

2nd Quarter 2026

CalMTA continued to make progress on market transformation initiative (MTI) development and operational milestones in the 2nd 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

2nd quarter activities summary



MTI development	Administration and operations	Engagement and communications	Completed	In progress	Not started
			●	◐	○

2nd quarter milestones	Q1	Q2	Q3	Q4
Final CRAWWS MTI Plan for MTAB and public comment		●		
Final Residential HPWH MTI Plan for MTAB and public comment		●		
Publish 2025 Annual Report		●		
Hold Q1 2026 quarterly report webinar + publish KPI scorecard		●		

2nd quarter activities summary (cont.)



MTI development	Administration and operations	Engagement and communications	Completed	In progress	Not started
			●	◐	○

2nd quarter milestones	Q1	Q2	Q3	Q4
Application with next tranche of MTIs submitted to CPUC		●		
Hold Q2 MTAB meeting		●		
Seat new MTAB members for those whose two-year terms expired		●		
Final Organizational Review completed and delivered to CPUC/MTAB		●		
Issue Evaluation RFP for RHP initiative Induction Cooking Implementation RFP*		●		

**Timing for the RHP Evaluation RFP and the Induction Cooking Implementation RFP were switched. The Induction Cooking Implementation RFP was issued in Q2, and the Evaluation RFPs for both MTIs will be issued in Q3.*

2nd quarter key outcomes



2025 Annual Report

Published CalMTA's [2025 Annual Report](#) in May

CalMTA Organizational Review

Completed an [Organizational Review](#) of CalMTA's first three years to identify opportunities to improve operations and practices

Induction Cooking MTI

Received CPUC approval of the revised [Induction Cooking MTI](#) via Tier 2 Advice Letter and released the Implementation Request for Proposals (RFP)

2nd quarter key outcomes (cont.)



Final Residential HPWH and CRAWs MTI Plans

Completed MTAB review and public comment process for the [Residential HPWH](#) and [CRAWs](#) MTI Plans; resulting revisions incorporated into plans and summarized in Appendix I

Application for 2nd tranche of MTIs

[Submitted an Application](#) to the California Public Utilities Commission (CPUC) for approval of the CRTUs, Residential HPWH and CRAWs MTIs

SECTION 02

MTI Development

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



MTIs in development



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

Entering market deployment

- Approved by CPUC
- In market by Q4 2026

Pending application approval

- Submitted via CPUC application
- Decision anticipated in Q2 2027

MTI Plan development

- Preparing for submission following second application decision

Section 2.1 Initiatives Entering the Market

Alex Wurzel, Program Manager

Clarissa Kusel, Program Manager



Room Heat Pumps Request For Proposals (RFP)



- RFP closed on January 30, 2026
- Contract for RHP implementation team awarded to Association for Energy Affordability (AEA) as prime; supported by Energy Solutions and Slipstream
- Implementation kick-off held July 27

Room Heat Pumps outreach

Market implementation next steps



- Detailed workplan and other deliverables in progress
- Will be launching several initial workstreams
 - Manufacturer engagement, consumer awareness research, multifamily building owner engagement, and support and alignment for programs
- Implementation webinar in September for stakeholders to learn about the workstreams and coordination opportunities

