

1st Quarter 2026

CalMTA continued to make progress on market transformation initiative (MTI) development and operational milestones in the 1st quarter of 2026, driving us closer to MTI implementation in support of California's goals for cost-effective energy efficiency and decarbonization, workforce development, and equity.

For previous Quarterly Reports, visit: [Resources and Reports](#)

For the 2026 CalMTA Operations Plan, visit: [2026 Operations Plan](#)



SECTION 01

Introduction

Stacey Hobart
Principal of Engagement &
Communications

CalMTA is a program of the California Public Utilities Commission (CPUC) and is administered by Resource Innovations

1st quarter activities summary



MTI idea development	Administration and operations	Engagement and communications	Completed	In Progress	Not Started
			●	◐	○

1st quarter milestones	Q1	Q2	Q3	Q4
Final CRTUs MTI Plan for MTAB and public comment	●			
Finalize statewide engagement contracts with national retailers for Induction Cooking stocking incentive	●			
Finalize statewide engagement contracts with national retailers for RHP stocking incentive	●			

1st quarter activities summary (cont.)



MTI idea development	Administration and operations	Engagement and communications	Completed	In Progress	Not Started
			●	◐	○

1st quarter milestones	Q1	Q2	Q3	Q4
Host Equity Sounding Board meeting Q1	●			
<i>Idea to Initiative</i> education series for upcoming MTIs	●			
Publish 2026 Operations Plan	●			
Hold Q4 2025 quarterly report webinar + publish KPI scorecard	●			
Submit revised Induction Cooking MTI Plan via Tier 2 Advice Letter to the CPUC	●			
Hold Q1 MTAB meetings	●			
Recruit for MTAB members whose two-year terms expire in April 2026	●			
Seat a new member to the Evaluation Advisory Group due to a vacancy	●			

1st quarter key outcomes



Tier 2 Advice Letter

Submitted a Tier 2 Advice Letter seeking final approval of the revised Induction Cooking MTI Plan, per [Decision 25-11-023](#)

Final CRTUs MTI Plan

Completed MTAB and public comment process for the CRTUs MTI Plan; resulting revisions incorporated into the plan with feedback summarized in Appendix I

1st quarter key outcomes (cont.)

2026 Operations Plan

Published and began implementing the [2026 Operations Plan](#)

Idea to Initiative Education Series

Continued the [Idea to Initiative](#) education series for three MTI Plans nearing completion via MTAB meetings and online resources

MTAB member recruitment

Accepted applications for MTAB member seats whose terms end in April 2026

SECTION 02

MTI Development



CalMTA is a program of the California Public Utilities Commission (CPUC) and is administered by Resource Innovations

Ideas in process



Room Heat Pumps



Induction Cooking



Commercial Rooftop Units



Residential Heat Pump Water Heating



Commercial Replacement & Attachment Window Solutions



Foodservice Water Heating Systems



Commercial Building Efficiency Accelerator

2025

- Approved/conditionally approved by CPUC Decision
- In market in 2026

2026

- Preparing for submission via CPUC application in Q2

2027

- Preparing for submission after next application decision

Section 2.1 Initiatives Entering the Market

Alex Wurzel, Program Manager

Clarissa Kusel, Program Manager



Room Heat Pumps MTI Request For Proposals (RFP) process



- RFP closed on January 30, 2026
- Scoring team reviewed all proposals
- Finalist interviews were conducted
- Announcement of award decision is pending

The Room Heat Pumps MTI is expected to be under contract by the end of 2nd quarter 2026.

Room Heat Pumps outreach

RHP Collaborative

- Held 1st quarter meeting of the RHP Collaborative. Agenda included:
 - Performance maps, energy modeling, CEE specifications, ENERGY STAR status
 - Update on CalMTA's 2026 plans for the RHP MTI
 - RHP pilots being conducted by Ameren (IL), Electric Power Research Institute (EPRI)/ComEd (IL)
 - Future collaborative working groups
- ACEEE Hot Air Forum: Hosted lunch with collaborative members; discussed RHP naming/labeling requirements with manufacturers

Room Heat Pumps outreach RHP Collaborative (cont.)



- Began expanding collaborative recruitment activities to:
 - Bring on new members for better representation in milder climates (like California's)
 - Grow manufacturer contacts and members
- Developed communication tools to align market messaging and streamline communications:
 - Website, collateral, explanatory materials



Room Heat Pumps ACEEE Hot Air Forum presentation



- Addressed window barriers to Room Heat Pump adoption
 - Horizontal slider windows are 50-62% of California building stock (n~4,885)
 - Renters and low-income earners are less likely to understand RHPs and their benefits
 - Product innovation and awareness campaign are needed
- View full research report here: [California Window Stock Study](#)

Room Heat Pumps

Manufacturer engagement



- Ongoing work with established RHP manufacturers
 - Consider product development cycle with MTI planned interventions
 - Early influence on 2027 products
- Organized market engagement event with Gradient for the [California Heat Pump Partnership's](#) inaugural Heat Pump Week
- Met with new market entrants:
 - [Airform](#) and [Bootbox](#)



Induction Cooking



Induction Cooking Revised MTI Plan



- Recap: the CPUC granted conditional approval for the Induction Cooking MTI via [Decision 25-11-023](#) in November 2025
- The revised Induction Cooking MTI Plan was [submitted via a Tier 2 Advice Letter on March 11](#) (ahead of the April 3 deadline)
- No protests; final approval expected in Q2

Induction Cooking Revised MTI Plan - primary focus

- Product development intervention focused on 120V products
- Emphasis on multifamily and environmental and social justice (ESJ) communities
- Strategy aligned with any changes to policy language
- Removed 240V interventions related to new construction



