

Application: A.26-03-~~009XXX~~

Exhibit No.: BAYREN-01R

Witnesses: Various



Local Governments Empowering Our Communities

**Exhibit 1: Testimony in Support of the
Bay Area Regional Energy Network's
Application for Approval of the
2028-2031 Portfolio Plan and 2028-
2035 Business Plan**

Before the California Public Utilities Commission

San Francisco, CA

March 16, 2026 – CORRECTED September 18, 2026

1 Table 2.2 4-year Portfolio Forecast Summary (2028-2031) – BayREN Regional Programs*

	2028	2029	2030	2031	Resource Acquisition Segment Only (Total 4-year)	Entire Portfolio (Total 4-year)
Total System Benefit (TSB)	\$7,690,863 <u>\$8,075,146</u>	\$8,091,983 <u>\$8,501,568</u>	\$8,778,392 <u>\$9,222,545</u>	\$9,250,214 <u>\$9,719,666</u>	\$6,057,775 <u>\$6,395,652</u>	\$33,811,451 <u>\$35,518,925</u>
Total Resource Cost (TRC) Ratio	0.22	0.22 <u>0.23</u>	0.23 <u>0.24</u>	0.23 <u>0.24</u>	0.25 <u>0.26</u>	0.22 <u>0.23</u>
Program Administrator Cost (PAC) Ratio	0.21 <u>0.22</u>	0.21 <u>0.22</u>	0.22 <u>0.23</u>	0.23 <u>0.24</u>	0.25 <u>0.27</u>	0.22 <u>0.23</u>
Societal Cost Test (SCT) Base	0.34 <u>0.35</u>	0.34 <u>0.35</u>	0.36 <u>0.36</u>	0.36 <u>0.37</u>	0.34 <u>0.33</u>	0.35 <u>0.36</u>
Societal Cost Test (SCT) High	0.34 <u>0.35</u>	0.35 <u>0.35</u>	0.36 <u>0.36</u>	0.36 <u>0.37</u>	0.34 <u>0.33</u>	0.35 <u>0.36</u>
Ratepayer Impact Measure Test Ratio (RIM)	0.27	0.28	0.28	0.29	0.16 <u>0.17</u>	0.28
Lifecycle GWh	-5.88 <u>-4.01</u>	-5.88 <u>-3.88</u>	-5.04 <u>-2.92</u>	-5.04 <u>-2.79</u>	63.20	-21.85 <u>-13.60</u>
First Year MW	18.72 <u>18.74</u>	18.72 <u>18.74</u>	18.74 <u>18.77</u>	18.74 <u>18.77</u>	0.63	74.93 <u>75.02</u>
Lifecycle MMOTHERMS	0.24 <u>0.25</u>	0.24 <u>0.25</u>	0.24 <u>0.26</u>	0.24 <u>0.26</u>	0.04 <u>0.04</u>	0.97 <u>1.01</u>
Lifecycle Net Electric CO2 Metric Tons	-1,928.88 <u>1,426.67</u>	-1,979.70 <u>1,511.35</u>	-1,844.37 <u>1,363.60</u>	-1,845.33 <u>1,359.04</u>	9,713.41 <u>10,662.40</u>	-7,598.28 <u>5,660.66</u>
Lifecycle Net Gas CO2 Metric Tons	27,026.15 <u>27,505.55</u>	27,026.15 <u>27,503.57</u>	27,513.36 <u>27,988.80</u>	27,513.36 <u>27,986.82</u>	4,065.01	109,079.01 <u>110,984.74</u>
Other Benefits Not Reflected Above, such as:	• Unforecasted savings and unclaimed savings from technical assistance and referrals • Below code savings which would not have occurred without BayREN assistance • Non-energy equity and market support benefits, including providing services to ratepayers who face barriers to participation in most programs • Funds leveraged from other sources to augment ratepayer funds					

- 1 * Forecasts are not comprehensive. ~~BayREN expects to claim savings from the BayREN Refrigerant Replacement Program and~~
- 2 ~~the BayREN Works Program which are not represented in this table.~~ Other programs, such as BayREN's public sector
- 3 programs, calculate but do not claim savings.

