

DOCKETED

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Draft California Building Energy Performance Strategy Report

California Energy Commission, Efficiency Division

DACAG Meeting

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August 21, 2026



Agenda

1. Background:

Assembly Bill 802 (Williams, 2015) and
Senate Bill 48 (Becker, 2023)

2. Summary:

*Draft California Building Energy Performance
Strategy Report and Recommendations*

3. Discussion

Background: SB 48 and AB 802







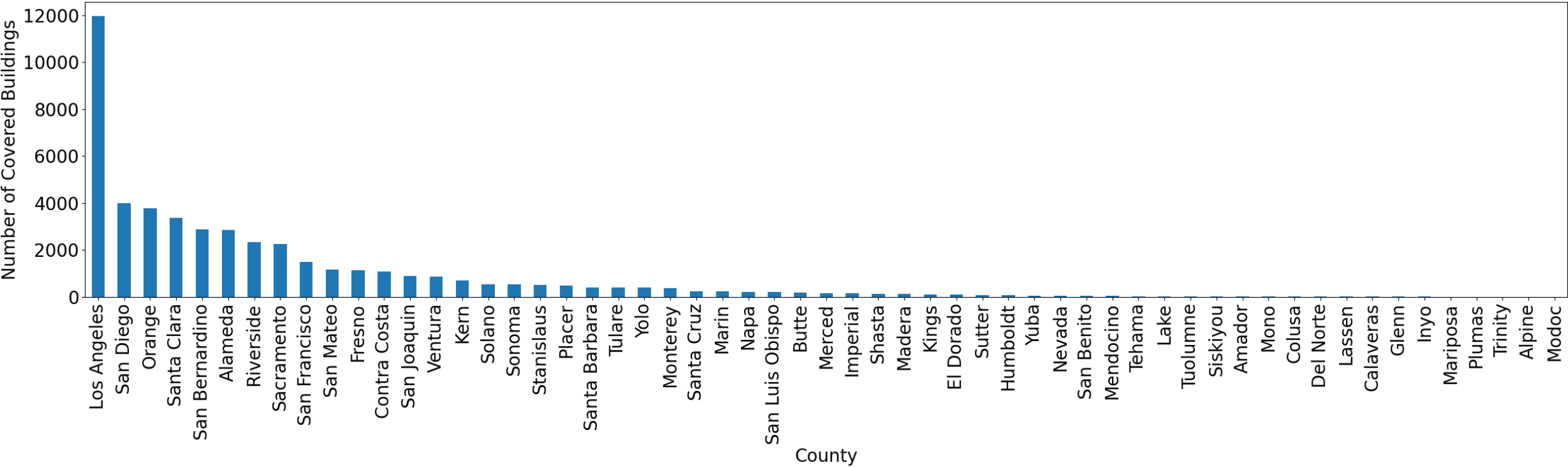
Statewide Energy Benchmarking Program

- AB 802, since 2018, requires **commercial buildings >50,000 ft²** and **multifamily buildings >50,000 ft² 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



Statewide Energy Benchmarking Program

County Breakdown





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

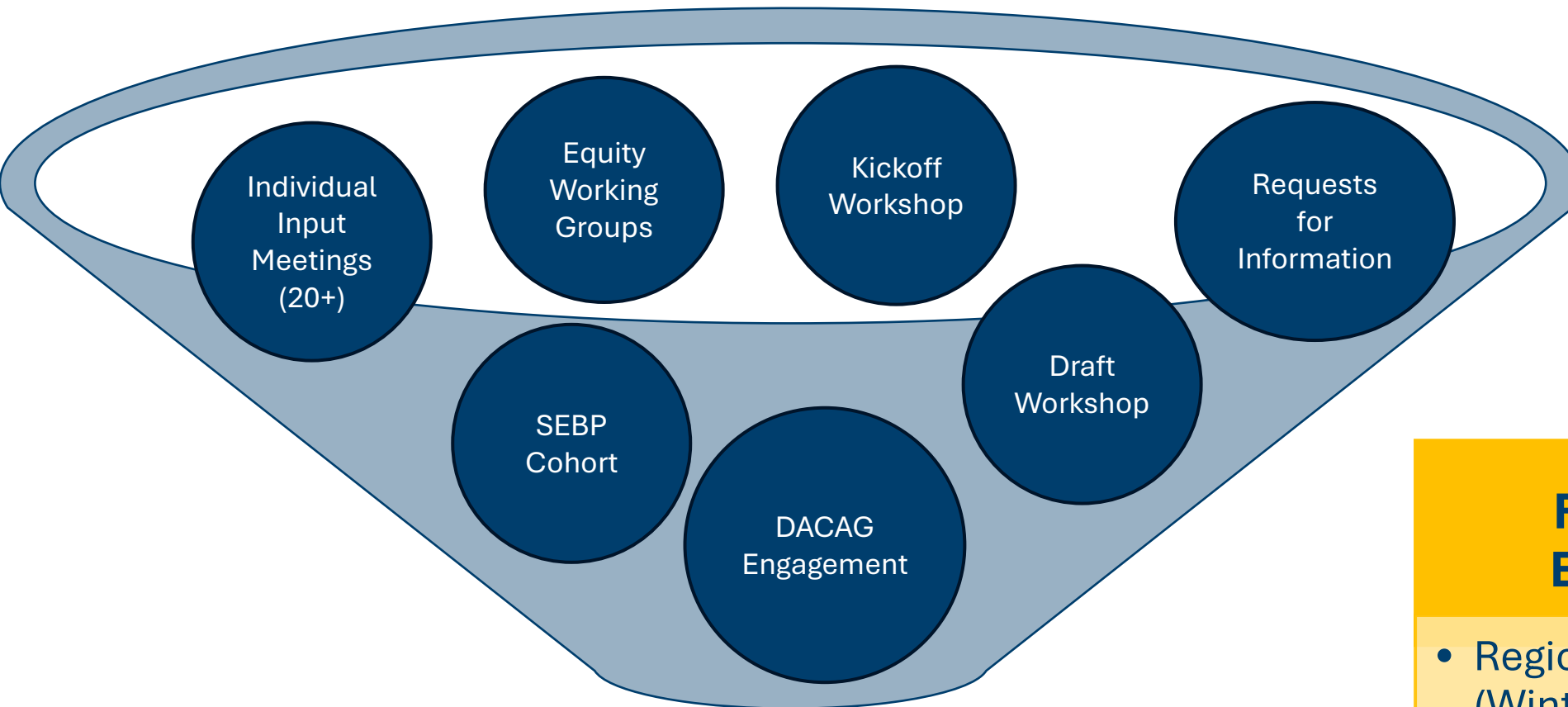
- Affordability
- Energy Efficiency
- Greenhouse Gas Emissions
- Equity