Induction Cooking retail engagement SPIF Test overview

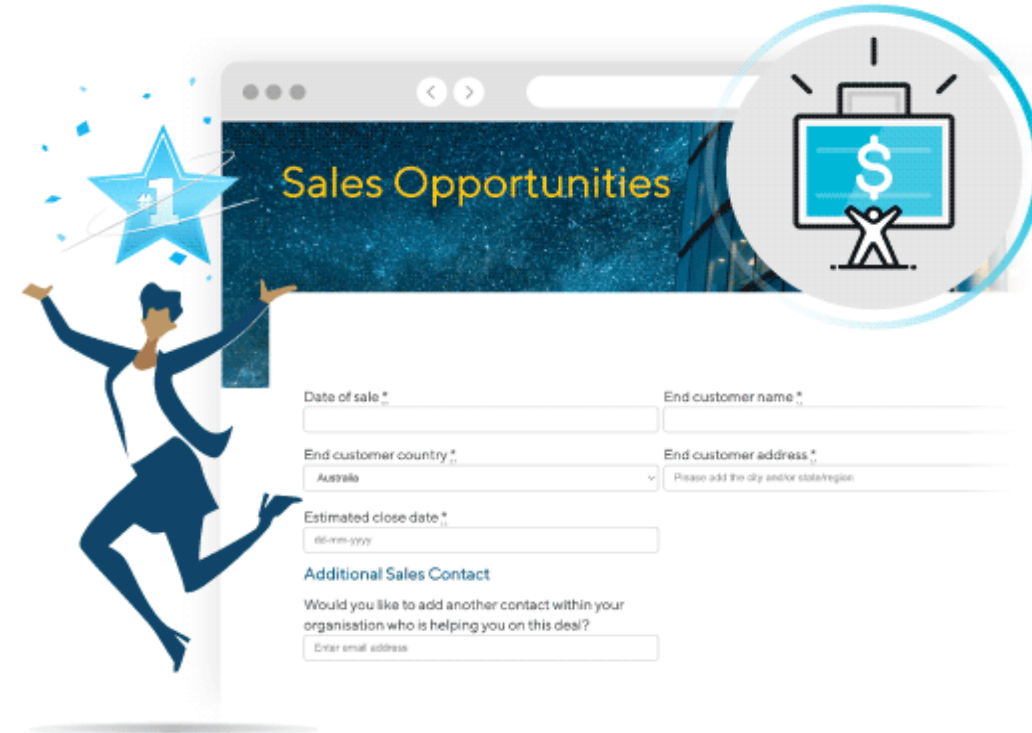


- SPIF: "Sales Performance Incentive Fund"
- Partnering with NEEA to leverage set-up fees and extend lessons learned
- Leverage an existing SPIF system used by manufacturers to reward sales staff for selling induction cooking products
- CalMTA matches manufacturer SPIFs when qualified products are sold

Induction Cooking retail engagement SPIF Test learning goals



- Understand the effectiveness of matching manufacturer SPIFs to accelerate induction sales
- Evaluate the extent to which SPIFs motivate sales staff behavior
- Deeper insights provided through sales staff survey (to be distributed in May 2026)



Induction Cooking retail engagement Nationwide's PrimeTime Event - March 2026



Event overview:
Nationwide Marketing
Group's biannual Member
conference and tradeshow


Induction Cooking retail engagement Nationwide's PrimeTime - March 2026



- **Event highlights:** Manufacturer showroom; energy efficiency partners
- CalMTA helped facilitate the presence of a Copper 120V induction product booth to introduce to retail
- **Manufacturers:** GE, Copper, LG, Frigidaire, Summit Appliance, Samsung, Thor Kitchen, Electrolux, Forno



Questions?



Section 2.2

Forming Initiatives

Nick Fiore, Program Manager

Jaclyn Kahn, Program Manager



2025-2026 Timeline

Learn more: [Idea to Initiative](#)

Commercial Rooftop Units

Part 1

- Logic Model
- Market Transformation Theory
- Market Characterization

**August
2025**

Part 2

- Market Progress Indicators & Milestones
- Product Assessment

**September
2025**

Part 3

- Total System Benefit & Cost Effectiveness
- Evaluation Plan
- Draft Market Transformation Initiative Plan & Appendices

**November
2025**

Residential Heat Pump Water Heating & Commercial Replacement & Attachment Window Solutions

Part 1

- Logic Model
- Market Transformation Theory
- Market Characterization

**November
2025**

Part 2

- Market Progress Indicators & Milestones
- Product Assessment

**January
2026**

Part 3

- Total System Benefit & Cost Effectiveness
- Evaluation Plan
- Draft Market Transformation Initiative Plan & Appendices

**March/May
2026**

Commercial Rooftop Units (CRTUs)



CRTUs

1st quarter progress



- Reviewed and responded to all MTAB and public comments on MTI Plan and Appendices via Appendix I
- Updated MTI Plan and Appendices in response to feedback
- Presented a summary of key MTAB feedback themes and CalMTA responses at [Jan. 29 MTAB meeting](#)
- Next steps: Prepare final MTI Plan to submit to CPUC via Application in Q2

TSB - Total	TSB - Energy	TSB - Grid	TSB - GHG	TRC	PAC	SCT Base/High
\$595M	\$148M	\$147M	\$300M	2.65	20.52	3.23/3.47

CRTUs

ACEEE Hot Air Forum presentation - March 2026



Overview:

- Connected commissioning uses software on a mobile device to guide startup step by step, reducing errors, improving efficiency and comfort, and producing verified savings

Key conference learnings

- “Connected commissioning” term needs to be adjusted
- SMUD’s impactful RTU program focuses on contractor education



Commercial Replacement and Attachment Window Solutions (CRAWS)