Room Heat Pumps outreach

RHP Collaborative



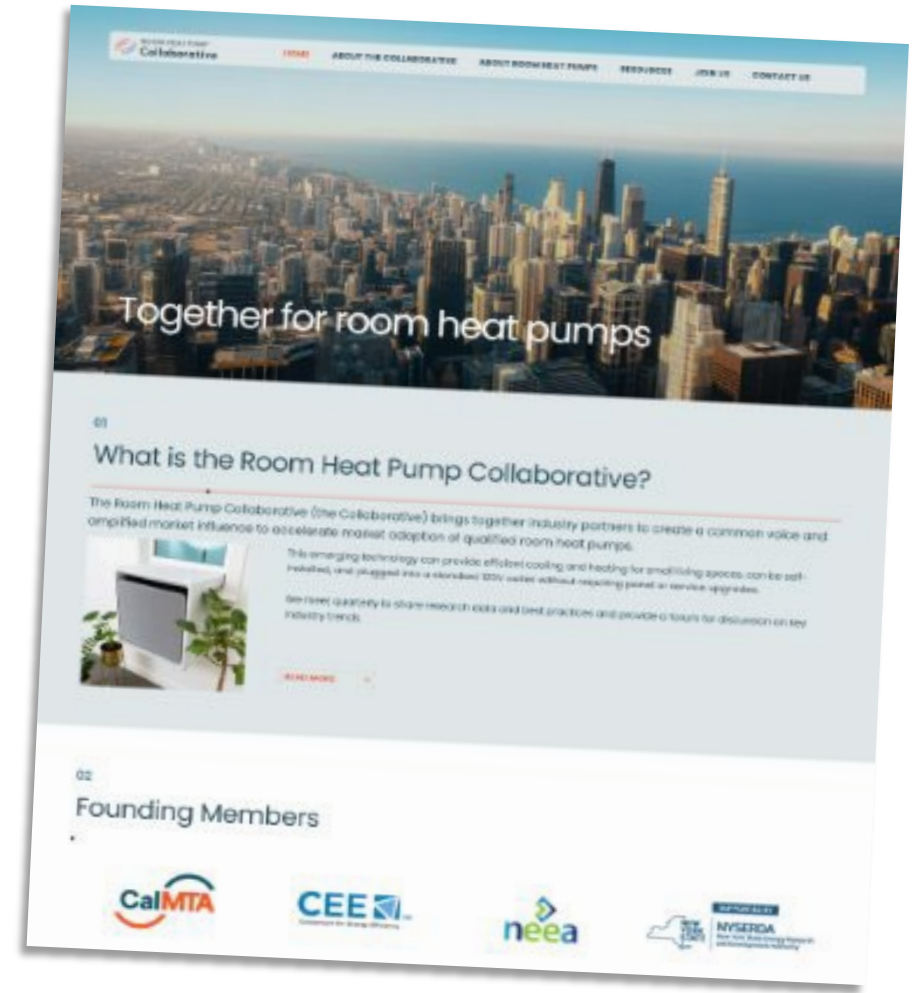
2nd quarter progress

- Held 2nd quarter meeting of the RHP Collaborative. Agenda included:
 - Envr Air large scale RHP deployment
 - New York State Energy Research and Development Authority (NYSERDA) RHP Program
 - Consortium for Energy Efficiency (CEE) RHP specification
 - Northwest Energy Efficiency Association (NEEA) field study
 - CalMTA Room Heat Pumps MTI update
- Updated the CalMTA RHP product list

Room Heat Pumps outreach RHP Collaborative (cont.)



- New RHP Collaborative website development in progress
- Developing work groups:
 - Support measure development for programs
 - Marketing and RHP messaging
- Planning informal session from 4-5pm on August 3rd at the [ACEEE Summer Study](#)



Room Heat Pumps engagement Gradient behind-the-scenes event



CalMTA and Gradient hosted a California Heat Pump Week event at Gradient's HQ in San Francisco, CA

Highlights:

- Demo of Gradient RHP installation
- CalMTA presentation
- Attendees included advocates, policy makers, program implementers, and affordable housing owners and operators



Room Heat Pumps market engagement San Mateo Multifamily Building Electrification Summit



- Regional event focused on future-proofing multifamily buildings
- Event showcased the value of energy efficiency upgrades and transition to electrification
- CalMTA presented and tabled with Gradient
- Opportunity to engage with multifamily building owners as they consider various electrification options

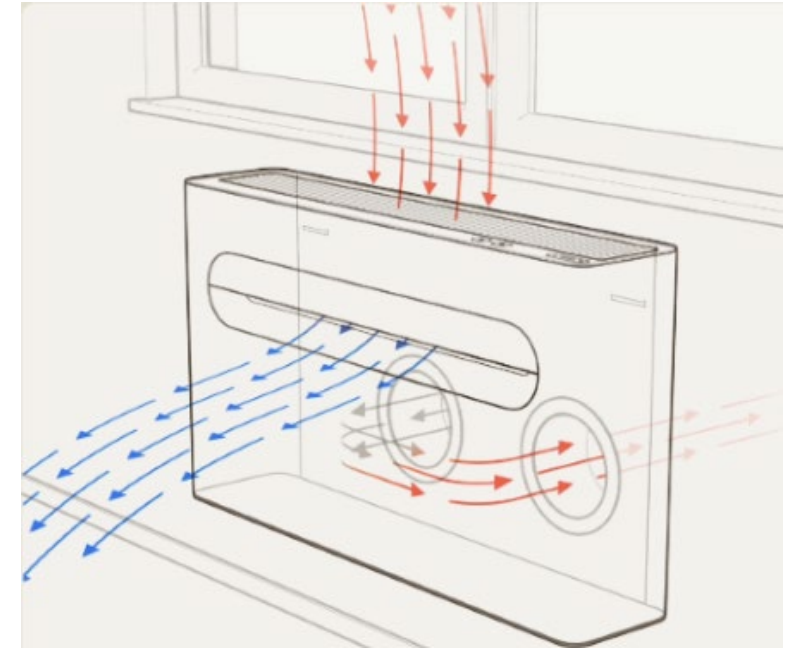


Room Heat Pumps

Product definition



- Active RHP market since MTI Plan publication
- Prompted review of current MTI product definition
- Voltage (120V) and installation (no licensed professional) are key to product definition
- Product definition does not exclude through-the-wall products that are suited to multifamily building owners and small single-family homes
- Window units are more suited to renters who are prohibited from penetrating walls



Induction Cooking



Induction Cooking

Recap of MTI approval:

- CPUC granted conditional approval for the Induction Cooking MTI via [Decision 25-11-023](#) in November 2025
- CalMTA [submitted a Tier 2 Advice Letter](#) in March 2026
- CPUC granted final approval in May 2026

RFP progress:

- CalMTA released the Induction Cooking RFP on May 27
- RFP closed on July 17
- *Up next:* Scoring team review and finalist interviews

Induction Cooking Market engagement



- Onboarded Ferguson to the ENERGY STAR Retail Products Platform (ESRPP), which touches multiple products, including induction
- Launched a survey for sales associates participating in CalMTA's SPIF test with Nationwide
- Met with NYSERDA to discuss 120V pilot testing and leverageable opportunities

Induction Cooking Market engagement (cont.)



- Attended [2026 CEC/EPRI Electrification Summit](#) in Sacramento, CA
- Connected with Copper and Impulse re: 120V battery-equipped products
- Met with Summit Appliance on intro of their new product, [Wattsipper](#):
 - Affordable 120V non-battery product targeting multifamily sales
 - Planning demos with multifamily housing later this year to help determine best use-cases and support market introduction
 - Leveraging research from NYSERDA on Wattsipper



Questions?

