



June 10, 2026

**MEMORANDUM**

**TO:** Apex Analytics and the California Public Utilities Commission (CPUC)  
**FROM:** California Market Transformation Administrator (CalMTA)  
**SUBJECT:** Response to CalMTA Organizational Review Report Recommendations

CalMTA appreciates the time and effort Apex Analytics devoted to conducting this Organizational Review and thanks the CPUC Energy Division, Market Transformation Advisory Board (MTAB), Equity Sounding Board (ESB), stakeholders, and CalMTA team members who participated in the assessment process. The review provides an independent evaluation of the program's first three years of operation and offers valuable observations and recommendations as the organization transitions from its startup phase into the implementation of Market Transformation Initiatives (MTIs).

We are encouraged by the report's overall finding that the organization successfully fulfilled its Commission-directed responsibilities during the startup period, established effective processes for MTI development, integrated equity considerations into its work, maintained strong financial and administrative controls, and developed productive relationships with its advisory bodies and stakeholders. The CalMTA team also appreciates the report's recognition of the compressed timelines under which the organization established its operational framework, developed its initial MTIs, and advanced them through the regulatory approval process.

The recommendations contained in the report are viewed as constructive opportunities to further strengthen the CalMTA program as its portfolio grows and matures. Many of the recommendations align with improvements already underway, while others will help inform future refinements to stakeholder engagement, organizational processes, and MTI development practices. The responses on subsequent pages describe actions already taken, ongoing efforts currently underway, and additional steps planned to address Apex's recommendations and support the continued evolution of California's market transformation portfolio.

	Apex Recommendation	CalMTA Response
1	<p><b>Recommendation: Consider ways to refine the structure of MTAB meetings to reduce review burden and focus the MTAB’s guidance and discussion on the most critical issues.</b> This could include defining more specific topics for MTAB discussion and guidance, similar to the way CalMTA focuses its discussion during ESB meetings. It could also include holding optional, more detailed discussions with MTAB members that have expertise or interest in a specific topic while allowing others to review the topic at a higher level during general meetings. CalMTA should consult with MTAB members to develop processes for these changes and co-create additional ways to refine meeting structures that meet members’ needs.</p>	<p>During the startup phase, CalMTA prioritized transparency and comprehensive information-sharing, which resulted in substantial meeting materials and presentations. Kicking off this summer, the CalMTA team will work with MTAB members to:</p> <ul style="list-style-type: none"> <li>• Identify opportunities to streamline meeting agendas,</li> <li>• Clarify discussion objectives, and</li> <li>• Provide targeted opportunities for deeper engagement on specific topics where individual members have relevant expertise.</li> </ul> <p>We plan to solicit feedback from MTAB members on potential meeting structures that support meaningful participation while managing member workload. As recommended by Apex, we will also explore opportunities to focus discussion more on key decision points and strategic questions where MTAB input can provide the greatest value.</p> <p>Throughout the 2026 Idea to Initiative educational series for the second tranche of MTIs, staff worked to adjust the content, timing, and sequence to allow more time for topics with the greatest potential for broad interest and engagement. However, we realize that the volume of material that was shared remained high. CalMTA updated MTAB’s compensation structure for eligible members to provide additional stipends that reflect the number of hours required to review complex materials and contribute meaningful feedback to the MTI development process.</p>
2	<p><b>Recommendation: CalMTA should reassess and adapt its processes for incorporating ESJ community input into its work based on that reassessment as its portfolio of MTIs grows and moves into the implementation phase.</b> The ESB has been able to effectively provide input to inform idea selection and initiative</p>	<p>The addition of new initiatives and transition of the first initiatives from MTI development to implementation presents an opportunity to rethink how we incorporate environmental and social justice (ESJ) community perspectives into our work. CalMTA anticipated bringing in ESJ community input as an integral component of MTI implementation and created a guide to support the work of MTI teams in this phase. The implementation guidance was reviewed by the Equity Sounding Board and is currently being reviewed by staff. It will be added to existing <a href="#">guidance on equity integration</a> when</p>

