

**ASSEMBLY BILL**

**No. 489**

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**Introduced by Assembly Member Skinner**

February 19, 2013

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An act to amend Section 25943 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 489, as introduced, Skinner. Energy: conservation.

Existing law requires the State Energy Resources Conservation and Development Commission (Energy Commission), by March 1, 2010, to establish a regulatory proceeding to develop a comprehensive program to achieve greater energy savings in the state's existing residential and nonresidential building stock. The Energy Commission is required to periodically update the comprehensive program to improve or refine the program requirements and report on the status of the program in the integrated energy policy report. The Energy Commission is required to fund these activities from the Federal Trust Fund consistent with the federal American Recovery and Reinvestment Act of 2009 or other sources of nonstate funds available to the commission.

This bill would repeal the provision requiring the commission to fund these activities in this manner.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 25943 of the Public Resources Code is  
2     amended to read:

1 25943. (a) (1) By March 1, 2010, the commission shall  
2 establish a regulatory proceeding to develop and implement a  
3 comprehensive program to achieve greater energy savings in  
4 California's existing residential and nonresidential building stock.  
5 This program shall comprise a complementary portfolio of  
6 techniques, applications, and practices that will achieve greater  
7 energy efficiency in existing residential and nonresidential  
8 structures that fall significantly below the current standards in Title  
9 24 of the California Code of Regulations, as determined by the  
10 commission.

11 (2) The comprehensive program may include, but need not be  
12 limited to, a broad range of energy assessments, building  
13 benchmarking, energy rating, cost-effective energy efficiency  
14 improvements, public and private sector energy efficiency  
15 financing options, public outreach and education efforts, and green  
16 workforce training.

17 (b) To develop and implement the program specified in  
18 subdivision (a), the commission shall do both of the following:

19 (1) Coordinate with the Public Utilities Commission and consult  
20 with representatives from the Department of Real Estate, the  
21 Department of Housing and Community Development,  
22 investor-owned and publicly owned utilities, local governments,  
23 real estate licensees, commercial and home builders, commercial  
24 property owners, small businesses, mortgage lenders, financial  
25 institutions, home appraisers, inspectors, energy rating  
26 organizations, consumer groups, environmental and environmental  
27 justice groups, and other entities the commission deems  
28 appropriate.

29 (2) Hold at least three public hearings in geographically diverse  
30 locations throughout the state.

31 (c) In developing the requirements for the program specified in  
32 subdivision (a), the commission shall consider all of the following:

33 (1) The amount of annual and peak energy savings, greenhouse  
34 gas emission reductions, and projected customer utility bill savings  
35 that will accrue from the program.

36 (2) The most cost-effective means and reasonable timeframes  
37 to achieve the goals of the program.

38 (3) The various climatic zones within the state.

1 (4) An appropriate method to inform and educate the public  
2 about the need for, benefits of, and environmental impacts of, the  
3 comprehensive energy efficiency program.

4 (5) The most effective way to report the energy assessment  
5 results and the corresponding energy efficiency improvements to  
6 the owner of the residential or nonresidential building, including,  
7 among other things, the following:

8 (A) Prioritizing the identified energy efficiency improvements.

9 (B) The payback period or cost-effectiveness of each  
10 improvement identified.

11 (C) The various incentives, loans, grants, and rebates offered  
12 to finance the improvements.

13 (D) Available financing options including all of the following:

14 (i) Mortgages or sales agreement components.

15 (ii) On-bill financing.

16 (iii) Contractual property tax assessments.

17 (iv) Home warranties.

18 (6) Existing statutory and regulatory requirements to achieve  
19 energy efficiency savings and greenhouse gas emission reductions.

20 (7) A broad range of implementation approaches, including both  
21 utility and nonutility administration of energy efficiency programs.

22 (8) Any other considerations deemed appropriate by the  
23 commission.

24 (d) The program developed pursuant to this section shall do all  
25 of the following:

26 (1) Minimize the overall costs of establishing and implementing  
27 the comprehensive energy efficiency program requirements.

28 (2) Ensure, for residential buildings, that the energy efficiency  
29 assessments, ratings, or improvements do not unreasonably or  
30 unnecessarily affect the home purchasing process or the ability of  
31 individuals to rent housing. A transfer of property subject to the  
32 program implemented pursuant to this section shall not be  
33 invalidated solely because of the failure of a person to comply  
34 with a provision of the program.

35 (3) Ensure, for nonresidential buildings, that the energy  
36 improvements do not have an undue economic impact on California  
37 businesses.

38 (4) Determine, for residential buildings, the appropriateness of  
39 the Home Energy Rating System (HERS) program to support the

1 goals of this section and whether there are a sufficient number of  
2 HERS-certified raters available to meet the program requirements.

3 (5) Determine, for nonresidential structures, the availability of  
4 an appropriate cost-effective energy efficiency assessment system  
5 and whether there are a sufficient number of certified raters or  
6 auditors available to meet the program requirements.

7 (6) Coordinate with the California Workforce Investment Board,  
8 the Employment Training Panel, the California Community  
9 Colleges, and other entities to ensure a qualified, well-trained  
10 workforce is available to implement the program requirements.

11 (7) Coordinate with, and avoid duplication of, existing  
12 proceedings of the Public Utilities Commission and programs  
13 administered by utilities.

14 (e) A home energy rating or energy assessment service does not  
15 meet the requirements of this section unless the service has been  
16 certified by the commission to be in compliance with the program  
17 criteria developed pursuant to this section and is in conformity  
18 with other applicable elements of the program.

19 (f) The commission shall periodically update the criteria and  
20 adopt any revision that, in its judgment, is necessary to improve  
21 or refine program requirements after receiving public input.

22 (g) Before implementing an element of the program developed  
23 pursuant to subdivision (a) that requires the expansion of statutory  
24 authority of the commission or the Public Utilities Commission,  
25 the commission and the Public Utilities Commission shall obtain  
26 legislative approval for the expansion of their authorities.

27 (h) The commission shall report on the status of the program in  
28 the integrated energy policy report pursuant to Section 25302.

29 ~~(i) The commission shall fund activities undertaken pursuant~~  
30 ~~to this section from the Federal Trust Fund consistent with the~~  
31 ~~federal American Recovery and Reinvestment Act of 2009 (Public~~  
32 ~~Law 111-5) or other sources of nonstate funds available to the~~  
33 ~~commission for the purposes of this section.~~

34 (j)

35 (i) For purposes of this section, “energy assessment” means a  
36 determination of an energy user’s energy consumption level,  
37 relative efficiency compared to other users, and opportunities to  
38 achieve greater efficiency or improve energy resource utilization.

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