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INITIAL STATEMENT OF REASONS

FOR

PROPOSED BUILDING STANDARDS

OF THE

CALIFORNIA ENERGY COMMISSION

REGARDING THE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 11
(CALIFORNIA GREEN BUILDING STANDARDS)

2016 BUILDING ENERGY EFFICIENCY STANDARDS

DOCKET NUMBER 15-CALG-01

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I. INTRODUCTION

This Initial Statement of Reasons ("ISOR") describes the purposes, rationales, and necessity of the California Energy Commission's proposed amendments to its voluntary energy efficiency standards for buildings. These standards are the energy provisions of the California Green Building Standards Code, or CalGreen, which are in Part 11 of Title 24 of the California Code of Regulations, and would go into effect on January 1, 2017, if adopted by the Energy Commission and approved by the California Building Standards Commission.[1] This ISOR fulfills the requirements of California's Administrative Procedure Act (see Government Code section 11340 et seq.).

The Energy Commission welcomes comments on the ISOR and on the proposed building standards that the ISOR describes. Please see the accompanying Notice of Proposed Action ("NOPA"), also dated February 13, 2014, for instructions on how to submit comments electronically, on paper, and orally at Energy Commission hearings.

A. A Brief History of the Energy Commission's Building Standards

In 1975 the Department of Housing and Community Development adopted the state's first energy conservation standards for buildings, under the State Housing Law authority, which required basic levels of insulation. Also in that year the Energy Commission began operations, under the Warren-Alquist Act (Public Resources Code section 25000 et seq.) That Act gives specific directives to the Energy Commission regarding what the standards are to address, what criteria are to be met in developing standards, and what implementation tools, aids, and technical assistance are to be provided. (Public Resources Code sections 25402(a)-(b), 25402.1, -25402.8.)

In 1976 the Commission adopted its first building standards, which addressed space heating and cooling, water heating, and windows, in addition to insulation. Since then the Commission has updated the standards in conjunction with the Building Standards Commission's publication of all the State's building codes, usually every three years. The updates incorporate the most advanced developments in energy conservation (e.g., new lighting technologies, new types of roofs that reflect unneeded heat) to ensure that new construction in California will be as energy-efficient as possible, consistent with the requirement that the standards be cost-effective for consumers. Today, the Standards contain energy efficiency – and, as recently required by statute, water efficiency requirements for newly constructed buildings, additions to existing buildings, alterations to existing buildings, and, in the case of nonresidential buildings, repairs to existing buildings.

The CALGreen program is, in many ways, a direct outgrowth of these successful mandatory minimum building efficiency standards. Development of CALGreen began in 2007 when the California Building Standards Commission (CBSC) directed its staff to develop green building standards for new construction of buildings within its authority and to submit those regulations during the 2007 annual code adoption cycle. CBSC also requested and encouraged their collaborating agencies, including the Energy Commission, to develop green building standards for their respective areas of authority within the Building Code. This initial effort was successful,

[1] The ISOR refers to the proposed standards in various ways, e.g., "2013 CalGreen energy provisions," "proposed standards," and "2013 Standards"; in addition, it uses "amendments" or "proposed regulations" as a shorthand reference for new provisions, revisions to existing provisions, and deletions of existing provisions, in the Part 11 of Title 24 of the California Code of Regulations.

resulting in adoption of the 2008 California Green Building Standards Code. Effective August 1, 2009, the 2008 California Green Building Standards Code regulations were primarily voluntary building standards, paired with mandatory provisions that were, in part, required in other building standards codes.

The Energy Commission's mandatory building energy efficiency standards are contained in two parts of Title 24 of the California Code of Regulations. Administrative regulations, such as how the standards' requirements are integrated with local governments' building permit processes, are in Part 1 of Title 24, and the substantive requirements for building construction are in Part 6 of Title 24. The voluntary, or "reach" guidelines for sustainable building practices that are more protective of the environment than the minimum standards are in Part 11 of Title 24, the California Green Building Standards, and which are the subject of this ISOR. The Energy Commission is responsible for the Energy Chapters (separate chapters are published for residential and nonresidential buildings) of the California Green Building Standards, including the appendices that are proposed to be amended in this rulemaking. This document will only concern the changes made to Part 11 of Title 24.