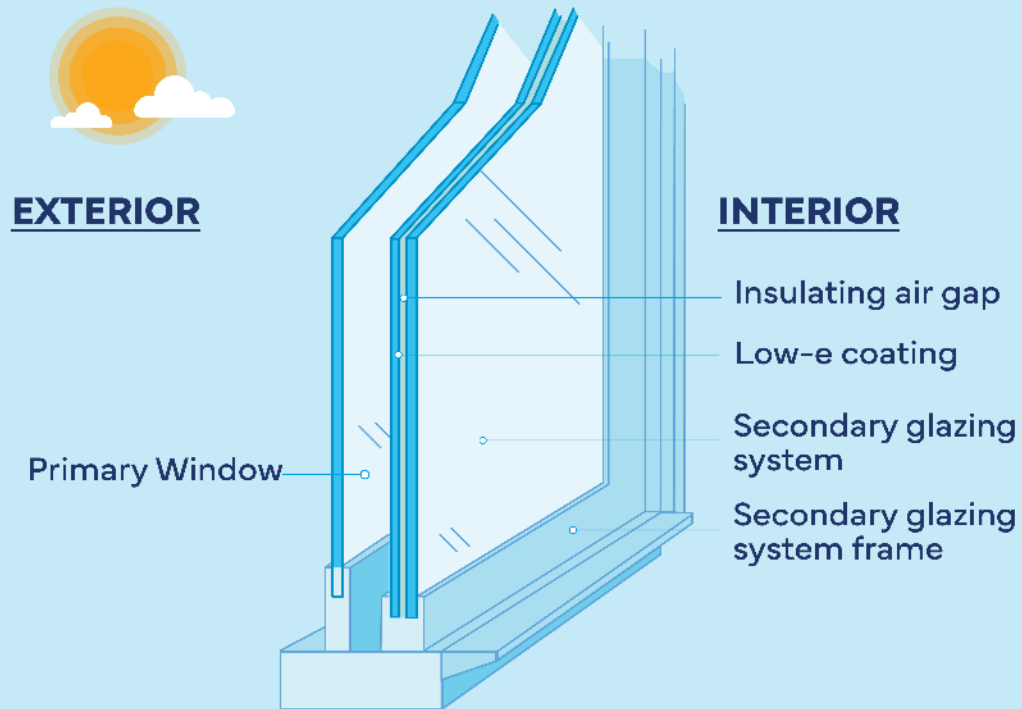


CRAWS technologies

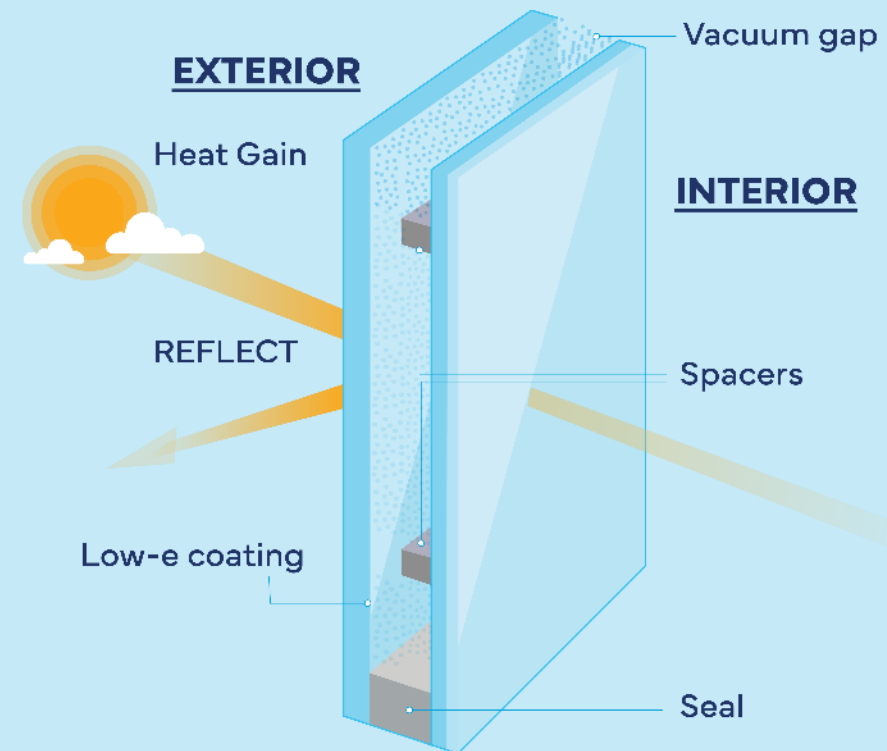
COMMERCIAL REPLACEMENT AND ATTACHMENT WINDOW SOLUTIONS

COMMERCIAL SECONDARY WINDOW

May be single-pane or dual-pane



VACUUM INSULATED GLASS FOR SINGLE PANE REPLACEMENT



CRAWS

1st quarter progress



Idea to Initiative Part 2: Presented key portions of the forming CRAWS MTI Plan at the [January 29 MTAB meeting](#)

- Product Assessment
- Market Progress Indicators (MPIs) and Milestones

Finalized and published the [Market Characterization Report](#) (Appendix D)

- Key findings from this report were previously shared at the [November 13 MTAB meeting](#)

CRAWS

1st quarter progress (cont.)

Received draft measure package from CalNEXT team

- Used draft eTRM prototype buildings with CalMTA product specification to update savings calculations
- Updated Product Assessment Report (Appendix C) with new energy modeling results

Continued data analysis and collaboration on market adoption forecasting, TSB, and cost-effectiveness, to be included in Appendix B

A person with dark curly hair, wearing a dark t-shirt, is seen from the side, working on a wooden frame structure. They are using a blue utility knife to cut a piece of blue tape or material. The structure is made of light-colored wood and has a black frame around a rectangular opening. The background is slightly blurred, showing what appears to be a classroom or workshop setting with colorful decorations.