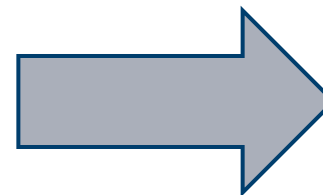


Engagement Opportunities

For equity-focused organizations and members of public



BPS Report and Recommendations



Future Equity Engagements

- Regional Engagement (Winter 2026)
- Equity Working Group #3
- Input through legislative and regulatory process

Summary of Draft Report & Recommendations







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:

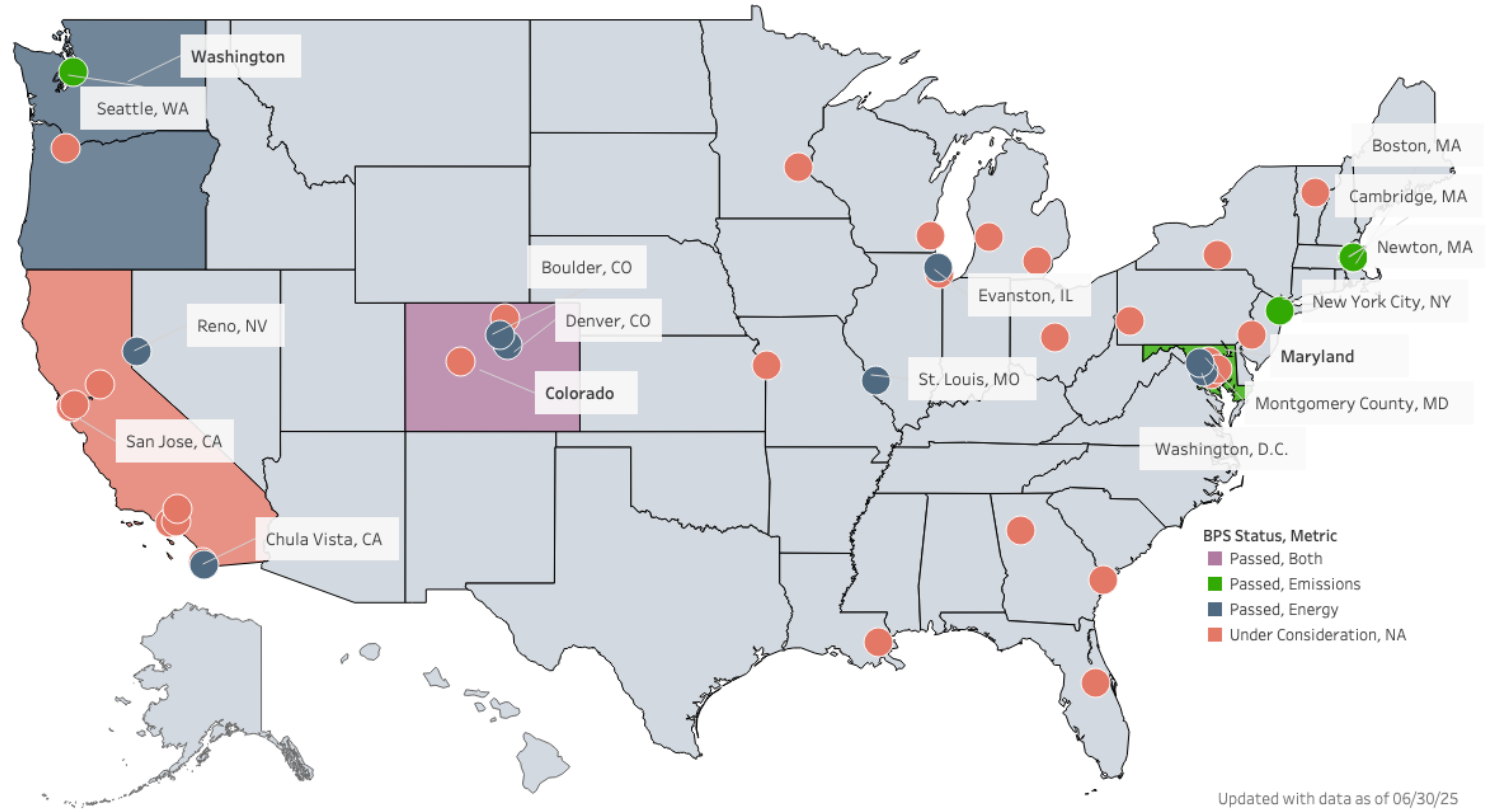
- ✓ Apply to existing large buildings
- ✓ Have defined reporting and performance deadlines
- ✓ Are outcome based
- ✓ Measure whole building performance improvements
- ✓ Require continued and maintained improvement
- ✓ Have consequences for failure to meet performance targets



