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| Project Title: | Energy Data Collection - Phase 3 |
| TN #: | 268026 |
| Document Title: | Notice of Public Workshop and Second Request for Information (RFI) Space Conditioning And Water Heating Equipment Data Tracking |
| Description: | This Notice requests that interested members of the public provide information and feedback on potential data reporting requirements for space heating, air conditioning, and water heating equipment sales in California. The Notice provides an opportunity for oral commentary at a workshop scheduled to occur on January 9, 2026, and a final deadline for written commentary of February 13, 2026. The Notice includes, as an Appendix, a set of example regulations (Express Terms) that could be adopted by the CEC on this topic. |
| Filer: | Peter Strait |
| Organization: | California Energy Commission |
| Submitter Role: | Commission Staff |
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CALIFORNIA ENERGY COMMISSION

715 P Street
Sacramento, California 95814

energy.ca.gov

CEC-70 (Revised 7/22)



IN THE MATTER OF:

*Space Conditioning and Water Heating
Equipment Data Tracking*

DOCKET NO. 24-OIR-03

NOTICE OF WORKSHOP AND REQUEST
FOR INFORMATION –
SPACE CONDITIONING AND WATER
HEATING EQUIPMENT DATA TRACKING
DRAFT EXPRESS TERMS

Notice of Public Workshop and Request for Information (RFI) Space Conditioning And Water Heating Equipment Data Tracking Second RFI on Draft Express Terms

Docket # 24-OIR-03

January 9, 2026

Start Time 10:00 a.m. – End Time 4:00 p.m.

In-person at 715 P Street, Sacramento, CA 95814 in the CNRA Media Room, and
online via Zoom at

<https://energy.zoom.us/j/88912736019?pwd=LqJz2n9oQxUK4AUYQxqr1Aq8b3uJjg.1>

Hybrid Meeting; See Attendance Instructions.

Written Responses Due February 13, 2026

Purpose of Request

The California Energy Commission (CEC) is considering development of data collection regulations to ensure that it has access to sufficient information for its analytical, policy, and program mandates. The CEC is requesting that stakeholders and interested members of the public provide written information and feedback on potential data reporting requirements for space heating, air conditioning, and water heating equipment sales in California as described further below.

In addition to seeking written feedback, the CEC staff will host a public workshop to discuss the proposed regulations and receive oral feedback from participants. This is a hybrid meeting, with both a publicly accessible physical location and public access online or by phone through Zoom™. A quorum of commissioners may participate in person, but no votes will be taken. The public can participate in the workshop consistent with the attendance instructions below. The CEC aims to begin promptly at the start time posted and the end time is an estimate based on the proposed agenda. The workshop may end sooner or later than the posted end time.

Background

On September 2, 2025, the CEC published an initial RFI requesting that stakeholders and interested members of the public provide written information and feedback on potential data reporting requirements for space heating, air conditioning, and water heating equipment (including heat pumps) sales and deliveries in California. The complete RFI, including descriptions of relevant statutory directives and policy drivers, can be downloaded at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=264545&DocumentContentId=101418>, and responses to the RFI can be downloaded at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=24-OIR-03>.

Following the close of the submittal period, staff reviewed the responses and drafted proposed regulatory language, referred to as Express Terms, based on the balance between public feedback and the programmatic needs expressed in that RFI. Staff are now seeking input from affected and interested members of the public on the proposed language prior to seeking formal rulemaking.

The CEC's goals in pursuing rulemaking are twofold. First, the CEC intends to use collected data to improve the accuracy of energy demand forecasting. Staff has relied on estimates and simulated data in past policy analyses, but this type of analysis carries an inherent risk of being inaccurate if any assumptions or estimates prove to be incorrect. The CEC therefore has a need for real and specific data so that energy forecasts as well as policy and program recommendations by the CEC continue to meet the high bar needed for effective state governance.

Second, the CEC is engaged in work to improve compliance with the California Energy Code to ensure energy efficiency savings on energy bills are realized by California homeowners and tenants. Considerable data gaps hinder CEC's ability to understand the nature and scope of compliance problems. This rulemaking seeks to rectify this data gap by examining equipment sales data upstream of the contractor or other installer as a cross-check on permit compliance.