B. How the Standards Work

The Green Building Standards in Part 11 of Title 24 are composed of several chapters, some of which apply to all buildings and all types of construction, while others apply to specified subsets. Part 11 is further divided into mandatory measures that must be met by a qualifying building and voluntary or 'reach' measures that are not mandatory unless adopted by a local jurisdiction. The Energy Commission is responsible for adopting both mandatory and voluntary energy provisions in Part 11 of Title 24 with other state agencies being responsible for approving and adopting the other portions of Part 11.

The Energy Commission is responsible for adopting the energy provisions found in the following sections of Part 11:

> Chapter 4, Division 4.2, Section 4.201 states that the Energy Commission will adopt mandatory standards for residential green buildings through its adoption of Part 6 of Title 24.
>
> Chapter 5, Division 5.2, Section 5.201 states that the Energy Commission will adopt mandatory standards for nonresidential green buildings through its adoption of Part 6 of Title 24
>
> Appendix A4, Division A4.2 describes the voluntary energy provisions for residential buildings that may only become mandatory when adopted by a local jurisdiction.
>
> Appendix A5, Division A5.2 describes the voluntary energy provisions for nonresidential buildings that may only become mandatory when adopted by a local jurisdiction.

The amendments proposed as a part of this rulemaking are solely to the voluntary provisions in Appendices 4 and 5.

C. Summary of the Changes Proposed in This Rulemaking Proceeding

The changes proposed in this Rulemaking are updates to the voluntary energy efficiency provisions of the California Green Building Standards. These voluntary guidelines, contained in Title 24, Part 11 of the California Code of Regulations, go beyond the mandatory standards in Part 6. They were developed and adopted in response to policy directives from the Governor. (See *CALGreen, The 2010 California Green Building Standards Code Are you ready?*, pp. 2-3, available at: http://www.documents.dgs.ca.gov/bsc/CALGreen/The-CALGreen-Story.pdf). A set of prerequisites has been established for the residential "Reach Standards", which include efficiency

measures that should be installed in any housing project striving to meet advanced levels of energy efficiency. The residential Reach Standards have also been updated to require additional energy efficiency or on-site renewable electricity generation to meet a specific threshold of expected electricity use. Both the residential and nonresidential Reach Standards include guidelines for building additions and alterations as well as for new construction.

II. THE SPECIFIC PURPOSE OF EACH ADOPTION, AMENDMENT OR REPEAL, THE PROBLEM THE ENERGY COMMISSION INTENDS TO ADDRESS, THE RATIONALE FOR THE DETERMINATION, AND THE BENEFITS ANTICIPATED FROM THIS REGULATORY ACTION

Pursuant to the requirements of Government Code section 11346.2(b)(1), this section of the ISOR contains a statement of the specific purpose of each adoption, amendment, or repeal, the problem the agency intends to address, and the rationale for the determination by the agency that each adoption, amendment, or repeal is reasonably necessary to carry out the purpose and address the problem for which it is proposed.

A. The General Benefits, Purpose, Rationale, and Necessity of the Proposed Amendments

The Legislature has found that

> electrical energy is essential to the health, safety and welfare of the people of this state and to the state economy, and that it is the responsibility of state government to ensure that a reliable supply of electrical energy is maintained at a level consistent with the need for such energy for protection of public health and safety, for promotion of the general welfare, and for environmental quality protection.
>
> [T]he present rapid rate of growth in demand for electric energy is in part due to wasteful, uneconomic, inefficient, and unnecessary uses of power and a continuation of this trend will result in serious depletion or irreversible commitment of energy, land and water resources, and potential threats to the state's environmental quality.

(Pub. Resources Code, §§ 25001, 25002.) Accordingly,

> It is further the policy of the state and the intent of the Legislature to employ a range of measures to reduce wasteful, uneconomical, and unnecessary uses of energy, thereby reducing the rate of growth of energy consumption, prudently conserve energy resources, and assure statewide environmental, public safety, and land use goals.

(Pub. Resources Code, § 25007.)