Section 2.2

Forming Initiatives

Nick Fiore, Program Manager

Jaclyn Kahn, Program Manager

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Commercial Rooftop Units (CRTUs)



CRTUs

2nd quarter progress



- The CRTUs MTI Plan was submitted for CPUC approval via Application
- Designed a plan and set goals for an RTU Controls Specification Working Group

CRTUs

Next steps in 3rd quarter

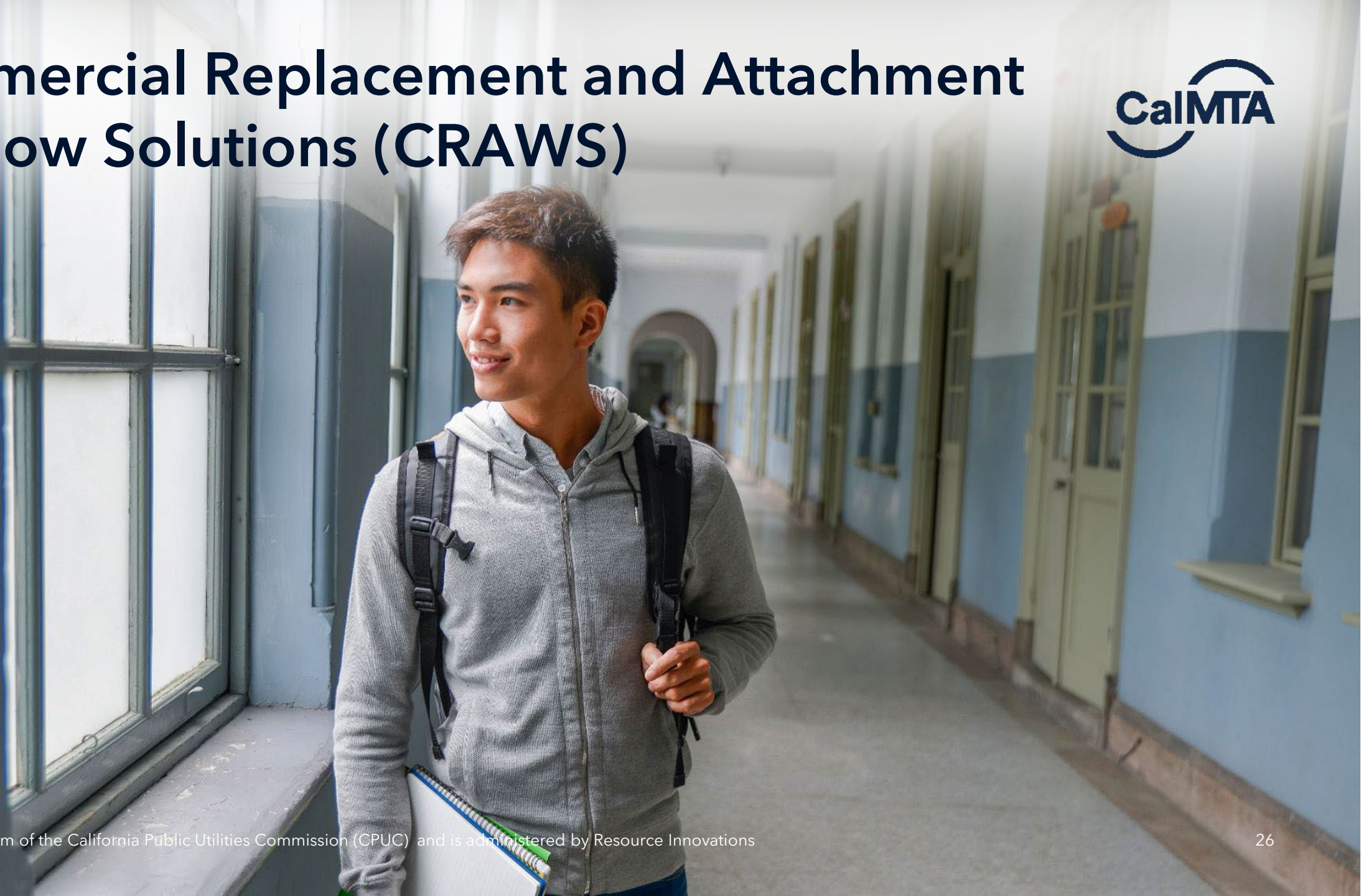


RTU Controls Specification Working Group: Lead coordination efforts to develop a voluntary Connected RTU specification for the commercial market

Stakeholder Engagement: Continue engagement with market actors, including manufacturers, state programs, and national programs; attend CEE Industry Partners conference in September

Prepare for Phase III: Begin initial RFP development tasks and recruitment of pilot partners

Commercial Replacement and Attachment Window Solutions (CRAWS)

