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<th><strong>Docket Number:</strong></th>
<th>15-IEPR-05</th>
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<td><strong>Project Title:</strong></td>
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<td><strong>Document Title:</strong></td>
<td>Mike O'Halloran Comments: Air-Conditioning, Heating, and Refrigeration Institute's comments on CEC's Existing Buildings Energy Efficiency Action Plan Draft</td>
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<td><strong>Description:</strong></td>
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<td>Air-Conditioning, Heating &amp; Refrigeration Institute/Mike O'Halloran</td>
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Additional submitted attachment is included below.
April 21, 2015

California Energy Commission
Comprehensive Energy Efficiency Program for Existing Buildings
Docket # 15-IEPR-05

Re: Existing Buildings Energy Efficiency Action Plan - Draft

On behalf of the Air-Conditioning, Heating, and Refrigeration Institute (AHRI), the trade association representing more than 300 manufacturers of heating, air conditioning, water heating, and commercial refrigeration equipment, I would like to thank the California Energy Commission for the opportunity to offer comments on the Existing Buildings Energy Efficiency Action Plan - Draft (Plan).

This Plan provides a 10-year roadmap to activate market forces and transform California’s existing residential, commercial, and public building stock into high performing and energy efficient buildings. AHRI supports the efforts of the CEC to bring together building industry stakeholders to improve the performance of California’s buildings.

An important notion offered in the Plan to address heating and cooling needs within buildings is the simplification of the existing building code and permitting process to improve the rate of compliance with building efficiency standards (Title 24, Section 6). The strategies outlined in 1.5.1 – 1.5.5 and 1.5.7 on p. 51 of the Plan are appropriate for realizing the full benefits of the building efficiency standards for existing buildings.

These comments are being offered to illustrate the concerns of HVAC, water heating, and commercial refrigeration manufacturers with Strategy 1.5.8 Serial Number Tracking.

Confidential Business Information:
The potential divulgence of confidential business information via a serial number tracking process is a major concern of our industry. Even more fundamental is the fact that our members’ distribution channels do not allow them the ability to track serial numbers to the installed address.

Once our members sell their equipment into their distribution networks, the products can then be shipped anywhere in the country. It is quite possible for a unit manufactured in Collierville, Tennessee, to be sent to a distribution center in Houston, Texas, and then installed in Stockton, California. Our members represent more than 90 percent of the heating and cooling equipment made in all of North America. In January and February of this year, nearly one million central air conditioners and air-source heat pumps were shipped in the United States. It would be next to impossible for manufacturers to track their equipment from point of assembly to point of installation.
Data Concerns:
Another issue for manufacturers is a lack of standardized data. Systems for tracking product inventory vary from manufacturer to manufacturer. Adding a complex layer such as a serial number tracking program complicates what is already a highly involved and detailed process.

Cost:
Establishing a comprehensive serial number tracking database would cost the state a significant amount of resources in addition to the costs levied on participants (i.e.: contractors, distributors, and manufacturers).

Combined startup and maintenance costs borne by the governing agency make this an unappealing option for the state.

Conclusion:
The state of California should be commended for its ambitious goals in curbing carbon emissions and establishing a robust stock of energy efficient buildings in the commercial and residential sector. AHRI members are proud to offer their advanced technologies in the heating and cooling sector to help California meet these goals.

Serial Number Tracking does not speak to any of the underlying issues surrounding compliance with building efficiency standards. Those issues stem from complexity and conflicts within the code, the administrative burdens of compliance, a misunderstanding over how the code applies to existing buildings, lack of resources at the local level, and the fear that one type of permitted work will trigger mandatory updates in other areas.

The potential solutions presented as Strategies 1.5.1 – 1.5.5 and 1.5.7 in the Plan, if given sufficient resources and time, will ensure Title 24, Section 6 compliance in existing buildings.

If you have any questions, please do not hesitate to contact me at (703) 600-0342, or our Manager of Government Affairs, Mike O’Halloran, at (703) 600-0312 and MOHalloran@ahrinet.org.

Sincerely,

Cade Clark
Vice President of Government Affairs
Air-Conditioning, Heating, and Refrigeration Institute