Improvements in energy efficiency are among, if not, the cheapest and most environmentally-friendly methods to address the problem of balancing the state's electricity demand and supply. Thus existing law (e.g., Public Resources Code Sections 25213, 25402, 25402.1, 25402.4, 25402.5, 25402.8, and 25910) requires the Energy Commission to adopt these standards that prescribe minimum efficiency levels for buildings (as well as outdoor lighting and irrigation systems that are regarded as being "outside" of buildings). The benefits of these regulations may be enumerated as follows (see Gov. Code, § 11346.2, subd.(b)(1)):

- A reliable electrical system;
- Mitigation of wasteful, uneconomic, inefficient, and unnecessary uses of electricity;
- Reduction in the trend of increasing electricity consumption;
- Protection of energy, land and water resources, and the state's environmental quality;

- Creation of jobs; and
- Reduced energy costs for consumers and businesses.

In addition to the enumerated benefits of adopting new cost effective efficiency provisions, the benefits of revising language to be clearer and more consistent are manifold. They include better public understanding of the regulations and participation in regulatory proceedings, more transparency in the application of the regulations by regulatory authorities, improved compliance with the regulations, and enhancing the effectiveness of education and outreach.

Generally, the regulatory changes described below are intended to carry out the benefits and achieve the goals described in this section, which apply to all of the proposed changes described in this document. Additionally, for specific benefits regarding energy cost savings of specific measures, please see Section III and Table 2 in Section V of this document (which lists the documents relied upon for this ISOR).

B. The Benefits, Specific Purpose, Rationale, and Necessity of Each Section of the Proposed Amendments

TITLE 24, PART 11 – CALIFORNIA GREEN BUILDING STANDARDS

APPENDIX A4

A4.201.1
The proposed regulations modify this section to clarify the language regarding the application submittal process local jurisdictions must follow if they wish to adopt any part of these voluntary provisions as mandatory local energy efficiency standards. No substantive changes have been made to the requirements, and thus there is no new regulatory effect.

A4.203.1
The proposed regulations add a reference to a new Section (A4.203.1.2.3) which is for the proposed Tier 3 advanced energy efficiency level. This modification improves the organization of the Standards, thereby making the requirements easier to understand and to comply with.

A4.203.1.1
The proposed regulations for these voluntary standards add new language referencing a new advanced level of energy efficiency (specified as Tier 3) in this Section. The language was added to clarify what prerequisites a Tier 3 building would need to meet. Prerequisites are mandatory measures for every building meeting the advanced levels of energy efficiency specified in these voluntary performance standards. Regarding this change, the rationale is and the benefit will be to increase the energy efficiency of new homes and lower energy bills for consumers.

A4.203.1.1.3.1
The proposed regulations for these voluntary standards add the term ‘interior’ in this Section to clarify that these voluntary requirements were only intended for interior lighting applications. There is no substantive change to the requirement and thus there is no new regulatory effect and the effect of this change will be to make compliance with this requirement easier.
The proposed regulations for these voluntary standards require vacancy sensors for all permanently installed lighting in kitchens, bathrooms, utility rooms, and private garages. In addition, the proposed regulations include a new requirement that all permanently installed lighting in closets that are at least 70 square feet must be controlled by a vacancy sensor or dimmer. The rationale for these changes, and the anticipated benefit of these changes, are that they will save energy and minimize the energy costs of new buildings because the vacancy sensors will turn off lighting when the space is not occupied.

A4.203.1.1.3.2
The proposed regulations for these voluntary standards require that all permanently installed outdoor lighting in low-rise residential buildings be high efficacy and include lighting controls that meet the requirements of Title 24, Part 6, Section 150.0(k)3A. The rationale and benefit of these changes are that they will save energy and minimize the energy costs of new buildings because the lighting will be more efficient and the lighting controls will automatically turn off lighting when the space is not occupied.

A4.203.1.1.3.3
The proposed regulations for these voluntary standards require that all permanently installed outdoor lighting in multi-family residences be high efficacy and include lighting controls that meet the requirements of Title 24, Part 6, Section 150.0(k)3B. The rationale and benefit of these changes are that they will save energy and minimize the energy costs of new buildings because the lighting will be more efficient and the lighting controls will automatically turn off lighting when the space is not occupied.

