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## CALIFORNIA ENERGY COMMISSION

In the matter of:

2022 Field Verification and )  
Diagnostic Testing OIR ) Docket No. 22-HERS-02  
Proceeding ) 22-BSTD-03  
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WORKSHOP

UPDATE OF HOME ENERGY RATING SYSTEM REGULATIONS

TRANSCRIPT OF PROCEEDINGS

REMOTE VIA ZOOM

TUESDAY, NOVEMBER 15, 2022

10:00 A.M.

Reported by:

Martha Nelson

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P R O C E E D I N G S

10:02 a.m.

TUESDAY, NOVEMBER 15, 2022

MS. WHITE: Good morning and welcome everyone.

My name is Lorraine White. I'm the Manager of the Standards Compliance Branch in the Efficiency Division of the California Energy Commission.

On behalf of the Commission, I welcome you to the first in a series of staff workshops regarding updates to the Home Energy Rating System Program, also known as the HERS Program, and associated -- and changes to the associated regulations. These updates are focused on improvements specifically to the field verification and diagnostic testing requirements that are contained in both California Code of Regulations, Title 20 and Title 24.

The purpose of this kickoff workshop is to begin discussions on staff's reports regarding our proposed changes and soliciting feedback and input on these proposals. These reports were published in mid and late October, and the close of the first comment period is scheduled for December 16th, 2022.

This is our opportunity to provide more explanation and initiate the gathering of additional information and your input prior to the close of the comment period, this first comment period. Instructions on

1 how to submit your written comments are contained in the  
2 notices of availability for the reports, and also today's  
3 workshop notice.

4 We will be having additional workshops and  
5 opportunities for input and comment over the next several  
6 months, including a workshop, a second workshop, that we're  
7 looking to schedule at the end of January 2023.

8 Before we begin, there's a few housekeeping items  
9 we need to cover.

10 First, all attendees will be muted. When we get  
11 to the public comment period of our agenda today, we will  
12 ask you to use your raise-hand functions located on the  
13 zoom menu bar below your screen so that we can call on you.  
14 In order. If you raise your hand, you will be unmuted and  
15 you will need to accept the unmute prompt to be heard. If  
16 you are on your cell phone, you'll need to punch in star  
17 nine to raise your hand, and then star six to mute and  
18 unmute yourself.

19 Before beginning to speak, we ask that you please  
20 state your name and affiliation. This meeting is not only  
21 being recorded through the Zoom app, it's also being  
22 transcribed by our court reporter. They need to know your  
23 name and affiliation in order to identify individuals  
24 correctly.

25 You can make comments or ask questions at any

1 time during this meeting using the Q&A box, also in the  
2 Zoom menu bar down at the bottom of your screen. To use  
3 the Q&A feature, please type your question into the box and  
4 we will try to answer them verbally or in writing as soon  
5 as possible. Again, please include your name and  
6 affiliation so that we can identify them properly. All  
7 comments and questions put in the Q&A box are going to be  
8 saved.

9 To support this ongoing discussion, and for those  
10 that are not able to attend today's meeting, this workshop  
11 is being recorded, as I have mentioned a couple of times,  
12 and also transcribed. We will post the Zoom recording and  
13 the presentations, as well as the transcript, to our docket  
14 within the days that follow up.

15 We thank you for your attendance today and  
16 participation as we begin this discussion on improvements  
17 to the field verification and diagnostic testing portion of  
18 the HERS Program.

19 With that, I'd like to hand it over to  
20 Commissioner McAllister.

21 COMMISSIONER MCALLISTER: Great. Thank you,  
22 Lorraine. Really appreciate your and the team's attention.  
23 Want to thank you and Joe, and I'll go through some of our  
24 staff who've been involved in this over the years.

25 And I want to thank, first and foremost,

1 participants today. I want to thank you for taking the  
2 time to engage with the Commission on this very important  
3 topic.

4           You know, we do have some unfortunate conflicts,  
5 in particular with our IHAKI (phonetic) meeting. And also  
6 just acknowledging that and the very heavy lifting that's  
7 going on across the board, both in our staff and all the  
8 contractors and stakeholders, and the just the HERS  
9 community generally in implementing the 2022 Code, which  
10 goes into effect here in a few weeks on January 1st.

11           So, you know, the implementation and the shift to  
12 multifamily and all the special attention that that  
13 requires is, you know, we acknowledge that that's a big  
14 lift, but particularly about the HERS providers, but by  
15 many across the board.

16           You know, the tradeoff, though, is that this  
17 topic that we're talking about today is extremely  
18 important. And there is a timeline here that we need to  
19 abide by, as well, in terms of being prepared to implement  
20 these changes for the 2025 Code cycle.

21           So I do want to reassure everyone -- or assure  
22 everyone that there will be many opportunities along the  
23 way for feedback and iteration. And it is very important  
24 that we go ahead and get the reports. I want to thank  
25 staff for getting those reports, the Staff Reports, done



1 and out on the street last month, and the imperative to,  
2 you know, kind of unpack and revisit and rearrange, not  
3 just our regulations, per se, but just sort of really work  
4 through with stakeholders, what the new reality is going to  
5 look like in advance of the 2025 Code going into effect in  
6 2026.

7           So this has been really a decade in the making.  
8 And one of the first things that I did when I first came to  
9 the Commission in 2012 was hear, you know, a case and go  
10 through a series of hearings around some conflicts that had  
11 arisen in the HERS space. And over time, those issues have  
12 been percolating and, you know, they have not gotten  
13 better. And so we sort of went back to first principles  
14 and understood that in order to get a compliance regime  
15 that's workable, some structural changes were made in both  
16 our -- were needed, both in our regulations and in the  
17 application of those regulations out in the world. And so  
18 that's what we're here to talk about and to initiate  
19 conversations on here today.

20           You know, this kickoff workshop is an important  
21 opportunity for us, for staff, to provide explanation of  
22 what's actually being proposed, you know, what's in the  
23 Staff Reports, one for Title 24, one for Title 20, and  
24 solicit feedback from all of you. And we wanted to get  
25 that started sooner rather than later.

1           So this is being recorded. There will be ample  
2 opportunity -- we've extended the comment deadline to mid  
3 December -- but there will be ample opportunity for  
4 additional comment, and there will be a second workshop in  
5 the new year. So you know, always, we always do strive to  
6 abide and to accommodate folks on schedules. But, you  
7 know, we do have a timeline that we need to kind of get  
8 moving on as well.

9           So I want to acknowledge and thank staff who have  
10 contributed. And some of the staff are actually not with  
11 the Efficiency Division, or even with the Commission  
12 anymore, but I wanted to just acknowledge them because this  
13 has been a multiyear effort, as I said. This is a pretty  
14 complicated topic. And a lot of staff have really put good  
15 thought into this, so these initial proposals that you're  
16 seeing.

17           So Joe Loyer, staff lead and author, he's been  
18 living and breathing this for years, plural, and I want to  
19 thank him and you'll be hearing from him today. Matthew  
20 Haro (phonetic), Armando Ramirez, Ronnie Rackster  
21 (phonetic), who's no longer in Efficiency Division but  
22 worked hard on this for a number of years until recently.  
23 Lorraine White, who you've heard from and who leads our  
24 Compliance Office, thank you, Lorraine. Christine Colopy  
25 (phonetic), who's the Deputy, Mike Sokol is Deputy

1 overseeing the Efficiency Division, who is really just  
2 invaluable in these processes and really helping usher  
3 these relatively complex issues through the Commission  
4 process. So thank you, Christine.

5 Bill Pennington, who many of you know, deep  
6 grounding in all of these issues. And from the Chief  
7 Counsel's Office, Matt Chalmers, Justin de la Cruz  
8 (phonetic), Matthew Pinkerton, and Jimmy Kukunda  
9 (phonetic), really appreciate all of their heavy lifting  
10 really on unpacking our existing regulations and guiding us  
11 as to how Title 20 and Title 24 pieces of the HERS regime  
12 can be more logically organized.

13 And so that's been, I think, one of the threshold  
14 issues that we've come to terms with and seen as important  
15 to resolve in order to make the programs function in the  
16 real world, rounded in a logical way in our regulations.  
17 So I appreciate really Linda Bergera (phonetic), the Chief  
18 Counsel, for taking ownership of this, and the CCO staff  
19 and Jimmy and others for really running with that.

20 Susie Chan, who no longer is at the CEC but has  
21 had lots of engagement with this issue over the past many  
22 years. Tav Cummins (phonetic) is no longer at CEC, also,  
23 but had lots of early involvement on this topic. And then  
24 Rashid Mir (phonetic), who early on really wrestled with  
25 the initial complaint that we got and heard, got together

1 with then Commissioner Douglas, and really kind of  
2 beginning to understand the importance of this issue and  
3 develop solutions.

4           So I have a few more comments. Sorry to make  
5 these extensive, but this is an important topic. And, you  
6 know, part of the urgency here is that we are going to be  
7 pushing out large programs, you know, a billion-and-a-half  
8 dollars in the next couple or few years, and likely many  
9 more billions over the years subsequent to that.

10           And, you know, our existing buildings, our, you  
11 know, existing building changeouts are a huge deal and we  
12 have to get those right. We have to build this market and  
13 we have to have good installations and we have to have  
14 quality installations. And as of now, the vast majority,  
15 90 plus percent, 95 percent of those changeouts are  
16 unpermitted.

17           And so, you know, there are many -- so it's not  
18 due to one factor, it's due to many factors, but we have to  
19 give some order and some -- you know, on the one hand, make  
20 it easier to comply, but also give the enforcement regime  
21 some teeth so that it can actually operate, help local  
22 governments make sure that permits are getting done to help  
23 kind of honestly police this marketplace so that we ensure  
24 that permits are getting done and that installations have  
25 eyes on them and ensure they're being done in a quality

1 way.

2           So we all have a stake in these quality  
3 installations because we have our decarbonization journey.  
4 And if we're going to get, you know, millions of heat  
5 pumps, we have a goal of 6 million heat pumps by 2030, we  
6 have a goal that the governor has set for 7 million climate  
7 friendly and climate ready homes by then, as well, those  
8 are big numbers. And we need to not only achieve those  
9 numbers, but we need to grow this marketplace in a  
10 sustainable way and have these installations done well.  
11 And we can't do that if we don't have visibility in a  
12 regime, an implementation regime and an enforcement regime  
13 that works. And so that's part of the strong motivation  
14 for getting moving on these proceedings.

15           So, you know, again, the HERS Program is all  
16 about ensuring Energy Code compliance. You know, we need  
17 those savings, we need those carbon reductions. And it's  
18 about protecting consumers. And so this, in the context of  
19 the efficiency, the decarbonization and deep efficiency  
20 regime that we know is the right direction and the right  
21 thing to do in California, those imperatives are a driver  
22 of these multifaceted policy goals that we have.

23           And so HERS has been operating for more than 20  
24 years. There are roughly a thousand HERS Raters and they  
25 have done hundreds of thousands of tests. It's been ten

1 years since we started the OII that is the progenitor of  
2 this rulemaking, and that's quite a while it's been  
3 percolating, so this is not new. But the interests and the  
4 impacts of consumers and building occupants are really  
5 paramount. We've got to take care of Californians. We've  
6 got to make sure these installations are done well. And  
7 that's, you know, again, a driver of these changes.

8           So this is the opening of this conversation, you  
9 know, this is not an end point, this is a commencement,  
10 this is a beginning. And so I just want to, again,  
11 reassure people that we fully expect to have a robust  
12 conversation with lots of back and forth and ample  
13 opportunity for stakeholders from all parts of this  
14 ecosystem to raise flags, to help us identify pain points,  
15 to help us ensure that the regime, that the permitting and  
16 inspection and field verification and diagnostic testing  
17 and enforcement regimes, are all dialed in or, you know,  
18 appropriate to the task at hand.

19           So, again, there will be plenty of opportunity.  
20 I just want to keep reassuring you. And, you know, all  
21 levels of the Commission are open. Staff certainly has  
22 their doors and phones open to discussing these issues  
23 along the way. You know, I am actively interested in this  
24 topic so, you know, certainly want to hear about, you know,  
25 big issues that folks need to -- feel that if there are any

1 that are not being sort of treated properly, I definitely  
2 want to hear about that. And I'm here to support Staff and  
3 stakeholders and making sure that there's a robust  
4 conversation that really does listen fully to all  
5 stakeholders.

6 So, you know, California really needs the HERS  
7 Program to succeed. The field verification and diagnostic  
8 testing, the graduated enforcement now, instead of having  
9 to be very black and white and kind of undefined in the  
10 middle, the process that's being laid out in the Staff  
11 Report, I think is important as an engagement to discuss  
12 and to really sort of envision all of us together, what  
13 this will look like in the real world, and make sure that  
14 it does function properly in an actual marketplace out  
15 there. You know, that's how we're going to get to our 6  
16 million and 7 million goals.

17 And so, again, I want to just, you know,  
18 encourage everyone to put in written comments, to speak  
19 today if they feel prepared, but certainly written comments  
20 by the mid-December deadline. You know, all that is what  
21 makes these processes meaningful. And so our intent is not  
22 to jam stakeholders. You know, I see 175 people on, which  
23 is fantastic, so thank you. I know how busy all of you are  
24 out there.

25 You know, many of you are involved in

1 implementing the 2022 Code and, you know, finishing up that  
2 implementation. You know, maybe it doesn't seem like  
3 they're finishing quite yet but, you know, a lot of work  
4 still to do there, but we have to get ahead of this for  
5 2025 and ensure that we have a really solid foundation for  
6 implementation of the 2025 Code and for supporting our big  
7 programs where we're going to push a lot of state and  
8 federal money out into the marketplace to upgrade largely  
9 low-income single-family and multifamily buildings. And  
10 so, we just have to have this regime in place to support  
11 quality installations and accountability across the  
12 marketplace for that quality.

13           So, again, many thanks to Staff for this, in  
14 particular, Joe Loyer for taking the lead and pulling --  
15 him and Lorraine for pulling this, the whole team, really,  
16 for pulling this workshop together and for moving this  
17 conversation forward. The technical leadership from Joe  
18 has been great.

19           And, you know, I want to, just again, wrapping  
20 up, offer, you know, our sort of ear collectively, and we  
21 really need you to let us know if you have any questions or  
22 concerns. I heard a lot on the docket about the timing and  
23 those concerns for sure, also a lot of sort of substantive  
24 comments on the proposal itself, so really thank everyone  
25 for their input. And if there's any sort of additional



1 information that people need or there are gaps here, I want  
2 to hear about those too.

3           So with that, just I have to jump for a little  
4 while, and I'll be back later on in the morning to really  
5 listen in to the conversation. So just looking forward to  
6 a robust conversation. And thanks again, everyone, for  
7 your attention and participation. It really matters a lot,  
8 so thank you.

9           And I'll push it back to Lorraine. Thanks,  
10 Lorraine.

11           MS. WHITE: Thank you, Commissioner.

12           Today we're going to have the staff presentation  
13 done by Joe Loyer. Joe has been, as the Commissioner has  
14 mentioned, involved in this program for quite some time and  
15 is the primary author of the Staff Reports.

16           Joe?

17           MR. LOYER: Hello, everybody. I'm going to share  
18 my screen here, or at least the presentation. So welcome  
19 and thank you for participating in this. I very much  
20 appreciate everybody's time, and I'd like to just go ahead  
21 and get right into this.

