

| <b>DOCKETED</b>         |                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------|
| <b>Docket Number:</b>   | 24-BPS-01                                                                                   |
| <b>Project Title:</b>   | Building Energy Performance Strategy Report                                                 |
| <b>TN #:</b>            | 271854                                                                                      |
| <b>Document Title:</b>  | Staff Workshop Presentation on Draft California Building Energy Performance Strategy Report |
| <b>Description:</b>     | N/A                                                                                         |
| <b>Filer:</b>           | Owen Howlett                                                                                |
| <b>Organization:</b>    | California Energy Commission                                                                |
| <b>Submitter Role:</b>  | Commission Staff                                                                            |
| <b>Submission Date:</b> | 8/7/2026 9:58:40 AM                                                                         |
| <b>Docketed Date:</b>   | 8/7/2026                                                                                    |



# **Staff Workshop: Draft California Building Energy Performance Strategy Report**

California Energy Commission

July 29, 2026



# Introduction

## Draft California Building Energy Performance Strategy Report

- Remote Only Workshop
- Recorded & Transcribed
- Public Comments Options:
  - ✓ End of the Workshop
  - ✓ Written Comments due:  
**5 pm Friday, August 21, 2026**



Source: Stock Image



# Workshop Agenda

- 10:00** | Introduction
- 10:05** | Opening Remarks
- 10:15** | Overview of Senate Bill 48
- 10:25** | California's Building Energy Benchmarking Program
- 10:40** | Summary of the *Draft California Building Energy Performance Strategy Report and Recommendations*
- 11:10** | Questions & Answers
- 11:30** | Public Comments (Limited to 3 minutes each)
- 11:50** | Adjourn



# Opening Remarks

**J. Andrew McAllister, Ph.D.**  
Commissioner  
*California Energy Commission*



# SB 48 Legislation Overview



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# A Strategy for Existing Buildings

## Senate Bill 48

*...develop a strategy to achieve the state's goals, targets, and standards related to energy usage and emissions of greenhouse gases of covered buildings...*

- ✓ Strategy to achieve state goals
- ✓ Recommendations for legislative action

## Priorities

- Affordability
- Energy Efficiency
- Greenhouse Gas Emissions
- Equity



Source: Stock Image



# Required Analysis

Public Resources Code § 25402.16(c)



- 1) Avoid increasing utility and rental costs, including:
  - A) Protect renters from termination and relocation costs due to renovations
  - B) Prohibit rent increases caused by required renovations or limit increase to energy savings
- 2) Feasibility and cost-effectiveness
- 3) Flexibility to building owners
- 4) Equitable access to jobs and other economic opportunities
- 5) Reductions in fuel-related emissions
- 6) Tenant benefits
- 7) Process for alternative compliance
- 8) Process to authorize local jurisdictions to exceed the state strategy



# Required Outreach

Public Resources Code § 25402.16(b) and (d)



## Develop the strategy in consultation with:

1. California State Air Resources Board (CARB)
2. California Public Utilities Commission (CPUC)
3. Department of Housing and Community Development (HCD)

## Consider input from the following:

4. Under-resourced communities and community-based organizations
5. City and county governments
6. Affordable housing owners and operators
7. Low income and small commercial tenant representatives
8. Energy service and equipment providers
9. Labor unions
10. Technical building design professionals
11. Facility operations professionals
12. Multiunit residential building owners
13. Nonresidential building owners
14. Energy utilities