Lastly, the CEC seeks to streamline overall compliance with state and local programs, including air quality programs, by designing its data collection in such a way that other California governmental agencies can rely on CEC's data collection in place of adopting parallel requirements for industry participants to submit similar data to their respective agencies.

Request for Responses

The CEC is requesting that stakeholders and interested members of the public provide written information and feedback on potential data reporting requirements for space heating, air conditioning, water heating, and heat pump equipment delivered to California homes and businesses, including middle-step businesses such as distributors, wholesalers and retailers. Amendments to regulation would potentially occur in California Code of Regulations, Title 20, Chapter 3, Data Collection. The CEC is interested in information and feedback specifically relating to the Express Terms that are accompanying this RFI as Attachment A.

Proposed Scope. Participant feedback on the prior RFI on the question of who should be within the scope of reporting requirements was varied. While some participants noted that costs of compiling and submitting data may represent a larger relative cost to a smaller business, others noted that excluding some businesses but not others raised equity and fairness concerns as well as

creating blind spots that could work against the goals and desired outcomes from data reporting. Participants generally agreed that data reporting, if it did not include contractors, benefitted from being at a point in the supply chain as close to the contractor as possible.

CEC staff also consulted with staff at other state and local agencies, including the California Air Resources Board and the South Coast Air Quality Management District. Staff sought to determine a scope of data collection that would support their respective programs and preclude a need for multiple filings of similar information with separate state entities.

The draft Express Terms therefore proposes in section 1396.1, Title and Scope, that "reporting entity" include manufacturer, private brand packager, reassembler, distributor, or retailer engaging in any sale into or within California of any equipment subject to reporting requirements. This excludes any equipment not sold in California, however it includes all sales at each step of the supply chain (e.g., sales from manufacturers to distributors serving California, from distributors to California retailers, from retailers to installers or other private buyers, etc).

The draft Express Terms also proposes that the scope include all equipment used for space heating or cooling, or water heating, that is within the scope of California Code of Regulations, Title 20 [Appliance Efficiency Regulations], excepting "portable air conditioners".

Staff is therefore interested in answers to the following questions:

1. Is the proposed language clear and accurate? If not, how may it be improved?
2. Should any other categories of equipment be excepted, and on what basis?

Definitions. Staff determined that relying on definitions already applicable under state and federal appliance laws would avoid conflict and ensure alignment between code provisions. The draft Express Terms therefore contain only a limited number of new definitions.

Staff is therefore interested in answers to the following questions:

3. Are the proposed new definitions suitable and appropriate as written, or are there ways to improve the proposed language?
4. Are there any additional terms that would be appropriate to define in regulation (e.g., where an ordinary understanding or dictionary definition would be vague or insufficient)?

Reporting Periods. Participants in the prior RFI generally expressed a desire for reporting to be as infrequent as possible to minimize the burden of preparing necessary files for submittal. Several submitters expressed a preference for annual reporting, some expressed comfortability with quarterly reporting, and very few expressed support for more frequent submittal of data. Similarly, very few expressed support for having the data organized at any greater level of granularity than the report itself (i.e., including monthly figures in quarterly or annual reports).

The draft Express Terms proposes, in Section 1396.3, Reporting Periods, that data be submitted quarterly without any further subdividing of reported data into smaller calendar segments. Many

businesses routinely engage in quarterly accounting of sales, for example to meet quarterly tax obligations or provide quarterly reports to business owners; quarterly reporting aims to align with these existing common practices to minimize added expense. Annual reporting was considered but found to create significant avoidable risk based on infrequent updates to reported information.

Staff estimated the cost of quarterly reporting as follows: Occupational Employment and Wage Statistics from the Bureau of Labor Statistics for the California region during the period of May 2024 showed that the annual mean wage of an accountant is \$104,710, or \$50.34 hourly¹. As the required quarterly reports will be comprised of inventory and sales data already present in routine internal reports, staff estimates that average completion time is approximately 8 hours per report due to information already existing as part of monitoring of normal business operations or as part of the formation of other state or federal mandated recordkeeping. Commenters in the prior RFI noted that there are differences in the automated technologies that some businesses may use to complete reports more quickly, or that other businesses may not use if they are preparing the reports manually. Given this, staff doubled the estimated hours per report to acknowledge the presence of manual preparers, and estimated the per-business cost as follows:

$$16 \text{ (hours per report)} * 4 \text{ (reports)} * \$50.34 \text{ (wage)} = \$3,222 \text{ per business annually}$$

Staff is therefore interested in answers to the following questions:

5. Are staff's estimates reasonable? If not, can data be provided that would allow staff to develop a more accurate estimate?
6. Is the estimate a sufficient proxy for IT costs or one-time costs? If not, what values (for wages and/or hours) should be used to determine these costs?
7. Are there specific adverse consequences to quarterly reporting, beyond the estimated cost, that are avoided by a different reporting period?

