



Consumer Protection & Ratepayer Accountability Pilot

A verified, technology-neutral delivery model for IID Public Benefits Programs

“Every public dollar should produce a verified public benefit.”

Submitted to	Imperial Irrigation District
Attention	Jamie Asbury, General Manager
Prepared by	Cal Integrity, a chapter of Agents of Change United, Inc.
Date / status	July 2026 For IID Staff and Board Consideration

Decision requested: authorize a 45-day staff diligence and co-design process; require a return to the Board before any pilot launch, funding, or procurement.

Letter of Transmittal

July 31, 2026

Jamie Asbury, General Manager
Imperial Irrigation District
333 E. Barioni Blvd
Imperial, California 92251

Re: Consumer Protection & Ratepayer Accountability Pilot Proposal

Dear Ms. Asbury:

Cal Integrity respectfully submits this proposal for a limited, technology-neutral pilot designed to help IID connect each eligible incentive payment to a complete, reviewable record of customer consent, contractor qualification, applicable code compliance, technical acceptance, and measured program performance.

The proposed model complements IID's existing authority and operating structure. IID would retain policy, budget, procurement, program, data, and payment authority. Cal Integrity proposes an advisory role focused on consumer safeguards, closed-loop controls, performance measurement, and independent evaluation design. No contractor, manufacturer, platform, lender, verifier, or affiliated entity is selected by this proposal.

The proposal directly supports IID's 2026-2027 priorities for financial resilience, reliable and cost-effective power, strong partnerships, and secure modern digital systems. It also gives IID a practical structure for documenting cost-effectiveness, expected and actual savings, demand reduction, and independent evaluation results. ^{[1][3]}

The decision requested now is deliberately limited: authorize a 45-day staff diligence and co-design process, then require staff to return to the Board with a final work plan, budget options, procurement route, conflict review, legal and environmental determinations, cybersecurity requirements, and measurable success criteria. No pilot expenditure, procurement award, or permanent program change would be authorized by that initial direction.

Cal Integrity is prepared to work constructively with IID staff and counsel to refine the model, disclose all material affiliations and financial interests, and preserve open competition, customer choice, and independent decision-making throughout the process. For clarity of contracting and governance, Cal Integrity is a chapter of Agents of Change United, Inc., a New Mexico nonprofit corporation, which is the responsible legal entity for this proposal and any agreement that may result from it.

Respectfully submitted,

James Eric Taylor

Chair, Cal Integrity Chapter Governing Board
President, Agents of Change United

Contents

1. Executive Decision Brief	4
2. Strategic Context and Case for Action	6
3. Pilot Design	8
4. Closed-Loop Operating Model	10
5. Technical Delivery: Quality Install (QI) and Quality Maintenance (QM)	12
6. Governance, Independence, and Legal Controls	15
7. Implementation Roadmap and Decision Gates	18
8. Performance Measurement and Value Case	20
9. Requested IID Board Direction	23
Appendix A. Detailed Control and Evidence Matrix	25
Appendix B. Consumer, Ratepayer, and Contractor Protections	26
Appendix C. Legal and Standards Compliance Matrix	28
Appendix D. Definitions	29
References and Legal Authorities	30

The sections below form one integrated pilot proposal. Appendices provide implementation controls and cited authorities without repeating the main narrative.

1. Executive Decision Brief

Decision requested: Authorize a **45-day staff diligence and co-design process** and require a return-to-Board package before any pilot launch, expenditure, procurement award, or permanent program change. **Not requested now:** pilot funding, vendor selection, customer enrollment, data access, technology procurement, or an implementation commitment.

IID's Public Benefits Programs operate within a clear public-purpose framework. California law requires local publicly owned electric utilities to fund specified public-benefit categories and to report program spending, cost-effectiveness, expected and actual energy savings, demand reduction, and independent evaluation results. ^{[2][3]} The proposed pilot converts those accountability objectives into an end-to-end operating model.

What the pilot would test

- **One evidence chain:** customer eligibility, contractor qualification, scope, permits, code documents, technical results, verification, and payment decision connected in one auditable project record.
- **Two distinct technical pathways:** Quality Installation (QI) for new or replacement systems and Quality Maintenance (QM) for existing systems; each has its own sequence, evidence, and acceptance criteria.
- **Three distinct assurance functions:** code compliance, technical acceptance verification, and impact measurement and verification (M&V) are coordinated but not treated as interchangeable.
- **Closed-loop authorization:** no IID incentive is authorized until all mandatory evidence and material exceptions are resolved; IID retains final approval.
- **Open, technology-neutral participation:** published outcomes and qualification standards govern participation; no vendor, contractor, platform, lender, or verifier is selected by this proposal.
- **Measured value:** customer outcomes, cycle time, administrative cost, technical quality, energy savings, demand reduction, and persistence are evaluated against a preapproved baseline and measurement plan.

The control logic at a glance

Risk addressed	Pilot control	Evidence produced	Decision enabled
Fragmented or incomplete project records	Standard evidence package and digital stage gates	Complete audit trail by project	Faster, defensible review

Risk addressed	Pilot control	Evidence produced	Decision enabled
Installation and savings verification conflated	Separate acceptance verification from impact M&V	Compliance record plus measured outcome	Pay accurately; evaluate credibly
Inconsistent QI and QM treatment	Separate technical protocols and sequencing	Comparable pre/post and commissioning records	Target the right corrective action
Limited visibility after payment	Optional, consent-based monitoring and persistence checks	Fault, runtime, and performance trends	Protect savings and prepare for flexibility

These are program-design risks the proposed controls are intended to address. Phase 0 will determine whether, where, and to what extent they apply to IID's current operations.