## Outreach Approach:

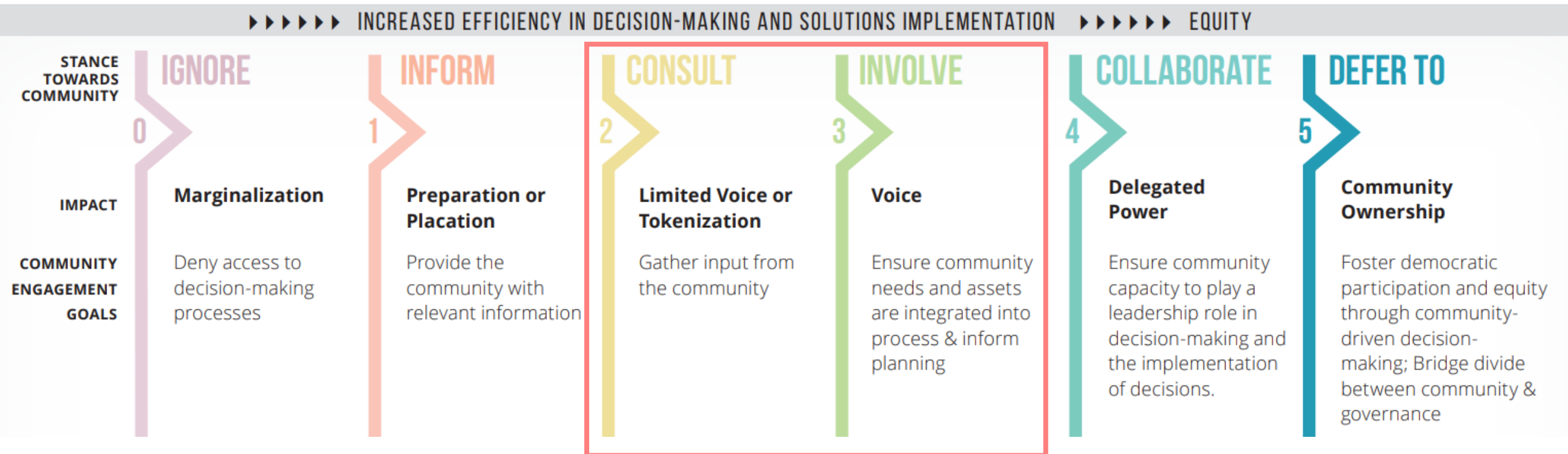
- ✓ Workshops
- ✓ Technical Working Group
- ✓ Equity Working Group
- ✓ Individual Meetings
- ✓ Disadvantaged Communities Advisory Group Engagement



# An Equitable Building Performance Strategy for California

## Spectrum of Community Engagement to Ownership

Stakeholder Analysis & Engagement Plan → Impact & Resources



Source: Facilitating Power

# Building Energy Benchmarking Program



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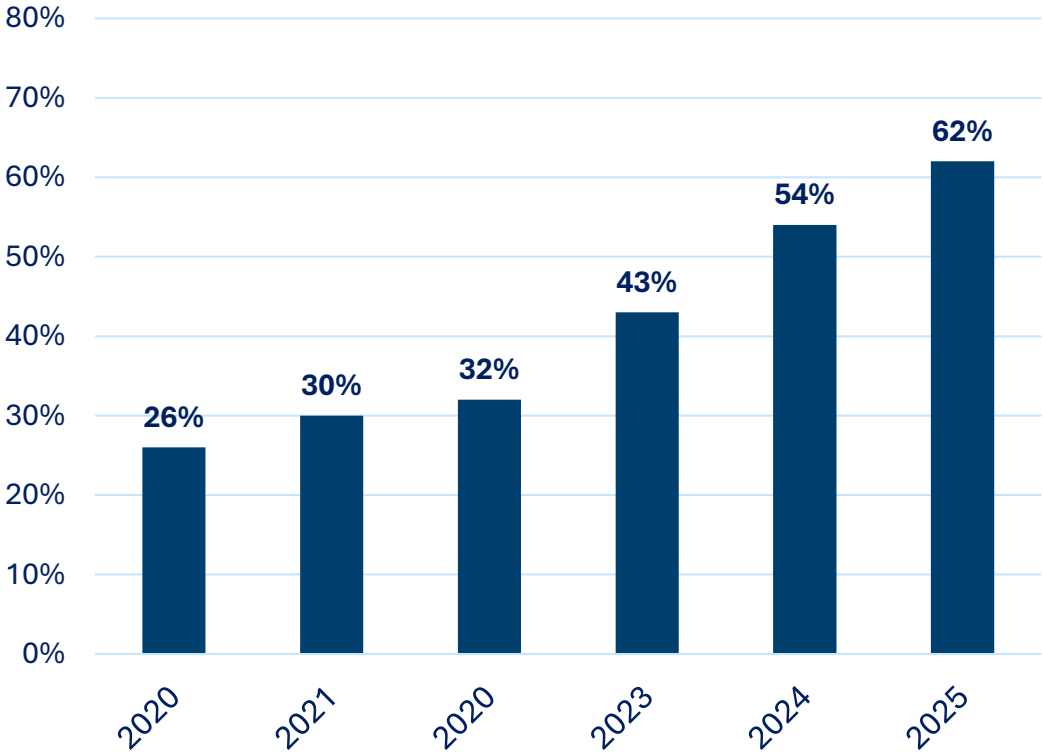
# Statewide Energy Benchmarking Program