A4.203.1.1.3.4

The proposed regulations for these voluntary standards require that all permanently installed outdoor lighting in residential parking lots to be high efficacy and include lighting controls that comply with Title 24, Part 6, Section 150.0(k)3D. The rationale and benefit of these changes are that they will save energy and minimize the energy costs of new buildings because the lighting will be more efficient and the lighting controls will automatically turn off lighting when the space is not occupied.

A4.203.1.2.3
The proposed regulations introduce a new Section that describes the requirements for meeting a new level (specified as "Tier 3") of advanced energy efficiency compared to the requirements in Title 24, Part 6. This proposed language is necessary to give builders a voluntary pathway to construct a building that can be recognized as a Zero Net Energy (ZNE) Design building. The Energy Commission has issued policy declarations in the Integrated Energy Policy Report (IEPR) stating that it is committed to meeting the state's energy policy goal of having all newly constructed buildings be designed to be zero net energy by 2020. The rationale and benefit of this proposal is that it will further the state's ZNE goal and it will save energy while minimizing the energy costs of new homes.

The proposed regulations for these voluntary standards use the previously defined Energy Design Rating metric and set a target score of zero as meet the Tier 3 level of advanced efficiency. The Energy Design Rating metric combines the time dependent valuation (TDV) energy consumption from energy loads that are regulated by Title 24 Part 6, the annual TDV consumption of loads not regulated by Title 24, Part 6 such as domestic appliances, and the annual TDV energy offset by an on-site renewable energy system. The benefit and rational for using this metric is that it considers energy consumption from loads not regulated and renewable generation and therefore offers a better way to measure the modeled energy use of the entire home which aligns with the state's ZNE new residential construction goals.

SECTION A4.204 (heading)
The proposed regulation for these voluntary standards removes alterations as one of the project types that would be required to meet the provisions described in this Section if they were made mandatory by a local jurisdiction. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.204.1
The proposed regulation for these voluntary standards removes alterations as one of the project types that will be required to meet the provisions described in this Section if they were made mandatory by a local jurisdiction. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.204.1.1
The proposed regulation for these voluntary standards removes alterations as one of the project types that will be required to meet the provisions described in this Section if they were made mandatory by a local jurisdiction. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale and the benefit for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.204.1.1.1
The proposed regulations for these voluntary standards add the term 'interior' in this Section to clarify that these requirements were only intended for interior lighting applications. There is no substantive change to the requirement and thus there is no new regulatory effect and the effect of

this change will be to make compliance with this requirement easier.

The proposed regulations for these voluntary standards require vacancy sensors controls for all newly installed, permanently installed lighting in kitchens, bathrooms, utility rooms, and private garages. In addition, the proposed regulations include a new requirement that all newly installed, permanently installed lighting in closets that are at least 70 square feet shall be controlled by a vacancy sensor or dimmer. The rationale for these changes, and the anticipated effect of these changes, is that they will save energy and minimize the energy costs of new buildings because the lighting will automatically turn off when it is not in use.

A4.204.1.2
The proposed regulations for these voluntary standards revise language and rephrase the compliance requirements in this Section. This change was made to clarify and list explicitly the applicable Sections that must be complied with. This change will improve clarity and simplify compliance with these voluntary performance standards.

A4.204.1.2.1
The proposed regulations for these voluntary standards eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.204.1.2.2
The proposed regulations to these voluntary standards eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.601.4.2
The proposed regulations to these voluntary standards eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.601.5.2
The proposed regulations to these voluntary standards eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A4.601.6.2
The proposed regulations to these voluntary standards add this new Section listing the voluntary regulations a Tier 3 building must meet. A Tier 3 building will be classified as a zero net energy design building. The rationale and benefit of this proposal is that it will further the state's ZNE goal and it will save energy while minimizing the energy costs of new homes.

SECTION A4.602 (checklist)
The proposed regulations to these voluntary standards update the Residential Occupancies Application Checklist to reflect changes made to the voluntary residential energy provisions of Section A4.203 and Section A4.204. These changes were made in order to mirror the changes that were made to the relevant Sections covered by this checklist. These changes will provide a simple to use checklist that will make compliance with the regulations easier and more

straightforward.

APPENDIX A5

A5.201.1
The proposed regulations to these voluntary standards clarify the application submittal process local jurisdictions must follow if they wish to adopt any part of these voluntary provisions as mandatory local energy efficiency standards. No substantive changes have been made to the requirements, and thus there is no new regulatory effect.