22           My name is Joe Loyer. I'm a Senior Mechanical  
23 Engineer here at the California Energy Commission, and I've  
24 been working for the Standards Compliance Branch for many  
25 years now. I had a lot of --- a very good working

1 relationship with Rashad Mir and Susie Chan and Tav. And  
2 so I do have a lot of history with the HERS Program, but  
3 it's clearly not as much as all of you that are online now.  
4 So there's currently 173 participants, and I just wanted to  
5 recognize that and welcome you all.

6 This is our agenda for the day. So I note that  
7 one of the questions asked about this agenda, this is where  
8 we're at right now, About 10:30 is a CEC staff  
9 presentation. We'll have a break at lunch for about an  
10 hour.

11 Then we're going to come back with questions and  
12 comment period. We'll basically, at that point, take you  
13 back through the presentation from about slide 14, and that  
14 will become clear as we get into it, and go through the  
15 various sections of what we're proposing and ask if people  
16 have specific questions about those. At the end of that,  
17 it will be an open question and comment period for anybody  
18 to ask us anything.

19 After that, we're going to have about a 15-minute  
20 break, and then we're going to open up the workshop notice  
21 questions. If anybody has seen the notice, you'll see that  
22 we had questions posed in the notice itself, and we're  
23 going to go through those relatively quickly but, you know,  
24 fully as well. After that, of course, we'll have some  
25 closing remarks, some reminders, and then we plan on

1 adjourning at 5:00 p.m. if there aren't very many  
2 questions which, you know, given the number of people that  
3 are attending right now, I can't imagine that there won't  
4 be any questions, so -- but we will try to hold this to  
5 5:00 p.m. if at all possible.

6           So we found it useful in many instances to  
7 include a list of acronyms used in the presentation,  
8 especially for a presentation as technical as this one.

9           So, obviously here we have HERS, the Home Energy  
10 Rating System.

11           The Energy Code, that refers to the California  
12 Building Energy Efficiency Standards, Title 24, Part 1 and  
13 Part 6.

14           The HERS Regs. These are the HERS Regulations,  
15 Title 20, Section 1670 through 75, Whole House Rating.  
16 This is a voluntary rating process regulated by the HERS  
17 Regs.

18           FV&DT, Field Verification Diagnostic Testing, as  
19 regulated by the Energy Code.

20           And then OII, Order Instituting Investigation.  
21 That's something that the Energy Commission issues from  
22 time to time when there are significant issues that it  
23 needs to investigate, that it needs staff to investigate.  
24 And that, obviously, the Commissioner made a reference to  
25 that as one of the instigating issues here that we're

1 trying to address with this rulemaking.

2           So the presentation overview, this is what we're  
3 going to be discussing in this presentation. And,  
4 essentially, I'm going to go through this presentation, the  
5 whole thing, and then we're going to break for lunch. So  
6 after that, we will be opening it up for questions and  
7 comments.

8           So we're going to start with a quick background  
9 of the HERS Program, the rulemaking status schedule and  
10 opportunities to participate, the objectives of the Staff  
11 Draft Reports, the public engagement opportunities, the  
12 Staff Draft Report organization, proposed changes to the  
13 HERS Regulations, which is those in Title 20, and  
14 challenges being addressed by the HERS rulemakings, and  
15 then the proposed changes to the FV&DT Regulations, which  
16 are going to be in the Energy Code. Now those will be  
17 implemented as part of the 2025 Energy Code update.

18           And then, of course, we're going to go through  
19 the summary of major categories in the proposed  
20 regulations, the FV&DT proposed regulations.

21           So as a background, the Warren-Alquist Act  
22 directs the California Energy Commission to adopt and  
23 implement the Building Energy Efficiency Standards, or the  
24 Energy Code, as a primary means to reduce wasteful,  
25 uneconomical, and unnecessary uses of energy. Poor

1 installation of air ducts and conditioning equipment in  
2 residential buildings have been a concern since the 1980s.  
3 The Energy Commission adopted provisions in the Energy Code  
4 to verify that these installations and others are  
5 consistent with the Energy Code requirements.

6 In 1999, the CEC promulgated the Home Energy  
7 Rating System regulations in the California Code of  
8 Regulations, that's Title 20, Section 1670 through 1675.  
9 These regulations provided for and regulated raters to  
10 perform field verification and diagnostic testing services,  
11 as well as the voluntary Whole House ratings. (Clears  
12 throat.) Excuse me.

13 The Energy Code is critical to fulfilling the  
14 Energy Commission's, the CEC's, mission and achieving the  
15 state's greenhouse gas emission reduction goals. Robust  
16 and effective field verification diagnostic testing  
17 performed by independent third-party trained technicians is  
18 intended to support successful implementation of the Energy  
19 Code.

20 FV&DT helps ensure that consumers get the energy  
21 and monetary savings that they expect from their  
22 investments in efficiency projects and help reduce the  
23 unnecessary consumption of energy.

24 Further, building decarbonization is needed to  
25 achieve the state's climate goals. As part of the

1 California's Climate Action Plan, Governor Gavin Newsom, in  
2 a July 2022 letter to the chair of the California Air  
3 Resources Board, set a goal of installing 6 million heat  
4 pumps in buildings by 2030, as recommended by the  
5 California Energy Commission. Clear and effective FV&DT  
6 Program regulations are important in making sure that these  
7 and other energy installations perform as expected as part  
8 of California's climate response.

9           So the rulemaking schedules. Now as we've  
10 discussed, there are going to be two rulemakings here. One  
11 is going to be for the -- so one is going to be for the  
12 HERS Regulations in Title 20, and one is going to be for  
13 the FV&DT Regulations in Title 24. And as you can see  
14 here, there are many options or many opportunities for  
15 participation and for comments.

16           As the schedule shows, this is the beginning of  
17 what we hope to be a long conversation about the solutions  
18 proposed by Staff regarding challenges facing the HERS  
19 Program. This is not the only opportunity, today is not  
20 the only opportunity, that stakeholders or the public will  
21 have to be heard. This is, in fact, a year-long process  
22 considering both the pre-rulemaking and rulemaking  
23 timeframes.

24           Today's presentation will cover both of the  
25 proposed changes to the HERS Regulations in Title 20 and

1 the proposed changes to the Field Verification Diagnostic  
2 Testing Regulations in the Energy Code.

3 For several reasons, these changes will be  
4 coordinated through two separate rulemakings, the primary  
5 objective of which is to separate the FV&DT Program from  
6 the Whole House Program. Staff has determined that this  
7 separation is needed due to several factors, chief of which  
8 is the fact that the Whole House Program is voluntary under  
9 the HERS Regs while the FV&DT Program is mandatory under  
10 the Energy Code. While these programs were originally  
11 developed together, they are clearly interfering with their  
12 individual objectives.

13 Generally, rulemakings have two major scheduling  
14 components, pre-rulemaking and rulemaking. We are  
15 currently in pre-rulemaking for both the FV&DT and HERS  
16 Programs. As these are two separate rulemakings, they have  
17 two schedules. Staff plans to implement the proposed  
18 changes to the FV&DT Regulations in the Energy Code during  
19 the 2025 Energy Code rulemaking process.

20 Since the FV&DT rulemaking will incorporate most  
21 of the changes to the existing program, and to address the  
22 request for additional time for public review, Staff has  
23 added two additional workshops to the schedule. However,  
24 the proposed changes to the HERS Regs, Title 20, are not as  
25 significant. Therefore, Staff does not see a need to add

1 further workshops for the HERS rulemaking. That is not to  
2 say that we are going to be closing the door hard on Title  
3 20 changes, but we are probably not going to include them  
4 in future workshops. Staff will make every effort to  
5 provide an opportunity for the public engagement and for  
6 comments for both rulemakings.

7 And I think one of the important things to  
8 understand here is that since we have two rulemakings and  
9 we have two dockets, we are scrutinizing all comments to  
10 both dockets for inclusion in both rulemakings. So if you  
11 submit to one docket or the other, it isn't that imperative  
12 that you get the dockets right. If it comes in, we will  
13 consider it, we will include it in our assessment.

14 So the objectives of the Staff Reports. As  
15 California seeks to reduce greenhouse gas emissions and,  
16 among other efforts, decarbonize buildings and install 6  
17 million heat pumps in buildings by 2030, clear and  
18 effective program regulations are increasingly important.  
19 The scope of the changes proposed in the FV&DT's Draft  
20 Staff Report focus on conduct, responsibility, and quality  
21 assurance for the FV&DT Program, as well as increased  
22 oversight by the CEC to improve program performance and  
23 protect consumers.

24 The HERS Draft Staff Report shows that the  
25 overlap of the Whole House and FV&DT Program have



1 contributed to the Energy Code compliance being difficult  
2 and confusing for stakeholders, as well as making  
3 management of the HERS Program challenging for the CEC. As  
4 a result, the CEC is proposing to add all aspects of the  
5 FV&DT Program requirements to the Energy Code under the  
6 2025 rulemaking. I think we've stated that pretty  
7 consistently several times now.

8           For public engagement opportunities, there are  
9 several opportunities for the public engagement, first, the  
10 comment period. That was started on October 26th and  
11 extended to December 16th, approximately 60 days. This is  
12 for both dockets. They're open, active, and obviously  
13 receiving comments. We have had many comments.

14           The first workshop, today, will include an  
15 opportunity for public comment. The second and third  
16 workshops are not scheduled yet, but both include  
17 additional comment periods and opportunities for workshop  
18 comments, such as today.

19           The FV&DT and HERS Final Staff Reports, including  
20 any interim Draft Staff Reports, will include additional  
21 comment periods once they are published, so they,  
22 themselves, will also have comment periods.

23           Formal rulemaking, once we get to that point for  
24 both FV&DT and HERS rulemaking, will include an additional  
25 45-day comment period for the express terms.

1           So as you can see, there are going to be many  
2 opportunities for public and stakeholder engagement here.  
3 So this is not the last opportunity, this is the first in a  
4 long conversation.

5           So the Draft Staff Report organization. So these  
6 two reports were essentially written together, so they do  
7 follow a very similar organization. Both the FV&DT and  
8 HERS Staff Reports follow the same basic construct shown  
9 here on this slide with one exception. Appendix A of the  
10 FV&DT staff draft report includes the CEC investigative  
11 reports, whereas the HERS Draft Staff Report goes directly  
12 to the proposed changes for the HERS Regulations. For the  
13 FV&DT report, the proposed regulations are in Appendix B  
14 instead of Appendix A.

15           The way this is organized, Chapters 1 and 2 are  
16 dedicated to the legislative criteria and CEC policies that  
17 directly impact the FV&DT and HERS Programs.

18           Chapter 3 identifies the issues and challenges  
19 that are their main impetus of the proposed changes to the  
20 FV&DT and HERS Regulations.

21           Chapter 4 identifies a regulatory framework that  
22 Staff proposed to use to address the issues identified in  
23 Chapter 3, so they go hand in hand.

24           Chapter 5 identifies the alternatives that Staff  
25 considered, including doing nothing.

1 Chapter 6 discusses the technical feasibility of  
2 implementing the proposed changes, and Staff is asking for  
3 input from stakeholders and the public regarding the  
4 feasibility.

5 Chapter 7 discusses the savings and costs as they  
6 impact various stakeholders, including consumers. And, of  
7 course, we are asking -- we are taking comments and asking  
8 for help identifying anything that we either got wrong or  
9 that is incomplete.

10 Chapter 8 discusses the potential for  
11 environmental impact in the context of the California  
12 Environmental Quality Act, or CEQA. Staff does consider  
13 these two rulemakings to be projects under CEQA and will  
14 prepare appropriate CEQA documentation.

15 Chapter 9 discusses the economic and fiscal  
16 impacts in the context of the rulemaking requirements.

17 Chapter 10 discusses consumer energy equity.  
18 This is the equitable access to benefits of energy  
19 infrastructure and equitable access to resources for energy  
20 improvement with a focus on low-income households and  
21 disadvantaged communities.

22 FV&DT Appendix A summarizes and provides links to  
23 the CEC investigative reports relied upon in the FV&DT  
24 staff Draft Staff Report.

25 The last appendix in both reports provides the

1 proposed changes to the Energy Code and HERS Regulations in  
2 legislative format, which is underlined for new text and  
3 strikethrough for deleting existing text.

4           So the proposed changes to the HERS Regulations  
5 in Title 20. The staff used this as more to cleanup  
6 rulemaking, to remove duplicative, what would be a  
7 duplicative, FV&DT provisions. The proposed changes to the  
8 HERS Regulations are minor. The original intent is to  
9 separate the FV&DT and HERS Programs so the primary changes  
10 are focused on that goal but maintain all necessary  
11 structure and references to operate the voluntary Whole  
12 House rating program. These changes are shown throughout  
13 the HERS Regulations in Appendix A of that report, Title  
14 20, Section 1670 through 1675 in legislative format, so it  
15 will be in the underlined strikethrough.

16           The challenges being addressed by both  
17 rulemakings. The HERS Program has been in operation since  
18 about 1999. And over those 20 or so years there have been  
19 both minor issues that the Energy Commission or Staff  
20 resolved without a rulemaking and significant issues that  
21 pushed the CEC towards a rulemaking.

22           In 2012, the CEC adopted an Order Instituting  
23 Investigation to address the equity issue of two raters  
24 that had been decertified. That action opened a public  
25 comment period that identified many other issues with the

1 HERS Program.

2           In addition to the initiating incident, these  
3 also began as complaints from consumers who did not  
4 understand the value of the HERS rater or the FV&DT,  
5 providers that found it difficult to enforce quality  
6 assurance requirements, raters who complained of losing  
7 jobs to less scrupulous raters. And the effectiveness of  
8 the FV&DT process on reducing HVAC defects was called into  
9 question by the California Public Utilities Commission.  
10 The report findings included a lack of hands-on training  
11 for raters, inconsistent knowledge among raters, deviations  
12 between the field performance measurements, and the  
13 documented FV&DT results.

14           Over the 20-year history of the program, there  
15 have been numerous complaints against providers and raters  
16 from consumers. The CEC staff engaged in an effort to  
17 document these issues found that they fall into two main  
18 categories, actions by the raters resulting in false or  
19 inaccurate information submitted to the data registry, and  
20 actions by the provider resulting in false information  
21 remaining in the data registry.

22           When the CEC staff investigated the barriers to  
23 implementing a central data repository, they discovered, by  
24 accident, widespread data errors and falsification in the  
25 sample data from the providers. More than half of the

1 forms contain unrealistic or invalid data inputs by raters.

2           Finally, the providers are required to conduct a  
3 minimum number of quality assurance checks annually for  
4 each rater and for the provider's system as a whole. The  
5 providers have not been able to implement their quality  
6 assurance programs to these required minimum levels in the  
7 history of the program. This is primarily due to the way  
8 that quality assurance procedures are set up and not as a  
9 fault of the provider. The full description of these  
10 challenges is available in the FV&DT Draft Staff Report in  
11 Chapter 3 and Chapter 4 discussing the staff proposed  
12 resolutions for each issue.

13           So moving on to new terms. When we wrote the  
14 regulations, the new regulations, and I should say the new  
15 proposed regulations, and they are proposed regulations at  
16 this point, we wanted to make a differentiation between the  
17 FV&DT Program and the Whole House Program. So we are  
18 leaving the terms, the existing terms, provider, rater, and  
19 rater company with the Whole House Program, not that rater  
20 company was part of that. (Clears throat.) Excuse me.

21           So to help differentiate between the two, we  
22 proposed these new terms to be used, as well: administrator  
23 basically is provider, technician for rater, and technician  
24 company for rater company.

25           That said, when we get to this afternoon, we will

1 discuss some possible alternatives or some -- essentially  
2 an ask from us to see if there are better terms that we  
3 might be able to use.