- AB 802, since 2018, requires **commercial buildings >50,000 ft<sup>2</sup>** and **multifamily buildings >50,000 ft<sup>2</sup> and 17 or more units** to report energy use to CEC annually by **June 1**
- All reporting is done through the U.S. EPA's ENERGY STAR Portfolio Manager®
- Requires monthly energy use and key operational building details
- Benchmarking program manages the Covered Building List that will be utilized for Building Performance Standards
  - ✓ Almost 50,000 buildings in California
  - ✓ Only large multifamily buildings

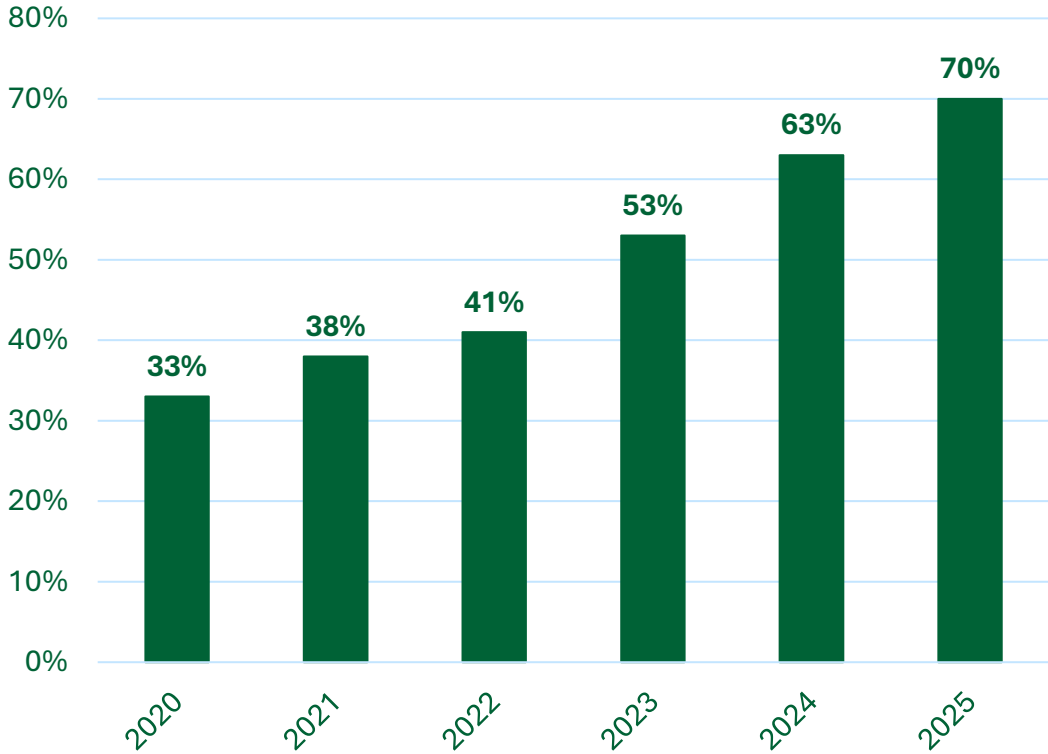


# Benchmarking Program Compliance 2020 – 2025\*

Reporting Year Compliance %  
**Building Count**



Reporting Year Compliance %  
**Gross Floor Area**



Source: CEC Staff

\*CA Buildings; not including Local Exempt Jurisdictions



# Public Disclosure of Data

## Online Dashboard

- Disclosable data is made available online
- Interactive dashboard
- Downloadable datasets

### PUBLIC DISCLOSURE DASHBOARD



View, search, and download energy performance information for commercial and multifamily buildings.

