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*Comment Received From: Air-Conditioning, Heating, and Refrigeration Institute (AHRI)*  
*Submitted On: 2/13/2026*  
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**AHRI Comments to CEC Second RFI Energy Data Collection-Phase  
3**

*Additional submitted attachment is included below.*



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Submitted via California Energy Commission Docket

February 13, 2026

Peter Strait  
Manager of Appliance Efficiency Branch  
California Energy Commission  
Docket Unit  
Re: Docket 24-OIR-03  
715 P Street  
Sacramento, CA 95814

***Re: Energy Data Collection – Phase 3; Docket Number 24-OIR-03***

Dear Mr. Strait,

The Air-Conditioning, Heating, and Refrigeration Institute (AHRI) respectfully submits the following comments to 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.

AHRI represents more than 330 manufacturers of heating, ventilation, air conditioning, commercial refrigeration (HVACR), and water heating equipment. It is an internationally recognized advocate for the HVACR and water heating industry and certifies the performance of many of the products manufactured by its members. In North America, the annual economic activity resulting from the HVACR and water heating industry is more than \$211 billion. In the United States alone, AHRI member companies, along with distributors, contractors, and technicians employ more than 700,000 people.

Over the years, AHRI and its members have been integral participants in the discussion surrounding serial number tracking, digital equipment tracking, quality equipment installation and an equipment registry. In the various proposed legislations and rulemakings, AHRI has been consistent that a serial number tracking and/or digital equipment registry by any other name does not address the known barriers to the broken permit compliance system in California.

AHRI continues to encourage CEC to review the other recommendations relating to space heating, space conditioning and water heating equipment to address the permit compliance issue in California, specifically the request to implement a statewide online permitting program. Any rule that includes requirements for manufacturer-level or serial-number mandates would impose significant administrative and operational burdens while failing to produce reliable or meaningful data. At the same time, implementing such a system would require new databases and dedicated staffing to manage ongoing reporting and reconciliation, diverting resources without improving permit compliance or providing an accurate picture of equipment installed in California.

**Background**

Since 2018, AHRI has submitted comments pointing out that a serial number or model level registry

is fraught with complications, costly, and ineffective at raising permit compliance.<sup>1,2</sup> Manufacturers highlighted the challenges in identifying which of their units were California bound once products enter regional logistics networks as HVACR and water heating equipment is shipped through multi-state distribution systems and may be transferred between distribution centers before installation.

Products shipped to or from California may ultimately be installed in another state, while products shipped from outside California may later be installed within the state. Equipment may also be sold or transferred through distribution centers that are geographically different from the final installation location or resold through other wholesale or retail channels.

These distribution practices make it difficult to reconcile shipment or sales data with final installation location, creating inevitable gaps and inconsistencies in the data and resulting in incomplete and inaccurate datasets that do not reflect equipment actually installed in California.

AHRI and its members continue to advocate for alternate solutions to address California's low permitting compliance. AHRI previously recommended mandatory contractor training and continuing education<sup>1</sup>. AHRI encouraged California to embark on educating the consumer on the importance of pulling permits. Additionally, AHRI has encouraged consumer incentives tied to permitted, quality installations, and targeted field enforcement to curb unlicensed activity. AHRI has and continues to advocate for a statewide online permitting system for contactors and installers to pull the necessary permits for the installation of HVACR and water heating equipment in homes and businesses.

While AHRI recognizes that the Commission's authority is limited with respect to direct changes to local permitting systems, AHRI encourages the Commission to work alongside other state and local entities to advance these proven approaches, including a statewide online permitting system that would make it easier for contractors and installers to obtain required permits for HVACR and water heating installations.