4           So the proposed changes to the FV&DT Regulations  
5 in Title 24. So the proposed changes to the regulations  
6 are provided in the FV&DT Draft Staff Report in Appendix B.  
7 They are some 40 pages. In addition to these proposed  
8 changes, there will likely be changes to the Energy Code  
9 reference Appendix J-7 in terms of minor name or  
10 definitional changes. The draft proposed regulations in  
11 sections RA-1 through 4 and NA-1 through 2 will include two  
12 basic changes. And this is primarily for the new quality  
13 assurance program that we have envisioned for the  
14 administrators.

15           Adding procedures to the onsite and shadow audits  
16 for new quality assurance regulations. So at this time,  
17 those are going to be two new quality assurance procedures  
18 that we have provided for. Those procedures will be for  
19 each -- we're providing an example for RA-1, but those  
20 procedures are going to be intended for each of the  
21 existing FV&DT procedures. So it isn't a question as to  
22 what the administrator will have to do once they get onsite  
23 and perform an onsite audit or a shadow audit, it will be  
24 prescribed for them.

25           The proposed changes include removing special

1 inspector designation. It was determined that a special  
2 inspector could only be approved by the local jurisdiction,  
3 which would limit the effectiveness statewide of  
4 technicians. The proposal would not designate technicians  
5 as special inspectors in order to not limit their  
6 effectiveness, some of whom may qualify or wish to qualify  
7 as special inspectors.

8           So qualifying as a special inspector actually is  
9 a much larger effort on the part of a rater or potential  
10 rater, so they don't have to interfere with that. They can  
11 go on to get the special inspector designation from the  
12 local jurisdiction. This will not limit the day-to-day  
13 operation of the technician.

14           The bulk of the new proposed FV&DT Regulations  
15 are in a new section in Part 1 one of the Energy Code. The  
16 section is 10-103.3.

17           There we go.

18           So this is slide 14, if anybody's keeping track  
19 here. And in the afternoon, we will be returning to this  
20 slide to go back through this part of the presentation in  
21 order to guide any questions that anybody has on specific  
22 elements that we're going to be going over now. So this  
23 isn't the last time you'll see this slide or this section  
24 of the presentation. So we will go forward from here.

25           Essentially we're going to go through the general



1 requirements, the progressive discipline, the FV&DT  
2 technician companies, the FV&DT technicians, and the FV&DT  
3 Program administrators.

4           So first, let's talk about the general  
5 requirements. And in this case, we're going to be talking  
6 about the conflict of interest and the general prohibitions  
7 for conflict of interest.

8           The technicians and technician companies are  
9 independent from the administrators. This is the current  
10 standard for raters and providers. We're just extending  
11 that.

12           Technicians, technician companies, and  
13 administrators are independent from builders, designers,  
14 and installing contractors. Again, this is not really new.

15           The direct or indirect investment worth \$2,000 is  
16 a conflict of interest in a builder, designer, installing  
17 contractor.

18           A source of income totaling more than \$500 are  
19 prohibited. Now this isn't an Energy Commission attempt to  
20 dictate how much a technician or a technician company may  
21 charge for their services, far from it. This \$500 is a  
22 prohibition against anything that has nothing to do with  
23 FV&DT testing costs or charges. So it is anything that is  
24 outside the normal business practice of a technician or a  
25 technician company.

1 FV&DT testing services are prohibited for close  
2 family relatives. This is something we've added new that  
3 has come up several times. So we have put together a long  
4 list, which I won't go over, it is in the Code, the  
5 proposed regulations, of what constitutes a family  
6 relative.

7 So the technician prohibition. So this is a  
8 specific prohibitions for conflict of interest. So for  
9 technicians, the signing of the CF1R and CF2R by the  
10 technician is prohibited. Currently, raters may sign as  
11 the document author, but frequently they sign as the  
12 responsible person or the installing technician, neither of  
13 which is appropriate. In order to curtail this activity  
14 but allow for a knowledgeable document author, Staff  
15 proposes to allow the technician company to complete these  
16 compliance documents, not the technician.

17 The technician and technician companies are  
18 currently hired by the contractor performing the work.  
19 This has proven to be a source of conflict of interest that  
20 the administrator or CEC cannot enforce against. To  
21 address this issue, the technician or technician company  
22 must be hired by the homeowner, similar to how the owner  
23 would hire a contractor. For existing homes, this means  
24 the actual homeowner. For newly constructed homes, this  
25 would typically mean the developer.

1           So in this context, for newly developed homes,  
2 that's typically where our technician companies or rater  
3 companies now have most of their business, they should be  
4 hired by the developer and not the contractor performing  
5 the installation work.

6           Conflicted data, so FV&DT conflicted data. The  
7 previous two slides discussed subjects in conflict of  
8 interest that were generally known or previously discussed  
9 in past workshops. Conflicted data is a new concept to  
10 address what happens to registered documents once a  
11 conflict of interest is discovered. These new provisions  
12 give the administrator the authority and procedure to  
13 remove conflicted data from the data registry.  
14 Additionally, it allows the provider to inform stakeholders  
15 of the removal and potential ramifications of removing that  
16 data.

17           Conflicted data can result if the technician is  
18 covered to have a conflict of interest, if the technician  
19 violates the proposed daily limit, which we will be getting  
20 into, on registered documents, or if the administrator is  
21 refused access to a project site for quality assurance  
22 purposes where sampling is used for newly constructed  
23 buildings.

24           So progressive discipline, and this is a new  
25 concept for the HERS Program, the administrator,

1 technician, and technician company are all subject to their  
2 own progressive discipline process. The Energy Commission  
3 enforces the progressive discipline on the administrator,  
4 while the administrator enforces progressive discipline on  
5 the technicians and technician companies. So let's talk  
6 about what these steps are.

7           The progressive discipline steps. There are  
8 three progressive discipline processes. All three of them  
9 follow the same general framework, although specific  
10 violations are tailored to the individual.

11           At each step, the subject of the discipline has  
12 the opportunity to respond and explain the situation. The  
13 technician or technician company may be required to  
14 reimburse the consumer if one is impacted, and the  
15 administrator.

16           Each level of the progressive discipline has  
17 embedded triggers, so they are not random. They have  
18 specific triggers that enter you into the progressive  
19 discipline process. Generally, the Notice of Violation is  
20 the entry point for progressive discipline. It includes  
21 the violation, the notice does, includes the violation, the  
22 time, date, location, and the remedy.

23           Other levels of progressive discipline come into  
24 play when the subject of the discipline refuses to comply  
25 or respond to the Notice of Violation. At the most

1 extreme, the subject can be decertified. For  
2 administrators, this is rescinding the CEC approval of  
3 their application. At that point, the subject can appeal  
4 to the CEC to review the case for compliance with the  
5 requirements of the progressive discipline process.

6 In addition to this process, the administrator or  
7 the CEC can proceed to suspend immediately for a severe  
8 violation. And that's something we're going to actually  
9 discuss a little bit more in the afternoon.

10 So the CEC is proposing to regulate technician  
11 companies, which they are not currently regulated under the  
12 HERS Program. So in order to do that, in order to allow  
13 technician companies and give them the authority to do  
14 things like pull permits, complete the CF1R, CF2R, they  
15 have to be placed under regulation. So the Energy  
16 Commission has -- the staff has proposed these requirements  
17 for the technician company to be placed into Code.

18 The minimum of qualifications. At least one  
19 principal of the technician company must hold an active  
20 FV&DT Technician Certification, so at least one principal  
21 has to be a technician.

22 The training for the technician companies  
23 includes all of the following here. The roles and  
24 responsibilities of all entities regulated under 10-103.3,  
25 the new requirements. And in the Building Energy

1 Efficiency Standards, the reference appendices are  
2 RA1,2,3,4, NA1, NA2, and JA7. Progressive discipline, they  
3 have to be educated on the requirements of the progressive  
4 discipline for technicians as well as technician companies,  
5 and the appeal process. The quality assurance process, as  
6 we will be getting into that in a few slides from here,  
7 that is a new process that they will have to be educated  
8 on. The conflict of interest requirements that we've  
9 already discussed. And the prohibition on false,  
10 inaccurate, or incomplete information.

11 Certification. So at least one principal of the  
12 company must be certified by the administrator so that the  
13 company has a designated certified person.

14 The services that may be provided by the  
15 technician company. These are obviously the FV&DT services  
16 that the FV&DT technician performs but is also allowed to  
17 pull permits. They can complete the CF1R and CF2R, but  
18 only as a document author, they cannot be the installing  
19 technician, they cannot sign for that person, and they  
20 cannot sign for the responsible person. They can sign as a  
21 document author. There are other services, as well, that  
22 are permitted uses of the CF3R verifications. Any of those  
23 uses the technician company can perform.

24 Restrictions. They may not use the technicians  
25 for services other than FV&DT verifications. They have

1 view access only to compliance documents once they are  
2 submitted. So once the CF1R and CF2R are submitted, they  
3 only have view access. They may not change data entered by  
4 a technician on the CF3Rs.

5 They may not act as a responsible person or  
6 installing technician. I already said that.

7 Once assigned by the company, a technician may  
8 not be replaced except under specific circumstances. So  
9 this is an important one. This has been laid out in the  
10 proposed regulations as well as exactly how this happens,  
11 how you can replace the technician, but there are  
12 requirements that you have to pass.

13 Responsibilities. So the companies are  
14 responsible to maintain a publicly available list of all of  
15 its employed FV&DT technicians.

16 They must use the appropriate data registry user  
17 interface or EDDS, whatever is available to them.

18 They are responsible for all of the FV&DT  
19 technicians complying with these proposed regulations and  
20 all other applicable laws.

21 And they are responsible to support the FV&DT  
22 technician progressive discipline requirements, so that's  
23 actually placed in Code as to exactly what their  
24 responsibilities are along those lines.

25 Annual reporting. So the company contact

1 details, principals, and required certificates, those have  
2 to be reported annually.

3 A list of all the technicians working for the  
4 FV&DT technician company.

5 The total number of field verifications  
6 diagnostic tests performed annually organized by  
7 jurisdiction. I think it's pretty obvious why we want that  
8 information, but that is reported to the administrator.

9 What is also reported to the administrator? The  
10 type and average cost of services charged for each type of  
11 field verification and diagnostic test performed. When it  
12 comes down to reporting this information to the Energy  
13 Commission, again, this is to be reported to the  
14 administrator. The administrator will report to the Energy  
15 Commission, under a strict set of guidelines and rules, a  
16 summary of that information. So the Energy Commission will  
17 not know what individual costs or charges you are making.  
18 And no one else will know that as well. This will only be  
19 given to the administrator and they will hold them in  
20 confidence.

21 So the technicians. The minimum qualifications  
22 for technicians. We've never actually stated this, but  
23 it's fairly straightforward. The FV&DT technician  
24 application applicants must be at least 18 years of age or  
25 be an Emancipated Minor, and hold a high school diploma or



1 equivalent, and have completed all of the FV&DT technician  
2 training.

3           The restrictions. The technician may not create,  
4 record, submit, or certify untrue, inaccurate, or  
5 incomplete FV&DT information.

6           They may not record results that were not  
7 conducted in compliance with these regulations, these  
8 proposed regulations.

9           They may not accept payment in exchange for FV&DT  
10 reporting not conducted in compliance with these proposed  
11 regulations.

12           They may not provide information based on  
13 assumptions, averages, or otherwise generated in any other  
14 way than by field verification that diagnostic testing is  
15 performed in accordance with these proposed regulations.

16           Responsibilities. So they're responsible to  
17 provide the FV&DT services in compliance with these  
18 proposed regulations.

19           They must be present and personally participate  
20 in any FV&DT activity.

21           Documentation registration limitation, this is  
22 new. Each FV&DT technician may not register more than 15  
23 compliance documents in one day from midnight to midnight.  
24 Now this particular limit, we came up with this particular  
25 limit based on what we believe a technician can

1 legitimately do in a single day. We would like to know if  
2 this is reasonable. So we believe that a technician can  
3 perform at least 15 -- actually more like 12, field  
4 verification diagnostic tests in a single day. And we've  
5 done this based on our experience, ourselves actually  
6 performing these kinds of tests, and from what we have  
7 discussed with other raters. If you have a different  
8 opinion as to how many that can be completed in a single  
9 day, we would like to know that.

10           The documentation. Also, all field verification  
11 diagnostic tests performed at a tested home of a sample  
12 group is subject to this limitation, but as one registered  
13 compliance document. So right now when we have a sample  
14 group of seven, all seven of those installations are  
15 represented by that one test. As far as this daily limit  
16 is concerned, we have a -- we will count that as one test.

17           So the administrators, so this is somewhat of a  
18 longer one here. So this starts with the approval process.  
19 The requirement for non-confidential summary of  
20 confidential materials. Right now when an administrator or  
21 a provider submits an application to the Energy Commission,  
22 they may submit those materials under confidentiality.  
23 This has created as a difficulty for us each and every  
24 time. What we would like to have is to allow the  
25 confidential material to be submitted to this. Obviously,

1 they need to be able to do that, but we would like a non-  
2 confidential summary of what that material is to be  
3 submitted, as well, so that it can be pointed to and can be  
4 reviewed by any member of the public.

5 So the methods for producing evidence and  
6 response to disputed evidence, so we provided provisions in  
7 the proposed regs for that.

8 We would like to see the full legal name of the  
9 applicants registered with the Secretary of State, the full  
10 legal name, date of birth, current residence address,  
11 social security number of every individual with an  
12 ownership interest in and principal of the applicant, a  
13 complete list of any entities that have business  
14 relationships with the applicant. Of course, the triennial  
15 Code cycle for which the applicant intends to operate as an  
16 FV&DT administrator, the contact information for one or  
17 more designated contacts, and any other information  
18 relating to the applicant's ability to satisfy each  
19 regulatory requirement. We put this last one in primarily  
20 because we believe that there are going to be instances  
21 when an administrator is going to subcontract part of their  
22 responsibilities, which we'll be getting into a little bit  
23 more here, to a third party, so we would like to know about  
24 that.

25 So the types of application, there's a full

1 application, obviously. There are triennial applications  
2 for the triennial Code. Those are going to be -- that's  
3 going to be a slightly easier lift in the full application.  
4 Their application for remediation, an update application,  
5 and post-approval amendments are all provided for in the  
6 Code, proposed code.

7           Timing requirements -- or training, I'm sorry,  
8 training requirements. So the administrator has to provide  
9 all the training, and we've put together a set of  
10 requirements for the minimum level that that training has  
11 to step up to.

12           The technician training subject areas. So the  
13 Energy Code, mandatory subject areas are RA1 through 4 and  
14 NA1 and 2.

15           The roles and responsibilities of stakeholders.  
16 Basic building science. Progressive discipline of the  
17 FV&DT technicians and the appeal process. The quality  
18 assurance process, which we will be getting into a little  
19 later. The conflict of interest requirements. The  
20 prohibition on false, inaccurate, or incomplete  
21 information.

22           Now the way this training is done is there is a  
23 classroom training and a laboratory training. Classroom  
24 training may be online or in person, may include  
25 prerecorded videos, may use mock tests or exams.

1           The laboratory training covers all FV&DT  
2 procedures listed in the Energy Code reference Appendices  
3 RA1 through 4 and NA1 and 2. Laboratory training  
4 facilities must be designed to provide consistent and  
5 repeatable practical training exercises and be approved in  
6 advance by the Commission.

7           The laboratory training shall be conducted in a  
8 controlled space with appropriate safety measures such as  
9 proper ventilation, safety egress, appropriate lighting,  
10 and fire response systems.