Data to be Reported. The majority of participants called for data collected to be minimized to the greatest extent possible. Some requested alignment with data required to be retained by federal law², or with data required to be entered on building permit documentation. Participants also noted that details about the equipment such as size, capacity or refrigerants were either encoded into the model number or determinable using the model number, making collection as individual data elements redundant if the model number is reported. Other participants commented that data reporting would need to be conducted at the unit level in order to succeed at the CEC's stated goal of improving permit compliance. Lastly, discussion with state and local agencies revealed a utility for the collection of California Secretary of State issued business ID numbers.

¹ [California Occupational Employment and Wage Statistics, Bureau of Labor Statistics, May 2024.](#)

² 10 CFR section 429.142, Records Retention, applicable to air conditioning equipment subject to regional federal standards.

The draft Express Terms therefore proposes, in Section 1396.4, Data to be Reported, collection of the following data elements: the make, model and serial number of units sold within the reporting period, the name and billing address associated with the buyer, and the business ID number and contractor license number where applicable.

Staff believes this to be the smallest number of data fields that would accomplish the goals of data collection for both its programs and the separate state programs CEC intends to support. Staff understands this to be consistent with the minority of commenters requesting additional data collection (relative to the initial RFI), and also understands that the majority of commenters would prefer fewer data elements in the reported data as well as summarized rather than per-unit data. Staff also understands this data, apart from unit serial number, to be routinely present in the ordinary course of business, reflected on invoices and stored in business records.

Staff is therefore interested in answers to the following questions:

8. Should the CEC collect billing address information? Is a different form of address data more likely to be collected by sellers in the normal course of business?
9. Should the CEC collect per-unit data on individual units sold? If not, what level of summary (e.g., number of a given model sold, or number of a given product category sold) would be most effective to leverage towards programmatic goals, and why?
10. Should the CEC collect descriptive information about equipment either instead of, or alongside, model number information? If so, what specific benefits would be realized by collection of this data beyond what is provided by / encoded into the model number?

Data Access. Concerns regarding data security and confidentiality were mentioned by several participants. The CEC has experience with handling confidential and sensitive business information and fully intends for submitted data to be kept confidential. The draft Express Terms therefore proposes, in Section 1396.5, Data Access, that received data will be considered confidential business proprietary market sensitive information consistent with the CEC's statutory authority in Public Resources Code section 25322(a)(2) to designate, by regulation, certain categories of information as confidential, and that received data will be anonymized prior to any public release.

Staff also understands that sales data of the type being collected is of extreme sensitivity, and that additional and specific provisions regarding data handling may be appropriate to include in regulation. Staff is therefore interested in answers to the following questions:

11. Is there additional regulatory language relating to data confidentiality that would be appropriate to add to this section?

Enforcement. The language in this section states the CEC's statutory ability to enforce regulations that it adopts. Staff do not have questions about this language owing to its simplicity; feedback relating to this language is welcome.

Additional Feedback. Staff are also interested in any and all feedback on the Express Terms not limited to the specific questions specified above.

Workshop Attendance Instructions

In-person participants may join the meeting at 715 P Street, Sacramento, CA 95814 in the CNRA Media Room (go directly north from the main entrance on P Street, passing the lobby and two-story display screen, take the stairs on the left to the second floor, turn left at the landing and head directly forward. Meeting room is through the double doors.).

If participants bring a device to join the meeting via Zoom at the physical location, the system audio must be muted, or the audio should not be joined. This is to avoid disruptive feedback during the meeting. Audio will be provided through an onsite sound system.

Remote participants may join via Zoom by internet or phone.

- **To join via Zoom.** Click on <https://energy.zoom.us/j/88912736019?pwd=LqJz2n9oQxUK4AUYQxqr1Aq8b3uJjg.1> or login in at <https://zoom.us/> and enter the Webinar ID **889 1273 6019** and passcode **754963** and follow all prompts.
- **To join by telephone.** Call toll-free at (888) 475-4499 or toll at (669) 219-2599. When prompted, enter the Webinar ID **889 1273 6019** and passcode **754963**.

