



January 19, 2024

MEMORANDUM

TO: Market Transformation Advisory Board

FROM: Alex Wurzel, Program Manager
Alexis Allan, MT Strategy Manager
Elaine Miller, Senior Manager, Market Transformation Strategy

SUBJECT: MTI Advancement Plan Batch 1 Feedback Memo

CalMTA would like to thank both the Market Transformation Advisory Board (MTAB) and the public for the feedback provided on the three MTI Advancement Plans including Efficient Commercial Rooftop HVAC, Portable/Window Heat Pumps, and Induction Ranges and Cooktops. The draft Advancement Plans were posted for comment on the California Public Utility Commission's (CPUC) [Public Document Area \(PDA\) website](#) from Dec. 6-20, 2023. During the comment period we received 175 responses. This memo provides a high-level summary of the feedback and highlights themes that cut across all three Advancement Plans. Documents that summarize the specific feedback received and CalMTA's responses are attached.

Engagement & Partnership

Several comments received were focused on helping CalMTA identify additional organizations or existing programs for coordination that were not mentioned in the Advancement Plan. We were encouraged by the opportunity to collaborate and effectively align MTI development with existing efforts. The Advancement Plans' External Program Review and Stakeholder Engagement section represents preliminary scans to identify organizations and programs that might present opportunities for coordination, collaboration, and market leverage. The feedback received helps us round out those efforts. CalMTA will continue to reach out to program leads and subject matter experts to create a more complete picture of current market activity on the targeted technologies, leverage existing research and expertise, and develop a comprehensive engagement plan. We will also continue to invite and gather information from stakeholders to further expand the list of potential coordination opportunities. Additional information or requests for engagement should be directed to info@CalMTA.org.

Product Definition & Technology Research

Advancement Plan feedback included a variety of recommendations for additional information and research pertaining to product characterization and data. As much as possible, CalMTA incorporated these additional suggestions and objectives into the research sections of the Advancement Plans and added details to some sections to provide better clarity. These Advancement Plans represent the research and investigation CalMTA will conduct to create full

Market Transformation Initiative Plans later in 2024 and 2025. The feedback is invaluable to help us identify information and research that is in process or currently available and other gaps that need to be filled in the coming months.

Our intent is to share all we are learning with stakeholders to further strengthen our coordination efforts and provide insights that may support other program implementation. This will happen at regularly scheduled Market Transformation Advisory Board meetings throughout the year, posting on calmta.org, as well as specialty webinars to report on specific market research and other findings. Our research will also be shared publicly through CalMTA's website or other relevant research aggregators.

Strategy Pilots

CalMTA will be pursuing limited Strategy Pilots to test select potential market interventions and gain greater insight into consumer and supply chain behaviors that will inform development of the full Market Transformation Initiatives (MTIs). Feedback we received related to Strategy Pilots was vital as we finalized draft plans for two of the proposed Strategy Pilots. Those have been posted for public comment on the [PDA website](#) and describe this work in greater detail. They can also be found on [CalMTA's website](#). The information collected through these Strategy Pilots will evolve as we incorporate lessons learned over time.

CalMTA's proposed Strategy Pilots are unlike the energy efficiency pilots as defined in D.09-09-047, which are intended to be longer in duration, have significantly greater budgets, and inform IOU statewide programs. Instead, our Strategy Pilots seek to address a limited set of questions that are included in our strategy testing plan over a shorter duration. These strategy pilots will investigate the viability of the product(s) and market transformation strategies associated with MTIs that we may include in our upcoming application for advancement to [Phase III: Market Deployment](#) of the MTI Lifecycle. Our limited strategy testing efforts include the relevant information that is required of CalMTA's Strategy Pilots per D.19-12-021 but may not include all the information required of or follow the same process for getting approval of energy efficiency "pilots" as is outlined in D.09-09-047.

Market Adoption, TSB & Cost-Effectiveness Forecasting Assumptions

Several comments across the Advancement Plans pertained to the assumptions and methods CalMTA used to forecast Baseline Market Adoption (BMA), Total Market Adoption (TMA), Total System Benefits (TSB), cost effectiveness, and to the resultant scoring. The Stage 1 scores reflect simplified estimation approaches that were further developed for Stage 2 and described in Appendix 1 to each Advancement Plan. CalMTA responded to each of the comments received on these topics and edited the Advancement Plan appendices accordingly.

CalMTA is currently working on revising Appendix 1 for each MTI to provide complete, detailed documentation of all sources, assumptions, and methods for the preliminary TSB, TRC, and PAC estimates used for Phase I: Concept Development scoring. CalMTA will substantially refine forecasting sources and methods during Phase II: Program Development of the MTI lifecycle, as informed by the research outlined in the Advancement Plans. The MTI Plans required for MTI advancement from Phase II: Program Development to Phase III: Market Deployment will include

complete documentation of the assumptions, sources, and methods used to calculate the market adoption, energy impact, and cost-effectiveness estimates that appear in those MTI Plans.