Heating and cooling efficiency for California's commercial buildings

The Commercial Rooftop Units (CRTUs) Market Transformation Initiative (MTI)

ABOUT

The CRTUs MTI seeks to accelerate adoption of advanced heat pump RTUs with innovative features that optimize efficiency and performance but are not currently widely available – unlocking new pathways to cost-effective energy efficiency and decarbonization in the commercial sector.

HIGHLIGHTS

- The CRTUs MTI represents a strategic opportunity to deliver significant energy benefits, including reduced commercial building energy consumption, decreased peak demand, and grid-supportive flexibility at scale.
- User-friendly technologies will enable smaller businesses to easily control and monitor their systems, maximize energy savings, and maintain optimal equipment performance—from initial installation through the full equipment lifecycle—without requiring significant capital investment.
- Strong alignment with California's building efficiency and decarbonization goals will provide market partners with a unified and strategic pathway to accelerate widespread adoption of advanced heat pump RTUs.
- Leveraging existing workforce development programs and current training infrastructure to upskill the heating, ventilation, and air conditioning (HVAC) workforce will ensure proper installation, commissioning, and long-term servicing of advanced heat pump RTUs.
- Adoption of advanced heat pump RTUs will lower utility bills for tenants and building owners while improving affordability for all ratepayers by reducing the need for costly new electricity grid infrastructure.



VALUE

The CRTUs MTI is expected to cost $42.9 million and **will deliver a forecasted Total System Benefit (TSB) of $684 million** to California through 2046. This means that for every dollar invested in the initiative, California will receive approximately $16 worth of energy savings, greenhouse gas reductions, and electric grid benefits.

EQUITY

- This MTI seeks to improve the accessibility of advanced CRTUs in ESJ communities by promoting the development of inclusive training pathways for this technology. This will ensure the availability of a skilled workforce that can install these products without a cost premium.
- Demonstration projects planned for deployment in ESJ communities will validate CRTU savings and other benefits, strengthening a business case for adoption that reflects the needs of both contractors and building owners/operators facing equity-specific adoption barriers.
- The CRTU feature of connected commissioning and controls (CCC) aims to provide small-building owners and tenants with accessible, building-management-style functionality. This will enable small businesses to benefit from a level of visibility into RTU performance and energy savings that was previously available only in large buildings.



About CalMTA

CalMTA works to deliver cost-effective energy efficiency and decarbonization benefits to Californians through a unique approach called market transformation. CalMTA-developed market transformation initiatives also aim to advance state goals on demand flexibility, workforce development, and equity.

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