11           Laboratory training must not be conducted in an  
12 occupied residence.

13           Laboratory training shall include a person  
14 and -- shall be in person and be supervised by an  
15 instructor with no more than ten students to one  
16 instructor.

17           Laboratory instruction shall include an  
18 electronic or a hard copy manual for each student.

19           Any equipment necessary to complete the  
20 laboratory training shall be made available to two students  
21 at a ratio no greater than one test equipment per five  
22 students.

23           Each student shall perform the laboratory  
24 training independently with full access to the necessary  
25 equipment.

1           So moving on to the testing requirements, so  
2 there are two testing -- two general testing requirements,  
3 a written test and a laboratory test.

4           The written test one, it can be done online using  
5 proctored software that the Energy Commission approves.  
6 There is a -- we provide a description of exactly what the  
7 requirements are in section 10-103.3 D1A7, or in person  
8 using a live proctor.

9           They must consist of 10 to 100 questions per  
10 subject area. They must require a passing score of no less  
11 than 70 percent, and they must be approved by the  
12 Commission at the time of the application from the  
13 administrator.

14           The laboratory tests. All practical tests are  
15 performed in the same facilities as required by the  
16 laboratory training requirements.

17           All practical tests are in-person only using a  
18 live proctor with no more than five test takers to one  
19 proctor.

20           Any equipment required to complete the practical  
21 test shall be made available to each test taker.

22           Each test taker shall work -- shall not work in  
23 teams to complete any portion of the practical test. I  
24 think I said that kind of weird. I'm going to say it  
25 again. Test takers shall not work in teams to complete any

1 portion of the practical test. I think that was a little  
2 better.

3 All practical tests shall be approved by the  
4 Commission by demonstration during the application process  
5 from the administrator.

6 The quality assurance alternatives. So the  
7 Energy Commission came up with four. Onsite audits, that's  
8 what is currently performed. Onsite audits performed at  
9 the request of the homeowner, typically through the  
10 complaint process, and in compliance with the onsite audit  
11 procedures for specific FV&DT verifications, that's what  
12 will be provided in Code.

13 The shadow audit. This is a once per year for  
14 each technician minimum, at random, following the shadow  
15 audit procedure for each FV&DT verification. So we're also  
16 adding on to that, each technician must also be shadow  
17 audited for QII at least once per year.

18 In-lab audit, performed at the approved  
19 laboratory facilities once per year for each technician,  
20 and must include failure conditions found in the field.

21 Desk audits, once per year for each technician.  
22 They consist of an FV&DT administrator using registered  
23 compliance documents within the data registry to evaluate  
24 the technician's certificate of compliance, certificate of  
25 installation, and certificate of verification for

1 consistency and accuracy.

2           So these QA, these are the new QA alternatives  
3 that we're proposing. And, of course, we would like to  
4 know anybody's concerns about these or their suggestions  
5 about how these can be done. The details of each one of  
6 these are laid out in the proposed regulations.

7           Conflicted data. The conflict of interest  
8 requirements apply to any data collected by a FV&DT  
9 technician. Any data collected by the technician when they  
10 have a conflict of interest, regardless of its accuracy, is  
11 considered conflicted data.

12           Administrators are not to accept or store  
13 conflicted data on their systems.

14           The administrator shall take all responsible --  
15 reasonable steps to detect, deter, isolate, and remove  
16 conflicted data from their systems, including in-compliance  
17 documents and compliance registration packages.

18           Administrators may not use, rely on, sell, or  
19 offer for sale any conflicted data for any purpose other  
20 than to detect, deter, isolate, and remove conflicted data  
21 from their systems or to otherwise prevent the generation  
22 of transmission of conflicted data.

23           Technician companies may not submit any  
24 conflicted data without the express written approval of the  
25 executive director.



1           Administrators shall remove verified conflicted  
2 data from the data registry and inform all affected  
3 parties.

4           Reporting requirements. There are new data  
5 reporting requirements in addition to the requirements for  
6 JA7. There are data reporting requirements for quality  
7 assurance actions. The reporting requirements include  
8 annual reporting, as well as immediate reporting for  
9 quality assurance issues and quarterly reporting for FV&DT  
10 data.

11           Additionally, there are requirements for limited  
12 customized reports requested by the CEC.

13           So that brings us to -- I believe the next slide  
14 is the break for lunch slide.

15           I'm just going to go ahead and check a couple of  
16 the discussion points and see if there's anything we need  
17 to answer at this point.

18           MS. WHITE: Joe, there are a couple of comments  
19 that several people have made, and I just want to let  
20 people know.

21           The slide deck that Joe is using will be posted  
22 today after the workshop, so that material will be made  
23 available. As Joe has indicated already, during our Q&A  
24 portion of this discussion, we will be revisiting several  
25 of these slides, going through topic by topic. So that,

1 hopefully, will be able to help folks track the discussion  
2 and answer questions as appropriate.

3 I'm also encouraging folks, for those of you that  
4 are asking questions, have information you want to share  
5 with the Commission, we strongly encourage you to submit  
6 written comments to our dockets. I'll be posting the  
7 docket information here shortly in the chat. And we have  
8 requested that the information be submitted to us,  
9 initially, your initial thoughts and things like that, by  
10 December 16th. That will allow us to structure the  
11 workshop for January to focus on responses to those  
12 comments, additional information that we may be wanting to  
13 explore with parties, and things like that.

14 So as Joe has mentioned, as the Commissioner has  
15 mentioned, this is intended to be a dialogue as we work  
16 through the improvements that are most appropriate for this  
17 program to achieve its intended goals.

18 In addition to the slide deck, we are also  
19 posting information about where to find the Staff Reports.  
20 The proposed changes are contained in appendices to those  
21 Staff Reports. And so what we're proposing is contained  
22 there in detail where you can see exactly what we're  
23 suggesting be altered in the Code itself as part of this  
24 rulemaking. And, you know, rulemaking is a fancy term for,  
25 basically, a process, a long process by which we go through

1 and discuss, vet, and make changes to regulations. So that  
2 process is what we're engaged in now.

3 And so if there are additional questions about --  
4 I'm hoping everybody found the links in the chat to the  
5 agenda and to the Staff Reports, and we will be posting  
6 links to a webpage where the actual dockets can be found.  
7 And then, also, where you can see the presentation posted  
8 in that docket later today.

9 MR. LOYER: Actually, the presentation is posted  
10 now.

11 MS. WHITE: Oh, it's already posted?

12 MR. LOYER: It just got -- yeah.

13 MS. WHITE: Okay.

14 MR. LOYER: Yeah, I just got notified that it --

15 MS. WHITE: Great. Oh.

16 MR. LOYER: -- got put up.

17 MS. WHITE: Perfect. Thank you. So we will then  
18 get that link for people so that we can follow along if  
19 you'd wish. Okay. And I think that is covering most of  
20 these. There's a lot of specific questions here, and we  
21 can get into those here shortly.

22 We will not be discussing actual changes to the  
23 Title 24 Building Code. I have noted that there are a  
24 couple of questions specifically to new Code requirements  
25 for the Title 24 2022 Building Codes. I have posted my

1 email address. So if you do have those specific questions,  
2 you can email them to me and I will forward them on to our  
3 Building Standards Code development staff, and we can have,  
4 separately, have your comments addressed there and,  
5 hopefully, close the loop on any preparations people are  
6 making for the implementation of the 2022 Code.

7 And thank you, Joe, for the interruption. I just  
8 wanted to kind of cover a couple of points here.

9 MR. LOYER: I appreciate it. And it's given me  
10 an opportunity to kind of look through some of the comments  
11 here.

12 There is one I'd like to address at this point.  
13 So it's from Roman. "Is there a different slide deck,"  
14 that he's reading, "that I am reading from? Can we see it?  
15 It's impossible to absorb this information without it being  
16 on the screen."

17 This is a lot of information. I do absolutely  
18 admit it and I realize that this is a lot to investigate --  
19 or a lot to deal with in a presentation like this. But,  
20 yeah, do remember that in the afternoon we're going to go  
21 back through this and we can add more back and forth  
22 conversation at that point.

23 That said, I will discuss with the Energy  
24 Commission management and Legal Office if you can see my  
25 speaking notes, which are perfectly fine for them to be

1 published, there's nothing secret about it. They are using  
2 these slides. And we will see if we can find a mechanism  
3 by which we can post those. If not, you will have this  
4 recording. You will also have the transcription, when it's  
5 available. Can be a little bit difficult to go through but  
6 it is a very good document to use for these kinds of  
7 purposes. And, of course, the best thing to do is to go  
8 through the Appendix B of the FV&DT Draft Staff Report and  
9 see exactly what it is that we are proposing.

10 So I think with that, I think the others I can't  
11 really answer at this point, or it be a little bit early to  
12 answer at this point, so I'll save those for the afternoon.

13 And I think with that, we might be able to go to  
14 a lunch break early and come back at one o'clock, if that's  
15 agreeable with you, Lorraine?

16 MS. WHITE: Yes, actually, that should be fine.  
17 And we do have quite a few questions that people have been  
18 posting to the Q&A, and we will get to lining those up for  
19 our discussion later this afternoon.

20 And also, there will be an opportunity, as I have  
21 mentioned during the logistics discussion this morning, for  
22 people to do live chats and discussions, where we will  
23 unmute you and you can have discussions with us. So it's  
24 not just restricted to the Q&A, but people can do Q&A at  
25 any point during this dialogue. The goal is to make sure

1 that we can identify sources of information, comments  
2 people have, questions you have about why we're doing what  
3 we're proposing, and we can have that via just written  
4 comments in the chat -- pardon me, in the Q&A, or to the  
5 docket, or conversing here this afternoon after the lunch  
6 break.

7           So with that, it is 11:22, and we're going to ask  
8 that parties please come back after lunch at 12:45 and we  
9 can get started with the afternoon Q&A portion of this  
10 discussion at 12:45.

11           I will be pausing the recording but pick it up a  
12 few minutes before we start again at 12:45. Alright.  
13 Thank you all very much and see you back here in a little  
14 bit. Enjoy your lunch.

15           (Off the record at 11:22 a.m.)

16           (On the record at 12:45 p.m.)

17           MS. WHITE: Well, I hope everybody had an  
18 enjoyable lunch. We are going to get started with our  
19 afternoon session, focusing on questions, comments, various  
20 types of inquiries and discussion related to our morning  
21 presentation, sections of the report or answers to the  
22 questions that we posed in the notice for this workshop.

23           So at this point, we do have quite a few  
24 questions that we would like to walk through that are  
25 currently in the questions and answers box here at the

1 bottom of the chat. If there are others that would like to  
2 put their questions into the queue, that would be fine.

3 We will also be opening it up later for raised  
4 hands. But because we do have so many open questions  
5 currently in that chat box, we wanted to tackle those  
6 first. Some of this may require us hopping back into  
7 certain sections of the presentation to make it easier for  
8 people to follow the answers.

9 So at this point, Joe, would you like to start  
10 with the Q&A and go from there?

11 MR. LOYER: Yeah, that sounds good. Thanks  
12 Lorraine.

13 MS. WHITE: You bet.

14 MR. LOYER: So I've got the Q&A window open here  
15 and I'm going to go from the top down, just skipping the  
16 first couple that are, thank you very much and thanks.

17 So this is from, looks like Elements, Derek  
18 Daniels.

19 "So each HERS rater needs to get audited four times a  
20 year, one onsite, one shadow, one approved lab, one  
21 desk audit. Sounds kind of inconvenient. It is  
22 already difficult to work around a homeowner's  
23 schedule."

24 So you have that almost right, Derek. The onsite  
25 is not really one of those. So it is theoretically

1 possible, actually it's presumed that you're not going to  
2 get very many on-sites at all in your career when these  
3 regs go into force. The onsite is only done when a  
4 consumer files a complaint or calls up the provider and  
5 asks for a complaint to be filed on their behalf. So the  
6 homeowner has to invite the onsite audit into their home.  
7 And that's to address the situation that the providers kept  
8 running into, which is they would randomly pick a completed  
9 home that had been FV&DT'd and then ask them if they could  
10 come onsite and disrupt their lives and rerun those tests.  
11 So that was almost always a no, which is why they never got  
12 to the percentage QAs that they were required to.

13           So this way we sort of maintain that onsite  
14 because it is the gold standard when it really comes down  
15 to it. Onsite is the best way to go. But in truth, it's  
16 not that practical.

17           The shadow audit, however, it should be two  
18 shadow audits. So one shadow audit is just on any random  
19 acceptance test -- or I'm sorry, field verification and  
20 diagnostic test that the technician would be running that  
21 particular day. And then the other one is on QII. I think  
22 we can all agree that we need QII to be more robust.

23           So I think I've heard stories from almost every  
24 rater, and rater company for that matter, saying how, you  
25 know, it depends on the, at the very least, on the



1 abilities of the rater and, on the very most, on the ethics  
2 of the rater. So in that context, we would like QII to be  
3 a second shadow audit that every technician or rater  
4 receives.

5 The approved lab test, yeah, we want one a year,  
6 and the desk audit, one a year. So on those, the only  
7 thing that involves a homeowner or -- of any kind would be  
8 the shadow audits. And the rest of them are done outside  
9 of any homeowner.

10 So let's move on. CF3R documentation -- oh,  
11 sorry, this is from Charles Dickey. "CF3R documentation  
12 can no longer be viewed by jurisdictional personnel on  
13 CalCERTS; why?"

14 So that's typically not the case. Right now,  
15 local jurisdictions can view CF3Rs. Usually there are some  
16 hoops that they have to jump through to make sure they are  
17 who they say they are, but they can do that now and they  
18 will be able to do that in the future.

19 So if there's further problems with that,  
20 Charles, I'd like you to submit a comment to us describing  
21 what you know, what you see happening from your end. If  
22 there's something we don't know about, we want to know. So  
23 if there is an issue, we want to know. So if you could  
24 submit us a comment to that, I'd really appreciate it.

25 Let's go on to Carol Roberts.

1           "Can you elaborate on the conflict data removal  
2           process? This is initiated by the homeowner builder  
3           or can a provider administrator initiate this?"

4           So this is very typically going to be initiated  
5           by the provider administrator. It can be as a result from  
6           the homeowner or builder might file a complaint and that  
7           may initiate a provider to do an investigation. But then,  
8           at that point, the provider sort of takes the lead on this.  
9           They go through, approve their case, and at that point,  
10          they can flag that data as conflicted, so that's intended  
11          to be how it works.

12          Now there are also certain other triggers, as  
13          well, violating the daily limit, which we had a comment  
14          about that one, very grateful for. So the daily limit, if  
15          you go past the daily limit, that's also considered  
16          conflicted data.

17          So there are a couple of triggers, but they all  
18          really revolve around the provider administrator actually  
19          implementing and enforcing that.

20          So this is Elements, Derek Daniels.

21          "I'm also curious, what is going to be done to push  
22          the 90 percent of contractors who perform residential  
23          alterations work without permit?"

24          Ninety percent? Oh, that's actually improved  
25          from 99 percent. So when it comes down to it, yeah, there

1 is this big problem that's sitting out there. That's a  
2 little bit beyond this particular rulemaking and this  
3 particular workshop. And so, you know, this is our  
4 improvements to the HERS Program and the FB and DT program  
5 are really one part of a larger effort to actually address  
6 this. Now I can't really say much about what our  
7 intentions are here. We're still working through some of  
8 those big ones. But I think some of the options that are  
9 out there in the public, probably you've heard about the SB  
10 1414 effort and other efforts that the Energy Commission  
11 has put together. I'd say that there are some groundwork  
12 laid in those efforts that may come to play here.

