

DOCKETED

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**American Supply Association Comments - CEC Second RFI -
Docket #24-OIR-03**

Additional submitted attachment is included below.



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February 13, 2026

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

RE: Energy Data Collection – Phase 3 – Docket #24-OIR-03 – Second RFI

Chair Hochschild, Commissioners and Staff:

The American Supply Association (ASA) respectfully submits the following responses to questions presented by the California Energy Commission’s (CEC) Second Request for Information (RFI) Energy Data Collection Phase 3 –Space Conditioning And Water Heating Equipment Data Tracking – Docket Number #24-OIR-03.

ASA is the national trade association for the Plumbing-Heating-Cooling-Piping (PHCP) and Pipes-Valves-Fittings (PVF) industry. Our distributor, wholesaler, and manufacturer members employ approximately 350,000 people across all 50 states and Puerto Rico.

We thank you for the opportunity to respond to the CEC’s second RFI, as well as the opportunity to participate in the public workshop on January 9, 2026. While we appreciate the importance of robust data collection, the scope as proposed would create a disproportionate burden for our membership, especially smaller California firms with limited staff and only one or two branch locations. We look forward to providing our industry perspective below.

Proposed Scope

1. Is the proposed language clear and accurate? If not, how may it be improved?

The proposed language, as written, is clear. However, such mandates would disproportionately affect small businesses, many of which lack internal resources to absorb these costs. To meet compliance demands, they may be forced to hire additional staff or engage third-party service providers. These are decisions that could compromise operational stability and long-term viability. In addition, consideration must be given to the economic consequences of this proposal

to ensure fair implementation without undermining the resilience of smaller businesses. Requiring this data would not correct the underlying issue of unpermitted water heating equipment installations and therefore would not achieve the intended compliance outcome.

2. Should any other categories of equipment be exempted, and on what basis?

If these provisions are adopted, further clarification or exemptions may be required for equipment that resides in California only temporarily before being sold or shipped to an out-of-state customer. Frequent intercompany and interstate equipment transfers mean that transfer reporting would generate excessive compliance costs without commensurate benefit. Transfers that are routine, temporary, or below a de minimis value should be exempted, or reporting should be limited to aggregated annual summaries rather than per transfer filings.

Definitions

3. Are the proposed new definitions suitable and appropriate as written, or are there ways to improve the proposed language?

Reporting protocols should be designed to be both streamlined and transparent. Every data element requested must be explicitly tied to a specific business objective and show clear relevance to the policy outcomes it seeks to advance. Such an approach enhances administrative efficiency, strengthens compliance, and builds stakeholder trust by ensuring that all reporting obligations are necessary and appropriately scoped.

4. Are there any additional items that would be appropriate to define in regulation (e.g., where an ordinary understanding or dictionary definition would be vague or insufficient)?

Distributors and wholesalers do not have the infrastructure needed to capture or store the level of detail required under California's proposal. Incorporating fields such as capacity or tonnage would require a full rebuild of existing enterprise resource planning systems—an effort that is both costly and time-intensive. Even with redesigned systems, pinpointing the location of each installed unit would remain highly unreliable. In reality, any classification beyond current industry practice would necessitate entirely new databases, additional personnel, and would still leave major gaps in the data.

Furthermore, requiring the CEC to report equipment shipments would not yield an accurate representation of actual energy consumption. Energy use depends on how systems are configured in the field and on end-user behavior—factors determined by contractors during installation.

Distributors, wholesalers, and manufacturers have no visibility into these on-site decisions, making shipment data an unsuitable proxy for real-world performance.

Reporting Periods

5. Are staff's estimates reasonable? If not, can data be provided that would allow staff to develop a more accurate estimate?

The estimate appears to rely on an overly simplified assumption that an entity allocating 16 hours per quarter with an accountant could effectively track this equipment, irrespective of its operational scale or sales volume. In reality, compliance would necessitate significant resource commitments, including potential staffing increases and the design, procurement, or deployment of software solutions compatible with existing inventory-control platforms. Should such integration prove infeasible, entities may be required to undertake more extensive, and costlier, modifications to their inventory-management systems to satisfy the proposed obligations.

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?

Any introduction of a mandatory reporting requirement would impose significant financial and administrative burdens across all tiers of the supply chain. Stakeholders' capacity for electronic compliance will vary widely, influenced by disparities in technological infrastructure, staffing, and financial resources. Manufacturers, distributors, and the State of California would each incur substantial overhead expenditures associated with recruiting qualified personnel and developing a centralized data management system tailored to the CEC's specifications.

7. Are there specific adverse consequences to quarterly reporting, beyond the estimated cost, that are avoided by a different reporting period?

ASA recommends that any required reporting be aggregated on an annual basis rather than broken down into fragmented data. We question the overall benefit of mandating such detailed submissions, but if reporting is imposed, it must be the simplest, least burdensome method for employers and employees. A straightforward annual report minimizes administrative overhead and avoids unnecessary complexity.

Regardless of reporting frequency, the proposed mandates would inadvertently affect small and even midsized businesses negatively. It would require them to hire additional staff, retain third

party service providers and a significant cost in purchasing or committing resources to technology that they may not have.

Data to be Reported

- 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?**

The collection of billing address information is unwarranted and could reveal confidential or proprietary sales details. Additionally, it presents substantial privacy concerns for sellers as well as customers.

- 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 the most effective to leverage towards programmatic goals, and why?**

We respectfully recommend that serial numbers and OEM model numbers be removed from any reporting obligations. These identifiers represent proprietary business information, and their collection would place undue administrative strain on stakeholders throughout the supply chain.

Furthermore, the inclusion of such granular product data provides no substantive value to building-load estimation, which underpins accurate grid-forecasting. As such, omitting this information is both a prudent and effective means of supporting policy goals while preserving commercial integrity and operational practicality.

- 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?**

This would add additional burden on small businesses. Only a very limited set of products sold in the United States, such as certain food items, pharmaceuticals, and medical devices, are subject to end-to-end tracking and reporting throughout the supply chain. Extending this level of scrutiny to water heating equipment is unwarranted and disproportionate.

Data Access

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

It would be appropriate to incorporate additional regulatory language that expressly addresses the protection of confidential and proprietary data. Clarifying that any information submitted will be

used solely for the purposes of implementing the regulation, safeguarded from public disclosure, and handled in accordance with applicable confidentiality statutes would strengthen the framework. Such provisions would help ensure that sensitive commercial information and individual privacy is adequately protected while maintaining the integrity and credibility of the reporting process.

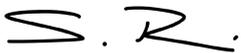
Conclusion

ASA urges the Commission to adopt data-collection strategies that yield actionable insights without imposing undue burdens on the supply chain. Streamlined online permitting, targeted field enforcement, and enhanced contractor education can produce more reliable compliance data at a fraction of the cost and complexity associated with an extensive, fragmented sales registry.

We appreciate the opportunity to provide comments and stand ready to collaborate with CEC staff on solutions that advance California's energy-forecasting and decarbonization objectives while remaining aligned with the operational realities of the water-heating marketplace.

ASA thanks the Commission for considering these responses. Please do not hesitate to contact me directly for any additional information or questions.

Sincerely,

A handwritten signature in black ink, appearing to read "S. R." with a period at the end.

Stephen Rossi
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