Building Performance Standards (BPS)

Advantages of a BPS

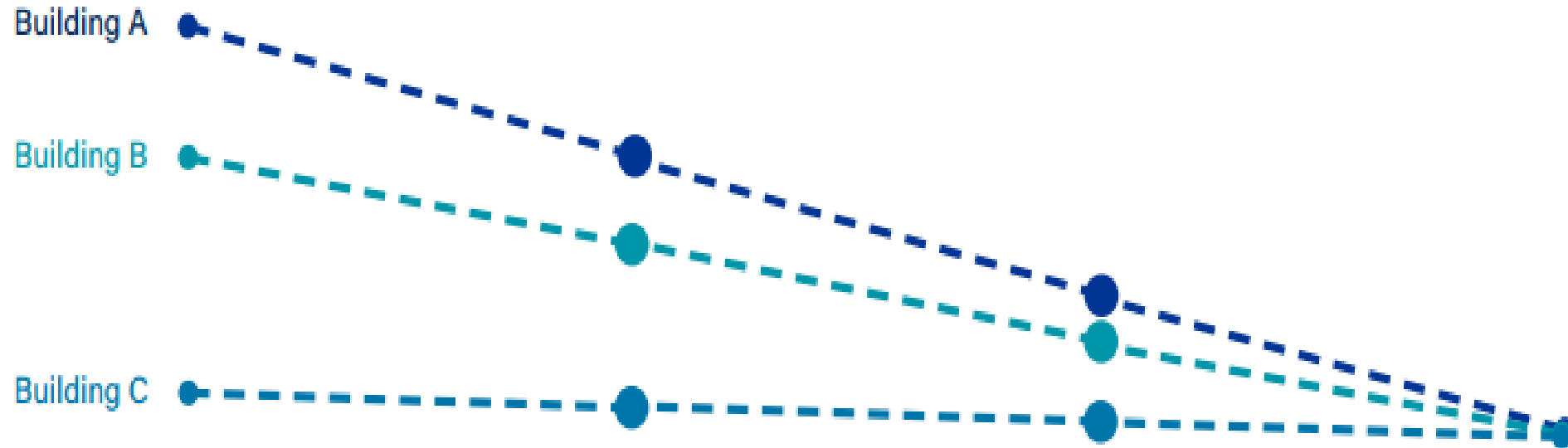
- Established Policy
- Supported by Industry
- Regulatory Certainty
- Flexible
- Feasible





Recommendation: BPS with Trajectory Approach

BUILDING ENERGY USE



Baseline Year

Interim Standard:
Compliance Year 1

Interim Standard:
Compliance Year 2

Final Standard
Compliance Deadline

TIME



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

Alternative Compliance Qualification Criteria

- Based on financial hardship, historical building designation, affordable housing, or other criteria identified in regulatory proceeding.



Recommendations:

Enforcement and Responsibility

Responsible Entity:

Building owners only

Penalties

Issued for both reporting and performance violations

Cost-benefit

A cost-benefit analysis should be used to set final targets, interim targets, and penalties

Penalty Pass Through:

Prohibit penalty pass through to *residential tenants* and *small commercial tenants* but possibly grant authority for pass through to *commercial tenants*.

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

Prevent penalties from being passed through to residential and small commercial tenants





Discussion & Written Comments



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:

- Submit to Docket 24-BPS-01:
<https://efiling.energy.ca.gov/EComment/ECComment.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



Thank You!