EARLY OPINION REQUEST INFORMATION

The information provided in this request form will be used to request an Early Opinion (EO) from CPUC staff.

Program Administrator (PA) may request an EO review on projects in the development stage that are not ready for full project review. EO requests may include any aspect of project development, such as policy questions, appropriate baseline, calculation techniques, preponderance of evidence documentation, program influence, and so on. EO requests may reference a specific project or cover issues relevant to multiple projects.

EO requests must first clearly state the issue(s) or the policy 'gray area', followed by a set of specific clarifying questions. The PA is also expected to provide opinions/thoughts on the 'gray-area' issue(s) for the CPUC Staff to consider.

INSTRUCTIONS

All fields with an asterisk (*) are mandatory to submit the form.

Any tables containing Personally Identifiable Information (PII) should be flagged by checking the box at the top of each section of the form. Any fields containing PII will be flagged for confidentiality.

To add rows, click the + that appears after clicking in the cell with the light blue shading).

4) Additional Contact			

EARLY OPINION INFORMATION	
EO Title*	Proposed updates to CPUC Multisite Guidance Memo
EO Tracking Number*	48
CPUC EO Reviewers	SEM Team

EO REQUESTOR			
Add more rows as needed by clicking the + that appears after clicking in the cell with the light blue shading			
PA / Third Party Implementer*			
Joint PA EO*	Choose an item.		
	Name, Title	**Telephone #**	**Email**
1) Primary PA Contact*	[redacted]	[redacted]	[redacted]
2) Additional PA Contact	[redacted]	[redacted]	[redacted]
3) Additional PA Contact			
4) Additional PA Contact			
Program Name(s)	All Strategic Energy Management (SEM) Programs		

EO SCOPE	
Please do not include any PII in this section	
Describe the types of business(es) impacted.* Is the proposed set of measures applicable to any of the following business types? ☒ Small-and Medium-Sized Businesses (SMBs) ☒ Hard-to-Reach (HTR) ☒ Disadvantaged Communities (DACs)	
Estimate the size of the incentive per project associated with a project subject to the EO review:* Choose an item.	
EO Category(s)*	☒ Policy ☐ Measure Performance ☐ Program Influence ☐ Baseline ☐ Measure Application Type ☐ Savings Reporting ☐ EUL/RUL ☐ Measure Cost ☐ M&V Boundaries ☐ Incentive ☐ Documentation Requirements ☐ Fuel Substitution ☐ Equity ☐ Calculation Technique ☒ Other, please specify: SEM Projects Exception Request
Savings category	Both
Project Type	SEM
Measure Description	Click or tap here to enter text.
Industry/Market Sector*	☐ Residential ☒ Commercial ☒ Industrial ☒ Agricultural ☐ Cross cutting ☐ Other (describe) Click or tap here to enter text.

DATE TRACKING			
Add more rows as needed by clicking the + that appears after clicking in the cell with the light blue shading			
PA Submission Date*	May 28, 2026		
Is this an urgent request?*	Click or tap here to enter text.		
Update number	**Summary and Location of Updates**	**CPUC or PA?**	**Date**
Update 1	CPUC staff response to PAs	CPUC	7/9/2026
Update 2		Choose an item.	Click or tap to enter a date.
Completion Date	July 9, 2026		
Posting Date	July 9, 2026		