A5.203.1
The proposed regulations eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory

A5.203.1.1.1
The proposed regulations to these voluntary standards modify this section to improve the clarity of the language. No substantive change was made in this section, and thus there is no new regulatory effect.

A5.203.1.1.3
The proposed regulations eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A5.203.1.2.1
The proposed regulations eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

A5.203.1.2.2
The proposed regulations eliminate language referring to alterations as being subject to these voluntary requirements. Alterations were exempted from these requirements due to potential preemption issues arising with small alteration projects. The rationale for this change is that it will eliminate the possibility that these voluntary requirements conflict with federal regulations if made mandatory.

SECTION A5.602 (checklist)
The proposed regulations modify this section to improve the clarity of the language. No substantive change was made in this section, and thus there is no new regulatory effect.

III. INCLUSION OF THE ECONOMIC IMPACT ASSESSMENT

Section 11346.2(b)(2)(A) states that, "[f]or a regulation that is not a major regulation, the [ISOR must include the] economic impact assessment required by subdivision (b) of Section 11346.3." Due to the complexity of the analysis, and to avoid duplication with section 11346.5, the Economic Impact Statement, or Form 399, is incorporated here by reference. This document is included in Table 1 in Section IV, below, as a document relied upon.

IV. TECHNICAL, THEORETICAL, AND EMPIRICAL STUDIES, REPORTS, AND OTHER DOCUMENTS RELIED UPON

Pursuant to the requirements of Government Code section 11346.2(b)(3), this section of the ISOR contains "[a]n identification of each technical, theoretical, and empirical study, report, or similar document, if any, upon which the agency relies in proposing the adoption, amendment, or repeal of a regulation." All of these documents have been filed in this proceeding and are available to the public unless subject to copyright or other restrictions on free dissemination.

Document Number	Report Title
399	Economic and Fiscal Impact Statement

V. CONSIDERATION OF REASONABLE ALTERNATIVES, INCLUDING THOSE THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS

Pursuant to the requirements of Government Code section 11346.2(b)(4)(A), this section of the ISOR contains "[a] description of reasonable alternatives to the regulation and the agency's reasons for rejecting those alternatives." Government Code section 11346.2(b)(4)(B) also requires that the Energy Commission include a "description of reasonable alternatives to the regulation that would lessen any impact on small business and the [Energy Commission's] reasons for rejecting them" in this section of the ISOR. Additionally, the Commission is "not required to artificially construct alternatives or describe unreasonable alternatives." (Gov. Code, § 11346.2(b)(4)(C).)

During the initial, informal stage of the rulemaking process, the Commission conducted an extensive public process, considered many suggestions from stakeholders about (1) alternatives that could improve the feasibility of the Commission's preliminary versions of the proposed regulations or could reduce their adverse impacts; (2) the technical and cost-effectiveness analyses of those preliminary proposals; and (3) the language in those proposals.

In 2013 and 2014 the Energy Commission held numerous meetings with building industry stakeholders to vet potential code updates, identify industry concerns, and resolve issues. In the summer of 2014, the Energy Commission began a series of 6 pre-rulemaking public workshops for all interested parties to build upon and continue this process. The proposed amendments to Part 11 were included in these workshops and discussions.

During the Commission's pre-rulemaking workshops the Commission received a large number of comments. Based on the comments the Commission developed Preliminary Draft Standards and

held a comprehensive pre-rulemaking public workshop on November 3, 2014, to obtain public comment on those; in turn, many more comments were received and in response to them the Commission produced the proposed regulations that accompany this ISOR.

Thus in the pre-rulemaking process there has already been an extraordinarily detailed consideration of suggested alternatives, most of which have been incorporated into the proposed amendments. The following material summarizes the major suggestions and the Commission's responses, including changing the Preliminary Draft Standards to arrive at the language of the proposed amendments.