Non-Negotiable Legal and Program Safeguards

- **All pilot-related budgeted funds**, expenditures, commitments, encumbrances, and remaining balances must be publicly disclosed in an accessible, easily understood format, with clear reconciliation to the Board-approved pilot budget and applicable accounting records.
- **IID retains exclusive authority** over policy, budgets, procurement, program administration, data governance, and authorization of payments.
- **All required permits**, 2025 Energy Code documentation, and qualified ECC-rater activities remain the responsibility of the parties legally assigned to perform them. The pilot does not replace, waive, or alter any statutory, regulatory, permitting, or code-compliance requirement.
[4][5]
- **Installers and independent verifiers** must remain structurally and functionally separate for the activities they perform. All material financial interests, affiliations, and potential conflicts must be disclosed, documented, and appropriately managed.
- **Customer participation, monitoring**, maintenance enrollment, and financing must remain voluntary and be supported by informed, plain-language consent.
- **Customer electrical-consumption data must** be limited to the minimum information reasonably necessary, appropriately secured, retained only as required, and used solely for authorized program purposes. [11]
- **No decision to extend, expand, or permanently** implement the pilot may occur without a final independent evaluation, public disclosure of the material findings, and formal action by the IID Board at a properly noticed public meeting.

2. Strategic Context and Case for Action

A timely fit with IID's priorities

IID's 2026-2027 Strategic Plan emphasizes financial resilience, reliable and cost-effective power, regional partnerships, secure modern digital systems, and measurable public reporting. ^[1] The proposed pilot supports those priorities by testing whether better evidence and workflow controls can reduce administrative friction while improving confidence in customer and ratepayer outcomes.

IID priority	Pilot contribution	Proof point
Financial resilience	Links incentive decisions to complete evidence and measured results	Cost per completed project; incentive per verified kWh/kW
Reliable, cost-effective power	Improves HVAC performance and quantifies energy and demand outcomes	Verified savings, demand reduction, and persistence
Secure modern digital systems	Tests standardized digital records, role-based access, and audit trails	Data completeness, workflow latency, and security performance
Strong partnerships	Defines transparent roles for IID, customers, contractors, evaluators, and financing partners	Participation, satisfaction, and issue-resolution metrics

Strategic alignment source: IID's March 9, 2026 adoption release. ^[1]

The statutory accountability context

Public Utilities Code section 385 identifies the categories for which a local publicly owned electric utility's public-benefits charge may fund investments, including cost-effective demand-side management, eligible renewable resources, public-interest research and demonstration, and low-income services. ^[2] Section 9505 separately requires annual reporting of program expenditures, cost-effectiveness, expected and actual savings, demand reductions, and methodologies, and requires the results of independent evaluations to be made available. ^[3]

Legal boundary: These statutes do not automatically make every proposed activity eligible for public-benefit funding. IID finance staff and counsel should confirm the funding category, cost-effectiveness treatment, budget authority, and reporting treatment before implementation.

The operating problem to solve

Public-benefit incentive programs generally rely on multiple forms, inspections, technical actors, and payment controls. When those elements are not connected through a common evidence model, it can be difficult to show—project by project—whether the customer was eligible, the contractor was qualified,

the correct technical sequence was followed, required code processes were completed, the result was accepted, and the incentive decision was supported.

- When evidence is fragmented, staff spend more time reconciling files and resolving exceptions.
- When QI and QM use the same generic checklist, critical sequencing and baseline differences can be missed.
- When acceptance verification is treated as proof of energy savings, reported outcomes may overstate what the evidence supports.
- When payment and verification are disconnected, the audit trail is harder to defend and contractor expectations are less predictable.
- When monitoring is added without explicit consent and data rules, privacy and cybersecurity risk increase.

Whether these risks exist in IID's current programs, and to what extent, is a Phase 0 diligence question to be answered with IID data and staff input. This proposal asserts no findings about IID's existing operations.

Pilot hypotheses

Hypothesis	Test	Scale criterion
Closed-loop evidence improves accountability	Compare completeness, exception rates, and auditability with the approved baseline	Material improvement without disproportionate administrative cost
Automation reduces processing burden	Measure touch time, calendar time, rework, and cost per completed project	Lower cycle time and cost with equal or better control quality
Separate QI/QM protocols improve technical outcomes	Compare first-pass acceptance, defect correction, and performance change	Better technical quality and customer outcomes
Measured data improves program evaluation	Apply an approved sampling and impact-M&V plan	Credible kWh/kW estimates with stated uncertainty and persistence
Open qualification expands participation without weakening quality	Track qualified applicants, project distribution, quality, and complaints	Broader access with stable or improved quality

3. Pilot Design

Purpose

The pilot is a bounded test of an operating model—not an advance selection of a technology, vendor, contractor, or financing provider. It is intended to give IID a fact base for a later scale, refine, or stop decision.

In scope

- Residential and small-commercial HVAC projects that qualify under the final IID work plan, with distinct Quality Installation and Quality Maintenance pathways.
- Customer enrollment, eligibility, consent, and plain-language disclosures, paired with open contractor qualification based on license, Title 24 compliance, insurance, competency, code knowledge, documentation quality, and performance.
- Permit and 2025 Energy Code document integration where applicable, followed by technical acceptance verification before IID incentive authorization.
- Independent impact evaluation under an approved sampling and M&V plan, supported by standard digital project records, exception management, and management dashboards.
- Optional continuous monitoring and demand-flexibility readiness, only with customer consent and approved data protections.
- Optional coordination with current GoGreen Financing offerings for eligible customers and measures; all lender and program terms remain separate. ^[14]

Out of scope

- A sole-source, exclusive, or permanent contractor or technology arrangement.
- Automatic payment by software; IID retains final review and authorization.
- Substitution for permits, inspectors, required ECC raters, or legally assigned compliance responsibilities.
- A new lending program, an IID loan guarantee, or a promise that financing or an incentive will be approved.
- Mandatory customer monitoring or demand-response participation.
- A permanent program change or expenditure before a subsequent Board approval.

