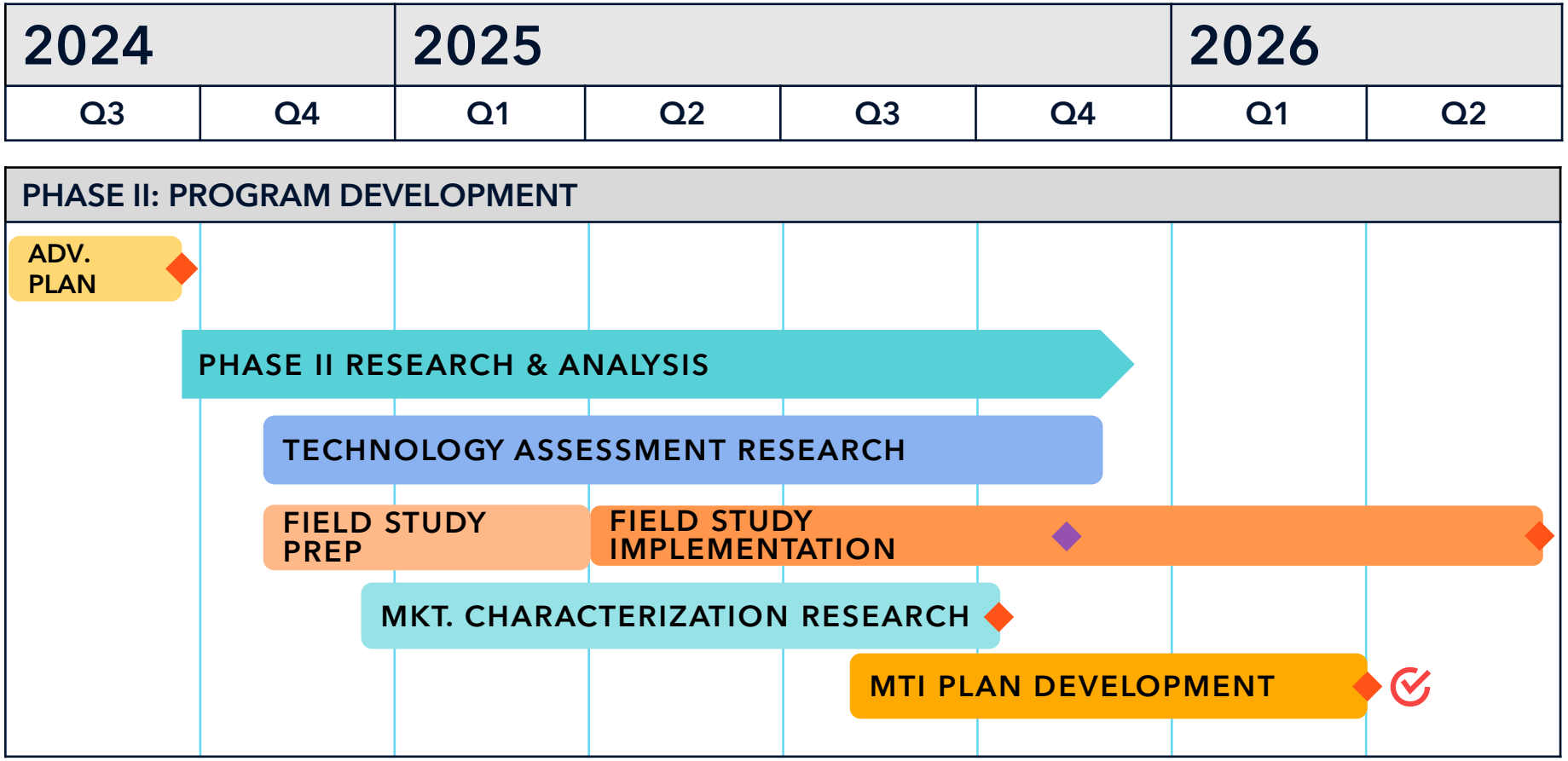
- CSW/VIG can offer significant savings across all California climate zones
- Most of the savings are driven by Solar Heat Gain Coefficient (SHGC)
- CSW pairs well with heat pumps – more savings
- Building type affects savings
- CSW can enable HVAC downsizing – significant for retrofit bundling and reducing first costs

CRAWS field study update

Madison Elementary School

- Confirmed field study location at Madison Elementary in the Madera Unified School District (MUSD)
- Signed memorandum of understanding (MOU) with MUSD
- Created a field study equipment list and are coordinating with National Labs (LBNL & PNNL) to help instrument/borrow testing equipment
- Procured Commercial Secondary Window products from CSW manufacturer, Alpen
- CSW products expect to be installed at the school in June 2025 and the study will run for a full year

Commercial Replacement & Attachment Window Solutions timeline



Final deliverable Advice Letter Interim deliverable

Residential Heat Pump Water Heating

Residential Heat Pump Water Heating

1st quarter accomplishments: Market research and product assessment

- Completed secondary research and literature review (to be included in the appendices)
- Completed stakeholder and manufacturer interviews (to be included in the appendices)
- Launched the customer, installer, and building owner/manager surveys
- Completed 2024 codes and standards review, product dataset, load flexibility assessment, and analysis on HPWH barriers and solutions
- Drafted product definition