13 But in truth, Derek, it's really too soon to  
14 discuss that particular one. So I'll thank you, there.

15 And you're welcome, Roman.

16 So John Hudson.

17 "Very few homeowners are educated in what a HERS  
18 inspection is." Boy howdy." How would they know they  
19 need to do that? Don't count on HVAC to inform them,"  
20 the HVAC contractors, he means. "If they are  
21 informed, many homeowners will ignore it as long as  
22 they are comfortable because the last thing they want  
23 to do is spend a few hundred dollars more after just  
24 spending thousands for the new system. Enforce more  
25 HVAC trades to order HERS tests and get permits by

1 making them provide permit numbers and CF1R numbers to  
2 suppliers to be able to buy that equipment."

3 So, yeah, that's a big problem, John. It really  
4 is a difficulty. When it comes down to it, the homeowners  
5 are very much uneducated. But, you know, whose fault is  
6 that? You know, it's hard to educate consumers. They're  
7 not really represented.

8 I think one of the things that can be done and  
9 what we are doing is we're putting together an outreach  
10 effort through our local jurisdictions, through our own  
11 channels here at the Energy Commission. We're also putting  
12 things out through the providers, through the raters  
13 themselves to advertise. We're hoping that if enough  
14 consumers start to say, hey, you know, I need to get a --  
15 you know, my HVAC has gone out and I need to get that  
16 replaced/repaired, and they go and get a contractor, they  
17 start also thinking, hey, wait a minute, maybe I can get a  
18 rebate. And maybe, in that context, they start running  
19 into this other information.

20 So it's a very difficult thing to try and educate  
21 consumers, but we have a lot of channels to try and make  
22 that education happen. Any suggestions along those line,  
23 we would like to hear it, and we would like you to make a  
24 comment along those lines, submit it to this workshop, to  
25 this effort here, and you'll probably get a call back.

1           So as far as using the permit number and the CF1R  
2 number, that's something that was discussed at one point.  
3 It makes it very difficult. As anybody who is in the know  
4 knows, when we talk about distributors of HVAC equipment,  
5 their largest client is cash. So it makes it very  
6 difficult to actually track this as a requirement. But  
7 that is one of those things that was discussed in other  
8 venues. So I'm not going to go into any more detail than  
9 that. I think that's a keep tuned in for that.

10           Moving on, so Emily Barrera, boy, I am so sorry,  
11 I think I just butchered that last name, I am so sorry, so,  
12 yes.

13           "I'm saying the HERS Rater also allowed to act as  
14 the Title 24 consultant. Question: Not signing off on  
15 CF2Rs, that is for the homeowner installer contractor  
16 only?"

17           So this is kind of a -- it's a little bit  
18 fragmented for me there, Emily. But basically, I think  
19 what you're saying here is very much true. The HERS Rater  
20 has been allowed to act as the document author for the CF1R  
21 and CF2Rs, mainly because they were a trained person. They  
22 were educated on this particular element of how to use the  
23 data registry for this purpose, and that is good. It's  
24 good to have somebody trained to actually use the data  
25 registry to use the data registry very effectively.

1 Unfortunately, it also opens it up to a little bit of  
2 abuse. And that's the kind of thing that we're trying to  
3 work against.

4           So when it really comes down to it, we don't want  
5 the rater or the technician to actually complete or sign  
6 off the CF1R, 2R in any degree. We would rather a separate  
7 person, either in the employee of the company, the  
8 technician company or rater company, do that particular  
9 job. Most rater companies actually do that. They have  
10 somebody else who pulls the permit, who fills out the CF1R  
11 and CF2R. But some companies and some raters, being their  
12 own company, do it all. And that's the part of it that is  
13 very problematic for us.

14           And there's another question coming up to that,  
15 so I'm going to save the rest of that response for that  
16 point.

17           So on slide 16, let's just jump to slide 16 real  
18 quick. So this slide is specific prohibitions for conflict  
19 of interest. This is what the technicians may or may not  
20 sign. (Question posed by Matt Smith:

21           "May the technician or technician company be engaged  
22           by an owner's rep or construction management entity/  
23           architect?"

24           I'd say, yeah, that's a pretty good comment.  
25 So Matt, again, I would like you to submit that comment to

1 docket. This comment will actually go into docket.  
2 Actually, all these comments will be going into docket.  
3 But I'd like you to submit this to docket, as well, just to  
4 make sure it gets in there. You never know what happens.

5           So the intent here is for not the contractor who  
6 is being tested by the rater to, you know, to divorce that  
7 relationship. So when it comes down to -- oh, yeah, yeah,  
8 yeah, I'd say there it is -- and when it comes down to the  
9 owner's rep or the construction management entity, I think  
10 those are appropriate and I think we should find wording to  
11 allow that sort of thing, but we need to make that wording  
12 tight in regulation as to exactly who that can be.

13           I would rely on a responsible person, but the  
14 responsible person has been sometimes difficult to nail  
15 down exactly who that would be, but let's talk about it.

16           So Matt, again, on slide 17, and we'll just move  
17 to slide 17 here,

18           "If a technician can generate conflict data or make an  
19 honest mistake on forms" -- perfectly acceptable,  
20 yeah -- "but a technician company has only provided  
21 read-only access, how are financial reimbursements  
22 intended to be handled as a result of conflict data  
23 removal by the administrator who assesses liability?"

24           So that's a very good question. So I think  
25 that's something we're going to take under advisement and

1 figure out exactly who is going to assess liability here.  
2 I think that's one of those things that we need to tread  
3 carefully around and make sure that we get our liabilities  
4 and who is going to be assessing those right the first  
5 time.

6 If you have some suggestions as to who that  
7 should be or how that should work, I'd really like to hear  
8 it. The conflicted data is a really new concept but an  
9 extremely important one, so I'd really like to hear what  
10 you have to say about that, Matt. And if you could submit  
11 a comment to docket, that would be great for that.

12 Slide 20.

13 "May the technician company subcontract two  
14 technicians, or must technicians be direct employee of  
15 the technician company?"

16 Boy, has this been debated. So I'm not extremely  
17 comfortable with where we landed on this, but at this point  
18 in time what we think is that the technician company can  
19 employ who they like. If they want to have full-time  
20 technician employees, that's reasonable to do. Contracting  
21 out to technicians who act as subcontractors, that seems  
22 pretty reasonable as well. Contracting out to other  
23 technician companies, that's a line I don't care to cross.  
24 But I think, Matt, you seem like a pretty knowledgeable guy  
25 on this, so I'd like your take on it. Where should that



1 bright line be? Where should the limit be?

2           You know, I have a feeling if we look at the gig  
3 economy and how contract employees were treated there, I  
4 don't really want our raters or technicians to fall into  
5 that particular trap. I also don't want to limit our  
6 raters or technicians from being their own company, from  
7 being self-employed. I think that's part of the big  
8 American dream. So, yeah, so definitely want to hear your  
9 opinion on that, Matt.

10           On slide five. Boy, we're all over the place,  
11 Matt. Come on, man. Here's five. So this is the  
12 background. The proposed changes are intended to roll out  
13 January 2026." That just rolled up there. Sorry, sorry,  
14 it just skipped on me here. Okay.

15           "The proposed changes are intended to roll out January  
16 2026. There is also a stated goal to install 6  
17 million heat pumps by 2030." Yeah, I see the math,  
18 four years, yeah. "Have any studies been performed to  
19 show that at the time of rollout, will the labor  
20 market have the capacity to field the required number  
21 of technicians and administrative quality assurance  
22 auditors needed to meet the stated goal within the  
23 proposed regulations? Has a sunset provision been  
24 considered to allow stakeholders time to bring trained  
25 personnel online?"

1           I think these are good things for us to consider.  
2 I think I'd like to see you actually build this out in a  
3 broader comment. I don't want to try and answer this at  
4 this particular point. We have made some of these  
5 considerations, understanding that when these regs are  
6 implemented, it will be a mere four years until the 2030  
7 goal is upon us.

8           So Alfredo Baccari, I'm going to go with Baccari.  
9 And again, I apologize, I am terrible with pronouncing  
10 names. "Where is a link to the download PowerPoint slide?"

11           So that was docketed this morning. It's in  
12 docket 22-BSTD-03, which is the docket for this workshop  
13 and for the rulemaking. Oh, and you found it right there.  
14 Very good. All right. Excellent.

15           So Angelique Gregory,

16           "If homeowners are the ones hiring the tech, then are  
17 they making sure they enter the numbers for the 2Rs?  
18 This completely cuts off the relationship between the  
19 installer and the rater or tech. We have built many  
20 business relationships throughout the years with our  
21 installers. Leaving the hiring to the homeowner will  
22 most likely cause many permits to expire. The  
23 homeowner does not follow through. I guess the  
24 installer does."

25           So that is true. There is always going to be

1 these rough patches here. So will this disrupt the  
2 connection between the technician and the installing  
3 technician and the FV&DT technician? Yes, that is the  
4 intent. That is the intent, is to disrupt that connection.

5           Whilst, Angela, I'm sure you're playing above  
6 board, many HERS Raters are not. And these relationships  
7 are maintained to the detriment of the consumer. So the  
8 consumer, the homeowner, is not seeing the benefit from the  
9 program. They are absolutely paying for the program. And  
10 as a result, they should be getting a benefit.

11           So the intent here is to force that relationship  
12 to not be with the contractor who is doing the installation  
13 work or the repair work, but to have that relationship be  
14 with the homeowner. And, yes, that is going to be  
15 difficult to do, absolutely.

16           So again, Angela, "Our website uses HERS in the  
17 title. Do we legally have to change it?"

18           I wouldn't change anything just yet. So you'll  
19 see in a few minutes, we're going to be discussing some  
20 other things. I really think the homeowner is going to get  
21 confused with the rater now being a tech. A tech is  
22 considered an employee of the AC installing company.  
23 That's a really good point. And that's going to feed into  
24 what we're going to be discussing in a few minutes.

25           So again, Angela,

1           "When are we going to get the HVAC installers and  
2           builders in on this conversation? Why come down on  
3           the HERS raters when many installers do not pull  
4           permits? I think more energy and code needs to be  
5           going back to the lack of permit pullers. We have  
6           been doing rating since 2005. More education needs to  
7           go to installers who refuse to pull a permit or use a  
8           duct blaster."

9           I couldn't agree more. So I've been internally  
10          an advocate of having contractors get the same kind of  
11          training that HERS raters do. That has not quite come to  
12          pass at this point. And I don't see that coming to pass  
13          anytime soon. But it is one of those things that they need  
14          to be more educated to buy.

15          I think every HERS rater that's out there has had  
16          the auspicious task of trying to educate a contractor or a  
17          technician, an installing technician, on how to perform a  
18          duct blast or how to use a -- well, how to do any of the  
19          tests that a HERS rater does. So it's a difficult  
20          situation to be in for sure.

21          And as far as, you know, what we are going to be  
22          doing with the contractors who don't pull permits, again,  
23          that is something that we are not considering in this  
24          particular stage in this rulemaking, but it's something  
25          that we are thinking about and are considering on a larger

1 scale.

2 Lucas, I'm going to say, Giese. And again, my  
3 apologies.

4 "How does prohibiting technicians from completing  
5 compliance paperwork, effectively forcing contractors  
6 building to do so, incentivize more projects to be  
7 permitted and comply with the Energy Code, especially  
8 in AHJs, like Eureka/Fortuna with zero HERS  
9 enforcement?"

10 So we are working on the likes of these AHJs that  
11 don't enforce. And part of that is going to be the new  
12 reporting that we have working with the  
13 providers/administrators.

14 So in essence, you know, what are we doing? Why  
15 divorce these -- why prevent the existing raters and future  
16 technicians from completing the CF1Rs and 2Rs? In essence,  
17 when we have an honest rater, it's not an issue. It's not  
18 an issue. It's an issue when we have dishonest raters, so  
19 that's the problem. And when we have done the analysis of  
20 our own, we have -- you know, recently, most of you  
21 probably do not know, we've recently taken a significant  
22 amount of data from both providers. And we have been  
23 analyzing it inside the Energy Commission inside of our own  
24 walls. And what we have found is problematic.

25 So we found a lot of evidence to suggest that

1 there is a lot of collusion going on. And we have to do  
2 what we can to make sure that that doesn't keep happening,  
3 and so these changes that we're proposing are to address  
4 that.

5           Okay, so here we are. So this one is from Glen  
6 Folland. "Can you discuss why it is necessary for a  
7 technician company to disclose costs to providers?"

8           So one of the biggest problems we have, Glen, is  
9 the cost to the consumer. The only way to get to that is  
10 to find out what you, presuming you are a rater or a rater  
11 company, are actually charging for services. Now we don't  
12 want to disadvantage anybody, so we don't want that, we  
13 don't want your data in particular. We don't. We want  
14 that data summarized by a disinterested third party, which  
15 in this case is going to -- we're putting that upon the  
16 provider/administrator.

17           They are to protect that data. Once they've got  
18 those summaries done, they can get rid of that individual  
19 data, you know, as they see fit. Maybe that ought to be  
20 part of the requirement as well.

21           But the intent here is to find out what the  
22 actual costs are to consumers. And this is very important  
23 for a program that the Energy Commission has put together.  
24 We need to know what the impact is to the consumer. And  
25 right now we don't have -- no, I can't even say we don't

1 have a good handle on it, we don't have any handle on it,  
2 really. We have little snapshots from individual raters  
3 here and there and that's all we have. So that's why we  
4 need that cost data.

5 Who is the administrator and who is the provider?  
6 So my boss said, "Hey Joe, why don't you go back to slide  
7 12 here and help people understand this?"

8 So the administrator and the provider, so the  
9 existing HERS program provider, this right now is CalCERTS  
10 and CHEERS. They will, in the future, become administrator  
11 but, you know, hold your horses on that, we may change  
12 those up yet again.

13 But right now the way the proposed regs are  
14 written, we're calling them administrators. The intent is  
15 that they would do pretty much the same job. It's just a  
16 new term that we're using to make a distinction between  
17 FV&DT and whole house. So the whole house provider will  
18 still be the whole house provider, rater, and rater  
19 company. The FV&DT administrator will be equivalent to the  
20 provider. The FV&DT technician will be equivalent to the  
21 rater. And the FV&DT technician company will be equivalent  
22 to the rater company.

23 Okay, things moved a little bit on me, so I got  
24 to go back down and find this.

25 Logan Strait.

1           "The lack of HERS knowledge among homeowners is also  
2           somewhat troubling, considering that we will no longer  
3           be hired by contractors, who know us, but only by  
4           homeowners who largely don't. Advertising outreach  
5           becoming a much bigger part of our business model."

6           That's a really good point. I would really like  
7           you to see if you can tease out what those costs would be,  
8           Logan, and try and get those to us, if at all possible. We  
9           would like to know that.

10           And I think, you know, taking that along with  
11           what do you think we can do to help out this program along  
12           those lines, I'd really like you to submit that comment to  
13           us.

14           Let's see, things moved again here, so I got to  
15           go find Logan. Oh, there you go. Here we go. Dave  
16           Hagerty, I thought you retired.

17           MS. WHITE: Well, I think we also may have -- I'm  
18           trying to keep track of the ones we've answered, but we do  
19           have some from Jamie Medlin that were above Logan's, so --

20           MR. LOYER: Let's see.

21           MS. WHITE: -- do you see those? It was right  
22           after Alfredo's comment on the provider.

23           MR. LOYER: Oh, I see. I see. Okay. Thank you.

24           MS. WHITE: Yeah, so we have Jamie, and then we  
25           have Glen. Thank you.



1 MR. LOYER: Yeah. Yeah. Yeah. Sorry. As  
2 people add more Q&A to this, it tends to scroll around on  
3 me.

4 So Jamie Medlin.

5 "For the rater groups who have been clearly identified  
6 as providing fraudulent inspections, will there be any  
7 type of retesting required or heavy QA on their past  
8 projects at large volume? This should affect  
9 contractors who think they can get away with not  
10 making things right."