Recommended cohort design

Phase 0 should define a stratified cohort that can distinguish QI from QM and residential from small-commercial results. Sample size should be based on the decision IID needs to make, expected outcome variability, available budget, and the confidence required for impact estimates—not on an arbitrary project count. The approved evaluation plan should document selection, baseline, comparison method, attrition treatment, and uncertainty.

Cohort cell	Primary question	Minimum evidence
Residential QI	Does the installation pathway improve first-pass quality and measured performance?	Design/equipment match, permit/code record, commissioning, acceptance, impact sample
Residential QM	Do sequenced diagnostics and corrections produce persistent improvement?	Pre-condition, corrective actions, post-condition, customer outcome, impact sample
Small-commercial QI	Can the same controls operate effectively with more complex schedules and loads?	Scope, controls, operating schedule, commissioning, acceptance, impact sample
Small-commercial QM	Can verified maintenance deliver cost-effective energy and demand outcomes?	Baseline, fault record, corrections, post-test, persistence, impact sample

Design principles

- **Consumer first:** informed choice, plain-language terms, complaint resolution, privacy, and documented acceptance.
- **Performance before preference:** published outcomes and qualification rules, with lawful procurement and documented exceptions.
- **Evidence once, reuse many times:** avoid duplicate data entry while preserving role-specific review.
- **Independence by function:** installation, code verification, impact evaluation, and incentive approval are assigned to appropriately independent roles.
- **Measure, then scale:** establish baselines, targets, and stop/go rules before launch.

4. Closed-Loop Operating Model

Core rule: Verify first. Authorize payment second. Software may route evidence and flag exceptions; it does not replace IID judgment or authority.

End-to-end workflow

Stage	Primary owner	Required evidence	Gate to advance
1. Enroll	Customer / program	Consent, account, property, contact	Valid consent and identity
2. Qualify	IID / administrator	Program and measure eligibility	Eligibility approved
3. Select	Customer / IID process	Qualified contractor and disclosures	No disqualifying conflict
4. Design	Contractor	Scope, equipment, sequence, expected outcome	Technical plan accepted
5. Comply	Contractor / code parties	Permit and Energy Code documents, as applicable	Required compliance path complete
6. Execute	Contractor	QI or QM work record, serials, photos, readings	Evidence package complete
7. Accept	Independent verifier	Technical results and exception log	All material exceptions closed
8. Authorize	IID	Eligibility, acceptance, administrative approval	IID incentive decision
9. Confirm	Customer	Completion, disclosures, satisfaction, issue flag	Customer record closed or escalated
10. Evaluate	Independent evaluator	Impact sample, billing/telemetry data, methods	Reported outcome with uncertainty
11. Monitor	Authorized provider	Consent-based persistence/fault data	Action under approved protocol

Three assurance functions—not one

Function	Question answered	Who performs it	What it does not prove
Code compliance	Were applicable permit and Energy Code requirements satisfied?	Legally assigned installer, designer, building official, ECC rater, or other required party	Does not by itself establish program-attributable savings
Technical acceptance verification	Was the approved measure installed or maintained and documented to the pilot standard?	Independent verifier selected under the final work plan	Does not by itself establish annual kWh/kW impact
Impact M&V / evaluation	What energy and demand outcomes did the program produce, with what uncertainty and persistence?	Independent evaluator using an approved method	Does not replace project acceptance or code compliance

The 2025 Energy Code applies to permit applications submitted on or after January 1, 2026. For many single-family HVAC projects, field verification and diagnostic testing by an Energy Code Compliance rater is required. ^{[4][5]} The pilot should ingest and quality-check those records where required, not create a parallel substitute.

Phase 0 will define which acceptance checks are document-based, remote, or on-site and will set any risk-based sampling rules in the approved verification protocol. Sampling may not waive mandatory code, safety, licensing, consent, or material-exception requirements.

Exception management

- Every exception receives a category, severity, owner, due date, evidence request, and disposition.
- A material technical, licensing, consent, permit, data-integrity, or conflict exception blocks incentive authorization.
- Nonmaterial administrative exceptions may be cured under a documented service level, but may not be silently waived.
- Override authority remains with an identified IID role; the reason, evidence, approver, and timestamp are retained.
- Recurring exceptions are analyzed monthly to improve forms, training, technical standards, and contractor support.

Optional financing coordination

At IID's option, Phase 0 may evaluate neutral referrals to then-current GoGreen or other third-party financing for eligible customers and measures. Financing remains separate from pilot eligibility, contractor selection, technical acceptance, and IID incentive authorization. Any referral occurs only at IID's direction under a documented protocol; no lender receives preference. The customer contracts directly with the lender, and IID does not approve credit, guarantee a loan, or promise an incentive. No customer must finance or assign an incentive. The project record separates lender milestones, contractor payment, and IID authorization, and current terms are confirmed at enrollment. ^[14]

5. Technical Delivery: QI and QM

Quality Installation and Quality Maintenance pursue the same public objective—better customer and ratepayer outcomes—but begin from different conditions and require different evidence. Treating them as separate pathways is essential to a credible pilot.