Draft product definition for Res HPWH

- Product category
  - 120-volt integrated system and split system
  - 240-volt integrated system and split system
- Certified nominal storage volume greater than or equal to 30 gallons and less than or equal to 80 gallons
- 120-volt units may be shared- or dedicated-circuit
- Certified to most current version of AHRI 1430 standard (Demand Flexible Electric Storage Water Heaters)
- Minimum warranty is 10 years for the refrigerant system

Key programs and preliminary findings

- Statewide focus on ESJ and income-qualified segments
- Programs are communicating; MOUs are signed, programs cross-advertise
- New rush of loaner programs to target emergency replacement needs: MCE, CPAU, SVCE, PCE
- Stable programs referenced positively for having consistent, longer-term incentives include SMUD and BayREN
- Regional HPWH programs are largely in the north

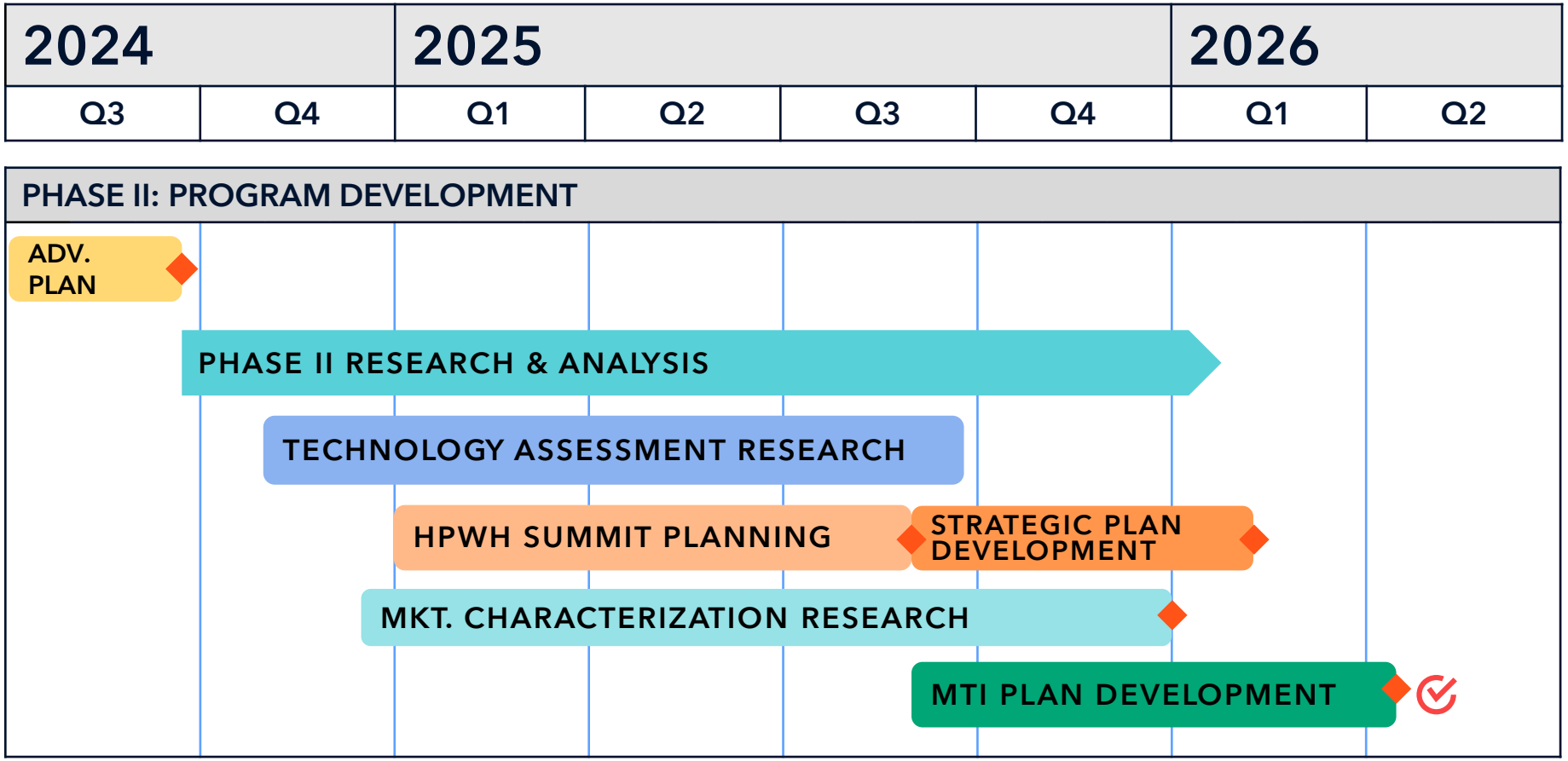
Regional	Statewide
3CREN	TECH
SMUD	TECH "2.0" (SGIP)
BayREN	TECH HEEHRA*
MCE	ESA
CPAU	BUILD
PCE	LIWP
RCEA	Golden State Rebates
SVP	

Multifamily only

HPWH Summit Planning

- Selected summit dates: August 26-27, 2025
- Secured contract with Clarity Consulting to provide strategy and facilitation services
- Continued other summit planning activities, including:
  - Drafting objectives
  - Developing the participant criteria
  - Kicking off summit design approach
  - Overall engagement strategy