CRAWS field study update

Madison Elementary School



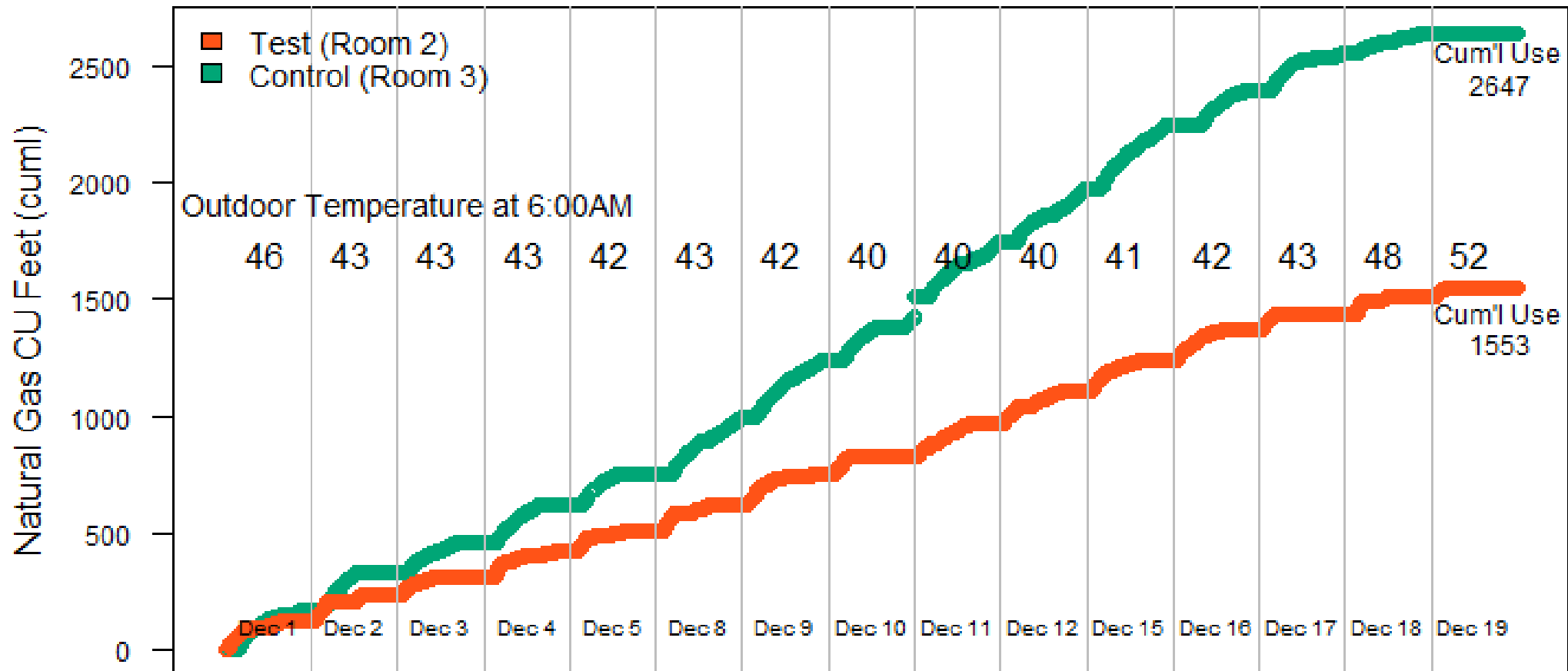
- Ongoing classroom data collection:
 - Electricity and gas usage
 - Air temperature and quality
 - Door opening cadence
- Began data analysis of “heating season” months
- Plan to share preliminary field study findings in June

CRAWS field study

Cumulative gas usage between one test room (2)
and one control room (3)



Cumulative Natural Gas Used For Heating
December 2025 School Days Only
6:00AM to 4:00PM



CRAWS

Next steps in 2026



- Continue data collection at field study site at Madison Elementary
- **Idea to Initiative** sharing, including the following topics:
 - Part 3 - TSB, cost-effectiveness, Evaluation Plan and draft MTI Plan ([May 6 MTAB meeting](#))
- MTAB and Public Review of MTI Plan: May 14 – June 1
- Prepare to submit MTI Plan to CPUC via an Application by the end of the 2nd quarter

Residential Heat Pump Water Heating (HPWH)



Residential HPWH 1st quarter progress



Idea to Initiative Part 2: Presented key portions of the forming Residential HPWH MTI Plan at the [January 29 MTAB meeting](#), including:

- Product Assessment
- Market Progress Indicators (MPIs) and Milestones

Finalized and published the [Market Characterization Report](#) (Appendix D)

- Key findings from this report were previously shared at the [November 13 MTAB meeting](#)

Residential HPWH 1st quarter progress (cont.)



Idea to Initiative Part 3: Presented key portions of the forming Residential HPWH MTI Plan at the [March 25 MTAB meeting](#), including:

- Market adoption forecast
- Total system benefit (TSB) and cost-effectiveness
- Evaluation Plan

Overview of the HPWH MTI

Market	Residential single-family and multifamily target market, consumer products			
TSB (2028-2047)	TSB - Energy	TSB - Grid	TSB - GHG Non-refrigerant	TSB - GHG Refrigerant
	\$57.09M	\$8.16M	\$451.21M	\$-15.67M
TSB - Total	\$500.80M			
Cost Effectiveness (2028-2047)	TRC	PAC	SCT Base/High	
	1.67	16.82	2.70/2.69	

Residential HPWH

Next steps



- MTAB review and public comment: April 22 - May 6
- Finalize and publish the MTI Plan, and Appendices:
 - Appendix B: Market Forecasting & CE Modeling
 - Appendix E: External Program Alignment
 - Appendix F: Evaluation Plan
 - Appendix G: Risk Management Plan
 - Appendix H: Cost Estimate
 - Appendix I: MTAB Feedback
- Submit MTI Plan to the CPUC via an Application by the end of the 2nd quarter



Questions?