EO QUESTIONS
1. EO QUESTION
To add another response row, click the + that appears after clicking in the cell with the light blue shading. To add another EO question table, click the + that appears at the bottom of this table.
Does this table contain PII?* ☒ Yes ☐ No *If yes, please identify all PII in the form below*
Problem Statement* *Please summarize the issue(s) and/or state the question(s)*
March 11, 2026 CPUC Multisite Guidance Memo introduces additional guidance regarding Energy Champion expectations for multisite SEM participation. As currently interpreted, this clarification may limit enrollment for certain multisite customers where centralized energy management structures are used, even when all sites meet SEM eligibility requirements and receive required site-specific SEM activities. Program Administrators (PAs) understanding is that the SEM Design Guide v2.1 and SEM M&V Guide v4.0 establish requirements focused on site-level accountability, role designation, and delivery of site-specific activities. These guidebooks do not require the physical location of customer personnel or limit a coordination role to a single site, provided all site-level program requirements are met. This EO is intended for CPUC to accept proposed clarifying edits to the CPUC Multisite Guidance Memo which are in alignment with the current SEM guidebooks, and to support implementation clarity for multisite customers.
Background* *Provide context for the problem or situation*
The SEM Design Guide defines required site-specific activities that must be implemented with each individual site (SEM Design Guide v2.1, §1.2.2.2, p.14). The guide also provides flexibility in how these activities are delivered, stating there is no requirement for activities to be conducted in person or online, reinforcing that compliance is based on completion of required site-level engagement rather than staffing structure (SEM Design Guide v2.1, §1.2.2.2, p.14). In addition, the Design Guide establishes customer roles (e.g., Energy Team Lead, Data Lead) based on accountability and coordination responsibilities for each site (SEM Design Guide v2.1, §1.2.5.2, p.18). The SEM M&V Guide further clarifies that a customer may operate across one or more sites and may enroll those sites based on organizational structure and management needs (SEM M&V Guide v4.0, §2.2.1.1, p.16). Together, these provisions establish a framework where site-level delivery and accountability are required for each site, while allowing flexibility in how customers organize their internal staffing and coordination.
Proposed Solution* *Describe possible resolution*
PAs request that CPUC accept the proposed redline clarification to the Multisite Guidance Memo as provided in the PA edits (File named “CPUC SEM Multisite Guidance Memo PA Edits.docx”). The proposed language maintains full alignment with the current SEM Design Guide and

M&V Guide by ensuring that:

- Each site meets M&V boundary requirements.
- Each site receives all required site-specific SEM activities, and
- The designated Energy Champion participates in those activities on a site-by-site basis.

This approach is consistent with the existing SEM program design, which emphasizes site-level accountability and delivery of activities, while allowing customers flexibility in how roles are structured internally.

Accepting the proposed clarification will ensure that SEM program intent is preserved, maintain consistency with statewide guidebooks, and allow continued participation of eligible multisite customers that can meet all site-level program requirements. In addition, this clarification does not modify the SEM Design Guide or M&V Guide requirements and instead reflects an implementation approach that is fully consistent with those existing requirements.

Supporting Information / References* *Please cite relevant rule(s)/policy(s)/Decision(s)*

The current SEM Design Guide enables customers to participate in SEM programs and accommodate their organizational structures while meeting all necessary SEM requirements. The following requirements/sections of current SEM Design and M&V Guides demonstrate alignment between the proposed redline clarification and the existing SEM Design Guide and M&V Guide requirements:

A. The SEM Design Guide establishes site-level accountability through designated roles vs. staff location and the current approach is permissible under existing program rules.
The California SEM Program Design Guide v2.1 requires that the customer designate staff for defined roles, including Executive Sponsor, Energy Team, Energy Team Lead, and Data Lead. The Design Guide states that the Energy Team Lead is responsible for the success of the SEM program at the site and coordinates with the SEM Coach and site staff. (SEM Design Guide v2.1, §1.2.5.2, p.18.). These requirements are framed in terms of role designation and accountability. The Design Guide section defining these roles does not state that an Energy Team Lead/Data Lead must always be physically present at the site, nor does it explicitly prohibit a designated individual from supporting multiple sites when accountability is clearly assigned per site.

B. The SEM Design Guide allows flexibility in delivery mode for site-specific activities.
The Design Guide defines “Site-Specific Activities” as implemented with an individual site and expressly states that there is no requirement for Site-Specific Activities to be held in person or on-line. The Design Guide defines Site-Specific Activities as activities implemented individually with one site and explicitly states: There is no requirement for the Site-Specific Activities to be held in person or on-line.’ (SEM Design Guide v2.1, §1.2.2.2, p.14.). This confirms that site-specific services can be delivered in-person, remotely, or hybrid, so long as they are site-specific and meet program requirements. This flexibility is critical to enable third-party programs to design cost-effective engagement strategies with the appropriate decision makers and staff for multi-site participants.