Residential Heat Pump Water Heating timeline



Final deliverable Advice Letter

Foodservice Water Heating Systems

Foodservice Water Heating Systems

1st quarter accomplishments: Product assessment and program planning

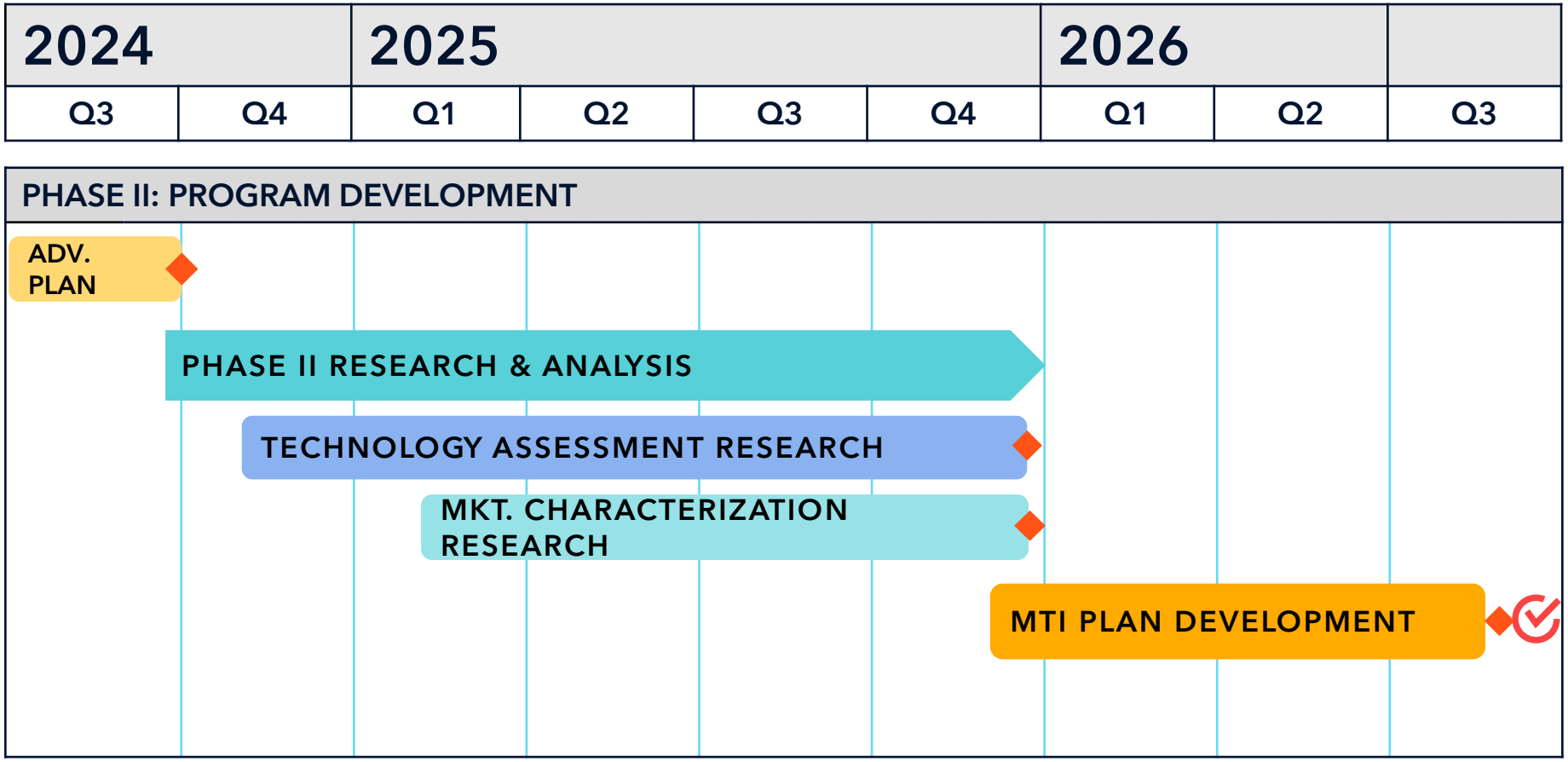
- Ongoing work includes secondary research and a market literature review
- Finalizing contract with TRC Companies to conduct foodservice site survey research
- Continued planning with TRC and PG&E regarding CalMTA's lab testing at Applied Technical Services to add additional studies on load shifting feasibility of an integrated multi-pass system
- Completed Advancement Plan updates and shared with CPUC and included with MTAB packet

Foodservice Water Heating Systems

Lochinvar (AO Smith) CHPA120PD

- Formalized partnership with NBI's Advanced Water Heating Initiative to collect additional site survey data as part of their Small Commercial HPWH pilot study
- Gained access to field monitoring data
- Completed first site survey and data collection at McDonalds pilot site in Bellflower, CA

Foodservice Water Heating Systems timeline



Final deliverable Advice Letter

Questions?

Comments?

SECTION 03

Operations

Stacey Hobart
Principal of Engagement and Communications

Outreach highlights:

Publications

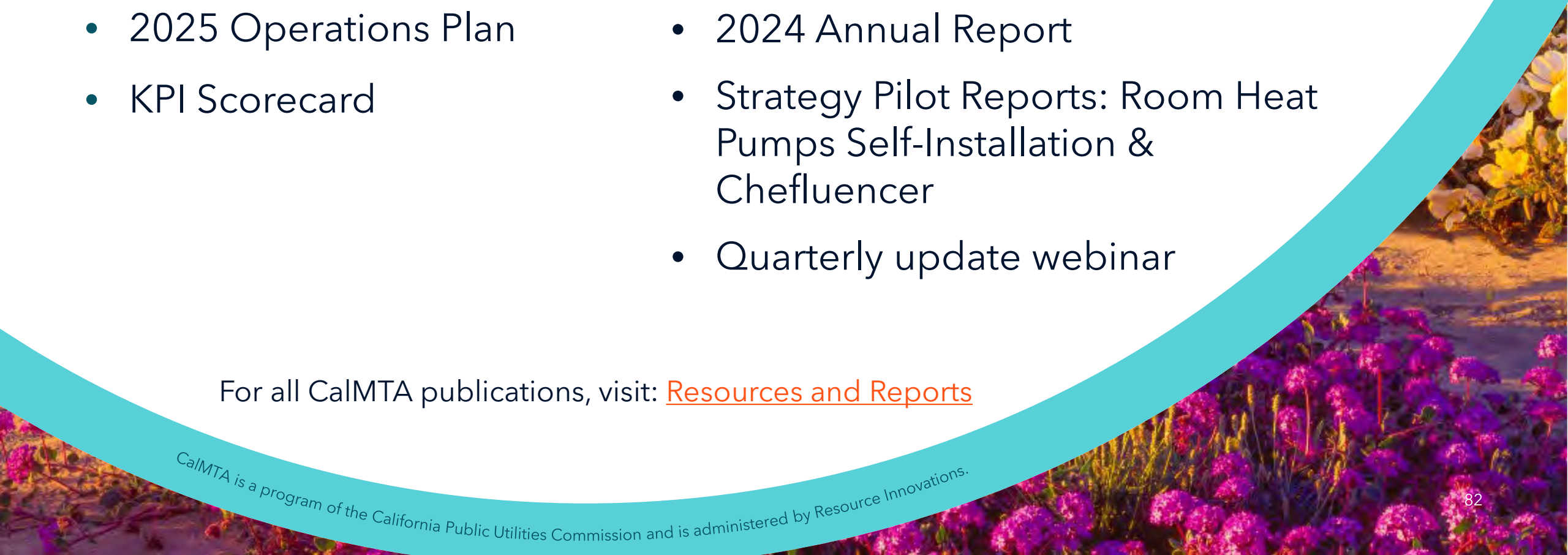
Final publications:

- 2025 Operations Plan
- KPI Scorecard

Publications in process:

- 2024 Annual Report
- Strategy Pilot Reports: Room Heat Pumps Self-Installation & Chefluencer
- Quarterly update webinar

For all CalMTA publications, visit: Resources and Reports



Outreach highlights:

Key Performance Indicators Scorecard

METRIC	TARGET	ACTUAL	STATUS
Operational Performance			
1. Percent of Operations Plan milestones achieved (2024)	100%	95%[1]	
2. 2024 budget expenditures ($)	$19.53M	$17.62M	
3. Administration percent of total expenditures (2024)	< 10%	4.5%	
4. Budget accrued to third parties as percent of total program expenditures (2024)	--	9.7%	--
5. Budget accrued to third parties as percent of total program expenditures (2026-2030 cumulative)	--	--	--

Applying an equity lens:

Equity Sounding Board

First meeting of the Equity Sounding Board held on Jan. 24

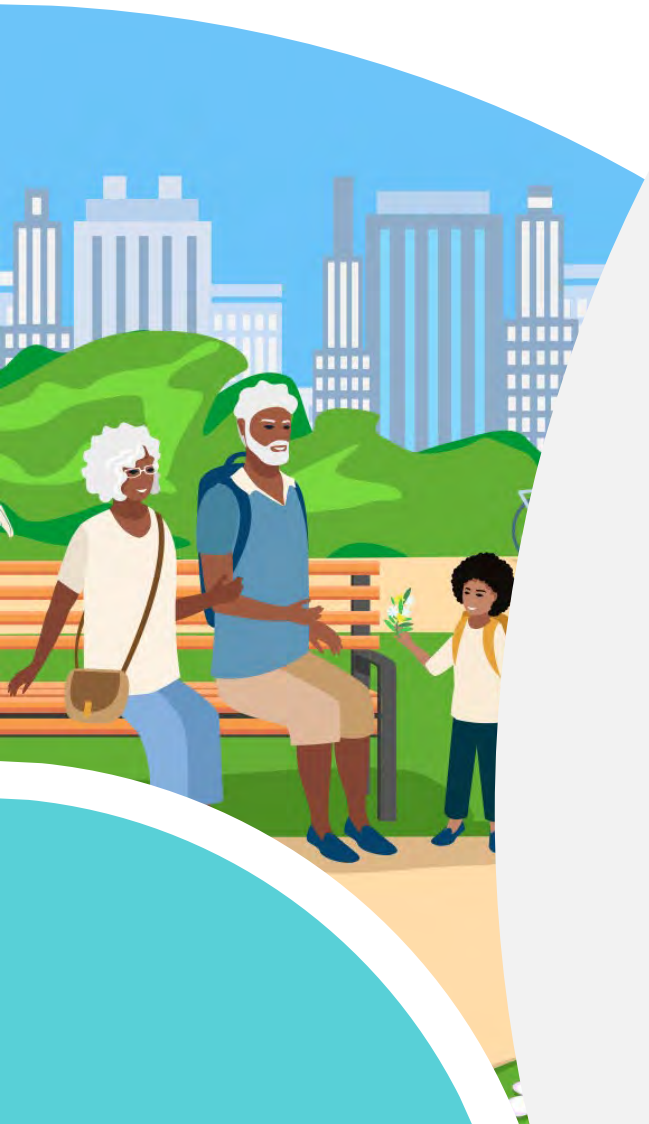
- Discussed key components of a market transformation approach and how it differs from traditional energy efficiency rebate programs
- Solicited feedback on potential equity metrics and interventions for the CRAWS and Residential Heat Pump Water Heating MTIs