Section 2.3 Initiatives in Development

Clarissa Kusel, Program Manager

Rick Olson-Huddle, Strategy
Manager

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Foodservice Water Heating Systems



Foodservice Water Heating Systems 1st quarter accomplishments



- Analyzed site survey and load-shifting lab test findings to begin Product Assessment Report development
- Completed interviews and surveys with foodservice owners to understand decision-making processes and began analyzing the results
- Completed co-funded New Buildings Institute (NBI) field study



Foodservice Water Heating Systems

Load-shifting lab testing



- Over 15 load-shifting lab tests for integrated HPWH conducted across varying draw profiles and multiple integrated units to represent a variety of load profiles and configurations
- Load-shifting potential successfully demonstrated across a range of profiles and unit configurations
- EnergyPlus model calibration to laboratory testing conducted to improve modeling inputs and simulation outputs



AO Smith CHP 120
from sales brochure

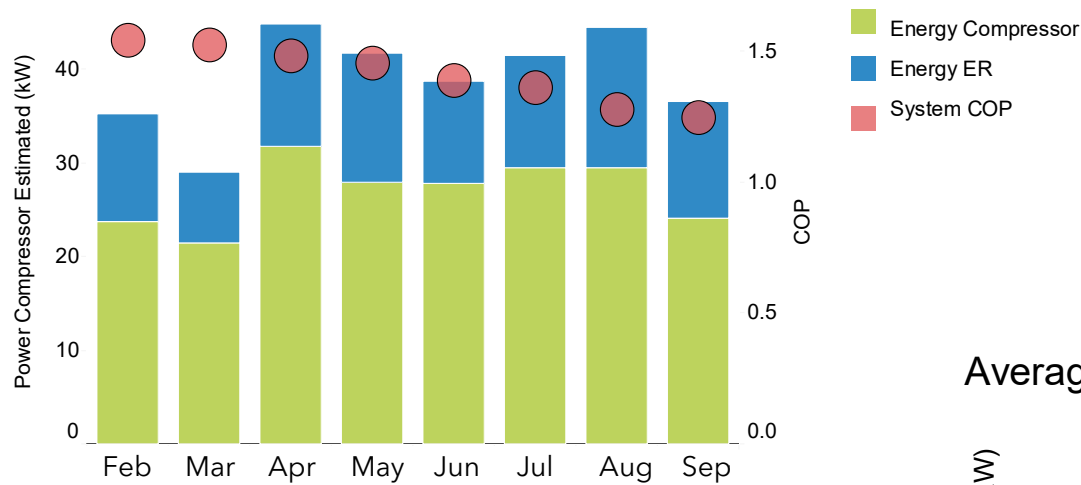
Foodservice Water Heating Systems NBI field study

- Study conducted at four foodservice sites, including quick service restaurants and grocery stores with food preparation activities
- Sites included integrated HPWH installations and split systems
- Integrated HPWH performance ranged from COP 1.9-2.3 depending on site characteristics (note: sites had recirculation loops)
- Split system HPWHs showed higher COP (3.5-4.1)

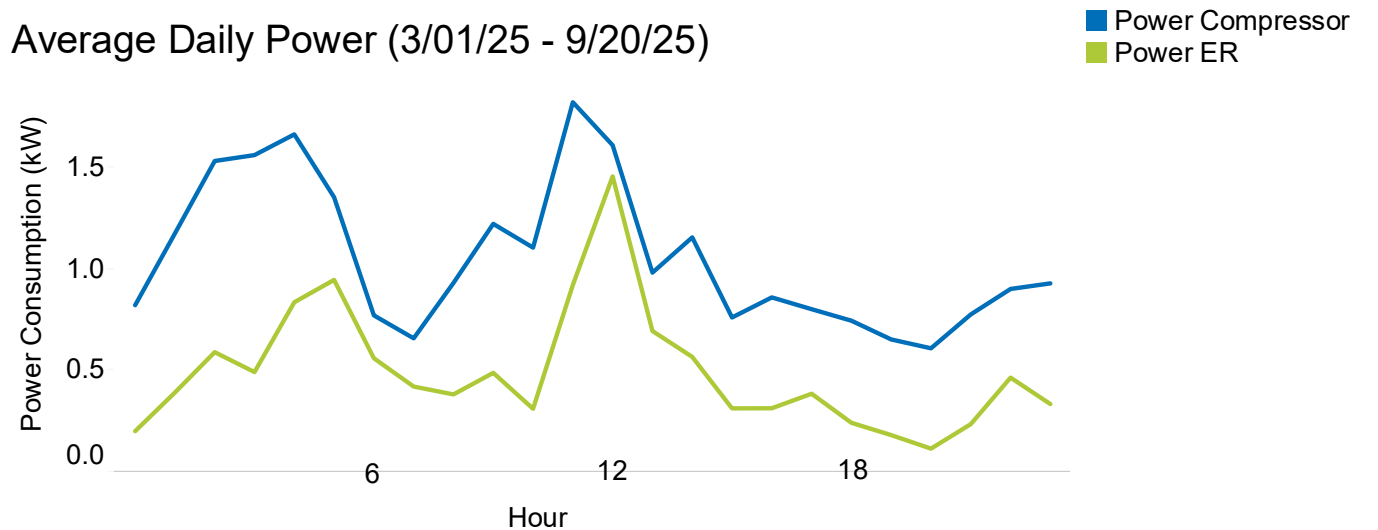
Foodservice Water Heating Systems NBI field study



Energy and COP 3/1/25 - 9/20-25



Average Daily Power (3/01/25 - 9/20/25)



Commercial Building Efficiency Accelerator (CBEA)



What is CBEA?



