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**CEA Comments on 2025 Energy Code Compliance Tools Staff
Workshop**

Additional submitted attachment is included below.



April 26, 2022

California Energy Commission
Docket #22-BSTD-01
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Docket 22-BSTD-01 – CEA Comments on 2025 Energy Code Compliance Tools Staff Workshop

Dear Commissioner McCallister and Staff,

Thank you for the opportunity to provide comments on the California Energy Commission (Energy Commission) 2025 Energy Code Compliance Tools Staff Workshop held March 22, 2022. 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 and its Members are pleased to hear that the Energy Commission is investigating "opportunities to use innovative digitization and online permitting compliance and enforcement tools." We have, amongst us, a diverse array of experiences on the implementation of the California Building Energy Efficiency Standards (Title 24). We believe in the ongoing importance of the Standards, both to reduce utility bills for Californians and to achieve California's climate goals. We also share the Energy Commission's concern that Title 24 is not achieving its full potential due to a number of overwhelming implementation challenges.

There appears to be a general consensus that digitizing the compliance process can provide significant advantages. The likely benefits include:

- Automated compliance analysis to reduce the burden of regulatory interpretation
- Better integration of stakeholders involved in the compliance and enforcement process
- Improved transparency for parties involved in the compliance process as a project moves through its design, construction, and inspection arc



- Significantly reduced time required to complete compliance and enforcement tasks
- Better clarity on the responsibilities assigned to different parties, and how those responsibilities link together
- Through better QI/QC processes, increased use of a fairly compensated, skilled, trained, and certified workforce in the installation of Title 24 compliant systems
- Increased overall Title 24 compliance rates and reduced long-term energy bills

However, this consensus on the need to better digitize the Title 24 enforcement process creates a series of critical, strategic decisions for the Energy Commission. Digitization itself is not a panacea. There is every chance that merely digitizing processes as they previously existed on paper could actually make the compliance process more frustrating, setting California back rather than moving us forward.

Moving Title 24 Forms Online, or Moving Beyond the Forms?

We make the following recommendation for purposes of managing the relationship between AHJs, design teams, and contractors. Those core relationships have the greatest need of immediate improvement so that AHJs can more actively engage in the Title 24 enforcement process.

If new channels for managing that core compliance relationship – between design teams, AHJs, and contractors – prove successful, the means by which Acceptance Testing and HERS processes could be integrated would be a subsequent, second point of analysis. A related reason for implementing a new paradigm in a two-stage process is the significantly more robust set of regulations and data-management infrastructure already built around Acceptance Testing and HERS; shifting those systems to any type of new digital alignment will likely require far more discussion and planning.

To better manage the core Title 24 enforcement process at AHJs, we see two tightly interrelated issues that the Energy Commission should consider:

1. **Digital Forms or a More Dynamic Online Methodology:** a) Should the State seek to better integrate compliance and enforcement stakeholders through a digitization of the current Title 24 compliance forms (from design stage through Certificate of Installation); or b) should California move to a paradigm that more fully embraces the automation and transparency permitted by cloud-based compliance and enforcement systems?
2. **Protocol or Delegation:** a) Should the Energy Commission establish a set of protocols – or standards – by which software systems can be certified to better integrate design teams, AHJs, and contractors (protocols like those used for



acceptance testers and HERS); or b) should the State delegate the process of coordinating compliance and enforcement processes for AHJs to a single entity?

While there are likely other paths forward, if we examine just these two decision points, we see important connections:

1. **Digital Forms Option:** build an online compliance and enforcement infrastructure that is based on digital versions of the Title 24 forms.
Recommended pathway: the Energy Commission can likely accomplish that objective by creating a protocol through which various Title 24 digital compliance tools could be CEC approved (as is done with the ACM).
2. **Dynamic Online Methodology:** the second option would move beyond a straight-forward digitization of the forms, favoring a more dynamic means of automating and integrating the compliance process stakeholders. *Recommended pathway:* the Energy Commission would likely need to select a single trusted entity to develop and deploy a next generation compliance system. Only in designing, deploying, testing, and revising the tools will the preferred protocols emerge. Efforts by the Energy Commission to define the protocols in advance will likely impede the necessary flexibility and desired progress.