[PUBLIC DISCLOSURE DASHBOARD >](#)

[DASHBOARD DEMONSTRATION VIDEO – YOUTUBE >](#)

- [Download submitted 2024 benchmarking information](#)
- [Download submitted 2023 benchmarking information](#)
- [Download submitted 2022 benchmarking information](#)
- [Download submitted 2021 benchmarking information](#)
- [Download submitted 2020 benchmarking information](#)
- [Download submitted 2019 benchmarking information](#)
- [Download submitted 2018 benchmarking information](#)



# Benefits of Benchmarking

- Potential for reduced energy use, operation costs, and pollution
- Tenant satisfaction and retention

## Building Owners

- Added local jobs
- Improved indoor & outdoor air quality
- Reduced climate pollution

## General Public

## State and Local Governments

- Support many local government priorities and goals
- Data to inform local policy work

## Tenants and Residents

- Improvements to indoor air quality, comfort, and productivity
- Tenant satisfaction



# Successful Examples of Benchmarking

## Benchmarking Data Provides Operational Insights

- **BXP**

- ✓ Showed 39% savings across their portfolio over two decades of benchmarking
- ✓ Supported long-term sustainability performance, strengthened access to capital, reduced financing costs, and increased resilience to regulatory and market risks

- **Prologis**

- ✓ California's AB 802 helped access information on building energy usage to support their climate goals

- **EPA Study**

- ✓ Analyzed 35,000 benchmarked buildings → avg annual savings of 2.4% with avg total savings of 7% over 3-year period

- **NYC Study**

- ✓ Benchmarked buildings reduced cumulative energy use by 5.7% over 4-year period, yielding more than \$267 million in utility bill savings



# Benchmarking Support for Building Owners

- **Benchmarking Helpdesk**
  - ✓ Phone calls, voice mail
  - ✓ Emails
  - ✓ How-to-Guides and other trainings
  - ✓ Webinar Recordings
- **Increasing annual compliance**
  - ✓ Outreach
- **Enforcement**
- **Leverage existing building networks to increase engagement**
- **Work with local governments to increase compliance awareness**



# The Role of Benchmarking

- Benchmarking is the foundational program, and SB48 requires using this data for implementing energy efficiency strategy
- Covered buildings are defined within the benchmarking program, and these are the ones that will be subject to any future Building Performance Standards
- Benchmarking data includes both building characteristics and energy use data
- Ensuring data quality with benchmarking data is critical to the success of implementing energy efficiency measures
  - ✓ Reviewing data quality for building types such as multifamily and small commercial
- For a successful BPS, we need a successfully implemented and enforced benchmarking program

# Summary of Draft Report & Recommendations



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# SB 48 Report Outline



- 0. Executive Summary**
- 1. A Building Performance Strategy to Achieve California's Goals**
  - ✓ Building Energy Benchmarking
  - ✓ Metric Objectives & Selection Criteria
- 2. Achieving an Equitable Building Performance Standard**
- 3. Compliance and Enforcement**
  - ✓ Compliance Pathways
  - ✓ Enforcement Mechanisms
- 4. Economics of Building Performance**
- 5. Draft Recommendations to the Legislature**



# Building Performance Standards (BPS)

**Building Performance Standards** require energy performance improvements by set deadlines to drive efficiency and decarbonization in the built environment.