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<p>design. MTI implementation may present different needs and challenges and require more sustained and varied engagement with ESJ communities. It will be important to ensure that the ESB can support this engagement without overburdening members. CalMTA should also continue its efforts to gather input from CBOs and other relevant stakeholders.</p>	<p>final.</p> <p>This fall, the Equity Sounding Board will meet in person (at their request) with MTI leads and implementers to talk directly about engagement with ESJ communities for both Room Heat Pumps and Induction Cooking MTIs. This is the first step in ongoing implementation-phase engagement while ensuring participation requirements remain reasonable and valuable for members.</p> <p>Channels available to access Equity Sounding Board members in real time include regular meetings (3-4 times/year) and on-call consulting hours for individuals or groups with specific expertise as needed by the MTI development teams.</p> <p>Beyond the work of the Equity Sounding Board, CalMTA is working to ensure that selected third-party implementers have capabilities to establish and expand on relationships with CBOs and other equity stakeholders.</p>
<p><b>3 Recommendation: CalMTA, including both RI staff and subcontractors, should regularly and consciously review its internal communication practices, processes, and culture to ensure they continue to effectively serve the organization’s goals.</b> CalMTA designed its internal processes while under time pressure to develop MTIs; as a result, those processes may benefit from a review focused on longer-term, strategic needs. These reviews should include assessing templates and documentation to ensure they effectively serve their purpose while avoiding unnecessary burden, tracking workloads and coordinating tasks to avoid overburdening</p>	<p>As CalMTA continues to grow its portfolio of MTIs for California, we will continue to refine our internal systems and processes based on lessons learned during the startup phase. Planned improvements include:</p> <ul style="list-style-type: none"> <li>• Conducting after-action reviews of the initial MTI development process,</li> <li>• Updating MTI Plan templates and DARCI charts,</li> <li>• Developing additional guidance for document reviews, and</li> <li>• Strengthening coordination through regular meetings with subcontractors and key decision-makers.</li> </ul> <p>Regular review of internal communication practices, workflows, documentation, and organizational development needs is important as the CalMTA portfolio matures. These efforts will help improve consistency, transparency, and operational efficiency, especially as we move MTIs into the implementation phase.</p>

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<p>staff (including improving visibility between initiative-dedicated and cross-cutting team members), and identifying needs for professional development and offering training opportunities to meet them. CalMTA has worked to provide training opportunities for its existing staff, but a continued focus on professional development will be important as the portfolio of MTIs expands and the organization’s market transformation approach becomes more established in California.</p>	<p>Regarding training and professional development, we have proactively invested in regular training opportunities for staff and supported project management best practices with a frame of continuous improvement, but also recognize this as an ongoing area of focus for our team. Several actions taken to date were informed by staff feedback that identified process bottlenecks, workflow challenges, and opportunities for improvement, including:</p> <ul style="list-style-type: none"> <li>• Enhancing the use of Asana, a project management platform, to improve transparency, accountability, and coordination across cross-functional workstreams,</li> <li>• Developing standardized project plans and DARCI templates to clarify roles (including leads and decision makers), responsibilities, and project execution, and</li> <li>• Transitioning market forecasting and TSB determination from Excel-based tools to more dynamic Python-based models that enhance forecasting accuracy, flexibility, and scenario-analysis capabilities.</li> </ul>
<p><b>4 Recommendation: As it moves beyond the startup phase, CalMTA should develop processes that allow CPUC staff, MTAB, and other relevant stakeholders greater input before decisions are made.</b> This will involve developing mechanisms to allow for additional input at multiple MTI development stages. For example, stakeholder input could be valuable in key decisions like product definition. CalMTA will need to build on its current stakeholder processes to identify targeted areas for feedback at key decision-points, communicate the options and relevant information, and gather stakeholder input in a structured way. It</p>	<p>We agree that stakeholder input is most valuable when it informs key decisions throughout the MTI development process. In response to the recommendations from the Organizational Review, CalMTA plans to develop a feedback roadmap for the development process of future MTIs that identifies key decision points where stakeholder engagement could provide the greatest value. This could leverage the existing Idea to Initiative educational series where critical aspects of the MTIs are shared with MTAB members via public meetings. By extending stakeholder participation to interested parties, more voices and broader perspectives would be included.</p> <p>We intend to springboard this effort from the channels already in place for stakeholder input including the Request for Ideas process, regular stakeholder meetings, the public MTAB meetings, public webinars, and formal review opportunities, such as public</p>

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<p>will also be important for CalMTA to communicate to stakeholders how their input shapes initiative development and to provide rationale if CalMTA chooses not to adopt stakeholder suggestions. CalMTA's quarterly reporting provides a potential channel for this documentation.</p>	<p>comment periods for key MTI documents via the CPUC PDA website that are documented and responded to in each MTI Plan's Appendix I.</p> <p>We will develop mechanisms for reporting feedback received and action taken, which could be summarized and shared during quarterly reporting webinars, stakeholder meeting notes, and MTI Plan appendices.</p>