Zoom Closed Captioning Service. At the bottom of the screen, click the Live Transcript CC icon and choose "Show Subtitle" or "View Full Transcript" from the pop-up menu. To stop closed captioning, close the "Live Transcript" or select "Hide Subtitle" from the pop-up menu. If joining by phone, closed captioning is automatic and cannot be turned off. While closed captioning is available in real-time, it can include errors. A more accurate transcript of the workshop will be docketed and posted as soon as possible after the meeting concludes.

Zoom Difficulty. Contact Zoom at (888) 799-9666 ext. 2, or the CEC Public Advisor at publicadvisor@energy.ca.gov, or by phone at (916) 957-7910.

Public Comment.

Oral comments will be accepted at the end of the workshop. Comments may be limited to three minutes or less per speaker and one person per organization. To comment via Zoom, use the "raise hand" feature so the administrator can announce your name and unmute you. To comment via telephone, press *9 to "raise your hand" and *6 to mute/unmute.

Written comments are highly encouraged to inform CEC's policy decisions and planning processes. Public input is essential to ensure a comprehensive record that includes the best available data and information. Written responses, comments, proposals, and other technical material must be submitted to the docket linked below by **5:00 PM on February 13, 2026**.

Written and oral comments, attachments, and associated contact information (for example, address, telephone number, email address) included in the response will become part of the public record, with access available via any internet search engine.

The CEC encourages use of its electronic commenting system. Visit the e-commenting page, <https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=24-OIR03>, which links to the comment page for this docket. Enter your contact information and a comment title describing

the subject of your comment(s). Comments may be included in the "Comment Text" box or attached in a format consistent with CCR, Title 20, section 1208.1. The maximum file size is 10 MB.

Written materials may also be submitted by email. Include the docket number 24-OIR-03 and "Energy Data Collection - Phase 3" in the subject line and sent to docket@energy.ca.gov.

If preferred, a paper copy may be submitted to:

California Energy Commission
Docket Unit
Re: **Docket 24-OIR-03**
715 P Street
Sacramento, CA 95814

Questions regarding submitting comments to the docket, including inquiries regarding confidentiality, should be referred to the Docket Unit at docket@energy.ca.gov or (916) 654-5076.

CEC Contacts

Public Advisor. The CEC's Public Advisor assists the public with participating in CEC proceedings. To request interpreting services, reasonable modification or accommodations, and other modifications, contact the Public Advisor at publicadvisor@energy.ca.gov or by phone at (916) 957-7910. Requests should be made as soon as possible but at least five days in advance.

Technical Inquiries. Direct questions on the subject matter of this RFI to appliances@energy.ca.gov or call (916) 776-3597.

Media. Email mediaoffice@energy.ca.gov or call (916) 654-4989.

Availability of Documents

All records will be accessible in the Energy Data Collection - Phase 3 docket, <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=24-OIR-03>. When new information is posted, an email will be sent to those on the Appliance Efficiency Standards subscription list. To subscribe to that list, visit the California Natural Resources Agency at: <https://public.govdelivery.com/accounts/CNRA/signup/31719>

Attachment A – Draft Express Terms

Proposed additions to regulations are shown as underline, proposed deletions are shown as ~~strikethrough~~.

Title 20, Division 2, Chapter 3

Article 6. Space Heating, Space Conditioning, and Water Heating Equipment Data Collection

§ 1396.1. Title and Scope.

- (a) The reports described in this Article shall be known as the Space Heating, Space Conditioning, and Water Heating Equipment Data Collection Reports.
- (b) The reporting requirements of this Article shall apply to manufacturers, private brand packagers, reassemblers, distributors, and retailers engaging in any sale into or within California of equipment within the scope of California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4, Sections 1601(b), (c), (e), and (f), excluding air filters, and as defined in Title 20, Division 2, Chapter 4, Article 4, Section 1602.
- (c) The reporting requirements of this Article shall apply to sales occurring at each step of the supply chain, including but not limited to sales from equipment manufacturers to distributors serving California, sales from distributors to other California sellers, sales to installers, including but not limited to contractors, located in or doing business in California, and sales to private users of equipment located in California.
- (d) For split system air conditioning and heat pump equipment, the reporting requirements of this Article shall apply to the compressor containing component.