1 *Table 2.4 4-year and 8-year IOUs Total System Benefit Forecast (without C&S) vs. Goals (IOUs and other PAs, as applicable)*

Year	Total System Benefit Forecast	Total System Benefit Goals	Percent of TSB Goal
2028	\$7,690,863 <u>\$8,075,146</u>	N/A	N/A
2029	\$8,091,983 <u>\$8,501,568</u>	N/A	N/A
2030	\$8,778,392 <u>\$9,222,545</u>	N/A	N/A
2031	\$9,250,214 <u>\$9,719,666</u>	N/A	N/A
Total (4 years)	\$33,811,451 <u>\$35,518,925</u>	N/A	N/A
2032	\$9,732,171 <u>\$10,216,814</u>	N/A	N/A
2033	\$10,230,395 <u>\$10,729,929</u>	N/A	N/A
2034	\$10,744,155 <u>\$11,259,147</u>	N/A	N/A
2035	\$11,197,477 <u>\$11,731,474</u>	N/A	N/A
Total (4 years)	\$41,904,198 <u>\$43,937,364</u>	N/A	N/A
Cumulative (8 years)	\$75,715,649 <u>\$79,456,289</u>	N/A	N/A

2 Tables 5 and 6 from the Narrative Template are not provided because they are not applicable to BayREN.

The budget request for regional programs is largely consistent with the 2028-2031 budgets as approved by D.23-06-055, with a modest increase, mainly attributed to additional incentive funds. BayREN has decreased its administrative and marketing/outreach budgets below what was previously estimated for this time period. For all programs that provide incentives, BayREN is proposing increases in order to reach more of the priority equity population and better assist them with reducing their utility costs through energy efficiency while also ensuring they are not left behind in the energy transition. BayREN's proposed budget increases the Total System Benefit (TSB) from \$29,555,934¹⁵⁵ to ~~\$3335,811~~\$18,451,925. The table below compares the approved regional program budget from D.23-06-055 with the proposed regional budget in terms of administration, implementation, and marketing/outreach and shows the relative increases and decreases.

*Table 4.1 2028-2031 Regional Budget from D.23-06-055 vs. Proposed Regional 2028-2031 Budget by Cost Category**

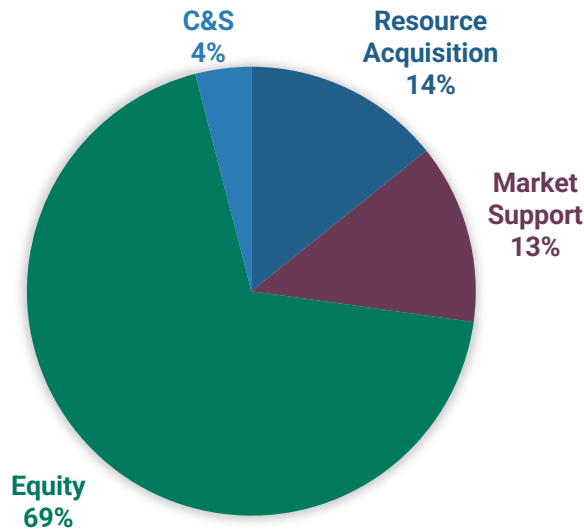
Expense Type	2028-31 Budget from D.23-06-055	Proposed 2028-31 Budget	Difference
Administration	\$11,995,976	\$11,669,120	- \$296,326 ,856
Implementation	\$67,314,864	\$67,995,946 <u>\$270,923</u>	\$680,632 <u>\$406,059</u>
Marketing/Outreach	\$18,375,952	\$16,238,035	-\$2,137,917
Incentives	\$72,060,002	\$83,200,000 <u>\$248,347</u>	\$11,139,998 <u>\$188,345</u>
Regional Subtotal	\$169,746,794	\$179,132,425	\$9,385,355 ,631

* Budget figures do not include Evaluation, Measurement, and Verification (EM&V)

BayREN's statewide Home Energy Score program, which launched at the start of 2026, was not included the budget prepared for the 2024-2031 Business Plan. The Commission awarded \$9.9 million for the program in D.23-06-055 and approved BayREN's request for authorization to develop and implement the program,

¹⁵⁵ This is the TSB estimated for 2024-2027 in BayREN's approved 2025 Mid-Cycle Advice Letter.

Figure 4.2 2028-2031 Regional Budget Allocation by Segment*



*Includes Portfolio Admin and statewide program budget; does not include EM&V

Table 4.3 Regional Portfolio Budget and TSB by Segment, 2028-2031*

Segment	2028-2031 Forecasted TSB	2028-2031 Proposed Budget
Resource Acquisition	\$6,057,775 <u>\$6,395,652</u>	\$25,509,511
Market Support	\$0	\$23,212,412
Equity	\$27,753,676 <u>\$29,123,272</u>	\$123,191,223
Codes & Standards	\$0	\$7,219,280
Total	\$33,811,451 <u>\$35,518,925</u>	\$179,132,425

*Includes Portfolio Admin; does not include EM&V

The TSB estimates shown above show some of the benefits produced by BayREN's portfolio. Some of the benefits that are not captured by TSB include the following:

- Unclaimed savings from technical assistance and referrals
- Below-code savings which would not have occurred without BayREN assistance
- Non-energy equity and market support benefits, including providing services to ratepayers who face barriers to participation in most programs
- Funds leveraged from other sources to augment ratepayer funds