## **Most BPS policies:**

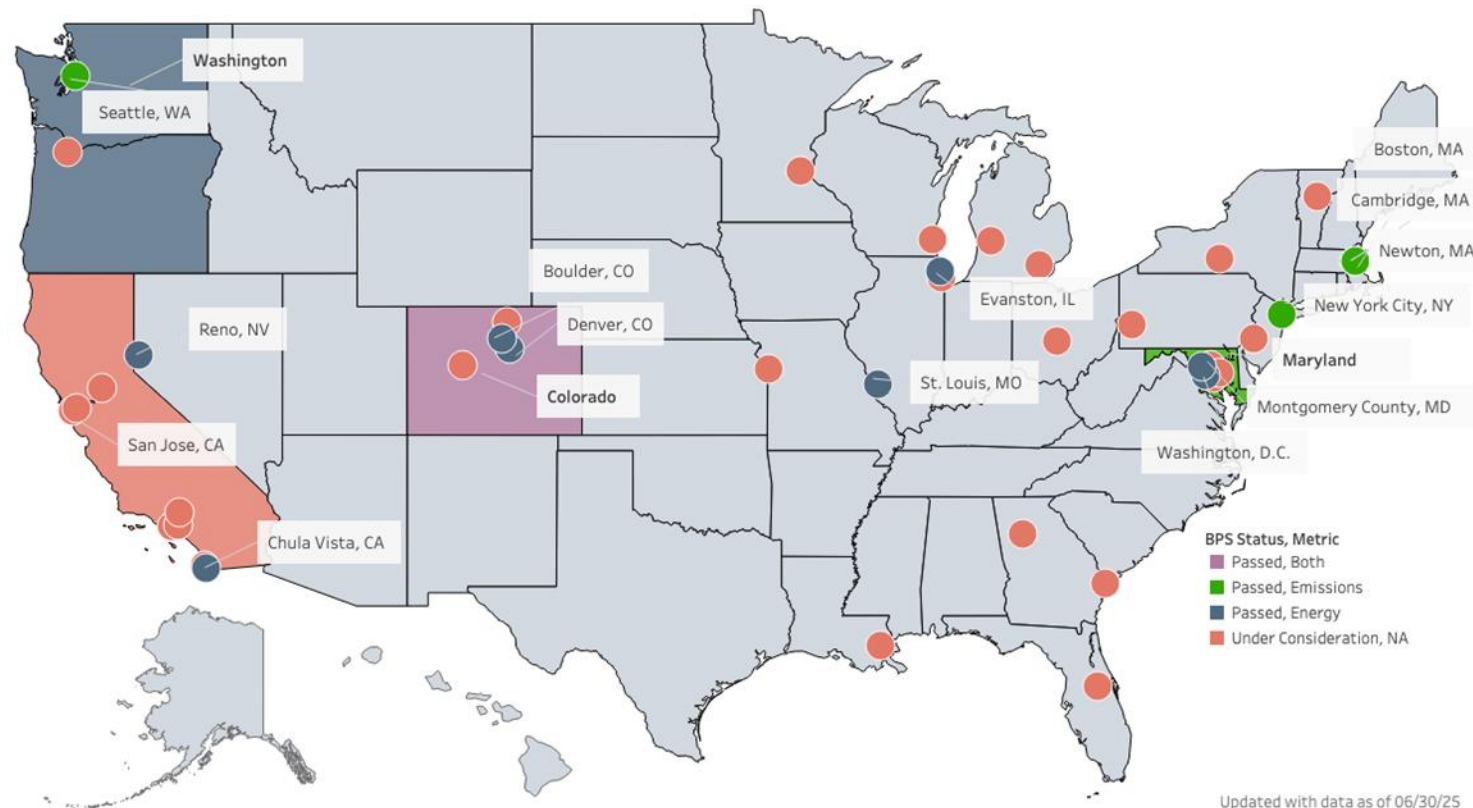
- ✓ Apply to existing large buildings
- ✓ Have defined reporting and performance deadlines
- ✓ Are outcome based
- ✓ Measure whole building performance improvements
- ✓ Require continued and maintained improvement
- ✓ Have consequences for failure to meet performance targets



# Building Performance Standards (BPS)

## Advantages of a BPS

- Established Policy
- Supported by Industry
- Regulatory Certainty
- Flexible
- Feasible



Source: Institute for Market Transformation (IMT)



# Recommendation: BPS with Trajectory Approach



Source: Institute for Market Transformation (IMT)



# Recommendations:

## Policy Framework and Structure

### Buildings Covered

- Cover the same buildings as AB 802 – large commercial and multifamily >50k sq ft
- Single statewide policy, encourage local jurisdictions to cover smaller buildings

### Compliance Cycles

- 5-year cycles ending in 2045
- All buildings on same timeline unless otherwise approved





# Recommendations:

## Metrics

### Recommended Metrics

- On-site EUI
- On-site GHGI

### Additional Metrics

Consider additional metrics related to demand flexibility and cost effectiveness.