Authority cited: Sections 25213, 25218(e), 25320, and 25401, Public Resources Code.
Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25324, and 25401.2, Public Resources Code.

§ 1396.2. Rules of Construction and Definitions.

(a) Rules of Construction.

- (1) Where the context requires, the singular includes the plural and the plural includes the singular.
- (2) The use of "and" in a conjunctive position means that all elements in the provision must be complied with, or must exist to make the provision applicable. Where compliance with one or more elements suffices, or where existence of one or more elements make the provision applicable, "or" (rather than "and/or") is used.

(b) Definitions. In this Article, the following definitions apply. If a term is not defined here, the applicable definition in California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4, Section 1602 shall apply.

(1) "CSLB" means the Contractors State License Board.

(2) "Commission" means the California Energy Commission.

(3) "Contractor" has the meaning specified in Section 7026 of the California Business and Professions Code.

(4) "Installer" means a business or person engaged in installation of equipment, for their own use or for use by others, irrespective of whether the business or person has obtained or is required to obtain a contractor's license.

(5) "Private user" means a business or person that uses or otherwise receives the benefit of installed equipment and is not an installer.

(6) "Receiving entity" means a business or person to whom a manufacturer, private brand packager, reassembler, distributor, or retailer sells any equipment subject to the reporting requirements of this Article.

(7) "SOS" means the California Secretary of State.

Authority cited: Sections 25213, 25218(e), 25320, and 25401, Public Resources Code.
Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25324, and 25401.2, Public Resources Code.

§ 1396.3. Reporting Periods and Requirements.

(a) For purposes of this article, each calendar quarter shall be a reporting period and shall be defined as January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31.

(b) Reports shall be submitted for each reporting period and shall contain the information specified in Section 1396.4 of this Article.

(c) Reports filed pursuant to this article shall be submitted no later than the fifteenth (15th) day following the close of the reporting period for which the information is submitted.

(d) The data and reports shall be submitted on forms, and in accordance with instructions for the forms, specified by the executive director, which may include without limitation a requirement that the data or reports be submitted in electronic format generally or in a specific electronic format.

(e) Reports shall be deemed accepted upon uploading to the CEC's data submission portal in Comma-Separated Value or ".csv" format.

- (1) The CEC may, at the discretion of the executive director, accept submission of data in a format other than Comma-Separated Value format.

Authority cited: Sections 25213, 25218(e), 25320, and 25401, Public Resources Code. Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25324, and 25401.2, Public Resources Code.

§ 1396.4. Data to be Reported.

- (a) Reporting entities shall submit, in their quarterly report, the following data for each unit of space heating, air conditioning, and water heating equipment sold into or within California during the reporting period:

- (1) Make or brand of each unit;
- (2) Model number of each unit;
- (3) Serial number of each unit;
- (4) Name and billing address of the entity purchasing the unit;
- (5) If the purchasing entity was a business entity, their SOS-issued business entity ID number; and
- (6) If the purchasing entity was a contractor, their CSLB-issued license number.

Authority cited: Sections 25213, 25218(e), 25320, and 25401, Public Resources Code. Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25324, and 25401.2, Public Resources Code.

§ 1396.5. Data Access.

- (a) Consistent with Public Resources Code section 25322(a)(2) and California Code of Regulations, title 20, section 2507, data submitted under section 1396.4 shall be considered confidential by the Commission.
- (b) The Commission may publicly release data in an aggregated or anonymized form that prevents associating sales data to a specific entity, installation of a unit to a specific address, or prevalence of a specific brand or model number of equipment.

Authority cited: Sections 25213, 25218(e), 25320, and 25322(a)(2), Public Resources Code. Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25324, 25401, and 25401.2, Public Resources Code.

§ 1396.6. Enforcement for Failing to File Timely Reports.

The Commission may enforce against an entity obligated to submit quarterly reports for late or willfully inaccurate submittals, including by issuing civil penalties, consistent with Public Resources Code section 25321.

Authority cited: Sections 25213, 25218(e), 25320, and 25321, Public Resources Code.

Reference: Sections 25216, 25216.5, 25300, 25301, 25302, 25302.5, 25303, 25305, 25310, 25321, 25324, 25401, and 25401.2, Public Resources Code.