The Energy Commission was presented with two alternatives to the proposed language: creating a separate designation from the current efficiency tiers for Zero Net Energy Design Building, or allowing Tier 3 to be met without first meeting the requirements for Tier 2. Both are considered reasonable alternatives, but were chosen against for the same reason: current State policy places energy efficiency first in the State's loading order. The currently proposed Tier 3 designation simply and straightforwardly includes the existing requirements for a Tier 2 residential building paired with sufficient renewable energy to offset the building's anticipated energy use (i.e., to bring the building's Energy Design Rating down to zero). Placing a Zero Net Energy building in the current Tier structure as a Tier 3 building reinforces that efficiency is to be pursued before renewables, and that a combination of efficiency and renewables are necessary to achieve California's zero net energy goals. It does not make sense to separate renewables from efficiency, as creation of a separate designation would, nor does it make sense to invert the loading order by ignoring efficiency in favor of renewables. For this reason, the Energy Commission is pursuing the proposed language rather than these alternatives.

The Energy Commission considered a proposed alternative of including reference to Public Resources Code Section 25402.1(h)(2) within Section A4.201.1, Scope, of Appendix A4, along with language relating to applications prepared by local jurisdictions. As this proposed language does not relate to the Scope of Division A4.2 it would be inconsistent to include it in the Scope section, and thus the Energy Commission is not proposing to add this language to that Section.

The Energy Commission also considered a proposed alternative of duplicating a note found in Section A4.601.5, Tier 2, in the proposed language for Tier 3. As Tier 3 specifies achieving Tier 2, the language in Section A4.601.5 (including the Note) is already applicable, and duplicating it within the proposed Tier 3 language is redundant. As this alternative would introduce redundancy into the code without providing a clear benefit, the Energy Commission is not proposing this change.

The Energy Commission considered the broad alternative of not specifying any criteria for a Zero Net Energy Design Building in CalGREEN to be unreasonable given the explicit goals and directions given to the Commission in regards to California's drive to zero net energy. This also applies to a proposed alternative of providing "informational" language regarding zero-net-energy buildings instead of designating a more formal position within the current Tiers.

This specification is part of the voluntary provisions in CalGREEN and thus does not impose any impact or burden on any person or business, including any small businesses. At this time the Commission is not aware of alternatives to the proposed regulations that would be more effective than the proposed regulations in achieving the energy-efficiency policy goals of these directives, or that would be equally effective and have a lower adverse impact on small businesses (or any other economic interests), and which were considered but rejected. (See Gov. Code, § 11346.2, subd. (b)(4)(B)).

The remaining changes to the CalGREEN language have the purpose of clarifying phrasing and retaining consistency with the language proposed for the 2016 Building Energy Efficiency Standards; the alternatives of retaining less clear language or becoming inconsistent with the energy provisions of the California Building Code are not found to be reasonable.

The public comments received and reviewed by the Energy Commission in the pre-rulemaking period are docketed under Docket Number 14-BSTD-1, and are available on our website at http://www.energy.ca.gov/title24/2016standards/prerulemaking/documents/.

VI. FACTS, EVIDENCE, DOCUMENTS, TESTIMONY, OR OTHER EVIDENCE OF NO SIGNIFICANT ADVERSE IMPACT ON BUSINESS

This section must include "[f]acts, evidence, documents, testimony, or other evidence on which the [Commission] relies to support an initial determination that the action will not have a significant adverse economic impact on business." Gov. Code, § 11346.2, subd. (b)(5)(A). The discussion in the immediately preceding Section V., on the consideration of alternatives, demonstrates that the Commission has already made extensive changes in preliminary versions of the proposed regulations in order to reduce impacts on businesses, especially the impacts on small businesses. (See Gov. Code, § 11346.2, subd. (b)(4)(B).) Lastly, this section must include "the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates." Gov. Code, § 11346.2, subd. (b)(5)(B).

The proposed amendments to the voluntary provisions do not create economic impacts of any kind, due to their voluntary nature. To the extent that actions taken by local agencies may include, modify, or not include all or part of the voluntary provisions, those actions would be subject to existing laws relating to the evaluation and disclosure of impacts of actions by those local agencies. Consideration of potential actions taken by local agencies in the future is speculative and therefore not included as an impact of the amendments.

VII. DUPLICATION OR CONFLICTS WITH FEDERAL REGULATIONS

The proposed revisions to the Standards do not duplicate or conflict with any federal regulations. (See Gov. Code, 11346.2, subd. (b)(6)). There are no federal regulations that prescribe building standards for non-federal buildings.