Follow-up sessions were conducted to gain similar insight on the equity metrics proposed for the Commercial RTU and Foodservice Water Heating Systems MTIs

Used consulting hours in support of market research for CRAWS

Applying an equity lens:

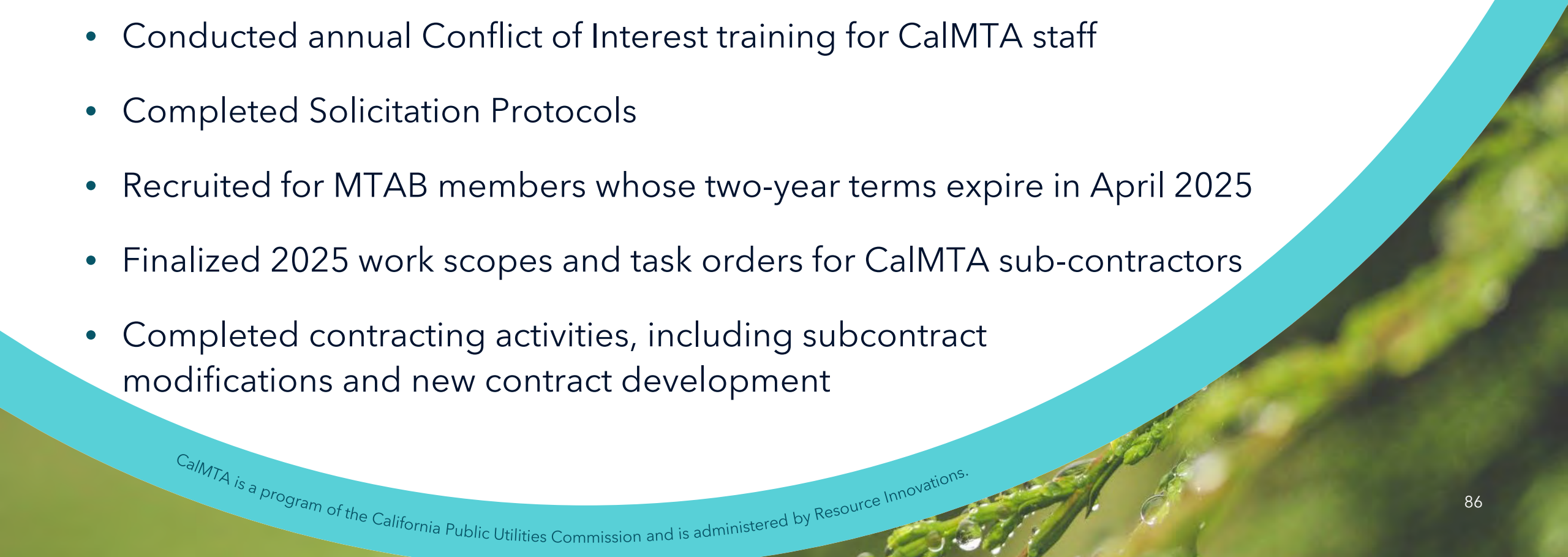
2025 Equity Work Plan



- Implementing best-practice approaches for integrating equity into MTI development at all stages
- Developing and monitoring equity metrics to evaluate MTI impact, including considerations for the future third-party evaluation
- Continuing to build trusted relationships with key equity stakeholders to share information and gather feedback
- Managing the Equity Sounding Board through full board meetings and ad-hoc consulting engagements
- Creating professional development opportunities to build CalMTA staff's familiarity with important equity-related topics

Administration & operations highlights

- Application activities (to be discussed later in the Application update)
- Provided ongoing policy research and analysis for MTIs in development
- Conducted annual Conflict of Interest training for CalMTA staff
- Completed Solicitation Protocols
- Recruited for MTAB members whose two-year terms expire in April 2025
- Finalized 2025 work scopes and task orders for CalMTA sub-contractors
- Completed contracting activities, including subcontract modifications and new contract development



Questions?