It is our collective opinion that the Energy Commission should choose the second option, selecting and supporting an entity to develop a next generation compliance process with advanced automation, transparency, and integration. The Title 24 forms are an inherently limited and cumbersome means to assess Title 24 compliance. The forms are difficult to connect to actual buildings or building drawings. Data in the forms is rarely robust enough to even double-check the compliance assessment. If the Energy Commission takes the more limited step of moving the whole of the Title 24 forms ecosystem into a digital realm, there is every reason to fear that we will encounter many of the same problems we see with the current paper forms. We believe it is necessary to try a bolder solution if AHJs are to play a more meaningful role in improving compliance outcomes.

We would go further and suggest that once the Energy Commission has found a suitable entity to develop an advanced compliance platform, the Energy Commission should designate the organization as a "Supervisory Entity" in the administrative provisions of Title 24, as has been done for the NFRC and CRRC. The precise rules related to that designation might need to be different than the rules for NFRC and CRRC, but the template set forth for NFRC and CRRC is one that the Energy Commission should likely follow as it moves towards a more advanced Title 24 implementation program.



The Centrality of AHJ Enforcement

As was conveyed by AHJ staff at the Energy Commission's March 22 workshop, building departments across California are severely challenged with interpretation and enforcement of Title 24. At the same time, effective enforcement is one of the biggest operational tools available for making Title 24 and its supporting infrastructure operate as it should. As the Energy Commission assesses various strategies for improving Title 24 compliance, we recommend that the Energy Commission identify a solution that, first and foremost, works for building departments and then build outward from that central concept.

Existing Compliance Infrastructure and Necessary Disruptions

There is every reason to think that existing Title 24 compliance and inspection roles should continue into the future. However, as the Energy Commission considers how to deploy supplemental software systems to better integrate the Title 24 ecosystem, significant pieces of the existing digital infrastructure might need to be reengineered.

Some blue-sky thinking will be needed. To the extent that reengineering statewide processes may create adverse impacts for stakeholders, we must acknowledge that some burdens will be necessary to move towards broader Title 24 implementation and compliance. A reimagined enforcement ecosystem could allow many existing and burdensome processes to wholly disappear. Transition costs should certainly be minimized, but the mere existence of transition costs should not be a barrier to undertaking necessary changes.

The Ongoing Role of PDF Title 24 Forms

Even with a more advanced and integrated Title 24 compliance management system, there will be an ongoing need for traditional Title 24 forms.

First, the Certificate of Compliance should still be included with building plans for formal archiving by building departments. While the forms might not be as helpful at managing the compliance and enforcement processes, there is often a need to review what happened with a project years later by referencing the building plans on file with an AHJ. In that circumstance, having the traditional Title 24 compliance forms integrated with the plans will continue to be helpful. Second, PDF versions of Certificate of Compliance forms, with classic fillable form fields, can serve as an interim tool in the Title 24 compliance and enforcement process while more advanced systems are expanded and deployed.



Equalizing the Benefits of Title 24

We are heartened by the State of California's efforts to more equitably deliver energy program benefits across the state. Title 24 implementation is no different, with jurisdictions that have more resources generally able to accomplish greater rates of Title 24 compliance. If the State of California can deploy a more effective, easy-to-use Title 24 enforcement infrastructure, there is every reason to believe that it can increase compliance rates in California's under-resourced AHJs. Effective automation, linked to greater transparency, decreases the number of staff needed to achieve a given enforcement outcome.

Energy efficiency and renewable energy generation requirements are already part of building codes and standards. With a thoughtful and thorough recreation of California's Title 24 compliance ecosystem, we can move these important measures into a much wider swath of buildings.

Continuing the Conversation

CEA and its Members thank the Energy Commission for the opportunity to submit these comments, and we would encourage the Energy Commission to continue to convene workshops and other conversations with stakeholders on these topics. CEA is eager to collaborate with the Energy Commission and our industry partners to help solve California's compliance and enforcement problems. CEA is likely to engage stakeholder groups as well to see where we can find common ground on the compliance improvement innovations that are so urgently needed to improve California's economic and energy outcomes.

Sincerely,

A handwritten signature in black ink that reads "Josh Dean".

Josh Dean

Executive Director, CEA

619-786-0979

josh.dean@caenergyalliance.org

Supported by CEA Code Compliance Improvement Working Group:

- Michael Scalzo, NLCAA
- Dan Suyeyasu, CodeCycle.org
- Christopher Ruch, NEMI
- Cori Jackson, UC Davis: California Lighting Technology Center