11 So that's not provided for in our current Code,  
12 Jamie, and that's part of the problem that we have. The  
13 current Code didn't envision this, you know, that level of  
14 obfuscation. So I would suggest that at the moment, we're  
15 probably not able to do much along those lines.

16 But with these new regulations, we are. We have  
17 repercussions, we have the progressive discipline, we have  
18 the QA, and we have means to address this directly. But  
19 that's one of the big reasons for these changes.

20 So Glen Folland.

21 "The providers have the number of tests sorted by  
22 jurisdiction. Having the onus on the technician  
23 companies forces them to do a lot of work. This will  
24 lead to inaccuracies."

25 So why do we want the technician companies to do

1 this, as well as the administrators? Because we want  
2 everybody to be able to cross-check against others. So  
3 it's better to have two sources of information actually  
4 verifying, is this, you know, is the first one accurate and  
5 consistent with the second, and that's the reason why. I  
6 won't say it's a lot more work.

7 And inaccuracies, we're not really worried or  
8 concerned about inaccuracies in this context so much as we  
9 are concerned about the indications as to why it's  
10 happening. You won't know if you have a problem unless you  
11 start doing these kinds of measurements and tests on your  
12 program.

13 So again, Glenn. "Can you discuss why raters  
14 would not be allowed to sign CF1Rs?"

15 I think we've discussed that pretty well. The  
16 industry needs both knowledgeable raters and knowledgeable  
17 energy modelers. Boy, yeah, I couldn't agree more. The Bs  
18 (phonetic) are complex. I think we could put that on my  
19 tombstone. It seems like a great service to be able to  
20 walk customers through both halves.

21 You know, one of the things that we have always  
22 thought would be a great idea, and we haven't fleshed this  
23 out at all, is to have there be other trainings other than  
24 just a HERS rater. It's really important to have good HERS  
25 raters well trained. It's also important to have good

1 energy modelers and industry professionals trained on how  
2 to use these CF1Rs, CF2Rs, and it really feels like there  
3 should be more training for them.

4 I think that catches me up, so -- oh, you know  
5 what, here's one from Logan Strait.

6 MS. WHITE: And on that one point, I do want to  
7 stress, though, that one of the things that we're strongly  
8 looking at is the issue of conflict of interest. And when  
9 the same person signs all the forms, there is that  
10 potential for conflict of interest. So the idea that a  
11 rater needs to be distinct from the person who does the  
12 modeling and completes the CF1R is what we're trying to  
13 clarify in a blueprint article that's going to be published  
14 here shortly, and then also looking at this conflict of  
15 interest issue in the 2025 Building Standards proceeding as  
16 well.

17 MR. LOYER: Great. Thank you, Lorraine.

18 Alright, another one from Logan Strait.

19 "So regarding the limit on filing per person per day,  
20 it has been considered that, A, rater companies may  
21 often file a week's worth of tests in one or two  
22 filing sessions per week, and/or B, that while 15 is a  
23 reasonable maximum number per day," actually, we have  
24 somebody who disagrees a little bit, "duct leakage has  
25 doubled in" -- wait a minute, let me see -- "while 15

1 is a reasonable maximum possible number of, say, duct  
2 test leakage doable in a day, things like IAQ  
3 verification, airflow verification, kitchen exhaust  
4 verification are far less time intensive," yeah,  
5 couldn't be more true, "and a rater could reasonably  
6 do something like 50 IAQ ventilations in a single day,  
7 say, towards the end of the building process when  
8 builders have a batch of houses all progressing in  
9 parallel."

10 So yeah, I can see your point. I can agree with  
11 at least some of that to a certain extent. To the extent  
12 that we are trying to protect the consumer against  
13 fraudulent behavior, we are going to have some sort of  
14 limit. Now it has been discussed that we might be willing  
15 to consider a weekly limit, but I don't think that's any  
16 better. I think that puts -- it's a little bit more  
17 difficult to enforce a weekly limit and, you know, to  
18 check up on that in a reasonable amount of time.

19 I think there are other answers to this. And I  
20 would be interested if you had a better answer to providing  
21 a limit as to how many the rater can put in, maybe it's a  
22 limit per test, maybe that could be done. So I'd be  
23 interested in what kind of numbers you can come up with,  
24 what kind of rationale you can come up with. Please put  
25 that together in a comment for me. I would really

1 appreciate it. Thank you.

2 So Glenn.

3 "One of the proposed technician company changes is a  
4 rater company could provide services outside of FV&DT  
5 but would not be able to use raters for such service.  
6 Is Energy Code acceptance testing considered FV&DT for  
7 this? Could raters also provide Commissioning  
8 services?"

9 So Commissioning is a nonresidential element as  
10 far as 120.8 is concerned, so that's the only place in the  
11 Energy Code that Commissioning is required. That's only  
12 for newly constructed buildings and only for nonresidential  
13 spaces. It's not even for hotel motels, high-rise res,  
14 it's not even for that. It's only for the non-res spaces  
15 in those. So in that context of things, it kind of seems  
16 like that's a different person other than the HERS rater.

17 Now an FV&DT technician, if they wanted to be  
18 certified in doing other things, the Code does not, you  
19 know, put up any barriers for that. The only barriers for  
20 that is are you qualified to do that and did you go through  
21 that particular training if you're going to be an  
22 acceptance test technician, which is what acceptance  
23 testing alludes to. You're perfectly capable or perfectly  
24 able to submit for those applications to the ATTCPs that do  
25 exist. There aren't any that do Commissioning services, so

1 there's no certification for that.

2 Can a rater provide that service, Commissioning  
3 services for a residential setting? That's not required by  
4 Code. So, yes, you're perfectly capable or perfectly  
5 allowed to do that. You can also train those people in  
6 speaking Dutch. That's fine too. So we have no regs  
7 against that and no preclusion from doing that.

8 (Question posed by Glen Foland) "One of the proposed  
9 technician company changes is once a rater has been  
10 assigned to a project to perform the FV&DT, the rater  
11 company would not be able to reassign a new rater unless  
12 the company can demonstrate the provider-compelling  
13 circumstances. For companies with multiple raters that  
14 service multiple residential, we often rotate raters."

15 Perfectly understandable.

16 "For the same project, we may change raters for  
17 different stages of construction, rough through versus  
18 final, and different final phases of the project. It  
19 depends on which rater is available. Is this a  
20 compelling circumstance?"

21 So the compelling circumstance is that the rater  
22 is not available and why. And while there is no real hard  
23 line as to what that compelling circumstance is, the result  
24 is the same. You can change that rater, but you will also  
25 be required to allow an on-site audit. So that means that

1 whoever takes over for that rater needs to realize that  
2 they will be audited at that point. That may be a shadow  
3 audit or maybe an onsite audit. So the intention here is,  
4 of course, to prevent rater shopping. And that's a  
5 difficult thing to do but I think that's something that's  
6 important to do.

7 Now having said all that, I think one of the  
8 things is to consider -- let's see, that went away.

9 I think one of the things to consider here is  
10 what your solution might be to this. So if you could  
11 actually put that together, I think that would be -- I  
12 think, as a comment, that would be very instructful  
13 (phonetic) for us.

14 Let's see, I don't think I've gotten to Dave's  
15 comments yet here. It jumped around on me again. I'm so  
16 sorry.

17 MS. WHITE: Yeah, we also may want --

18 MR. LOYER: Oh, darn it. Doggone it.

19 MS. WHITE: Hang on, because I do want to make  
20 sure that people know that we are not limited to just  
21 asking questions through the Q&A. We are hoping to wrap  
22 this up so we can actually have a verbal dialogue back and  
23 forth eventually. And I'm afraid that people are just  
24 thinking that they can only ask questions through this  
25 mechanism, but we will have the option, in a little bit --

1 MR. LOYER: Okay.

2 MS. WHITE: -- to have people raise their hand  
3 and, you know, discuss with us some of these things, rather  
4 than it just be us responding to questions. So there is an  
5 opportunity for discussion here shortly.

6 MR. LOYER: Yeah. I wish I could pin this thing  
7 so it wouldn't jump around on me so much.

8 So Angela Gregory.

9 "Can you clarify testing limit for 15 per day?  
10 Sometimes we enter three days of jobs in one day.  
11 Will that be permissible?"

12 I would say for the most part, Angela, that's  
13 what we're trying to avoid, not particularly that, that's  
14 of no real concern. It's when somebody abuses this, that's  
15 what we're trying to avoid. So that would not be advisable  
16 under these constraints.

17 But if you can describe to us what would be a  
18 better constraint to use or a more reasonable constraint in  
19 your view, I would very much appreciate that as a comment.

20 Logan again.

21 "The lack of HERS knowledge among homeowners is also  
22 somewhat troubling considering that we no longer are  
23 hiring."

24 Oh, I think we just -- I think we read this one.  
25 Okay, here's the first of Dave's, Dave Haggerty.



1 "Did I hear correctly that, for Joe, that a technician  
2 can only do FV&DT work? And if so, does that exclude  
3 eSTAR programs of benefit to the builder or homeowner  
4 as well?"

5 "And related to the CF-1R as being pulled, originally  
6 the CEC required the HVAC contractor or homeowner to  
7 pull the CF1R to the permit. In order to get the  
8 permit, a CF1R had to be in existence for the  
9 jurisdiction, which history will teach us that the  
10 correct protocol, that was the correct protocol, but  
11 was changed. Will that be reinstated?"

12 So that's unknown at this point, Dave. When it  
13 does come down to it, yeah, the technician, we do not want  
14 them completing the CF1R. However, the technician company,  
15 yes, that's a service that they can still offer.

16 S.B. Mike. "Have you considered doing away with  
17 sampling?" Boy howdy. "If not, why?"

18 So we have considered that. And one of the  
19 things that you'll see in the new proposed regs, which I  
20 don't think really came out very well in this presentation.  
21 But I will say to you right now, sampling on existing  
22 homes, we want that to go away. That is clearly being  
23 abused more than it's being used legitimately.

24 Charles Dickey. "I'm seeing them now for a  
25 while, measured complete with no .pdfs."

1           Okay. I'm not sure what that is, but I'm glad I  
2 saw it.

3           So Dave Haggerty.

4           "I think the explanation of technician and rater  
5 related to Daniel's 10:46 a.m. comment is valid. Did  
6 that get discussed? I came in late."

7           So I think that probably did. I'm not going to  
8 go back.

9           (Question from Roman Leonelli) "How will the hired-by-  
10 homeowner be enforced? How can you prove that the rater  
11 does not work exclusively for the contractor  
12 installer?"

13           There is only so much one can do, is the answer  
14 to this. But we will put into place those restraints and  
15 those conditions that we can. And the punishment for being  
16 caught out is exceptional.

17           So Brian Selby, CABEC Board President, CEA.

18           "How does the CEC propose to improve the process of  
19 transferring projects in the registry from the  
20 documentation author to the HERS technician? I have  
21 hundreds of new construction projects in the registry  
22 that have been completed, but I have never received a  
23 request to transfer projects to HERS technicians. In  
24 some cases, I found the HERS technician registered at  
25 an alteration only mechanical ventilation for a newly

1           constructed home, which circumvents the CF2R and CF3R  
2           from associated with a new construction project.”

3           Yeah, I'd like to know about each and every  
4 instance of that, Brian, and I'd like to know exactly what  
5 these issues, and I'd like you to put this together in a  
6 very long-winded, very long comment to our docket. And by  
7 doing that, that gets it into our vision and gets it under  
8 our scrutiny.

9           So other than that, I'm going to wait to see what  
10 your comment is and wait to see what your explanations are,  
11 and I really would appreciate it.

12           Okay. Dave.

13           “Commission had a report on 87 percent-plus lack of  
14 permitting by contractors being a large amount of GHG  
15 savings and energy savings each year. What happened  
16 to that spearhead approach?”

17           I can't really answer that, Dave. I'm not  
18 exactly sure what you're talking about there. But I think  
19 as a comment to the response to other comments, it's a  
20 little bit out of the frame for this particular effort.

21           Then Dave.

22           “To ensure collusion is not occurring between HERS  
23 companies and HVAC companies, a potential regulation  
24 could be for administrators to track how many ratings  
25 a specific HERS company does for an HVAC company,

1           if -- so 90 percent."

2                   Actually, this actually occurs from the data  
3 that we have seen, Dave, so we actually have that  
4 information now.

5           "Forcing homeowners to hire and pay HERS writers will  
6 do more to break up collusion than any type of QA process."

7                   We believe that as well.

8           "Loyalties will shift and the HERS raters will be free  
9 to enforce code without fear of losing the client,  
10 which right now is the HVAC company."

11                   Yeah, I couldn't have said it better myself.

12           "Also, I'm understanding that the QA process and all  
13 these potential changes are not going to go into  
14 effect until 2026. It seems like a long time to  
15 implement simple regulations."

16                   I would not describe these as simple regulations.  
17 As far as it having to go to 2026, the state of California  
18 implemented rulemaking procedures for a reason, and I think  
19 those reasons are good and just. So it does take a long  
20 time. That's why we've got to make sure the rules are  
21 right when we get to them.

22                   Having said that, once they are in the Energy  
23 Code, they are available to us to refine every three years.  
24 So it does help us in that regard to make this a better  
25 program going forward.

1 Chris Barrera.

2 "My equipment is expensive and it frequently needs top  
3 to be -- oh, to be repaired or service on the East  
4 Coast and shipping is not free."

5 I don't know what to do for you there, Chris.  
6 Yeah, I'm not sure how I can help you with that.

7 And it jumped again. Hang on just a second.

8 MS. WHITE: So Joe --

9 MR. LOYER: Yeah?

10 MS. WHITE: -- I do think that we should probably  
11 shift to more of a discussion on some of these. We're  
12 starting to get into some repetitive comments, and there  
13 are a couple where they're cross referencing each other and  
14 it's getting a little confusing, like the last comment.

15 So at this point, what may be appropriate is if  
16 we walk through some of the questions that we had posted on  
17 the notice for the workshop and ask those that are posting  
18 their questions in the chat because we keep getting more  
19 added here. We'd like to move to a dialogue, folks,  
20 because we would like to be able to have an opportunity to  
21 have people explain their questions that are being posted  
22 here in the Q&A so that we can do a better job in answering  
23 your questions or seeking ways that we could get additional  
24 information to provide a better answer, so how about we do  
25 that?

1 All of the questions that you have posted here in  
2 the Q&A will be saved. If we don't get to them today, we  
3 will definitely be addressing them in the upcoming  
4 workshops.

5 But if folks would like to, the opportunity is  
6 available for you to use the raise-hand function down at  
7 the bottom of the Zoom toolbar. It's basically just a  
8 high-five hand. You can tap that and ask some of your  
9 questions here. If there are folks that just want us to go  
10 through and continue to answer questions that we can that  
11 are in the Q&A, that would be okay, too, but we do want to  
12 have the opportunity to chat with you all.

13 So with that, Joe, did you want to discuss the  
14 types of questions that we were seeking input on from the  
15 notice here?

16 MR. LOYER: So, yeah, let's go ahead and close  
17 that particular window here.

18 So we were going to hit this after the break, but  
19 you mean these particular questions here?

20 MS. WHITE: Yeah. And then we can put some of  
21 those in context with what folks have already been posting  
22 on the Q&A.