AHRI has identified the following online permitting systems in effect in California cities and counties and recommended that CEC analyze these localized online permitting systems as part of a viable solution. This may not be a complete list but one that can provide a starting point for CEC in its search and analysis of on-line permitting system costs, benefit, and feasibility. The California counties and cities include:

1. County of Sonoma
2. City of Los Angeles – Plan Check Permit Online Permitting System
3. County of San Bernardino – EZ Online Permitting Portal
4. City of Sacramento – Minor Permit Program
5. County of San Joaquin

### **Response to Draft Express Terms Proposal**

The current RFI seeks feedback on potential data reporting requirements for space heating, space conditioning, water heating, and heat pump equipment delivered to California homes and businesses, including middle-step businesses such as distributors, wholesalers and retailers. Specifically, CEC asks stakeholders to provide information and feedback specifically relating to the draft Express Terms proposal that is accompanied by the RFI as Attachment A. This request for

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<sup>1</sup> AHRI's Comments on CEC's Request for Written Comments for Improving Energy Compliance of Central Air Conditioning and Heat Pump Systems, Docket No. 2017-EBP-01. (August 20, 2018).

<sup>2</sup> Joint Comments on CEC's Request for Written Comments for the Improving Energy Compliance of Central Air Conditioning and Heat Pump Systems, Docket No. 2017-EBP-01. (July 31, 2018).

energy data collection is part of a series of previous CEC Energy Data Collection rulemakings starting in 2016 and subsequently 2020. Then, the Commission's request was directed at utilities to provide data to support implementation of Senate Bill (SB) 350 (de Leon, Chapter 547, 2015) Clean Energy and Pollution Reduction Act of 2015.

Today, the CEC is requesting this information to develop an accurate determination of the number of and types of space heaters, space conditioners, and water heaters (including heat pumps) sold, distributed, and installed within California over time.

AHRI continues to encourage CEC to review the other recommendations relating to space heating, space conditioning, and water heating equipment to address the permit compliance issue in California, specifically the request to implement a statewide online permitting program.

The CEC should exclude manufacturer-level or serial-number mandates from the draft Express Terms proposal as they will generate enormous but disconnected datasets while diverting resources without improving permit compliance or providing an accurate picture of equipment installed in California. The Commission should avoid highly granular data fields that mirror the same flaws: high cost, limited analytical value, and inevitable gaps. Finally, the program will yield far better results if it centers on proven, lower-cost tools: statewide online permitting, contractor education, consumer incentives for permitted, high-quality installations, and robust field checks. Applying these measures will meet the RFI's forecasting objectives while respecting the operational realities of the HVACR and water heating supply chain.

## Scope Questions

*AHRI disagrees with CEC's decision in identifying manufacturers as a source for data report collection in the proposed draft Express Terms Section 1396.1(b). As noted in previous comments, manufacturers are not the appropriate reporting entity. HVACR and water heating equipment is shipped to various regional distributors throughout the nation and manufacturers do not know whether their equipment will end up in the State of California.*

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

*AHRI requests CEC clarify if heat pump chillers are intended to be covered by the scope and definitions. The draft Express Terms 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 which notes that,*

- *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.*
- *Section 1601(c) Central air conditioners, which are electrically powered unitary air conditioners and electrically powered unitary heat pumps, except those designed to operate without a fan; and gas-fired air conditioners and gas-fired heat pumps, air filters, and heat pump water-heating packages.*

*In Section 1602 (Definitions), Central Air Conditioners and Central Heat Pumps are defined as single-phase products, whereas the definition of heat pump water-heating packages definition does not specify phase. As a result, heat pump chillers are inadvertently included.*

*"Heat pump water-heating package" means a factory-made package of one or more*

*compressors, condensers, and evaporators designed for the purpose of heating water. Where such equipment is provided in one or more than one assembly, the separate assemblies are designed to be used together. The package is specifically designed to make use of the refrigerant cycle to remove heat from an air or water source and to reject the heat to water for heating use. This unit may include valves to allow for reverse-cycle (cooling) operation.*

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

*AHRI has no comment on question 2.*

### **Definitions Questions**

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

*AHRI has no comment on question 3.*

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)

*AHRI has no comment on question 4.*

### **Reporting Periods Questions**

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

*The CEC estimates appear to be underestimated. Individual AHRI members will submit specific data and cost analyses.*

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?