- It's **NOT** one technology or even a system
- **It's a practice:** incorporating energy use, emissions, and peak demand management into facilities management/ planning process
- It's for existing **commercial buildings and multifamily housing over 20,000 ft²**

Market “observers” interviews: focus on trigger events

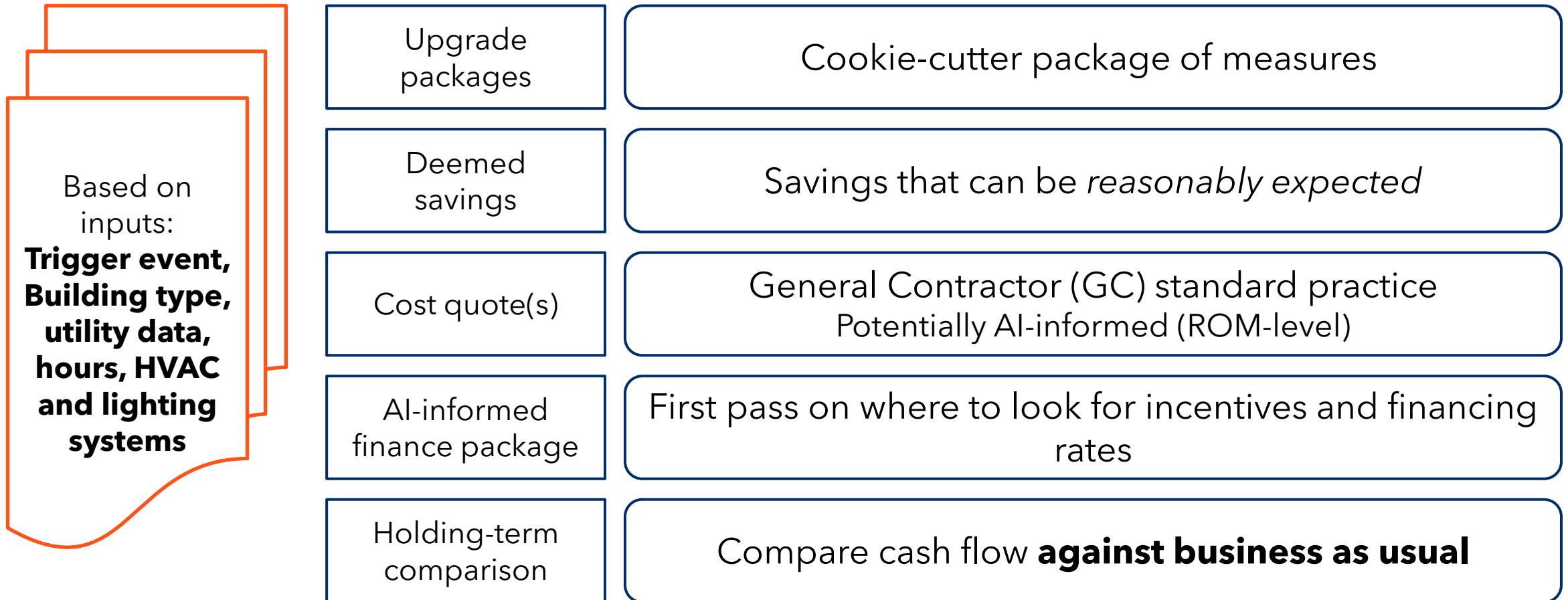


- Building owners are much more likely to consider upgrades when refinancing or during other “trigger” events
- Green banks, C-PACE, and on-bill tariffs can be helpful when financing

Type of interviewee	Number
Lenders	3
Program administrator	2
MUSH market	1
Affordable housing	1
Private project consultant	1

Next steps: More literature review and focus groups with building decision-makers

Potential intervention: Simplifying decarb. with packaged upgrades



Initial building segments for our energy savings analyses



Building Use	Size	HVAC Type
Retail	25 - 200k sq ft	Small packaged unit
Education	25 - 200k sq ft	Central multizone system
Office	25 - 200k sq ft	Central multizone system
Foodservice	<25k sq ft	Small packaged unit
Lodging	25 - 200k sq ft	Zone-by-zone
MF residential	5+ units, 1-3 stories	No AC, electric heat
MF residential	5+ units, 1-3 stories	Central AC, gas heat

These segments all had:

- High EUI
- Large number of buildings
- Large amount of floorspace
- High total energy
- High emissions

Housing California Conference



Takeaways:

- Asset managers should talk to lenders early:
 - Improves financing terms
 - Allows them to include upgrades
- California will likely see a lot of multifamily refinancing in next 5-10 years

March 18-20th
Sacramento
Affordable housing orgs
Lenders
Asset managers
Vendors



Questions?

Section 2.4 Open RFI & Technology Scanning

Rick Dunn, Senior Manager,
Emerging Technology



Request for Ideas process



- Permanently open [Idea Portal](#) enables interested parties to share recommendations for energy-efficient products and practices to be considered for MT development year-round.
- The [All Submitted Ideas Dashboard](#) includes all previously submitted ideas to date, their descriptions and status.
- 226 MT ideas submitted to date (139 after combining similar ideas)

1st quarter idea submissions



Received one idea submission via the CalMTA Idea Portal:

IDEA-0235 - Energy Saving Retrofit Controllers for Existing HVAC System

- Retrofit based, real-time dynamic control of fixed speed motors for compressors, fans, and pumps.
- Idea is very similar to **IDEA-0024** - VFDs on all pumps and fans > 10 HP
- Idea 0235 was combined with 0024 and status is archived at Stage 2

Technology scanning and screening



In Q4 2025, CalMTA completed initial research on Industrial Heat Pumps (IHPs) and Limestone Calcined Clay Cement (LC3) markets and technology readiness to inform potential future MTI development.

Q1 activity focused on:

- Researching threshold questions presented by MTAB at the Jan 29th meeting, relating to market conditions that might enable or complicate market transformation activities for these ideas
- Data collection to estimate TRC and PAC for IHP idea

More
background
presented at the
[Jan. 29 MTAB
meeting.](#)

Technology scanning and screening



Upcoming Q2 Activity:

IHP: Complete Phase 1 estimate of TRC and PAC

LC3: Summarize findings from threshold research

Report out to MTAB in Q3; solicit feedback; determine suitability for advancement to Phase 2 (Concept Development).



Questions?