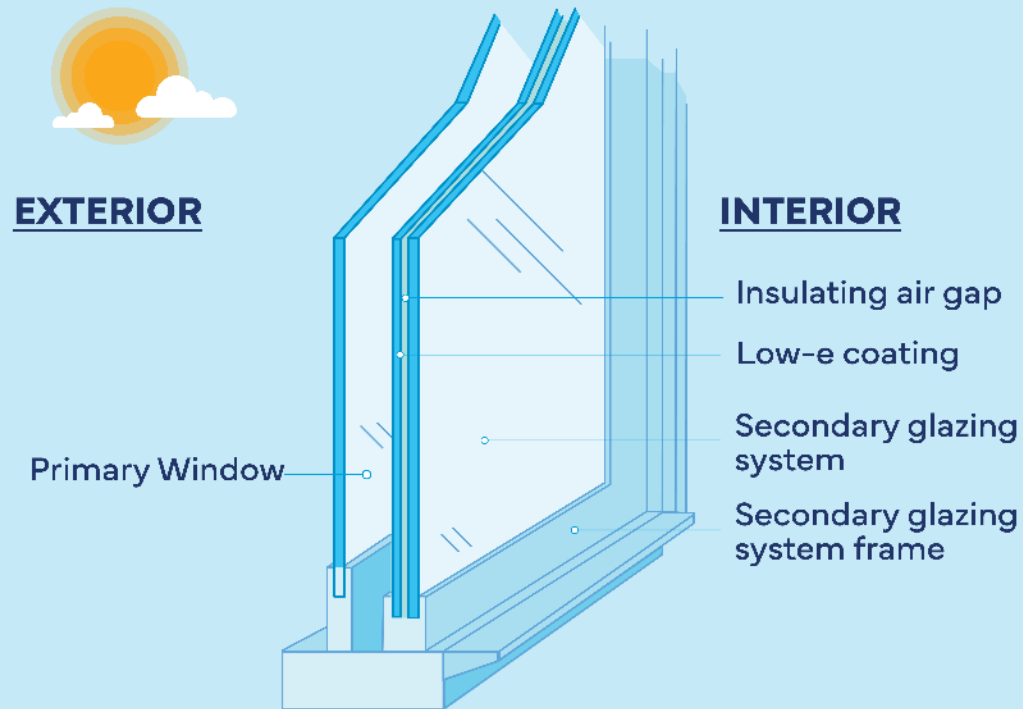


CRAWS technologies

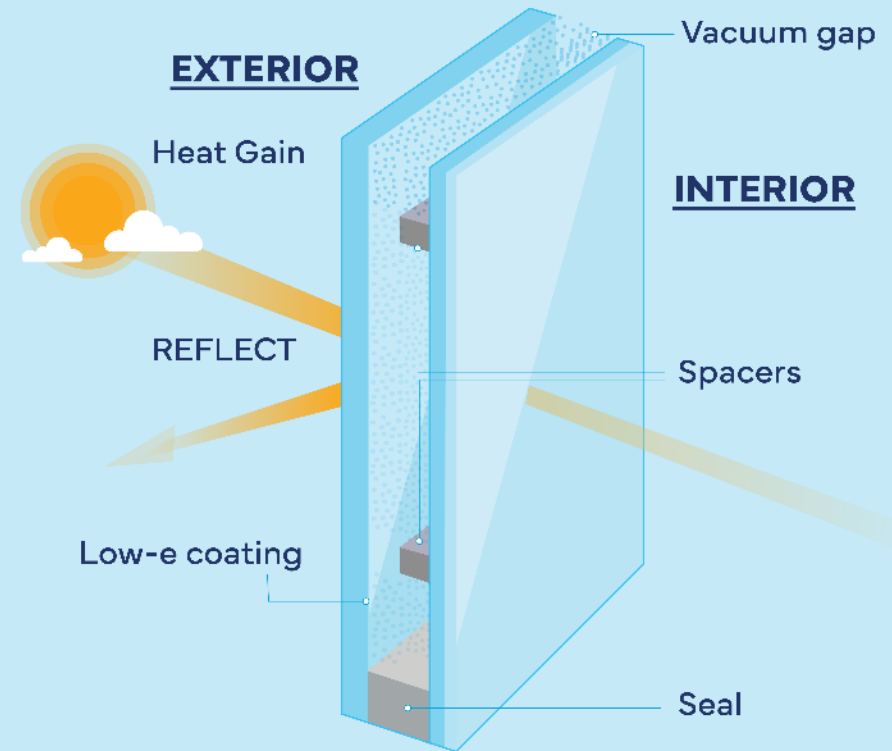
COMMERCIAL REPLACEMENT AND ATTACHMENT WINDOW SOLUTIONS

COMMERCIAL SECONDARY WINDOW

May be single-pane or dual-pane



VACUUM INSULATED GLASS FOR SINGLE PANE REPLACEMENT



CRAWS

2nd quarter progress



- Finalized the [CRAWS MTI Plan](#)
 - Released draft MTI Plan with appendices for MTAB and public review
 - Incorporated MTAB feedback into the MTI Plan and documented via [Appendix I](#)
 - Completed MTI Plan with appendices and submitted for CPUC approval via Application
- Participated in the CEC Technical Advisory Committee for their CSW pilot and in the CEC VIG summit