23 MR. LOYER: Okay. Alright, so as you know, well,  
24 many of you know, the notice that went out for this  
25 workshop posted several questions, well, several questions

1 within it. So the next few questions here were posted in  
2 the workshop notice to all parties. We encourage the  
3 workshop participants to consider these questions and  
4 submit their thoughts to the docket or provide these  
5 comments today or at future workshops.

6           So the first one here is this naming convention.  
7 As part of the overall effort to separate the whole house  
8 from FV&DT programs, staff proposed to utilize distinct  
9 names of the regulated parties within these programs. The  
10 names will correspond right now as follows, as we've been  
11 discussing: the FV&DT administrator corresponds to the HERS  
12 provider; the FV&DT technician corresponds to the HERS  
13 rater; and the FV&DT technician company corresponds to the  
14 HERS rater company.

15           Now what we're asking is -- what we're asking for  
16 is an alternative to the naming convention that could help  
17 promote the FV&DT program. Field verification and  
18 diagnostic testing, FV&DT, is pretty unwieldy as a name of  
19 a program. So Staff is considering alternative names for  
20 the FV&DT program. And we think that this may ultimately  
21 help.

22           Some alternative ideas, to the right here on the  
23 slide: residential efficiency verification, or REV program;  
24 Energy Code compliance, ECC; Building energy efficiency  
25 systems testing, BEST, I kind of like that one; and the

1 field verification program, FVP.

2 So if anybody has some other ideas that they'd  
3 like to share now with that, I think go ahead and use the  
4 raise hand, and I can't really see it myself.

5 MS. WHITE: I'll be able to take care of that,  
6 Joe.

7 MR. LOYER: Okay.

8 MS. WHITE: So I'm going to unmute Stephanie.

9 Stephanie, if you, when you speak, please introduce  
10 yourself and state your affiliation. Thank you. And  
11 Stephanie, if you could accept my unmuting you? There you  
12 go. Go ahead. Stephanie Gorton, we have unmuted you and  
13 you can ask your question now.

14 MR. LOYER: She says she's talking, but it's  
15 clearly not coming through.

16 So Stephanie, you might have unmute on your side,  
17 and you have to unmute something maybe physical on your  
18 end, or there might be an "unmute accept" that you have to  
19 do through this.

20 MS. WHITE: So Stephanie, we'll come back to you  
21 in just a moment.

22 But I'll move on to Mike, S.B. Mike, if you would  
23 please unmute yourself.

24 MR. M. BARRIER: Yeah. Can you hear me?

25 MS. WHITE: Yes.



1 MR. LOYER: Yeah, there we go.

2 MS. WHITE: There we go.

3 MR. M. BARRIER: Oh, well, I'm sorry to say I had  
4 an other program issue as opposed to this alphabet soup  
5 question. So I guess my hand is up erroneously perhaps, or  
6 I can toss you my other program issue.

7 MS. WHITE: Please do.

8 MR. M. BARRIER: We find we're a small market  
9 company -- Mike Barriere, BarrierEnergy -- we're a small  
10 market company, by which I mean the city of Long Beach has  
11 more people in it than the two counties that we operate in  
12 have, which means in a place like Long Beach, you can do  
13 seven or eight or nine tests in a day, let's say. Here,  
14 you're doing a lot of driving, so four or five is like it.

15 And so when I started in this business some years  
16 ago, we kind of had to be all things to all people.  
17 Because like any small market, you've got small market  
18 installers, HVAC, plumbers, electricians, all that sort of  
19 thing. Even small market builders who simply have not, up  
20 until now, wanted to absorb the 2R requirements and certain  
21 other requirements, and we find that the biggest problem we  
22 have is that the local permit authority who issued the  
23 permit doesn't end up inspecting for anything that is on  
24 the CF1R anyway.

25 So have you given much thought to how you're

1 going to get uniform enforcement? Because I don't see that  
2 being, you know, mentioned anywhere and it's out of our  
3 control; you know what I mean? It's like until the permit  
4 authorities kind of buy in and get with the program, a lot  
5 of the other stuff doesn't seem, you know, practical for us  
6 to worry about right now.

7 Thoughts?

8 MR. LOYER: Yeah, absolutely. So you couldn't be  
9 more correct. Yeah, when it comes to enforcement, the  
10 local jurisdictions are the enforcement agency. The HERS  
11 raters are not. The Energy Commission is not. The local  
12 jurisdictions are the enforcement agency. And if they are  
13 bounded and determined to refuse to enforce the Energy  
14 Code, that can happen.

15 And there are things that we can do when that  
16 does happen, and we have done. We have taken several local  
17 jurisdictions to task about their lack of enforcement. We  
18 treat it as an educational opportunity and less as a  
19 punitive measure. But the real issue comes up when we have  
20 a vote of no confidence by the local jurisdictions. And  
21 that absolutely happened.

22 And you may not know about this, but when the  
23 raters first got permission to pull permits and complete  
24 CF1Rs and complete CF2Rs, yeah, the local jurisdictions  
25 representatives were at the table and they presented us

1 with a set of comments that clearly indicated that they saw  
2 this as moving the raters from being in this quasi-  
3 inspection enforcement kind of role to clearly being on the  
4 side of the contractor. And so that's where, even the best  
5 of them, moved the HERS Program to.

6 Now that said, I agree, when you're talking about  
7 small markets, even big markets, you're going to have  
8 contractors that just cannot engage with this and don't  
9 have that ability.

10 What we're saying going forward is fairly  
11 straightforward. We don't want the technician to do it,  
12 but we would absolutely accept anybody else in that company  
13 doing that. So most of the time, even with small shops,  
14 HERS shops, we would expect that you probably aren't going  
15 down to the building department and standing in line to get  
16 a permit for the contractor. You're probably sending  
17 somebody to do that.

18 MR. M. BARRIER: Well, fortunately, it can all be  
19 done online these days.

20 MR. LOYER: Oh, that's always nice, isn't it?  
21 Yeah.

22 MR. M. BARRIER: Oh, I love it.

23 MR. LOYER: Yeah. Yeah.

24 MR. M. BARRIER: The benefits of COVID.

25 MR. LOYER: Oh, yeah. Yeah. And, yeah, I think

1 that was a horrible situation, but it did kind of push us  
2 in a good direction.

3 MR. M. BARRIER: Right.

4 MR. LOYER: And I --

5 MR. LOYER: And along that line, we find a lot of  
6 jurisdictions, and even us from time to time, provided it's  
7 not against any rules, in which case I'll deny I said this,  
8 we find Zoom inspections --

9 MR. LOYER: Yeah.

10 MR. M. BARRIER: -- FaceTime inspections -- while  
11 we're on this topic of small market woes, you got any  
12 thoughts about that?

13 MR. LOYER: I fully support Zoom inspections, you  
14 know, remote inspections is generally what they're referred  
15 to as. Remote inspections are a good thing. I think that  
16 works to everybody's schedule a little bit better. And I,  
17 you know, I like, also, the fact that if things kind of are  
18 going in a bad direction on that Zoom inspection or, you  
19 know, the inspector gets, oh, you know, I get a funny  
20 feeling about this, they can walk out to the site. So, you  
21 know, I like that as its own self-governance and as in  
22 terms of what the administrators or providers can do in  
23 terms of inspecting on site for the HERS technicians or  
24 HERS raters.

25 It's a technological jump that I would like the

1 providers or the administrators to consider implementing.  
2 It's one of those things where it's like, okay, if you guys  
3 want to do shadow inspections this way, I don't see a  
4 reason why that couldn't be done, but that's a proposal  
5 that has to come from there end. I can't really force that  
6 level of technology on them.

7 MR. M. BARRIER: Thank you.

8 MR. LOYER: You bet.

9 MS. WHITE: And Mike, we encourage you to submit  
10 your ideas and thoughts, as we do everyone on the call --

11 MR. M. BARRIER: Cool.

12 MS. WHITE: -- to the docket --

13 MR. M. BARRIER: Cool beans.

14 MS. WHITE: -- so that we can explore your  
15 concepts and your input a lot more. You can provide more  
16 details and information for us to follow up on. All of  
17 that will be necessary for us to really do a robust job  
18 here and vet these ideas with everybody as we go forward.

19 MR. M. BARRIER: Great, because I will wear you  
20 out.

21 MR. LOYER: I can tell.

22 MS. WHITE: We look forward --

23 MR. LOYER: I can tell. I was going to say,  
24 maybe we've heard enough?

25 MS. WHITE: No, no, no, no. We definitely want

1 to hear from everybody, including Stephanie.

2 Stephanie, I'd like to give you a chance here  
3 again. I'm going to ask you to unmute and hopefully you'll  
4 get a chance to talk. Are you there?

5 MS. GORTON: I am.

6 MS. WHITE: Yay.

7 MR. LOYER: Oh, good.

8 MS. WHITE: We can hear you. Wonderful. Thank  
9 you.

10 MS. GORTON: Oh, good. I was looking through the  
11 case study, this is Stephanie Gordon, by the way, with  
12 Energuy.

13 MR. LOYER: Oh, very good. Yeah.

14 MS. GORTON: So first of all, thank you guys for  
15 having such a long meeting and going through each and every  
16 one of these questions. I know there's a lot of work that  
17 goes into this, so we really appreciate it. And we will be  
18 submitting our formal comments as well.

19 MR. LOYER: Oh, good.

20 MS. GORTON: So I was looking through the  
21 complaints against the against the raters and looking for  
22 the Report 01-2021-006, which is number 33 referenced.

23 MR. LOYER: Yeah.

24 MS. GORTON: I can't seem to find that, but one  
25 of the comments for enforcement was encouraging training

1 and simplification of building department permitting and  
2 inspections by expanding the CSLB's authority in the SB  
3 1414 plan. It uses a bit of vague language for  
4 simplification and permitting, and for expanding their  
5 authority to then enforce anything against contractors who  
6 are non-permitting contractors, non-compliant.

7 MR. LOYER: So, yeah, we've had a lot of  
8 discussion.

9 Oh, let me just say that the report that you're  
10 citing, I think it was 2-06.

11 MS. GORTON: Correct.

12 MR. LOYER: Yeah. That one, that, you know, if  
13 memory serves, that's in the 22-SBSTD-03 docket. I'm  
14 pretty sure it's there. But I will, if I get a moment,  
15 I'll go and double check, or one of the guys who is kind of  
16 helping me out in the background here, maybe one of you  
17 guys could go and check to see if that's available.

18 MS. WHITE: We're on it, Joe.

19 MR. LOYER: Excellent.

20 MS. WHITE: Yeah, we're on it.

21 MR. LOYER: Excellent. Excellent. Excellent.

22 MS. WHITE: We'll be posting that in the chat for  
23 any comments.

24 MR. LOYER: It should be there.

25 MS. WHITE: Right.

1           MR. LOYER: But, you know, not that it's easy to  
2 find things in the docket.

3           So when it comes to things that were discussed  
4 for SB 14 -- or SB 1414, I should say, or expanding the  
5 role or authority of the Building Standards, is it the  
6 Building Standards? No, it was the California licensing.

7           MS. WHITE: CSLB.

8           MR. LOYER: Yeah, CSLB. So expanding the  
9 authority of a CSLB is not one of the things that's sort of  
10 under our provision. It's one of the things that we'd have  
11 to work with them to do, and we're perfectly willing to do  
12 that. And it's just that one of the things that we have to  
13 do is we have to meet them on their terms and meet them and  
14 give them the information that they need to have in order  
15 to take action.

16           And while they're perfectly willing to do that,  
17 they have to do their investigative, investigative process.  
18 And part of that process involves trying to prove that, in  
19 that particular instance, trying to prove that a contractor  
20 has actually installed work and not pulled a permit. And  
21 as you can imagine, that's fairly difficult to do right  
22 now. That's a difficult standard to look up to. So --

23           MS. GORTON: It is a little bit concerning that  
24 we would remove current infrastructure based on the, I  
25 guess, the lack of quality improvement that has been



1 published in some of these reports, but remove that  
2 infrastructure where we personally have case studies where  
3 contractors, very large contractors who have the majority  
4 market share here in California, have very visibly  
5 increased their compliance and their quality of installs  
6 and replaced it with an infrastructure that distributes  
7 power and authority to boards who don't have a clear plan  
8 and are using vague language, such as "encourage  
9 simplification of building departments." I love the  
10 language that says, "require distributors to sell heating  
11 and air equipment to only licensed contractors," that's  
12 fantastic. We wholly support that.

13 MR. LOYER: Yeah.

14 MS. GORTON: And then encourage training.

15 So now, not all permits are online. A lot of  
16 permits are very complex. They have very rigorous  
17 requirements, especially for the push toward  
18 decarbonization and electrification that contractors don't  
19 have the time to learn.

20 So I left a comment a little bit earlier. Some  
21 of the larger rater groups do have a full service, very  
22 transparent and integrous program that allows pulling of a  
23 permit, testing, visible testing data in our system that's  
24 connected through API technology and open to anybody that  
25 would request that information, and then follows through to

1 the inspectors and municipalities to close those permits  
2 out safely for the homeowner, providing a lot of  
3 protection.

4           So with one contractor, in particular, the  
5 increase from 68 percent to 98 percent compliance, that's  
6 not counting any hundreds of other contractors that we have  
7 that have improved the compliance because our system makes  
8 it that much easier for them, allows them to focus on  
9 revenue generating activities while still providing those  
10 quality installs, and having Energuy, who has that open  
11 database with photos, and even has explored Bluetooth  
12 technology to be incorruptible and connect to the registry  
13 right from the equipment of the rater's hands  
14 (indiscernible) --

15           MR. LOYER: And we should also probably inform  
16 everybody that the Energy Commission staff is quite  
17 familiar with Energuy --

18           MS. GORTON: Okay.

19           MR. LOYER: -- and their system and services.

20           MS. GORTON: Okay.

21           MR. LOYER: And, yeah, so, you know, just as -- I  
22 think it's a -- I would sort of like to celebrate the fact  
23 that Energuy is able to actually have these kind of success  
24 rates. Unfortunately, not everybody is. And what we would  
25 hope in these regulations is not to get in the way of

1 success.

2           So in terms of what we're providing here, we  
3 think that the Energuy, in particular, but other rater  
4 companies or technician companies, whatever term we rely  
5 upon, will be able to do is to continue these kinds of  
6 operations. What we are saying is that we don't want the  
7 same technician, the HERS rater or the technician, FV&DT  
8 technician, to be the person that is completing the CF1R  
9 and CF2R. And for Energuy, they're also not the same  
10 person pulling the permit, it's different people all along  
11 the line. So I think that that's the important distinction  
12 that we have to have here.

13           And to the point that we're trying to make --  
14 bring integrity into these services, I think is important.  
15 I think it was important for us to provide this as an  
16 option or service when we did. But it's also important for  
17 us to recognize that there do need to be some constraints  
18 here and I think this is an important one.

19           MS. WHITE: So Stephanie, I do invite you to  
20 provide us with the information on, essentially, how the  
21 practice is implemented, so that we can learn a little bit  
22 more about what really is going on in the field, and what  
23 advances are actually taking place. Help us catch up.

24           MS. GORTON: Absolutely

25           MR. LOYER: Yeah.

1 MS. WHITE: Because this is -- and we don't want  
2 people to disclose, you know, trade secrets or anything  
3 like that.

4 MR. LOYER: Yeah.

5 MS. WHITE: So if there's sensitive information,  
6 there's always the opportunity to file those comments and  
7 that input confidentially.

8 So the goal here is for us to create a system  
9 that ensures that we're getting robust and accurate data,  
10 that the information is complete, compliance is supported  
11 and increased, and there's confidence by those that would  
12 rely on the HERS Program, the field verification and  
13 diagnostic testing to actually support their enforcement.