C. SEM Design Guide v2.1 — "Energy Champion" appears as a coordination role, without a location requirement.
The Design Guide references an "Energy Champion" in describing site-specific engagements (e.g., Kick-off Meeting and Treasure Hunt planning), identifying that the SEM Coach and Energy Champion coordinate and align on roles, goals, and approach. The same activity requirements specify which customer roles must attend (e.g., Executive Sponsor, Energy Team Lead, Data Owner). For example, the Kick-off Meeting description states it is a site-specific engagement that provides an opportunity for the SEM Coach, Energy Champion, and key facility stakeholders to align goals, roles, and approach; and it notes the activity is meant to be held with an individual site (not a group/cohort environment). (SEM Design Guide v2.1, §2.1.2.2, p.27.) The Design Guide establishes expectations for site-by-site engagement and participation; it does not add an explicit requirement that the Energy Champion must be physically located at each site or restricted to representing only one site. These provisions establish participation and coordination expectations, but do not state that the Energy Champion must be physically resident at the site or limited to representing only one site.

D. ISO 50001 / 50001 Ready alignment: Energy Management System (EnMS) governance focuses on assignment of responsibilities, not where the coordinator sits.

The SEM Design Guide states that the SEM program's energy management system structure is based on the U.S. DOE 50001 Navigator (ISO 50001:2018-aligned) framework and emphasizes the concept of customer ability to self-manage business practices.[5] Public ISO 50001:2018 transition guidance notes that terminology and role constructs changed from ISO 50001:2011 to 2018 (e.g., "Energy Manager" replaced by "Energy Management Team"), underscoring a team-based governance approach rather than a single, location-dependent role (NQA, ISO 50001:2018 Gap Guide).

Additional public implementation guidance explains that ISO 50001:2018 places responsibility with top management and no longer requires a mandatory "Energy Management Representative." Organizations may voluntarily appoint an internal or external coordinator to organize/coordinate the EnMS, and external coordinators are not necessarily on-site at all times. DOE energy management guidance describing EnMS scope and boundaries recognizes that an EnMS may cover a building, facility, site, or corporation, and that boundaries may include one or more processes or sites under an organization's control (DOE AMO eGuide, scope and boundaries). Accordingly, ISO 50001-aligned governance supports the SEM Guides' focus on assigning roles/responsibilities and ensuring effective operation of the system, rather than requiring that the energy leadership role be physically present at each site.

E. The SEM M&V Guide's "customer" construct supports multisite organizations and recognizes enrollment across multiple sites, which is compatible with centralized energy governance. The SEM M&V Guide defines the customer as an organization with control and responsibility for energy consumption as measured across one or more sites,

and states customers may enroll sites simultaneously or at different times based on organizational structure and management needs. (SEM M&V Guide v4.0, §2.2.1.1, p.16.) This statewide framework supports multisite participation with site-level definitions and site-level delivery, while allowing organizational models that include centralized energy personnel.

Citation Index (Quick Reference)

- SEM Design Guide v2.1, §1.2.2.2 (Site-Specific Activities) – p.14
- SEM Design Guide v2.1, §1.2.5.2 (Customer roles; Energy Team Lead, Data Lead) – p.18
- SEM Design Guide v2.1, §2.1.2.2 (Kick-off Meeting; SEM Coach + Energy Champion; site-specific engagement) – p.27
- SEM M&V Guide v4.0, §2.2.1.1 (Defining the Customer; multiple sites) – p.16

CPUC Staff Clarifying Question(s) to PA (if needed)
Click or tap to enter a date.
1) PA Response
Click or tap to enter a date.
1) CPUC Response (if needed)
Click or tap to enter a date.