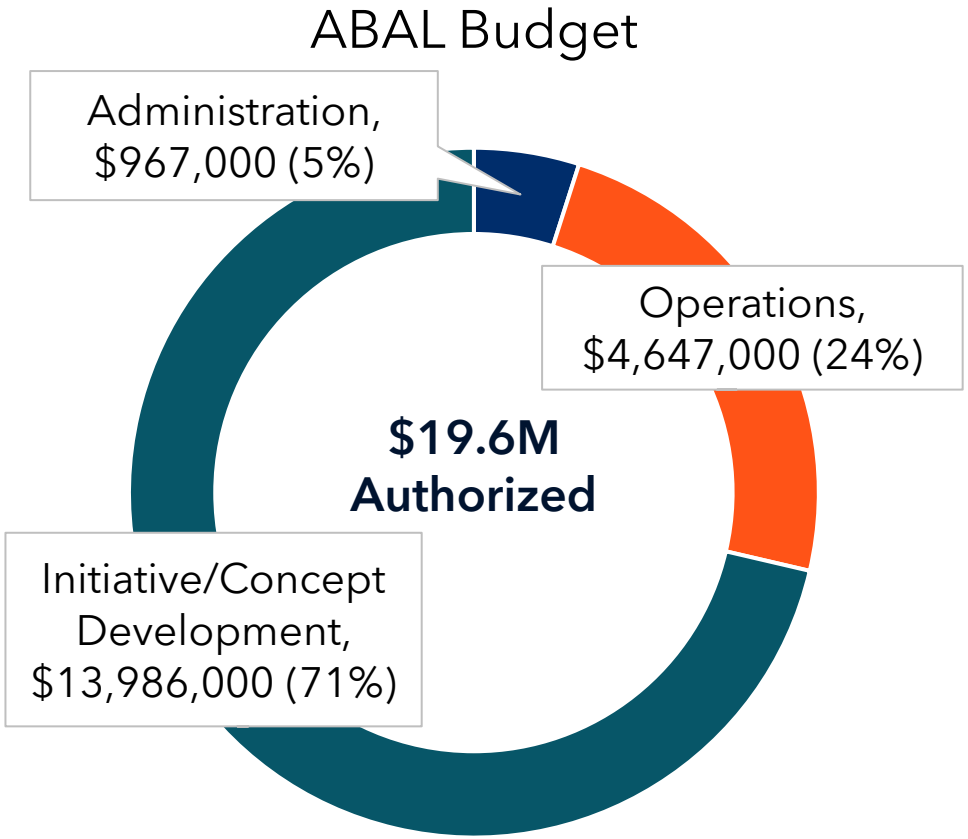
Comments?

