

ASSEMBLY BILL

No. 802

Introduced by Assembly Member Williams

February 26, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 802, as introduced, Williams. Residential and nonresidential buildings: energy savings program.

Existing law requires the State Energy Resources Conservation and Development Commission, by March 1, 2010, to establish a regulatory proceeding to develop and implement a comprehensive program to achieve greater energy savings in California's existing residential and nonresidential building stock, and permits the program to include, but not be limited to, a broad range of energy assessments, building benchmarking, energy rating, cost-effective energy efficiency improvements, public and private sector energy efficiency financing options, public outreach and education efforts, and green workforce training.

This bill would delete the requirement that the commission develop and implement the program through a regulatory proceeding.

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~~ *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 *is not* 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 Bureau 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 homebuilders, 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

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

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

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

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

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

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

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

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

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

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

O