Dimension	Quality Installation (QI)	Quality Maintenance (QM)
Starting point	New or replacement HVAC system	Existing operating HVAC system
Primary question	Was the system designed, installed, and commissioned correctly?	What faults exist, what was corrected, and what changed?
Baseline	Design conditions, load, existing system where relevant	Measured pre-maintenance operating condition
Core evidence	Equipment match, sizing, ducts, airflow, charge, controls, commissioning	Diagnostics, fault record, corrective work, post-test comparison
Acceptance basis	Conformance to approved installation and code/program requirements	Documented completion and measurable post-maintenance improvement
Impact method	Approved deemed/engineering or measured protocol	Pre/post or comparison method with approved normalization

Technical standards should be finalized with IID using current Energy Code, manufacturer instructions, and applicable ACCA QI/QM standards. ^{[4][5][15][16]}

QI sequence

- **Qualify and design:** confirm customer, measure, scope, load/sizing basis, equipment match, permits, and applicable 2025 Energy Code path.
- **Bind equipment to the project:** record model, serial number, efficiency data, delivery, warranties, and responsible installer.
- **Correct the distribution path first:** complete required duct sealing or duct work and verify leakage where applicable.
- **Establish airflow and static pressure:** confirm the system can move air within the approved operating range before refrigerant-charge evaluation.
- **Verify refrigerant performance:** perform charge testing only under valid airflow and test conditions, using the applicable Energy Code and manufacturer procedure.
- **Configure controls and electrical operation:** verify thermostat, fan, staging, safety, controls, and demand-ready functions included in scope.

- **Commission, document, and independently accept:** capture final readings, compliance documents, photographs, customer instructions, and acceptance evidence under the approved verification protocol; close all material exceptions before IID considers incentive authorization.

QM sequence

- **Establish the baseline:** diagnostically identify equipment and capture valid pre-maintenance operating conditions, runtime, temperatures, airflow/static pressure, electrical performance, controls, and customer concerns.
- **Inspect the system:** assess filters, coils, ducts, blower, condensate, electrical components, refrigerant performance, safety, and controls under the approved protocol.
- **Prioritize foundational corrections:** address cleanliness, obvious duct or air-distribution restrictions, filters, coils, and mechanical/electrical defects.
- **Re-establish airflow:** diagnostically verify airflow and static pressure before evaluating or diagnostically adjusting refrigerant charge.
- **Complete eligible corrective maintenance:** perform only approved, documented actions with customer authorization.
- **Repeat measurements:** compare pre/post conditions using the same valid method and document unresolved faults.
- **Confirm customer outcome:** record comfort, system operation, disclosures, and any complaint or escalation.
- **Independently accept and evaluate:** close project exceptions, then include the project in the approved impact-M&V design.

Minimum evidence package

Evidence domain	QI	QM	Payment gate
Customer	Consent, eligibility, scope acceptance	Consent, baseline access, corrective-work approval	Required
Contractor	License, insurance, training, responsible technician	License, insurance, training, responsible technician	Required
Code / permit	Permit and required 2025 Energy Code records	Permit/code records where triggered by scope	Required where applicable
Equipment	Model/serial, match, warranty, installation data	Model/serial, age/condition, service history if available	Required
Technical	Ducts, airflow, static, charge, electrical, controls, commissioning	Baseline, inspection, corrections, post-test comparison	Required

Evidence domain	QI	QM	Payment gate
Verification	Acceptance report and closed exceptions	Acceptance report and closed exceptions	Required
Impact	Approved sample and calculation inputs	Approved pre/post or comparison inputs	Evaluation gate; not always project-payment gate
Customer closeout	Instructions, acceptance, issue flag	Results, recommendations, acceptance, issue flag	Required

Continuous monitoring and demand-flexibility readiness

Where IID approves and the customer affirmatively consents, post-project monitoring may be used to assess persistence, detect faults, support maintenance, and quantify demand-flexibility readiness. Monitoring does not authorize remote dispatch, change thermostat settings, or enroll a customer in a demand-response program. Those actions require separate program terms and consent.

- Collect only data necessary for the approved purpose.
- Define retention, access, deletion, incident-response, and vendor-use rules before collection.
- Use aggregated or de-identified data for public reporting whenever feasible.
- Report measured capability separately from actual event performance.

6. Governance, Independence, and Legal Controls

Decision rights and roles

Party	Accountability	Independence requirement
IID Board	Policy direction, budget, major procurement and launch/scale decisions	Acts through properly noticed public meetings
IID management and staff	Program design, operations, data governance, incentive authorization, reporting	Retain public contracting and final administrative judgment
Cal Integrity	Advisory support on consumer safeguards, controls, metrics, and evaluation design	Disclose affiliations; no preference or automatic right to later implementation work
Qualified contractors	Scope, workmanship, code/permit duties, evidence, customer communication	Cannot self-approve their own acceptance or incentive
Code-compliance parties	Perform legally assigned inspections, ratings, and documentation	Meet Energy Code and local enforcement requirements
Technical verifier	Confirm pilot acceptance criteria and resolve exceptions	Independent from installation, sales, and financing for reviewed work
Impact evaluator	Estimate kWh/kW effects, uncertainty, persistence, and cost-effectiveness inputs	Methodological independence and access to complete data
Customers	Choose, consent, receive disclosures, confirm completion, raise issues	Participation, monitoring, and financing remain voluntary

Conflict-of-interest and procurement guardrails

California Government Code section 1090 bars district officers and employees from financial interests in contracts they make in their official capacity, and the Political Reform Act bars a public official from influencing a governmental decision in which the official has a financial interest. Section 1097.6 provides specific guardrails for design consultants and later project phases. ^[7] IID’s established solicitation and procurement process remains controlling. ^[8]

- Before Phase 0 begins, each participating organization provides a written affiliation and financial-interest disclosure covering contractors, vendors, platforms, lenders, evaluators, and related entities.
- IID counsel determines required recusals, role separations, disqualifications, and procurement controls.
- Any design-phase agreement should state that the consultant will not prepare or assist with a later solicitation in a manner prohibited by law; IID retains responsibility for public contracting.

- Conceptual plans and pilot information used for a later competition are made equally available to qualified bidders or proposers.
- No participant may install, verify, evaluate, and approve payment for the same project.
- Any noncompetitive procurement must be independently justified, documented, and approved under applicable IID policy and law.