CRAWS

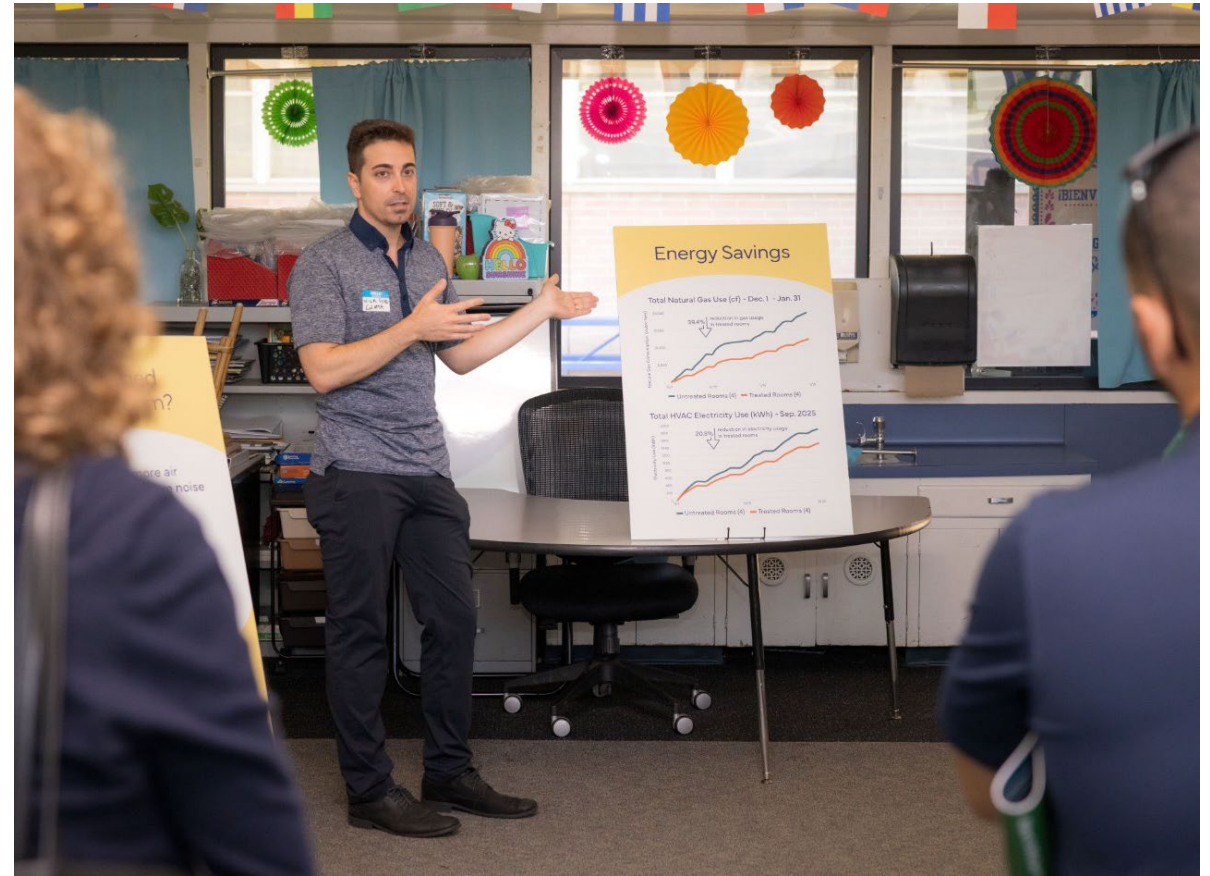
Madison Elementary Field Study Tour



CalMTA hosted a tour showcasing how installed secondary windows are lowering energy costs and creating a more comfortable, quiet learning environment for students.

- Presentations and classroom tours
- Installation and heat lamp demo

[Watch the video recap here](#)



A longer life for CSWs!

- CalMTA provided sources and justification for applying an effective useful life (EUL) longer than 20 years for commercial secondary windows (CSWs)
- CPUC staff reviewed and agreed to extend the EUL to the recommended length of 30 years
- Why is this important?
 - Better reflection the actual asset life
 - Increases lifetime energy savings
 - Improves cost-effectiveness metrics
 - Increases portfolio value

CRAWS

Next steps in 3rd quarter



Madison Elementary Field Study: Continue data collection and analysis; begin final reporting

Stakeholder Engagement: Continue engagement with market actors including manufacturers, [Partnership for Advanced Window Solutions \(PAWS\)](#), and [AERC](#); attend GlassBuild conference in September

Prepare for Phase III: Begin initial RFP development tasks and sourcing leads for pilot partners

Residential Heat Pump Water Heating (HPWH)



Residential HPWH 2nd quarter progress



Finalized Residential HPWH MTI Plan

- Released draft MTI Plan with appendices for MTAB and public review
- Incorporated MTAB feedback into the MTI Plan and documented via Appendix I
- Completed MTI Plan with appendices and submitted for CPUC approval via Application

Residential HPWH 2nd quarter progress (cont.)



- Hosted Residential HPWH Program Partner Webinar
 - Connected with key California programs and implementation partners to solicit additional feedback on the plan in May
 - Received positive feedback from attendees of the webinar, many indicating strategy is aligned with market needs
- Updated the [Advanced Water Heating Initiative \(AWHI\)](#) on CalMTA's HPWH progress in June

Residential HPWH

Next steps



Stakeholder Engagement: Continue to engage with key HPWH stakeholders, including policy-focused groups and collaborative organizations like the Sprint to 9-6 coalition and AWHI

Manufacturer Engagement: Stay updated on product launches and updates and advocate for form factors that fit the California market

Scope Segmentation Tool: Develop the scope for CalMTA's market segmentation tool – a key part of the MTI Plan strategy in Phase III

Pilot Scope: Explore partnering on existing pilots in 2027 to gather expanded data on 120V and split-system products in California



Questions?

Section 2.3 Initiatives in Development

Clarissa Kusel, Program Manager

Nick Fiore, Program Manager

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Foodservice Water Heating Systems



Foodservice Water Heating Systems

2nd quarter accomplishments



- Completed policy overview and owner survey analysis to inform Market Characterization Report
- Completed first internal draft of Market Characterization Report and distributed to MTI team and CalMTA leadership for review



Foodservice Water Heating Systems

2nd quarter accomplishments (cont.)



- Developed energy modeling and bill impact analysis to continue refining the product definition and inform the Product Assessment Report



Foodservice Water Heating System

Next steps



- **Market Characterization Report:** Complete review of Market Characterization report and finalize document
- **Product Assessment and Definition:** Continue refining product definition and complete an initial draft of the Product Assessment Report

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**

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 have:

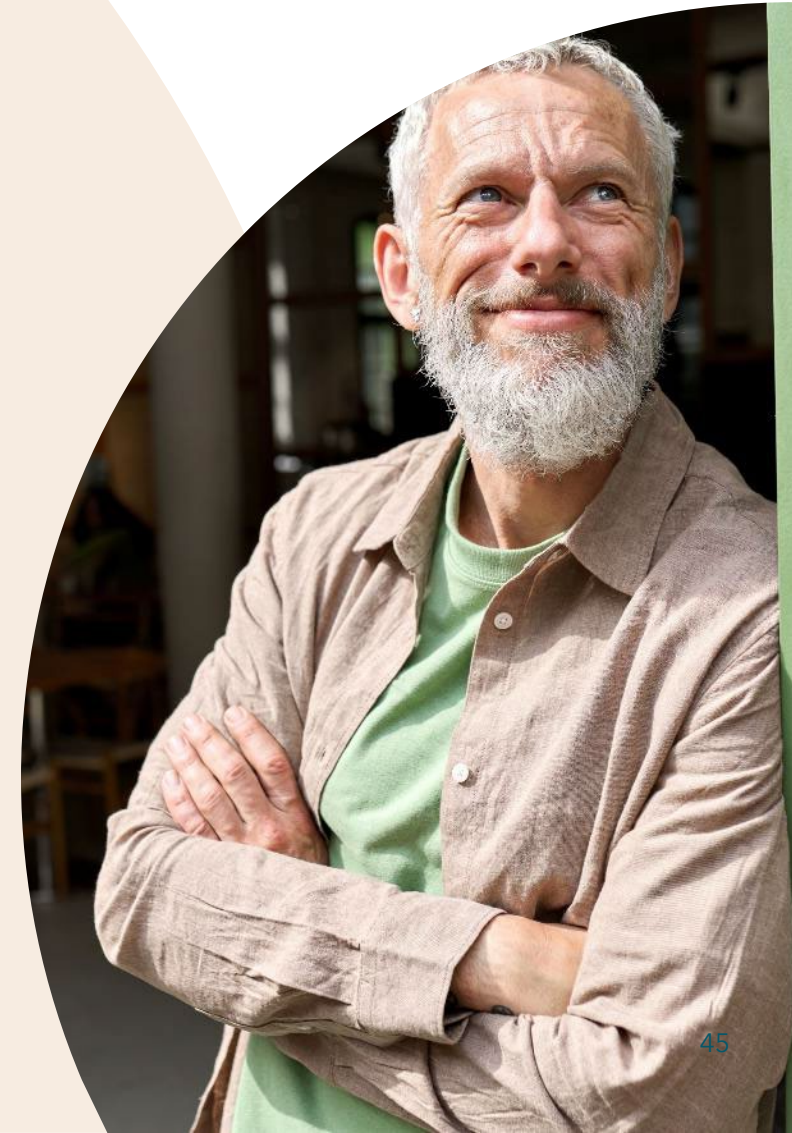
- High energy use intensity
- Large number of buildings
- Large amount of floorspace
- High total energy
- High emissions

CBEA

2nd quarter accomplishments

Conducted research to inform Market Characterization Report

- Completed our first round of Market Actor Focus Groups
- Completed secondary research efforts related to program inventory and affordable housing types



CBEA

2nd quarter accomplishments (cont.)



- Brought in a new consultant, Paul Mathew, to help guide our strategic and technical thinking
- Began building segment upgrade savings comparisons analysis
 - Using energy modeling software, we're comparing various building segments and the impacts of potential upgrade measures (e.g., solar, HVAC, lighting, etc.)



CBEA

Next steps



- **Market Research:** Continue market research tasks to inform Market Characterization Report
- **Building Segment Upgrade Savings Comparisons:** Continue analysis to better understand optimal solutions for commercial building segments and to inform the technical assessment report and market transformation theory
- **Logic Model:** Initiate development of logic model and market transformation theory



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
 - 228 MT ideas submitted to date (141 after combining similar ideas)



2nd quarter idea submissions



Received two new idea submissions via the CalMTA Idea Portal:

IDEA-0236 - Compressor Cycle Reduction Initiative (CCRI)

- Commercially available temperature probe retrofit for walk-in coolers. Prevents compressor starts and short-cycling due to brief air temperature changes associated with door openings

IDEA-0250 - Smart Magnetic Immersed Induction Residential Water Heater + VPP

- Prototype 120V magnetic immersed induction water heater with thermal energy storage and advanced controls

Both ideas passed threshold review; Stage 1 Scoring to take place in Q3

Scanning, screening & scoring

2nd quarter activity:

- Continued Phase 1 research for two industrial technologies:
 - Industrial Heat Pumps (IHPs): Initiated Phase 1 estimate of TRC and PAC
 - Limestone Calcined Clay Cement (LC3): Completed threshold research

Next steps:

- Report out to MTAB in the 3rd quarter
- Solicit feedback
- Determine suitability for advancement to Phase II: Program Development



Questions?

SECTION 03

Operations & Administration

Stacey Hobart, Principal of
Engagement & Communications

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Outreach highlights

Engagement and outreach activities



CalMTA engaged with key stakeholder groups and shared information about our work across multiple channels in the 2nd quarter:

17

Conferences and
industry events
attended

2

MTAB meetings held

3

Blogs and news
items shared

6

Email newsletters

4

Events and webinars
hosted

163

Engagements with
programs and
market actors

Operations and administration highlights

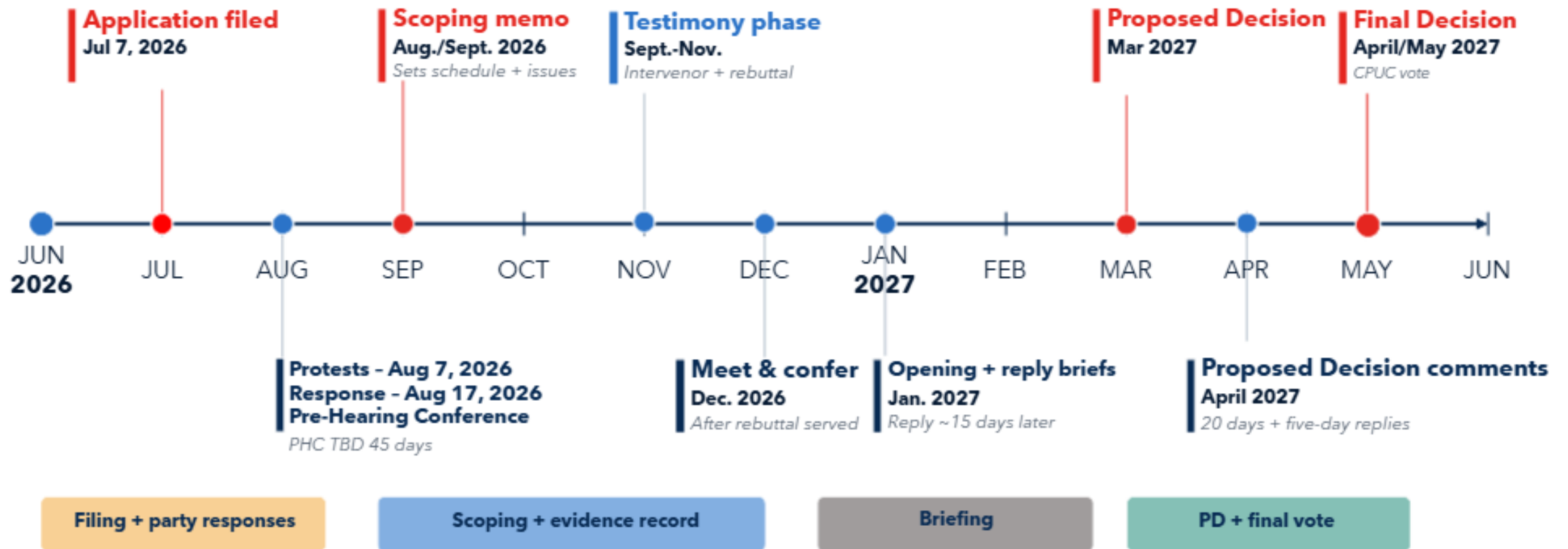
Application Update



CalMTA filed an Application with the CPUC requesting approval of:

- Second tranche MTIs (CRTUs, CRAWs, Residential HPWH)
- Requesting \$81 million in funding to support portfolio implementation and market deployment of MTIs
- Request for Energy Division to approve future MTIs via Tier 2 Advice Letter (after second tranche)

Application timeline



Note: Dates after filing are illustrative and subject to the Scoping Memo and assigned schedule.

Published plans & reports



1. [CRAWS MTI Plan](#)
2. [CRAWS MTI Plan Overview fact sheet](#)
3. [Residential HPWH MTI Plan](#)
4. [CRTUs MTI Plan](#)
5. [CRTUs MTI Plan Overview fact sheet](#)
6. [Revised Induction Cooking MTI Plan](#)
7. [2025 Annual Report](#)
8. [1st Quarter 2026 Activity Report Webinar](#)
9. [CalMTA Organizational Review Report](#)

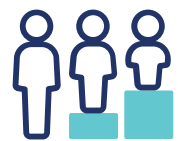
Operations and administration highlights

MTAB meetings



- May 6 in-person meeting in Oakland, CA
 - Conclusion of the *Idea to Initiative* education series for the 2nd tranche of MTIs
- June 18 Organizational Review Webinar
 - Apex Analytics reported on findings from the CalMTA Organizational Review Report, providing an overview of key insights, lessons learned, and actionable recommendations





Applying our equity lens



2nd quarter progress in advancing CalMTA's approach to prioritizing equity in MTI development:

- Finalized equity integration guidance for MTI implementation, informed by the Equity Sounding Board
- Planned for July meeting to discuss CBEA and FSWH
- Created a process to report back to the Equity Sounding Board on how their contributions impacted MTI Plans and other key deliverables



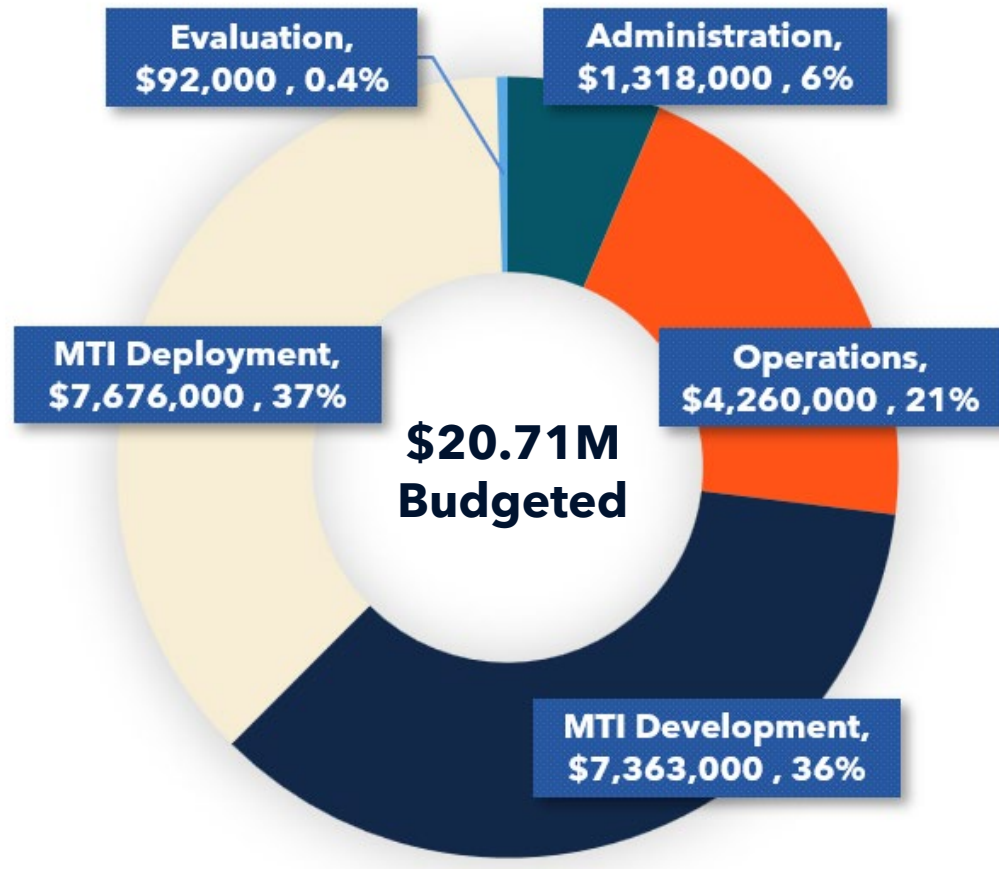


Questions?