SECTION 03

Operations & Administration

Stacey Hobart, Principal of
Engagement & Communications

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Operations and administration highlights

MTAB meetings



- **1st quarter meetings:**
 - Jan. 29 in-person meeting in Oakland
 - March 5 and March 25 virtual meetings
- **Coming up in 2nd quarter:**
 - May 6 in-person meeting in Oakland
 - June 1 Organizational Review Report Webinar
- Additional 2026 meetings will be added for the 3rd and 4th quarters

Published plans and reports



1. [Fact Sheet: CBEA](#)
2. [Residential HPWH Market Characterization Report](#)
3. [120V Battery-Equipped Induction Ranges Field Study Report](#)
4. [4th Quarter Activity Report Webinar](#)
5. [Geographic Targeting Using ESRPP for RHP and Induction Cooking Strategy Pilot Report](#)
6. [CRAWS Market Characterization Report](#)
7. [2026 Operations Plan](#)
8. [Residential HPWH MTI Plan](#)

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Outreach highlights

Engagement activities



CalMTA engaged with key stakeholder groups and shared information about our work across multiple channels in the 1st quarter:

10

Conferences and industry events attended

3

MTAB meetings held

3

Blogs and news items shared

9

Email newsletters

1

Quarterly reporting webinar

98

Engagements with programs and market actors



Applying our equity lens



CalMTA continued to build on our partnership with the Equity Sounding Board in Q1:

- Our first full meeting of 2026 focused on translating MT interventions into implementation activities and identifying ESJ organizations to engage for the second tranche of MTIs.
- A consulting session yielded important feedback on equitable workforce, education, and training needs for the CRAWs MTI.



Updated MT equity guidance finalized

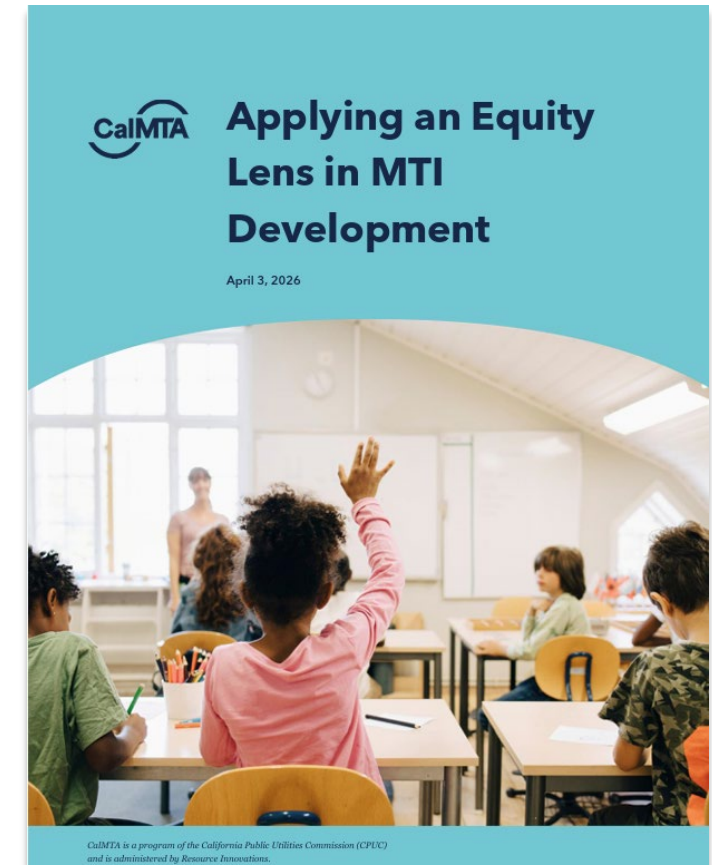


MT's market-level interventions require a unique, tailored approach to addressing equity.

Applying learnings from other industries (e.g., health care), input from MT experts, and direct feedback from listening sessions and our Equity Sounding Board, CalMTA finalized updated guidance for prioritizing equity in MT:

- Market research
- Logic model development
- Strategic interventions

This guidance provides MTI teams with a central, consistent tool to help them apply an equity lens in their work.





Questions?