Contractor licensing, labor, and code compliance

Participating contractors must hold the license classification required for the work and remain in good standing throughout performance. ^[6] Before launch, IID should also determine whether and to what extent public-works registration, prevailing-wage, or related Labor Code requirements apply to any pilot-funded scope. ^[13]

- Verify license status and classification at enrollment and before payment.
- Require insurance, safety, responsible technician, and subcontractor disclosures.
- Map each measure to its permit and 2025 Energy Code pathway.
- Preserve code-required responsibilities; pilot checklists supplement but do not supplant legal compliance.

Public process and records

Any Board action should appear on a properly posted agenda and occur in an open meeting unless a lawful closed-session basis applies. The staff process should avoid serial communications among a Board majority. ^[9] Project and program records prepared, owned, used, or retained by IID may be public records; confidentiality is limited to what applicable law protects. ^[10]

- Use public-facing aggregate dashboards and protect customer-level records.
- Mark proprietary submissions narrowly; do not promise confidentiality that IID cannot legally provide.
- Apply an approved records-retention and litigation-hold process.
- Publish pilot methods, aggregate results, and final evaluation after required review and redaction.

Privacy and cybersecurity

Public Utilities Code section 8381 limits disclosure and sale of electrical consumption data by local publicly owned electric utilities, requires reasonable security, and permits specified program uses subject to contractual safeguards and consent rules. ^[11] The pilot's cybersecurity control profile should be aligned to IID requirements and may use NIST Cybersecurity Framework 2.0 as a common risk-management structure. ^[18]

- Data inventory and purpose limitation before collection.
- Affirmative customer consent for third-party access and any secondary use.
- Role-based access, least privilege, multifactor authentication, encryption, and audit logging.
- Contractual limits on vendor use, retention, subcontractors, unrelated marketing, model training, and secondary commercial use.
- Termination and transition controls covering standards-based data export, transition assistance, deletion certification, audit rights, and subcontractor flow-down.
- Incident response, breach notification, recovery, and tested business continuity.
- Aggregation or de-identification for reporting and analytics whenever feasible.

Environmental and legal readiness gate

Before any discretionary implementation approval, IID should document the applicable California Environmental Quality Act determination and confirm all program, funding, labor, contracting, privacy, code, and records requirements. ^[12] Phase 0 is designed to produce that readiness package; it does not presume the outcome.

7. Implementation Roadmap and Decision Gates

Four phases with explicit stop/go decisions

Phase	Timing	Core work	Decision gate
0. Diligence and co-design	Day 0-45	Baseline, cohort and M&V design, legal/procurement review, roles, data plan, budget options, draft work plan	Board receives final package; authorize, refine, or stop
1. Mobilize	30-45 days after approval	Contracting, contractor recruitment, training, systems configuration, test cases, customer materials	IID readiness sign-off before enrollment
2. Operate pilot	6-12 months	Enrollment, QI/QM delivery, verification, payment decisions, monitoring, monthly dashboards	Midpoint review; continue, correct, pause, or stop
3. Evaluate and decide	45-60 days	Independent impact evaluation, cost-effectiveness, customer and contractor results, risk review, lessons learned	Board scale, refine, procure, or close decision

Phase 0 will operate under a resource-loaded 45-day work plan with a named IID executive owner, a defined IID and advisor resource ceiling, weekly checkpoints, and a Day-30 escalation list identifying unresolved decisions that could prevent an on-time return-to-Board package.

Phase 0 deliverables

- Resource-loaded 45-day work plan naming the IID executive owner, staff leads, resource ceiling, checkpoints, escalation dates, and final decision rights, together with the pilot charter and scope boundaries.
- Baseline report covering current process, cycle time, cost, documentation, participation, complaints, savings, and demand metrics.
- Cohort and sample design with inclusion, comparison, attrition, and uncertainty rules.
- QI and QM technical specifications, acceptance criteria, and exception taxonomy.
- Data map, consent language, cybersecurity profile, retention schedule, and public-records treatment.
- Procurement strategy, conflict matrix, affiliation disclosures, and role-separation plan.
- Legal readiness memorandum addressing funding authority, CEQA, contractor licensing, labor, code, privacy, and public process.
- Three budget options: minimum viable, statistically robust, and scale-readiness.
- Final evaluation plan, scorecard, dashboard definitions, and scale/stop thresholds.

- Proposed implementation agreement and Board action for the next decision gate.

Budget architecture

This proposal does not request a pilot appropriation. Phase 0 should produce comparable budget options using the same cost structure so IID can see the value and trade-offs clearly.

Cost category	Included items	Required output
Customer incentives	Eligible QI/QM measures and approved customer support	Unit cost, cap, and funding source
Administration	IID staff time, enrollment, qualification, project management, reporting	Cost per initiated and completed project
Verification	Technical acceptance and exception resolution	Cost per accepted project and first-pass rate
Independent evaluation	Sample, data, analysis, persistence, final report	Confidence/precision and cost
Digital workflow	Configuration, licenses, integration, security, support	One-time and recurring cost
Training and workforce	Contractor, verifier, staff, customer materials	Cost per participant and completion
Monitoring	Optional devices, connectivity, data operations	Cost per monitored asset and retention term
Contingency	Defined implementation risks	Amount, trigger, approval authority

Funding control: No incentive, administrative, technology, or evaluation cost should be charged to Public Benefits funds unless IID confirms the lawful funding category, budget authority, cost-effectiveness treatment, procurement route, and reporting treatment. ^{[2][3]}

Readiness checklist before enrollment

- Board authorization and approved budget.
- Executed contracts and completed conflict disclosures.
- Procurement, CEQA, labor, licensing, privacy, cybersecurity, and records sign-offs.
- Final customer terms, financing disclosures, complaint process, and consent forms.
- Approved contractor and verifier qualification lists.
- Tested workflow, payment gates, exception escalation, and audit logs.
- Approved baseline, cohort, M&V, dashboard, and evaluation plans.
- Operational go/no-go sign-off by designated IID executive owner.

