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Comment Received From: Hanna Grene

Submitted On: 7/20/2015 Docket Number: 15-IEPR-05

Comments of the Center for Sustainable Energy \hat{A} ® regarding the Joint Agency Workshop on the Governor's Energy Efficiency Goals

Additional submitted attachment is included below.



July 20, 2015

California Energy Commission 1516 Ninth Street Sacramento, CA 95814-5512

Re: Docket Number: 15-IEPR-05

Comments of the Center for Sustainable Energy® regarding the Joint Agency Workshop on the Governor's Energy Efficiency Goals

The Center for Sustainable Energy (CSE) thanks the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Joint Agency Workshop on the Governor's Energy Efficiency Goals.

The Center for Sustainable Energy (CSE; www.energycenter.org) is a mission-driven nonprofit organization accelerating the adoption of clean and renewable energy technologies. Our role is to promote state, federal, and local sustainable energy investments, serving public agencies, as well as ports, transit agencies, regional energy partnerships, and others. We facilitate on-the-ground, clean energy market development projects that result in the adoption of energy efficiency, renewable energy, clean transportation, and energy storage technologies.

Our comments are directed in response to discussion question (8): What strategies are there for increasing compliance? How do we pay for these? (For example, incorporate into financing, tax credits, ratepayer-funded incentives, other rewards.)

1. **CSE strongly recommends the development of an online statewide permitting platform** to increase compliance for "no plan" measures that do not require an inperson plan check. These measures include but are not limited to HVAC installations and replacement, water heater installations and replacement, and residential and small commercial solar photovoltaic (PV) installations up to 10 kilowatts (kW).

Online permitting through a web-based platform would increase compliance, reduce backlogs at the permit counter, eliminate customer wait-time anxiety, reduce vehicle miles traveled and transportation-related greenhouse gas emissions from trips to local

government building departments, and generally decrease applicant excuses for bypassing the permit process.

A statewide, state-subsidized and administered platform would make online permitting feasible for many jurisdictions that do not have the staff time or budget to purchase and implement an online system of their own. It would also encourage consistency across the state, simplify the process for applicants, and reduce the administrative burden for contractors working across jurisdictions.

As discussed in CSE's forthcoming *Residential HVAC Alternations: A Permit Compliance Overview and Best Practices Guide*, a statewide online permitting system could also be designed with data validation mechanisms and "quick tips" to reduce confusion among applicants and building department staff and ensure accurate and complete submittals.

A simpler, consistent online permitting process coupled with outreach and education to create awareness among noncompliant contractors will bring currently noncompliant projects to the permit desk, increase revenues for building departments, and result in more captured energy savings.

To successfully launch a statewide permitting platform, building departments will need to be convinced of the benefits of adopting the state-backed online tool. Official support and administration by the Energy Commission will send a message to building departments and contractors that the system is a long-term solution to increase compliance, improve consistency, and streamline the permit process for all stakeholders.

2. In addition to a statewide permitting platform, **CSE encourages the use of financing as a tool to increase compliance rates**.

Cool Comfort Financing was designed to provide low-interest financing to homeowners for installation of high-efficiency HVAC upgrades contingent on pulling and closing a permit. Through a simple yet rigorous compliance review process, CSE was able to confirm permit compliance for all 115 projects funded through the program.

The majority of homeowners and contractors indicated a positive experience with the compliance aspects of program and contractors reported that the additional compliance steps were not a barrier to completing the installations. Given these positive results and the 100% confirmed compliance for all financed projects, the Cool Comfort model for financing and permit verification could be applied throughout the state and to other financing products to increase compliance rates.

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CSE is pleased to engage with the Energy Commission on this important endeavor to increase energy efficiency. We look forward to continuing our work to identify solutions and develop resources to assist owners, contractors, and building departments to comply with regulations and reduce greenhouse gas emissions.

Sincerely,

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