- Peak Demand
- Energy Bills
- Occupant Impacts





# Recommendations:

## Metric Selection Criteria & Verification

### Metric Selection Criteria

- Acknowledge California's strong RPS and progress toward 100% clean energy
- Emphasize metrics within building owner's control
- Focus on simplicity & affordability

### Data Verification

Benchmarking data verification required for key evaluation years





# Recommendations: Compliance Pathways

## Standard Compliance

Trajectory approach with  
5-year compliance cycles

## Alternative Compliance

- Target, timeline, and baseline adjustments
- Portfolio compliance

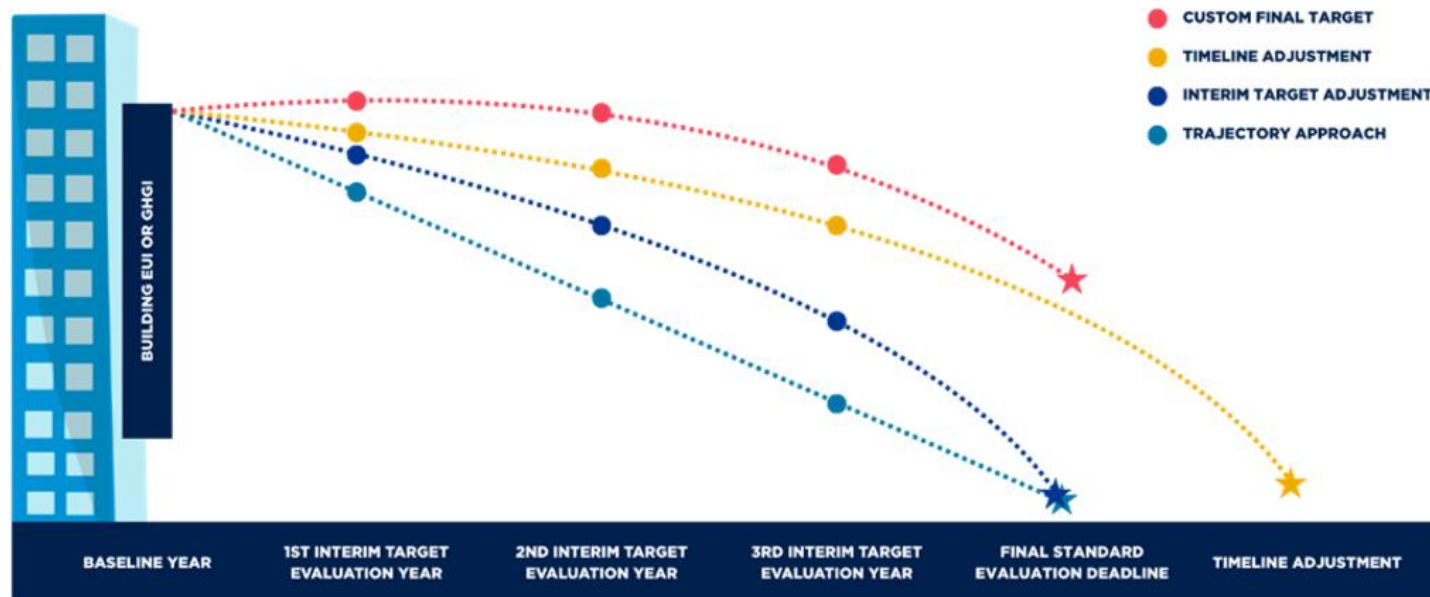


Image Source: Institute for Market Transformation (IMT)



# Cost of Compliance for Building Owners

## Flexibility and Clear Long-Term Expectations

- The costs to building owners will be based on the targets set, and we expect that the costs for efficient buildings will be lower
- Highly efficient buildings may **not** need to make any improvements
- Energy efficiency targets should be based on cost-effectiveness and technical feasibility
- Clear long-term targets allow retrofits to conform to equipment life cycle (avoid early changeout)