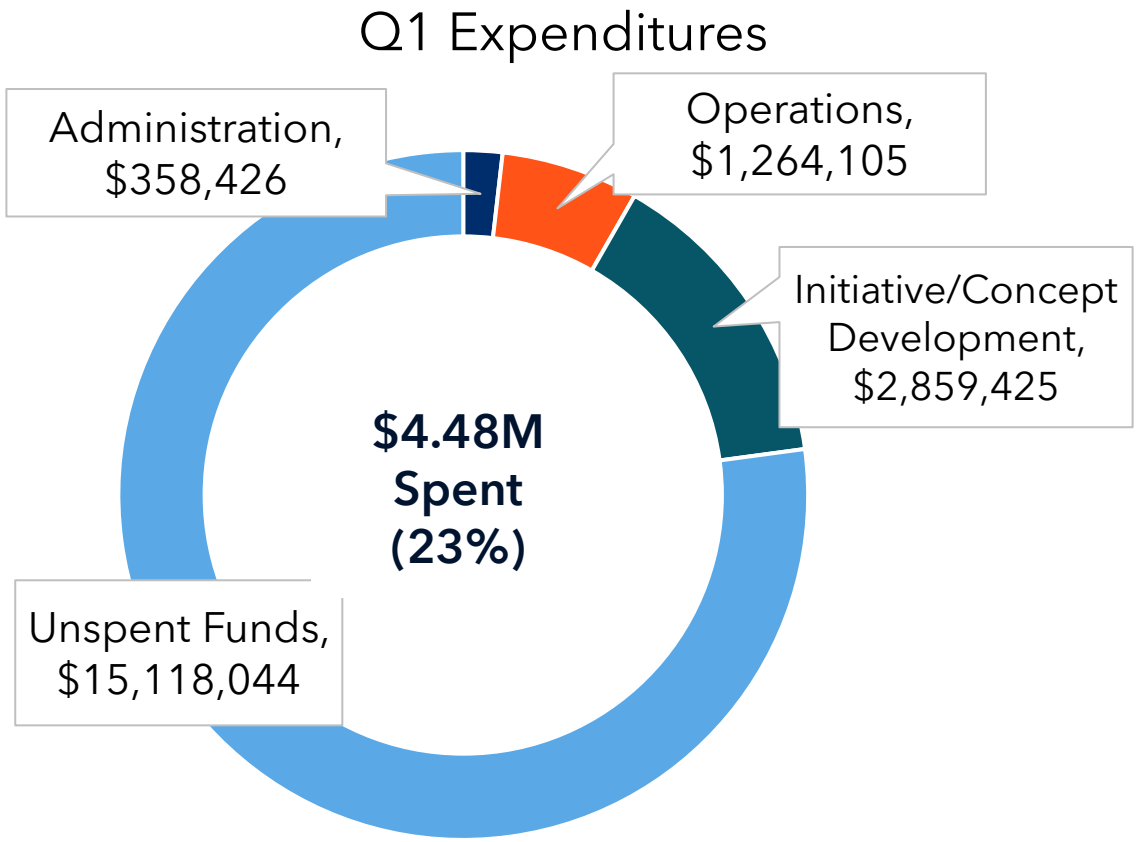
SECTION 04

Financial Reporting

Jim Giordano
Principal of Operations

2025 Budget and Q1 Expenditures (by cost category)

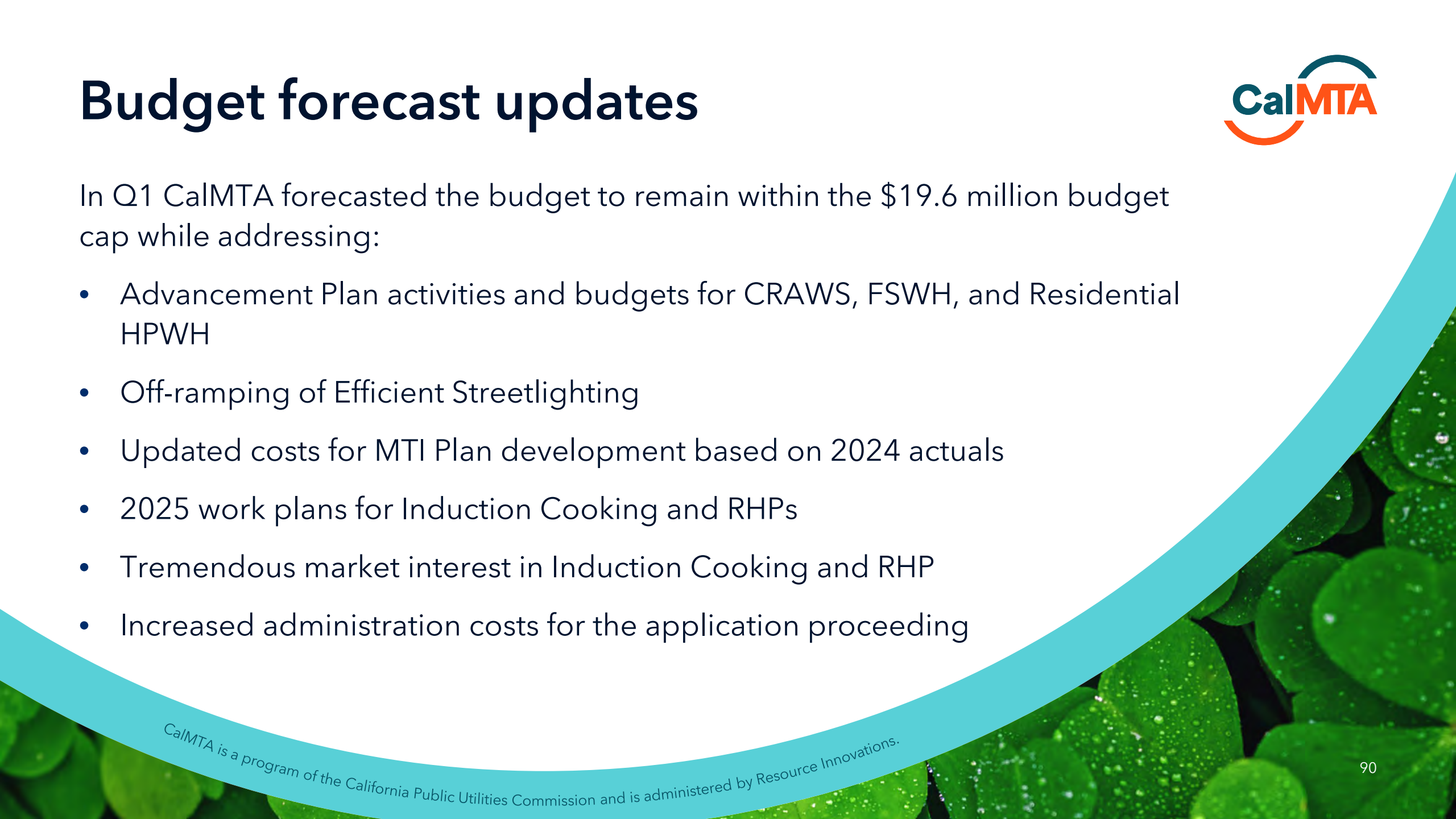




Budget forecast updates

In Q1 CalMTA forecasted the budget to remain within the $19.6 million budget cap while addressing:

- Advancement Plan activities and budgets for CRAWS, FSWH, and Residential HPWH
- Off-ramping of Efficient Streetlighting
- Updated costs for MTI Plan development based on 2024 actuals
- 2025 work plans for Induction Cooking and RHPs
- Tremendous market interest in Induction Cooking and RHP
- Increased administration costs for the application proceeding



Administration and Operations

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% of Revised Spent
Administration	$ 358,426.43	$ 967,000.00	$ 1,163,323.37	30.8%
1a. Routine Financial & Administrative Tasks	$ 214,543.63	$ 674,000.00	$ 823,101.36	26.1%
1b. Non-Routine Financial & Administrative Tasks	$ 143,882.81	$ 293,000.00	$ 340,222.01	42.3%
Operations	$ 1,264,104.66	$ 4,647,000.00	$ 4,596,855.81	27.5%
2. Project Management	$ 239,015.90	$ 683,000.00	$ 776,436.47	30.8%
3. MTAB Operations	$ 42,296.74	$ 351,000.00	$ 301,000.00	14.1%
4. Policy	$ 134,730.10	$ 649,000.00	$ 521,266.90	25.8%
5. Stakeholder Engagement and Communications	$ 776,939.01	$ 2,404,000.00	$ 2,627,152.44	29.6%
6. Data Systems Development and Management	$ 71,122.92	$ 560,000.00	$ 371,000.00	19.2%

- Data requests and the application proceeding have increased non-routine Admin costs
- Increase in budget sub-tasks have increased Admin and Project Management costs
- Reallocation within Operations to prioritize external program engagement

Initiative/Concept Development

Initiative/Concept Development Phases	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% of Revised Spent
Concept Development (Phase I Activities)	$ 383,975	$ 2,060,000	$ 2,068,129	18.6%
Program Development (Phase II Activities)	$ 2,475,450	$ 11,926,000	$ 11,771,692	21.0%
Totals	**$ 2,859,425**	**$ 13,986,000**	**$ 13,839,821**	**20.7%**

