

DOCKETED

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CEA Comments on IEPR Workshop on Quality Installation of HVAC Equipment

Additional submitted attachment is included below.



September 30, 2021

California Energy Commission
Docket #21-IEPR-06
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512

Re: Docket 21-IEPR-06 – CEA Comments on Commissioner Workshop on Building Decarbonization: Quality Installation of Heating and Air Conditioning Equipment

Dear Commissioner McAllister and Staff,

Thank you for the opportunity to provide comments on the California Energy Commission (Energy Commission) 2021 Integrated Energy Policy Report (IEPR) Commissioner Workshop on Building Decarbonization: Quality Installation of Heating and Air Conditioning Equipment held on September 10, 2021. The California Energy Alliance (CEA) is a leading advocacy organization for California's energy stakeholders. Founded in 2016, CEA is a nonprofit, non-partisan alliance of business, government, academia, and NGO leaders advocating for energy productivity to achieve economic growth, environmental justice, energy security, affordability, and resilience. Our work focuses on research, advocacy, outreach, and evolution of codes, standards, and policy.

CEA had the opportunity to present at the September 10th workshop on prior recommendations for improving the installation of heating, ventilation, and air conditioning (HVAC) equipment. CEA convened a group of HVAC and energy stakeholders to discuss and agree on a middle ground approach to increase permit compliance and improve the quality of installation for HVAC equipment in a cost-effective manner. Gleaning from other organizations' recommendations and prior CEA proposals during the 2018-2019 discussions on this topic, this stakeholder group identified the following multi-pronged approach as a near-term solution for increasing permitting of HVAC installations:

- Uniformed, online permitting process to ease permitting barriers. Many stakeholders have pointed to an online permitting process as a fundamental way to reduce permit costs, reduce time of obtaining permits, and allow for after-hours work to be completed. The Center for Sustainable Energy released a study called



“Statewide Online Permitting Platform for Residential HVAC Alterations: Recommendations and Cost Estimates” that points to possible pathways and benefits of rolling out a statewide, online system. With the pandemic causing several building departments across California to shift to an online permitting system, this approach should be revisited to understand those system’s effectiveness and the support needed in jurisdictions unable to move in this online direction with a possible statewide system developed to assist them.

- Develop a compliance reconciliation system. CEA fully supports a mandate for an easy-to-use and cost-effective online permitting system for HVAC installations, but we do not believe that an online permitting system alone will increase compliance significantly without an effective enforcement mechanism. The compliance reconciliation system would be an inexpensive and realistic way to correlate HVAC units sold with building permits closed. This system would be set up to record how many units of equipment are purchased from distributors by each licensed contractor in California, and then reconcile the number of units of equipment purchased with building permits pulled and closed by each contractor. This system was proposed by CEA in the 2018-2019 discussions and presents enforcement agencies with a narrow target group of non-compliant contractors. Details of this recommendation can be found in documents filed by CEA in the Energy Commission Docket: 17-EBP-01.
- Increase consumer awareness and contractor & building official education. CEA agrees that there is a need for increased training of contractors and building officials as HVAC equipment technology advances, on the need for homeowner education around permitting requirements and modern HVAC technologies, and that continuing education should be required for licensed HVAC contractors. While this public awareness and education will be critical to any successful program or system in place, CEA believes that it will likely have minimal impact as a standalone strategy. Therefore, CEA feels this multi-pronged approach should be considered when looking to implement any sort of strategy.

We applaud the Energy Commission for listening to various stakeholders and pulling together a full range of perspectives to tackle this issue of quality HVAC installations. While the above recommendations were assembled through a convening of CEA Members, we feel the next steps would be to initiate a pilot program and research the costs to implement this middle ground approach that sets the permitting process on a track for increased compliance. CEA has been a leader in and can play a vital role in convening all the industry stakeholders in this process to conduct research on a pilot



project combining online-based permitting with compliance reconciliation to validate concepts and demonstrate this viable, near-term solution.

CEA and its Members thank the Energy Commission for the opportunity to submit these comments, and we look forward to working with you and industry stakeholders on a solution to increase the quality installation of HVAC equipment in California.

Sincerely,

A handwritten signature in black ink that reads "Josh Dean". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Josh Dean
Executive Director
California Energy Alliance

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