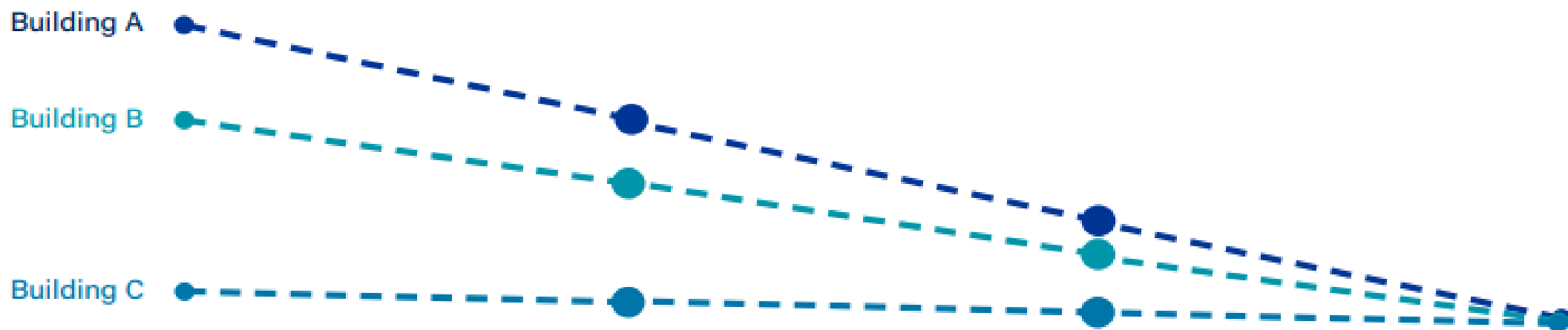


Image Source: Institute for Market Transformation (IMT)



# **Recommendations:**

## Enforcement and Responsibility

### **Responsible Entity:**

Building owners only

### **Penalties**

Issued for both reporting and performance violations

### **Cost-benefit**

Analysis of cost to comply could inform the setting of penalties

### **Reinvestment of Funds:**

Penalty funds collected should be reinvested into buildings to assist with BPS compliance



# Recommendations:

## Equity and Stakeholder Engagement

### Program Development

Codesign program and decision-making processes with underserved communities

### Equity Best Practices

Collaborate with CBOs to ensure the program approach meets equity best practices

### Advisory Body

Create advisory body of impacted stakeholders that provide feedback on design and implementation of BPS





# Recommendations

## Tenant Protections

### Best Practices

Incorporate best practices on tenant protections from existing programs

### Limit Tenant Displacement

Work with local jurisdictions, housing providers, and community stakeholders to explore approaches to limit displacement during and after building upgrades

### Penalty Passthrough

Prohibit penalty pass through to *residential* tenants and *small commercial* tenants but possibly allow for pass through to *large commercial* tenants.



Image Source: Stock Image



# Questions & Answers

## Zoom:

- Use the “raise hand” feature to speak
- Use the Zoom Q&A Dialog to submit a written question

## Telephone:

- Dial \*9 to raise your hand
- \*6 to mute/unmute your phone line. You may also use the mute feature on your phone.

## Zoom/phone participants, when called upon:

- Your microphone will be opened
- Unmute your line
- State your name and affiliation (optional)



*Image Source: Stock Image*



# Public Comment

## Zoom:

- Use the “raise hand” feature

## Telephone:

- Dial \*9 to raise your hand
- \*6 to mute/unmute your phone line. You may also use the mute feature on your phone.

## Zoom/phone participants, when called upon:

- Your microphone will be opened
- Unmute your line
- State your name and affiliation
- Spell your name for the record, begin comments
- Please also submit your comments in writing to the docket

**Please limit comments to 1 representative per organization.**

**3-Minute Timer**





# Written Comments & Closing Remarks

**Proceeding Webpage (Docket 24-BPS-01):**  
California Building Energy Performance Strategy Report  
at <https://www.energy.ca.gov/data-reports/reports/california-building-energy-performance-strategy-report>

## Comments:

- Due August 21, 2026
- Submit to Docket 24-BPS-01:  
<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=24-BPS-01>

## Subscribe for Updates:

- Efficiency Topics – Building Performance Standards
- <https://public.govdelivery.com/accounts/CNRA/signup/31895>

**Submit questions to staff:** [BPS@energy.ca.gov](mailto:BPS@energy.ca.gov)



*Image Source: Stock Image*



# Suggested Areas for Input



1. How should a statewide BPS align with locally adopted programs?
2. What components of other BPS programs should California consider?
3. Is there a more cost-effective approach to meeting state goals?
4. Peak demand impacts both grid costs and utility bills. How could a BPS incorporate a peak or coincident peak demand metric?
5. Are there any topics or issues the report did not cover sufficiently?
6. What are the major technology challenges in achieving energy and greenhouse gas reductions for specific building types?
7. How should the state address tenant protections?
  - What would be the best entity or entities to address tenant protections?
8. How could the state help improve building owner access to utility data?

***\*Please submit written responses to Docket 24-BPS-01 by 5pm on August 21, 2026***



**Thank You!**