- The largest cost category in the budget has remained approximately the same

Phase I

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% of Revised Spent
Concept Development (Phase I Activities) Totals	$ 383,974.97	$ 2,060,000.00	$ 2,068,129.24	18.6%
7. Technology Scanning and Research	$ 153,366.82	$ 658,000.00	$ 614,814.62	24.9%
7a. Scanning, Outreach, and Engagement	$ 120,234.69	$ 384,000.00	$ 411,814.62	29.2%
7b. RFI Management	$ 33,132.13	$ 274,000.00	$ 203,000.00	16.3%
8. Preliminary Analysis, Modeling & Forecasting	$ 59,205.30	$ 306,000.00	$ 576,314.62	10.3%
9. Advancement Plan Development	$ 171,402.85	$ 1,096,000.00	$ 877,000.00	19.5%

- Phase I cost estimate approximately the same with some adjustments between specific activities

Phase II MTI Budgets

- Overall Phase II cost estimate approximately the same, with adjustments between specific MTIs
- Increased estimated spending on Induction, Room Heat Pump MTIs, CRAWS, and Residential HPWH
- Decreased estimated spending on Foodservice Water Heating Systems

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% of Revised Spent
Program Development (Phase II Activities) Totals	$ 2,475,450.30	$ 11,926,000.00	$ 11,771,692.00	21.0%

MTI #1: Induction Cooking

Budget allocation revised to include:

- Non-labor costs associated with ESRPP incentive estimates
- Continuation of the Chefluencer pilot in retails settings
- Emerson Arms induction research project
- Labor estimates updated to reflect 2025 workplans and include additional activities related to mfr. outreach; RFP development; and strategy pilot management, reporting, and promotion.

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
10. Induction Cooking	$ 552,158	$ 1,584,000	$ 2,126,535	26.0%
10a. Market & Technology Research and Engagement	$ 327,334	$ 627,000	$ 1,478,535	22.1%
10b. Ongoing Mkt. Engagement; Updates to MTI Plan	$ 224,824	$ 157,000	$ 648,000	34.7%

MTI #2: Room Heat Pumps

Budget allocation revised:

- To include non-labor costs associated with ESRPP incentive estimates and the addition of data collection from room heat pumps from the self-installation pilot
- Labor estimates were updated to reflect our 2025 workplans and include additional activities related to launch and management of the national RHP collaborative; RFP development; strategy pilot management, reporting, and promotion; and additional window stock research.

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
11. Room Heat Pumps	$ 384,478	$ 1,131,000	$ 1,352,799	28.4%
11a. Market & Technology Research and Engagement	$ 182,726	$ 585,000	$ 722,799	25.3%
11b. Ongoing Mkt. Engagement; Updates to MTI Plan	$ 201,752	$ 146,000	$ 630,000	32.0%

MTI #3: CRTU

Budget allocation revised:

- To include non-labor costs associated with the UC Davis field study and additional required energy modelling
- Labor estimates were updated to reflect our 2025 workplans and include additional stakeholder outreach and alignment activities, RTU national collaborative engagement, and the calibrated costs with developing a final MTI Plan

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
12. Commercial Rooftop Units (CRTUs)	$ 505,514	$ 1,008,000	$ 1,789,000	28.3%
12a. Market & Technology Research & Engagement	$ 421,700	$ 643,000	$ 1,260,000	33.5%
12b. Strategy & MTI Plan Development	$ 83,815	$ 365,000	$ 529,000	15.8%

MTI #5: CRAWS

Budget allocation revised:

- Labor estimates were updated to reflect activities identified in the CRAWS MTI Advancement Plan and costs to develop the final MTI Plan

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
14. Commerical Replacement & Attachment Windows (	$ 372,298	$ 2,060,000	$ 2,279,000	16.3%
14a. Market & Technology Research & Engagement	$ 310,182	$ 1,482,000	$ 1,900,000	16.3%
14b. Strategy & MTI Plan Development	$ 62,116	$ 103,000	$ 379,000	16.4%

MTI #6: Foodservice Water Heating

Budget allocation revised:

- To add non-labor estimates associated with the actual costs of lab testing and the opportunity to co-fund expanded research in partnership with the Advanced Water Heating Initiative
- Labor estimates were updated to reflect activities identified in the FSWH MTI Advancement Plan.

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
15. Food Service Water Heating Systems (FSWH)	$ 251,686	$ 1,877,000	$ 1,278,042	19.7%
15a. Market & Technology Research & Engagement	$ 198,757	$ 1,428,000	$ 962,042	20.7%
15b. Strategy & MTI Plan Development	$ 52,928	$ 349,000	$ 316,000	16.7%

MTI #7: Res. Heat Pump Water Heaters

Budget allocation revised:

- To include non-labor estimates associated actual costs of the HPWH summit and the addition of HPWH to the ESRPP platform
- Labor estimates were updated to reflect activities identified in the HPWH MTI Advancement Plan

Major Activity	Q1 Actual Spend	ABAL Budget Estimates	Revised Allocation	% Revised Spent
16. Residential Heat Pump Water Heaters (Res HPWH)	$ 409,316	$ 1,564,000	$ 2,027,316	20.2%
16a. Market & Technology Research & Engagement	$ 326,667	$ 1,139,000	$ 1,456,316	22.4%
16b. Strategy & MTI Plan Development	$ 82,649	$ 425,000	$ 571,000	14.5%
17. Batch 3 MTI(s)	$ -	$ 1,207,000	$ 919,000	0.0%

Transformative Energy Solutions

for the public good

Market transformation is a proven approach that works to remove market barriers so that energy efficient, equitable, and climate-friendly approaches become the new standard practice for all Californians.

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