8. Performance Measurement and Value Case

The pilot should be judged against a preapproved baseline and decision rules—not against activity volume alone. The scorecard below separates hard controls from performance targets that Phase 0 must set using IID data.

Hard controls

Control	Pilot standard	Evidence
Current contractor license and required classification	100% before work and payment	CSLB verification record
Customer consent and required disclosures	100% before enrollment/data access	Timestamped consent
Required permit and code pathway	100% where applicable	Permit and compliance record
Material exceptions	Zero unresolved at incentive authorization	Closed exception log
IID approval	100% of incentives authorized by designated IID role	Approval record and audit log
Customer electrical consumption data	No unauthorized sale, unrelated marketing, model training, or secondary commercial use	Contract, consent, access and security logs
Reportable privacy/cyber incident	Zero target; immediate escalation if any	Incident record and corrective action

Balanced scorecard

Outcome	Metric	Definition / method	Decision use
Consumer	Satisfaction; complaints; resolution time; net customer cost	Standard survey, case log, and customer-cost record	Protect experience, affordability, and trust
Access / equity	Qualified contractors; customer choice; geographic, language, and priority-customer reach	Roster, enrollment, completion, and project distribution	Use results to improve equitable access
Operations	Cycle time; touch time; first-pass completeness; rework	Workflow timestamps and exception log	Quantify administrative value
Technical	QI/QM acceptance; defect rate; performance change	Approved acceptance protocol	Test quality model

Outcome	Metric	Definition / method	Decision use
Energy	Gross/net kWh savings; uncertainty; persistence	Approved independent impact-M&V method	Support \$9505 reporting and value
Demand	Peak kW reduction; time-differentiated effect	Approved interval-data/sample method	Assess grid value
Financial	Admin cost/project; incentive/verified kWh or kW	Approved accounting and impact results	Test cost-effectiveness
Contractor	Payment lag; callbacks; documentation quality	Workflow, payment, and quality records	Test market participation
Data / security	Completeness; access exceptions; incidents	Data-quality and security logs	Protect digital operations

Impact methods should be selected before launch and may draw on DOE Uniform Methods Project protocols where appropriate. ^[17]

Target-setting rules

- Use the same definitions and time windows for baseline and pilot.
- Set targets before enrollment; do not redefine success after results are known.
- Report numerator, denominator, exclusions, attrition, missing data, and uncertainty.
- Separate project acceptance rates from estimated energy savings.
- Separate technical potential from actual demand-response event performance.
- Report total program cost, not only incentive cost.
- Require independent evaluation before any scale recommendation.

Scale / refine / stop framework

Decision	Conditions
Scale	Hard controls met; customer and contractor outcomes acceptable; measured energy/demand value credible; cost-effectiveness and administrative case support expansion; risks controlled.
Refine	Core value demonstrated, but defined process, technical, cost, data, or participation issues require correction and retest.
Stop	Material legal, conflict, privacy, safety, data-integrity, customer-harm, cost-effectiveness, or performance criteria are not met and cannot be cured within the approved risk tolerance.

Key risks and mitigations

Risk	Mitigation	Accountable owner
Perceived or actual conflict	Affiliation schedule, counsel review, recusal, role separation, competitive procurement	IID counsel / procurement
Vendor lock-in	Outcome-based specifications, data portability, exit rights, technology-neutral qualification	IID program / IT
Savings overstatement	Separate acceptance from impact M&V; preapproved method and independent evaluation	Independent evaluator
Code duplication or conflict	Use required permit/ECC records; map legal roles; do not substitute pilot checklists	IID / building officials
Customer harm or confusion	Plain-language disclosures, consent, complaint escalation, documented closeout	Program owner
Privacy or cyber incident	Data minimization, §8381 contract controls, access logging, NIST-aligned profile	IID IT / privacy
Administrative burden increases	Baseline touch time/cost; automate only proven steps; midpoint correction gate	IID operations
Insufficient or inequitable participation	Open qualification, language-accessible outreach, transparent standards, priority-customer tracking, and attrition monitoring	Program owner
Staff capacity or schedule slippage	Named executive owner, resource ceiling, weekly checkpoints, and Day-30 escalation list	IID executive owner
Financing misunderstanding	Separate lender terms; no IID guarantee; verify current eligibility at enrollment	Lender / program

9. Requested IID Board Direction

Recommended action: Approve **Phase 0 only**: a 45-day staff diligence and co-design process with a mandatory return to the Board before implementation, funding, or procurement.

Proposed motion

Cal Integrity respectfully requests that the Board of Directors consider a motion substantially in the following form:

- Receive and file the Consumer Protection & Ratepayer Accountability Pilot Proposal submitted by Agents of Change United, Inc., through its Cal Integrity chapter.
- Direct the General Manager to designate an appropriate cross-functional staff team to conduct a 45-day diligence and co-design process with Agents of Change United, Inc. (acting through its Cal Integrity chapter) and other stakeholders selected by IID.
- Direct staff to evaluate program fit, customer protections, technical standards, measurement and verification, procurement, conflicts of interest, legal authority, funding eligibility, cost-effectiveness, privacy, cybersecurity, records, labor, permitting, Energy Code compliance, CEQA, and implementation risk.
- Direct staff to return to the Board with a final pilot work plan, defined cohort, baseline and evaluation plan, budget options, contracting and procurement strategy, legal-readiness findings, performance targets, implementation schedule, and any further actions required before launch.
- Confirm that this direction does not authorize pilot expenditures, select any contractor, vendor, technology, lender, or verifier, create an exclusive arrangement, or commit IID to launch or permanently modify a program.

Suggested agenda description

Consider Cal Integrity's Consumer Protection and Ratepayer Accountability Pilot and provide direction on a 45-day staff diligence and co-design process.