SECTION 04

Financial Reporting

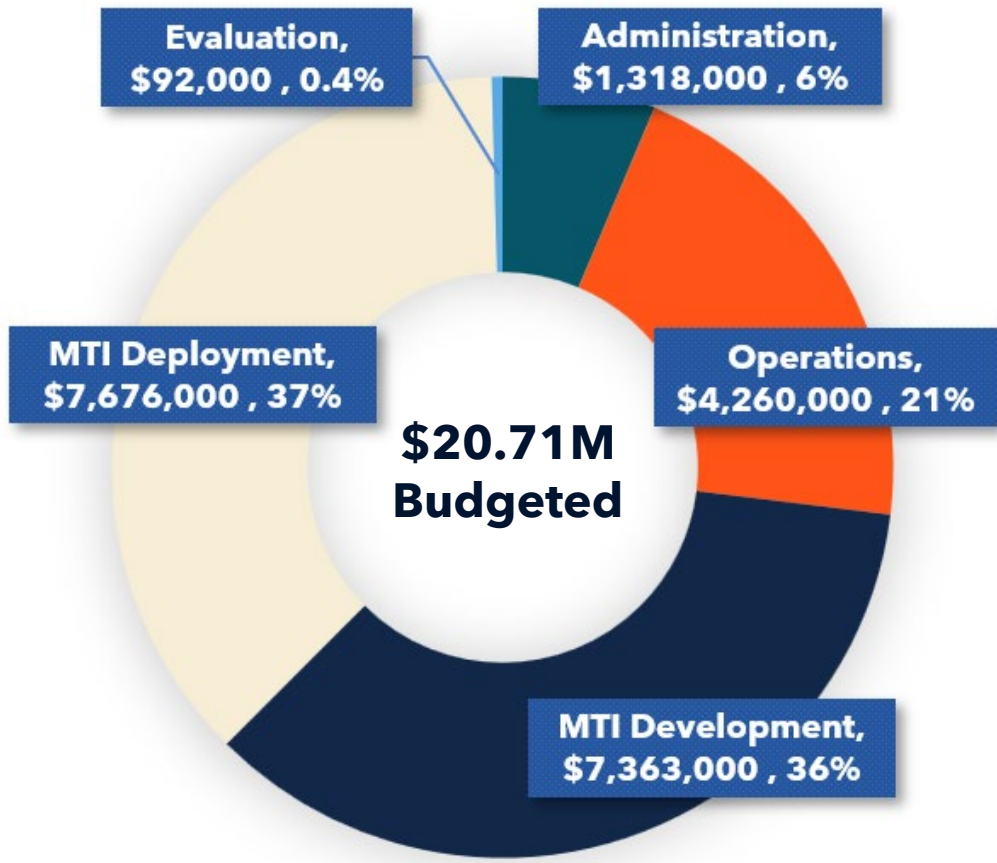
Jim Giordano
Principal of Operations

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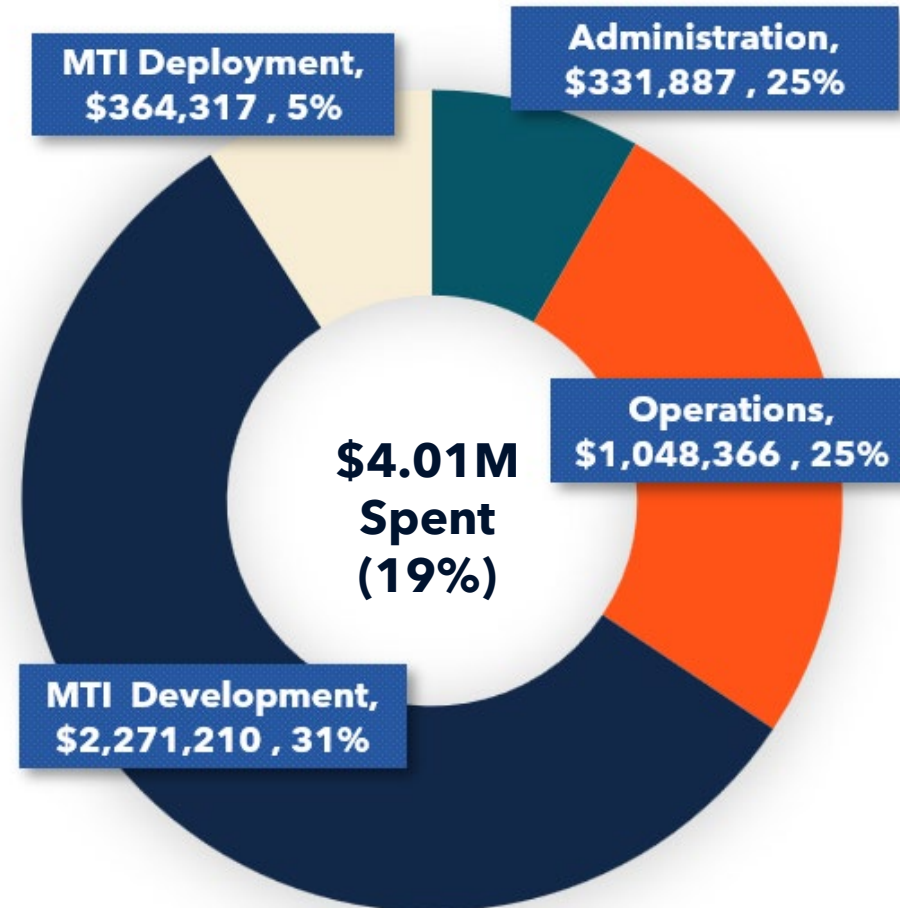
2026 Operations Budget and Q1 spending



2026 Operations Budget



Q1 Actuals, % of Budget Spent



Spending detail by major activity



Cost Category/Major Activity	Ops Plan Budget	Q1 Spend	% Spent
Administration	\$ 1,318,000	\$ 331,887	25%
Routine Admin	\$ 809,000	\$ 206,164	25%
Non-Routine Admin	\$ 509,000	\$ 125,723	25%
Operations	\$ 4,260,000	\$ 1,048,366	25%
Proj. Mgmt.	\$ 1,223,000	\$ 284,192	23%
MTAB Operations	\$ 367,000	\$ 128,478	35%
Policy	\$ 513,000	\$ 132,226	26%
Stakeholder Engagement	\$ 1,838,000	\$ 434,629	24%
Data Systems Develop. & Mgmt	\$ 319,000	\$ 68,842	22%
Initiative/Concept Development	\$ 7,363,000	\$ 2,271,210	31%
Phase I - Concept Development	\$ 634,000	\$ 160,982	25%
Phase II - Initiative Development	\$ 6,729,000	\$ 2,110,227	31%
MTI Deployment	\$ 7,676,000	\$ 364,317	5%
Room Heat Pump Deployment	\$ 5,317,000	\$ 364,317	7%
Induction Cooking Deployment	\$ 2,359,000	\$ -	0%
Evaluation	\$ 92,000	\$ -	0%
Totals	\$ 20,709,000	\$ 4,015,780	19.4%

Spending detail: MTIs in Phase II



MTIs in Phase 2	Ops Plan Budget	Q1 Spend	% Spent
Comm. Rooftop Units (CRTU)	\$ 723,000	\$ 187,128	26%
Comm. Replacement/Attachment Windows	\$ 1,299,000	\$ 446,636	34%
Food Service Water Heating Systems	\$ 1,162,000	\$ 306,279	26%
Residential Heat Pump Water Heating	\$ 1,093,000	\$ 501,644	46%
Induction Cooking	\$ 632,000	\$ 367,731	58%
Comm. Bldg. Efficiency Accelerator (CBEA)	\$ 1,820,000	\$ 300,808	17%
Totals	\$ 6,729,000	\$ 2,110,227	31.4%



Questions?

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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