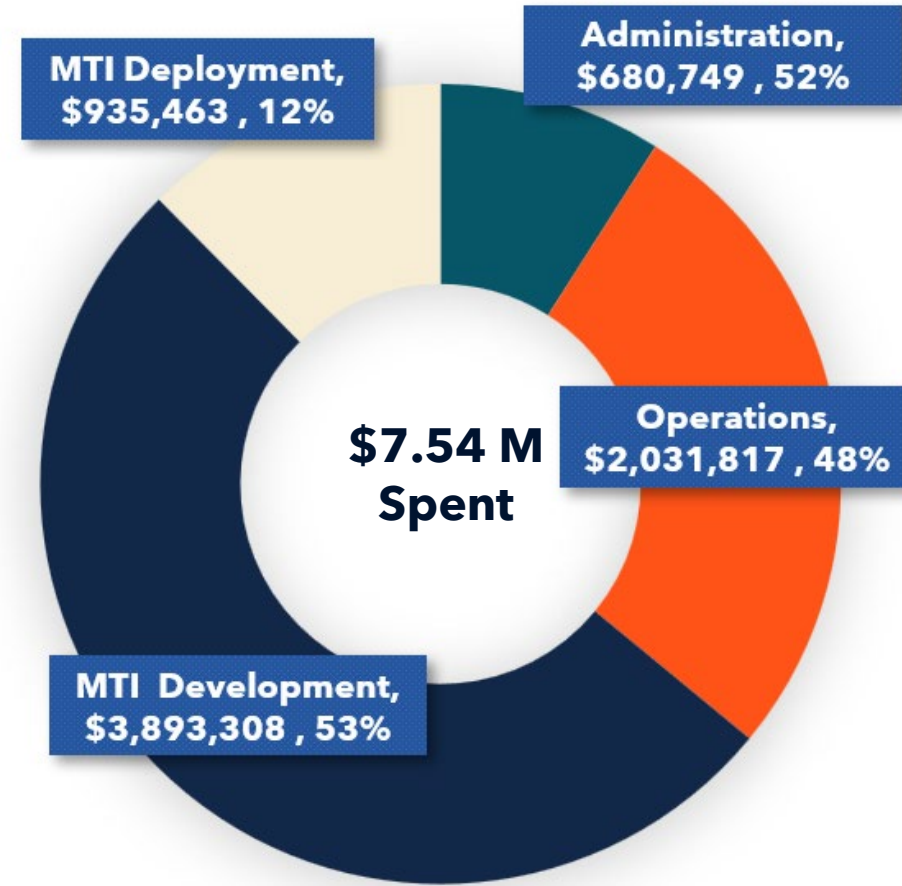
2026 budget and spending through Q2



2026 Operations Budget



Actuals thru Q2, % of Budget Spent



Spending detail by major activity



Cost Category/Major Activity	Ops Plan Budget	Spend thru Q2	% Spent
Administration	\$ 1,318,000	\$ 680,749	52%
Routine Admin	\$ 809,000	\$ 403,617	50%
Non-Routine Admin	\$ 509,000	\$ 277,132	54%
Operations	\$ 4,260,000	\$ 2,031,817	48%
Proj. Mgmt.	\$ 1,223,000	\$ 558,270	46%
MTAB Operations	\$ 367,000	\$ 216,034	59%
Policy	\$ 513,000	\$ 247,775	48%
Stakeholder Engagement	\$ 1,838,000	\$ 899,373	49%
Data Systems Develop. & Mgmt	\$ 319,000	\$ 110,365	35%
Initiative/Concept Development	\$ 7,363,000	\$ 3,893,308	53%
Phase I - Concept Development	\$ 634,000	\$ 268,546	42%
Phase II - Initiative Development	\$ 6,729,000	\$ 3,624,762	54%
MTI Deployment	\$ 7,676,000	\$ 935,463	12%
Room Heat Pump Deployment	\$ 5,317,000	\$ 758,623	14%
Induction Cooking Deployment	\$ 2,359,000	\$ 176,840	7%
Evaluation	\$ 92,000	\$ -	0%
Totals	\$ 20,709,000	\$ 7,541,337	36.4%

Spending detail: MTIs in Phase II



MTIs in Phase 2	Ops Plan Budget	Spend thru Q2	% Spent
Comm. Rooftop Units (CRTU)	\$ 723,000	\$ 288,462	40%
Comm. Replacement/Attachment Windows	\$ 1,299,000	\$ 872,391	67%
Food Service Water Heating Systems	\$ 1,162,000	\$ 635,149	55%
Residential Heat Pump Water Heating	\$ 1,093,000	\$ 728,157	67%
Induction Cooking	\$ 632,000	\$ 428,316	68%
Comm. Bldg. Efficiency Accelerator (CBEA)	\$ 1,820,000	\$ 672,287	37%
Totals	\$ 6,729,000	\$ 3,624,762	53.9%



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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