*AHRI has no comment on question 6.*

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

*As communicated in the August 18, 2025 comments, AHRI recommends annual reporting. Manufacturer reporting provides limited value due to the lack of visibility into installation location once the product enters a regional distribution hub. If reporting is required, the CEC should develop a simplified reporting methodology and implement it in such a way to impart the least amount of burden to consumers.*

*The reporting adds no value to manufacturers and does not solve CEC objectives, only adding cost through the entire supply chain and diverting resources away from key business operations and product innovation efforts.*

## Data to be Reported 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?

*AHRI objects to any requirement for manufacturers to provide billing address information or installation addresses, which would expose sensitive customer information.*

*The request by CEC to report shipment or billing address information of HVACR and water heating equipment will not give the full image of energy consumed because energy consumed is configured by full system configuration. This happens at a contractor level and manufacturers do not have full insight into the installation of the paired systems at the job site, i.e., air handler and outdoor condenser unit.*

*AHRI opposes multi-layer reporting requirements. Duplicative reporting by manufacturers, distributors, and contactors would force them to report all HVACR and water heating equipment imposing huge overhead costs with no compliance benefit. If energy forecasting is the goal for this data request, the utilities already collect this information for their service areas.*

*If data is required, AHRI recommends submitting data on behalf of its members to ensure confidential business information is protected.*

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?

*No, the CEC should not collect per-unit data on individual units sold. If data is required, AHRI recommends submitting data on behalf of its members to ensure confidential business information is protected.*

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?

*No, CEC should not collect descriptive information about equipment. First, as mentioned above, any rule should exclude manufacturer-level or serial-number mandates; they would generate enormous but disconnected datasets while draining resources that could be used for enforcement. Second, the Commission should avoid highly granular data fields that mirror the same flaws: high cost, limited analytical value, and inevitable gaps. Finally, the program will yield far better results if it centers on proven, lower-cost tools: statewide online permitting, contractor education, consumer incentives for permitted, high-quality installations, and robust field checks. Applying these measures will meet the RFI's forecasting objectives while respecting the operational realities of the HVACR supply chain.*

*AHRI urges the CEC to reconsider explicitly excluding the collection of serial numbers and original equipment manufacturers' model numbers to protect confidential business information and avoid any unnecessary administrative burden. This type of information will not assist in the estimation on building load for electrical*

*grid forecasting.*

*Reports should be simple. Each data point requested by CEC should reference the specific business purpose for the need and relevancy of that information.*

## **Data Access Questions**

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

*As communicated in AHRI and HARDI's joint July 31, 2018 comments, restrictions in California's data privacy law may prevent the development of a digital tracking system that would collect and maintain HVAC consumer information, i.e., any information that would be linked, directly or indirectly with a particular consumer or household. The digital tracking system would not only collect equipment type, model number, serial number and contractor's license number but would also need to identify the consumer for whom the contractor installed the central air conditioner and/or heat pump. California's digital privacy law grants consumers control over and insight into their personal information. Consumers have rights to know what information is collected about them, why it is being collected, with whom the information is shared, and the right to tell these information collecting entities to delete their information as well as not to share any of their data.*

*Coordinating the conflicting requirements of a digital tracking law with a data privacy law will cause confusion. Consumers who are not in compliance with permitting requirements are not likely willing to consent to the collection of personal data that exposes liability. HVACR and water heating manufacturers continue to have concerns about the potential for their liability and being caught between contradictory obligations.*

## **Conclusion**

AHRI urges the Commission to pursue data collection methods that yield actionable insights without imposing disproportionate burdens on the supply chain. Focusing on streamlined online permitting, targeted field enforcement, and contractor education will deliver more reliable compliance data at far lower cost than a vast granular sales registry. We appreciate the opportunity to provide these comments and remain ready to work with CEC staff on solutions that advance California's energy forecasting and decarbonization goals while respecting the operational realities of the HVACR and water heating marketplace.

AHRI appreciates the opportunity to share this letter with CEC. Please do not hesitate to contact me directly if I can provide any further information or answer any additional questions.

Sincerely,



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