CPUC Conclusion
July 9, 2026
CPUC staff reviewed the Program Administrators (PA) proposed redlines to the CPUC SEM Multisite Guidance Memo issued March 11, 2026. However, CPUC staff does not adopt the proposed redlines. CPUC staff provides clarification regarding interim allowances and the multisite exception request process to address questions raised following the multisite guidance memo. These clarifications are intended to support consistent implementation of the SEM program while the SEM Real Time Multisite Study is underway and may be further refined as additional results become available. **Interim Allowances** Site-based contacts are waived for unoccupied sites (location without on-site staff), and are required for occupied sites, defined as locations with on-site personnel. For occupied sites, the site-based contact should be a staff member knowledgeable about the site operations; they may be part of the SEM energy team, but are not required. An Energy Champion may oversee up to six sites provided each occupied site maintains a

designated site-based contact and appropriate site-level engagement. Implementers are expected to deliver site-specific activities in accordance with the SEM Guides.

The site-based contact and Energy Champion site threshold allowances are interim and will be re-evaluated based on the SEM Real Time Multisite Study findings; they do not constitute a standing policy.

Non-contiguous multisites should be reported through the CMPA using the Multisite Data Request Template quarterly for tracking purposes and are subject to inclusion in the SEM Real Time Multisite Study.

Exception Request Process

For customers with non-contiguous multisites that do not meet the guidance described above, PAs should submit an exception request using the CPUC SEM Multisite Exception Request Workbook, available on the Non-DEER resources CMPA.

The completed workbook should be uploaded in the respective PA non-project – communique folder. CPUC staff will review each submitted request and document responses within the workbook. Requests will be evaluated on a case-by-case basis to determine whether they align with SEM objectives, site-level engagement requirements, and delivery of required SEM activities. In making these determinations, CPUC staff will consider factors such as building type, sector, and other site-specific attributes.

CPUC EO SUMMARY	
Is this EO statewide applicable? Yes	
EO Title	Proposed Updates to CPUC Multisite Guidance Memo
EO Tracking Number	48

Summary of EO Issue(s)/Question(s)

The March 11, 2026 SEM Multisite Guidance Memo introduced additional guidance regarding Energy Champion expectations for multisite SEM participation. PAs indicated that, as currently interpreted, the guidance may limit participation for certain multisite customers utilizing centralized energy management structures, where sites are meeting SEM eligibility requirements and completing required site-specific SEM activities.

PAs request that CPUC review and accept proposed redline clarifications to the Multisite Guidance Memo that would remove requirements related to site-level Energy Champions and site-based staffing. PAs state that the proposed revisions are aligned with the SEM M&V and Design Guides because they maintain existing M&V boundary requirements, ensures each site receives all required site-specific SEM activities, and require the designated Energy Champion to participate in those activities on a site-by-site basis.

Summary of EO Conclusions, Recommendations, and Guidance

CPUC staff reviewed the PA proposed redlines to the March 11, 2026 SEM Multisite Guidance Memo and do not adopt the proposed revisions. CPUC staff provides clarification regarding interim allowances and the multisite exception request process to support consistent SEM program implementation while the SEM Real Time Multisite Study is underway. This study will assess non-contiguous multisite delivery approaches to inform future SEM guidance.

Interim Allowances

- Site-based contacts are waived for unoccupied sites and required for occupied sites as defined in the guidance above. For occupied sites, the site-based contact should be knowledgeable about site operations; they may be part of the SEM energy team but are not required.
- An Energy Champion may oversee up to six sites provided each occupied site maintains a designated site-based contact and appropriate site-level engagement.

These allowances are interim and will be re-evaluated based on findings from the SEM Real Time Multisite Study; they do not constitute a standing policy.

Non-contiguous multisites should be reported quarterly through the CMPA using the Multisite Data Request Template for tracking purposes and are subject to inclusion in the SEM Real Time Multisite Study.

Exception Request Process

- Customers with non-contiguous multisites that do not meet the interim guidance may submit an exception request using the CPUC SEM Multisite Exception Request Workbook.

- CPUC staff will review requests on a case-by-case basis and evaluate alignment with SEM objectives, site-level engagement requirements, and delivery of required SEM activities, considering factors such as building type, sector, and other site-specific attributes.