IID counsel and the Board Secretary should finalize agenda and motion language for Brown Act compliance. ^[9]

What IID receives at the next gate

- A bounded, costed, legally reviewed pilot—not an open-ended concept.
- Clear role separation and conflict controls.
- A technology-neutral procurement and participation pathway.
- QI and QM standards tied to current code and industry practice.
- A complete evidence, payment, privacy, and cybersecurity control model.

- A preapproved baseline, scorecard, independent evaluation, and scale/stop rules.

Appendix A. Detailed Control and Evidence Matrix

Control domain	Required before work	Required before incentive	Retained for evaluation
Customer	Identity, eligibility, consent, disclosures	Completion confirmation or open issue	Survey, complaint and attrition data
Contractor	License/classification, insurance, training, conflicts	Responsible technician and subcontractor record	Quality, callback and payment metrics
Scope	Approved measure, baseline, price, financing/incentive terms	Final scope and change orders	Measure and cost data
Permit / code	Applicable pathway identified	Required permit and compliance documents complete	Compliance rate and exception type
QI technical	Design, equipment match, sequence and acceptance plan	Commissioning and closed technical exceptions	Sampled performance and persistence
QM technical	Baseline and approved diagnostic/corrective scope	Post-test comparison and closed exceptions	Sampled performance and persistence
Verification	Verifier assigned and independent	Acceptance decision and evidence	First-pass, rework and exception metrics
Payment	Eligible funding path and approval roles	IID authorization, amount, date and basis	Cycle time and unit economics
Data	Purpose, consent, access and retention approved	Data-quality and security checks	Approved aggregate analysis
Monitoring	Separate opt-in and device/data terms	Commissioned connection if included	Persistence/fault/demand-ready metrics

Exception severity

Level	Example	Effect	Disposition
Critical	Safety, fraud indicator, unauthorized data disclosure	Stop work/payment; immediate escalation	IID executive/counsel decision
Material	Expired license, missing required permit, failed acceptance test	Blocks incentive authorization	Cure and reverify or reject
Administrative	Incomplete nonmaterial field or formatting error	May pause workflow under SLA	Correct and document
Observation	Improvement opportunity with no current noncompliance	Does not block payment	Track for program improvement

Audit trail requirements

- Unique project and asset identifiers.
- Timestamped creation, change, review, approval, and override events.
- Identity and role of each actor.
- Original evidence, version history, and reason for change.
- Exception, cure, reinspection, and final disposition (per Title 24, Part 6, and applicable Third-Party Quality Control Program (TPQCP) requirements).
- Payment decision, amount, authority, and source.
- Customer consent, acceptance, complaint, and withdrawal status.
- Retention, access, export, and deletion treatment.

Appendix B. Consumer, Ratepayer, and Contractor Protections

Consumer protections

- Clear program, scope, incentive, financing, monitoring, and data disclosures.
- Meaningful choice among qualified options where consistent with IID’s lawful program and procurement design.
- Qualified, properly licensed contractor for work requiring a license.
- Applicable permits, code processes, and documented technical acceptance.
- Protection of personal and electrical consumption data.
- Plain-language completion documents and maintenance recommendations.
- Language-accessible enrollment, disclosures, customer support, and complaint procedures appropriate to the participating community.
- Published complaint, correction, escalation, and resolution timelines, with a clear IID escalation path.
- Plain-language disclosure of what is measured, how it is used, and the difference between technical acceptance and estimated energy or demand impacts.
- No unrelated marketing, cross-selling, or model training without separate affirmative customer consent.
- Accessible withdrawal procedures and a documented process for correcting customer and project data.
- No financing or demand-response enrollment as a condition of pilot participation.

Ratepayer protections

- Eligible funding source confirmed before commitment.
- Incentive authorized only after mandatory evidence and material exceptions are resolved.
- Published program rules, objective qualification, and lawful procurement.
- Separate technical acceptance and impact evaluation.
- Cost-effectiveness, expected and actual savings, demand reduction, and methods reported in a manner that supports IID obligations. ^[3]
- Independent final evaluation and public scale decision.

Contractor protections and responsibilities

- Transparent qualifications, technical standards, evidence, service levels, and payment conditions.
- Equal access to material solicitation information.
- Objective exception, cure, reinspection, and appeal processes.
- Freedom to recommend compliant solutions under outcome-based requirements, subject to approved measures and customer choice.
- Responsibility for licensing, permits, code compliance, safety, workmanship, documentation, warranties, and customer communication.
- Performance evaluation based on quality, documentation, timeliness, safety, and customer outcomes.

Appendix C. Legal and Standards Compliance Matrix

Authority / standard	Pilot relevance	Required Phase 0 action
Cal. Pub. Util. Code § 385	Public-benefits funding categories	Confirm eligible category, budget source, and restrictions
Cal. Pub. Util. Code § 9505	Cost-effectiveness, savings/demand reporting, independent evaluation	Map pilot metrics and evaluation to IID reporting
2025 Energy Code, Title 24, Part 6	HVAC additions/alterations and required compliance documentation	Map every measure and scope to current code path
Cal. Bus. & Prof. Code §§ 7028, 7031	Contractor licensing	Verify classification and standing before work/payment
Cal. Gov. Code §§ 1090, 1097.6, 87100	Contract and decision conflicts	Counsel review, disclosures, recusals, consultant/solicitation safeguards
Brown Act	Board consideration and direction	Proper agenda; avoid serial communications
California Public Records Act	Pilot records and public reporting	Classify records; protect only lawful exemptions
Cal. Pub. Util. Code § 8381	Electrical consumption data privacy/security	Consent, contract controls, security, limited use
Cal. Environ. Qual. ACT (CEQA)	Discretionary implementation decision	Document applicability and determination before launch
Labor Code public-works provisions	Potentially funded installation work	Determine applicability, registration, wage, and reporting duties
GoGreen program rules	Optional financing pathway	Verify current customer/measure/lender eligibility at enrollment
ACCA 5 QI / ACCA 4 QM	Industry QI/QM practices	Select applicable provisions and reconcile with code/manufacture rules
DOE Uniform Methods Project	Impact-M&V methods	Select, adapt, and preapprove appropriate evaluation protocol
NIST CSF 2.0	Cybersecurity risk governance	Create pilot profile aligned to IID requirements

This matrix identifies diligence topics; it does not replace IID counsel, finance, procurement, IT, building-official, or program determinations.

Appendix D. Definitions

Term	Definition
Acceptance verification	Project-level confirmation that the approved measure, evidence, and technical criteria are complete before IID considers an incentive.
Closed-loop authorization	A workflow that links eligibility, work, evidence, exceptions, verification, and IID payment authorization in one traceable record.
Code compliance	Completion of applicable permit, inspection, Energy Code, mechanical, electrical, and related legal requirements by the assigned parties.
Demand flexibility	Voluntary ability to shift or reduce electricity use in response to approved program or grid conditions.
ECC rater	An Energy Code Compliance rater who performs field verification and diagnostic testing required by the applicable California Energy Code pathway.
Impact M&V	Independent estimation or measurement of energy and demand outcomes, with methods, assumptions, uncertainty, and persistence stated.
Material exception	A licensing, consent, permit, code, technical, data-integrity, conflict, safety, or other issue that blocks incentive authorization until cured or rejected.
Quality Installation (QI)	A new or replacement HVAC pathway addressing design, equipment selection, installation, commissioning, applicable code compliance, and acceptance.
Quality Maintenance (QM)	An existing-system pathway addressing baseline diagnostics, corrective maintenance, post-condition testing, documentation, and acceptance.
Technology neutrality	Outcome-based qualification that permits multiple compliant solutions to compete under common standards, subject to lawful procurement and documented program needs.

References and Legal Authorities

Authorities and standards are current as reviewed on July 27, 2026. IID should confirm current law, regulations, program rules, and local requirements before implementation.

- [1] Imperial Irrigation District, “IID Adopts 2026-2027 Strategic Plan to Strengthen Reliability, Modernize Operations, and Advance Regional Partnerships” (Mar. 9, 2026) (announcing adoption and identifying the plan’s seven core priorities). <https://www.iid.com/Home/Components/News/News/1455/793>
- [2] Cal. Pub. Util. Code § 385(a) (public-benefits charge and authorized investment categories for local publicly owned electric utilities). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=385
- [3] Cal. Pub. Util. Code § 9505(a)-(d) (POU energy-efficiency and demand-reduction reporting, cost-effectiveness, targets, and availability of independent evaluation results). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=9505
- [4] California Energy Commission, 2025 Building Energy Efficiency Standards. Permit applications submitted on or after January 1, 2026 must comply with the 2025 Energy Code, Title 24, Part 6. <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/2025-building-energy-efficiency>
- [5] California Energy Commission, 2025 Single-Family Heating, Ventilation, and Air Conditioning guidance (including alteration requirements and Energy Code Compliance rater field verification and diagnostic testing where required). <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/energy-code-support-center/hvac-0>
- [6] Cal. Bus. & Prof. Code §§ 7028 and 7031 (contractor licensure and consequences of unlicensed contracting). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=7028
- [7] Cal. Gov. Code §§ 1090(a), 1097.6, and 87100 (public-contract financial interests, design-consultant safeguards for later phases, and public-official conflicts). <https://www.fppc.ca.gov/learn/section-1090/>
- [8] Imperial Irrigation District, Doing Business with IID (formal solicitation and procurement resources). <https://www.iid.com/about-iid/doing-business-with-iid>
- [9] Cal. Gov. Code §§ 54952.2 and 54954.2 (Brown Act meeting definition and agenda requirements for regular meetings). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=54954.2
- [10] Cal. Gov. Code §§ 7920.530, 7921.000, and 7922.000 (California Public Records Act scope, right of access, and justification for withholding). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=7921.000
- [11] Cal. Pub. Util. Code § 8381 (privacy and security requirements for electrical consumption data held or disclosed by a local publicly owned electric utility). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=8381
- [12] Cal. Pub. Res. Code § 21065 and CEQA Guidelines, 14 Cal. Code Regs. § 15378 (definition of a CEQA project; applicability to be determined by IID before implementation). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=21065.&lawCode=PRC
- [13] Cal. Lab. Code §§ 1720, 1725.5, and 1771 (public-works, contractor-registration, and prevailing-wage requirements, where applicable as determined by IID). https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=LAB§ionNum=1720
- [14] California Alternative Energy and Advanced Transportation Financing Authority, GoGreen Home and GoGreen Business program information and current regulations. Eligibility, measures, and lender terms must be verified at enrollment. <https://www.treasurer.ca.gov/caeatfa/gogreen/>

- [15] Air Conditioning Contractors of America, ACCA 5 QI-2015, HVAC Quality Installation Specification.
<https://www.acca.org/viewdocument/hvac-quality-installation-specification-english>
- [16] Air Conditioning Contractors of America, ANSI/ACCA 4 QM-2019 (R2024), Quality Maintenance of Residential HVAC Systems. <https://www.acca.org/viewdocument/quality-maintenance-of-residential-hvac-systems>
- [17] U.S. Department of Energy, Uniform Methods Project: Methods for Determining Energy Efficiency Savings for Specific Measures. <https://www.energy.gov/cmei/buildings/uniform-methods-project-determining-energy-efficiency-savings-specific-measures>
- [18] National Institute of Standards and Technology, Cybersecurity Framework 2.0, NIST CSWP 29 (2024).
<https://www.nist.gov/cyberframework>