14 The data, one of the reasons why it's so  
15 important to get accurate and correct data, complete data,  
16 is that is what's going to help us with the other range of  
17 activities that we're going to be embarked on to address  
18 the unpermitted work, to work with other agencies on where  
19 we think some of those challenges could best be addressed.

20 So my goal is to encourage folks to help us do a  
21 better job at making sure that compliance with the Energy  
22 Code is robust and we can actually meet our goals.

23 MS. GORTON: Agreed. And thank you guys again.  
24 And we just want to openly say that we definitely support  
25 higher QA interactions between providers and raters. We're

1 fully engaged and willing to have very transparent  
2 operations, and we love a lot of the changes that we see  
3 here, so thank you guys.

4 MR. LOYER: Oh, thanks.

5 MS. WHITE: Thank you very much.

6 MR. LOYER: We should probably -- it doesn't  
7 sound like anybody has any off-the-cuff ideas that they'd  
8 be willing to share publicly for a naming convention. And  
9 just let me say, whatever joke names, fully welcome. Yeah,  
10 please, please. That's how we got BEST, by the way.

11 So if I can just move on to a couple of the other  
12 things?

13 So the other program issues, so Staff is seeking  
14 information on other existing issues or associated impacts  
15 regarding -- and we've heard a few already -- regarding  
16 current HERS and FV&DT programs that are not reflected in  
17 the two Staff Reports. Even if you're not sure if they're  
18 reflected, we'd still like to hear your stories.

19 So in that context, does anybody have anything  
20 that they would like to share at this point, any other  
21 issues that they haven't heard?

22 What, six hands flew up there?

23 MS. WHITE: Yeah, we just had quite a few fly up.

24 So Stephanie, I'm going to lower your hand and  
25 then move on to Brian Selby.

1           Brian, I'm going to unmute you and ask you to go  
2 ahead.

3           MR. SELBY: Thank you. Brian Selby from  
4 California Association of Building Energy Consultants,  
5 CABEC, as well as an energy consultant, practitioner, and  
6 HERS rater.

7           I did have a comment regarding the naming  
8 convention. I was wondering if you could clarify for me  
9 regarding those four examples? Are all four of those  
10 examples referencing the same program, or are these  
11 different roles within the, what was deemed as, the HERS  
12 program?

13           MR. LOYER: No, they would be the -- instead of  
14 FV&DT, administrator, technician, a technician company, we  
15 would say a REV provider maybe, REV rater -- god, I can't,  
16 that sounds horrible -- or a REV company. Now that doesn't  
17 sound so bad. But, yeah, you know --

18           MR. SELBY: Okay.

19           MR. LOYER: -- any -- I would not like to put any  
20 breaks on any ideas that you have along these lines.

21           MR. SELBY: Sure. Yeah, it might take some  
22 thought.

23           I just wanted to add that, you know, using the  
24 term REV, often referred to as a revision, might get  
25 confused.

1 MS. WHITE: I know.

2 MR. SELBY: And, you know, you might run into  
3 some copyright issues using BEST as a process. I know  
4 there's other companies --

5 MR. LOYER: Yeah, there's so many.

6 MR. SELBY: -- using that term, so just be  
7 careful --

8 MR. LOYER: Yeah.

9 MR. SELBY: -- how those terms are used.

10 One other thing. I know in the Staff Report, it  
11 mentioned regarding testing of technicians. Staff Report  
12 said anywhere from 100 to 1,000 questions per topic. And I  
13 heard earlier today that you said that was 10 to 100. Can  
14 you clarify which is it and is there a conflict there? Is  
15 there, you know, a question regarding the number of  
16 questions that technicians will be --

17 MR. LOYER: It sounds --

18 MR. SELBY: -- (indiscernible)?

19 MR. LOYER: -- it sounds more like a typo. I  
20 did --

21 MR. SELBY: Yeah.

22 MR. LOYER: -- did mean 10 to 100.

23 MR. SELBY: Yeah, it sounded kind of high. And I  
24 know from developing the CEA, or certified energy analyst  
25 exam, for several years now, test questions are rather

1 expensive to get quality questions. So you know --

2 MR. LOYER: A thousand would be --

3 MR. SELBY: -- quality --

4 MR. LOYER: -- (indiscernible).

5 MR. SELBY: -- is better than quantity --

6 MR. LOYER: Yeah.

7 MR. SELBY: -- in my book. And having good

8 questions tested, based on the competency and objectives

9 for that role in the field verification process, is

10 essential, otherwise, you get trick questions and such,

11 so --

12 MR. LOYER: Yeah. We're not interested in trick

13 questions, yeah.

14 MR. SELBY: Yeah.

15 MR. LOYER: Yeah, I appreciate that.

16 MR. SELBY: Yeah, absolutely. And we will be

17 submitting some comments, as well, so thank you --

18 MR. LOYER: Oh, good.

19 MR. SELBY: -- for this opportunity.

20 MR. LOYER: Thank you.

21 MS. WHITE: Okay, Jon Johnson, I'm going to be

22 unmuting you and asking you to speak, please.

23 MR. JOHNSON: Hi there, everyone. Can you hear

24 me?

25 MR. LOYER: Yeah.



1 MS. WHITE: Yes, we can.

2 MR. JOHNSON: I just had a couple of comments  
3 from the real world that I wanted to share. I'm currently  
4 unaffiliated. I'm working on a project with Energy  
5 Software, but I was involved with HERS rating for a long  
6 time, trying to figure out ways to make it work,  
7 understanding the differences between the way the system  
8 developed using, you know, HERS rating companies versus the  
9 quality that was expected with the individual HERS rater.

10 And from that viewpoint, one of my comments is  
11 that, in the real world, the CF2R being filled out by the  
12 office staff but not the rater is problematic because  
13 either the installer does it themselves and they actually  
14 know what they're doing, or someone in the rater company is  
15 going to have to get that information from the rater.  
16 Basically, like that's my comment on that. In the real  
17 world, the problem is always getting the information from  
18 the contractor. So it's unlikely that the contractor is  
19 going to give that information to the rating company  
20 through one channel and then the HERS rater, you know, the  
21 technician, verify it in the field on the CF3R.

22 So I think you have to look at it one way or the  
23 other. Either allow the rater to do it as it is right now,  
24 or only allow the installer, not because there's any  
25 problems with it but just, in the real world, that's how it

1 has to happen, unless you're expecting maybe the rater to  
2 send a picture of the, you know, model and serial number  
3 and all of that to the office, then the office input it,  
4 that could happen, I guess. But that's just one comment on  
5 that.

6 In the bigger picture, looking at the change to  
7 have the homeowner select the rater, my main comment on  
8 that is just that it's going to escalate costs because now  
9 it's going to be about advertising, and it's a big subject,  
10 but my comment on that is just how that would work, you  
11 know, how the homeowners would be educated, where their  
12 choices would come from. And if you look at regulations in  
13 the real world, usually what happens is there's a well-  
14 intentioned regulation, and then there's a workaround,  
15 because that's the only way that it works in the real  
16 world.

17 So I think it either has to be maybe a lottery  
18 system, or possibly allow it to continue as is where, yes,  
19 we know that certain companies are choosing certain rating  
20 companies, you know, certain contractors are choosing  
21 certain rating companies, and then the QA enforcement is  
22 where all of that comes in, very strict QA enforcement,  
23 very strict regulations on how that can happen.

24 But to expect the homeowner to choose their  
25 rater, you know, the contractors and the rating companies

1 will find a way to make it happen, unless it's just open  
2 field and then the costs go up, because now you have to  
3 charge. I mean, if you're in the HVAC industry, you know  
4 that, you know, 20 percent of your revenue goes towards  
5 advertising, and people don't even know about HERS rating.  
6 They know about AC. So you could imagine that the cost of  
7 HERS rating would go up at least 20 percent to try to get  
8 that customer to choose your company.

9 MR. LOYER: That's a really good point, and  
10 that's one of the things that we -- I don't think we have  
11 taken into consideration, what would be the necessary  
12 advertisement from a HERS rater's or HERS company's point  
13 of view as to try and implement this?

14 I think those are really good comments. And, you  
15 know, I encourage you to go ahead and make a submission to  
16 our docket with those comments, and especially with some  
17 numbers from your point of view as to what do you think the  
18 cost might be. Costs, as you well know, well, you should  
19 know at this point, are something that are difficult for  
20 government agencies, such as ours, to get a hold of.

21 As far as, you know, should we allow things to go  
22 forward, especially when we're talking about the CF2R  
23 versus the CF3R, many of the CF2Rs, depending on the test  
24 that we're talking about, require the technician to  
25 actually run the test, and that is a difficulty.

1           I think one of the suggestions that we were  
2 considering was should there be a -- there is, you know,  
3 there is a HERS rater that is meant to run the CF3R test  
4 and perform that test and then complete the documentation.  
5 Should there be a CF2R rater? Should there be a technician  
6 that is dedicated only to CF2Rs testing? And then how  
7 should that change in terms of exactly what we allow to  
8 have happen? Because what's supposed to happen right now,  
9 it definitely doesn't.

10           What's supposed to happen is, especially when  
11 we're talking about sampling, is the installing technician  
12 is meant to run that test on every install. And then those  
13 seven installs are to be handed over, essentially, to the  
14 rater and the rater is to pick one to test. That's the way  
15 it's supposed to happen, but apparently that is not the way  
16 it actually happens.

17           MR. JOHNSON: I 100 percent agree. I just want  
18 to say, like I agree with the ideas behind this. You're  
19 very correct in the way you're going in trying to figure  
20 out how to limit these abuses. I 100 percent agree.

21           MR. LOYER: Yeah, I appreciate that. Thank you.  
22 But if you have any other ideas of how we can do this  
23 better, different, or that works better with how the  
24 industry is going, like you say, well-intentioned  
25 regulation is all well and good, but unless it actually

1 achieves the goal? And I think the first thing we've got  
2 to consider is, how do we measure that? How are we going  
3 to measure our goal?

4 So I appreciate any comment you can give me along  
5 those lines to our docket. Thank you very much.

6 MS. WHITE: So our next person is Roman Leonelli.  
7 I hope I got your name right. If you would please unmute  
8 yourself and state your name and affiliation.

9 MR. LEONELLI: Hi, everybody. Yes, my name is  
10 Roman Leonelli. Can you guys hear me all right?

11 MS. WHITE: Yes, sir.

12 MR. LOYER: Yeah.

13 MS. WHITE: Thank you.

14 MR. LEONELLI: Okay, perfectly, so thank you for  
15 having me. I just wanted to, you know, reiterate on a  
16 couple of things that the previous gentleman said. I  
17 believe it was Jon. Sorry if I missed your name.

18 But, yes, you know, cost is a big issue. You  
19 know, if you guys are expecting the homeowner to be hiring  
20 all the raters, and we're no longer working exclusively  
21 with contractors or being referred by a contractor, it  
22 could have an adverse effect on the whole industry. I know  
23 that the regulation, the entire purpose, is to drive  
24 compliance. But a big factor in noncompliance is not just  
25 contractors that are not pulling permits, it's oftentimes

1 the homeowner that specifically requests that a permit not  
2 be pulled. And the biggest driver of that is cost.

3 As you probably well know, permits in many cities  
4 cost several hundred dollars, sometimes over \$1,000. And  
5 now you're adding on another cost for the homeowner to be  
6 compliant. So many contractors that I've seen in, you  
7 know, in noncompliance issue is actually not the contractor  
8 that's not wanting to pull the permit, it's the homeowner.  
9 The homeowner wants a discount. They want to do this under  
10 the radar.

11 You know, so I know that a lot of these things  
12 get kind of designed in the best intentions, but when they  
13 go into effect, they might have the opposite or adverse  
14 effect on the industry.

15 And I think that people like Stephanie with  
16 Energuy, like us, we're actually trying to improve  
17 compliance and do this the right way by pulling permits for  
18 contractors, making sure that they're compliant, doing the  
19 test properly. And so, you know, I think that working with  
20 people like us, people that are in the trenches doing this  
21 every day, might help make the regulations a little bit  
22 better.

23 I mean, for instance, instead of having a  
24 homeowner source -- and I'm all for us working for the  
25 homeowner. I believe that that's the way the industry

1 needs to go. I believe that, yes, by HERS raters working  
2 for a contractor, you see a lot of bad raters out there  
3 that are passing things when they shouldn't be. And that's  
4 what it's what we want to get rid of as well. We are in  
5 favor of more QA. I mean, if we could have QA be, you  
6 know, 25 percent, I would be all about it. I think that  
7 that would change the industry. I know that that obviously  
8 is a cost that -- another cost. Anyways, I was just, you  
9 know, mentioning that.

10           Something like a homeowner signature, like, you  
11 know, just implying that they were explained the  
12 measurements that -- you know, like the readings that were  
13 taken, they were explained the passing and failing numbers,  
14 they were demonstrated that this was a pass, you know, and  
15 they sign that that they understand the testing that took  
16 place in their home, you know, and we could gather that  
17 information. I mean, most of the registries have an iPad  
18 version or, you know, some sort of other technological way  
19 of assuring that the homeowner was involved, the homeowner  
20 was aware.

21           But this cost is still covered by the contractor.  
22 I just think that it might have a really adverse effect on  
23 the industry if we have homeowners -- I mean, because you  
24 have to put yourselves in our shoes. If we're pulling a  
25 permit for a contractor to help them improve their

1 compliance, then the homeowner has to go find another  
2 rater, and then we're responsible for closing the permit.  
3 I mean, it just it breaks up the whole process that we  
4 have.

5           We have a process flow. You know, we pull the  
6 permit, the contractor does the install, we do the first  
7 testing, and we help them close out the close out the  
8 permit. So by having the homeowner responsible for one of  
9 the steps in the chain, I just feel like it might have an  
10 adverse effect. Just wanted to mention that.

11           MS. WHITE: Thank you, Roman. Just, Roman, real  
12 quick, what's your affiliation?

13           MR. LEONELLI: Oh, I'm sorry. I'm Roman Leonelli  
14 with ERE Inspections. We are a HERS rater --

15           MS. WHITE: Okay.

16           MR. LEONELLI: -- company in Los Angeles.

17           MS. WHITE: Excellent. Thank you.

18           MR. LOYER: Thank you.

19           MS. WHITE: ERE Inspections?

20           MR. LEONELLI: Correct. Sorry about that.

21           MS. WHITE: No worries. No worries. Just really  
22 appreciate it. And we do look forward to having your  
23 suggestions submitted in written form to the docket. Those  
24 are very good things for us to consider, so thank you for  
25 that.



1 Joe, you were going to say something. Sorry  
2 about that.

3 MR. LOYER: Oh, so I think one of the things to  
4 keep in mind is, yeah, absolutely the cost. I think we've  
5 hit on that a number of ways so far. Definitely costs are  
6 a concern to us. And, again, not something we will have  
7 firsthand knowledge of and for good reason. We tend to  
8 make the regulations and try to stay out of the cost aspect  
9 of it. Because any time a government agent steps into  
10 regulating what you can charge for a service, it goes bad  
11 fast.

12 So one of the things that I think is important to  
13 understand is just like you were kind of saying,  
14 ultimately, what ends up happening is this service that  
15 you're providing is to pull the permit, complete the  
16 documentation, and close out the permit. And, really, that  
17 is better connected to the homeowner when we're talking  
18 about existing homes. It is better for it to be that way.  
19 And if we can find a way to do that, that better works with  
20 industry, we want to do that. We want to know about it and  
21 we want to consider it.

22 When it comes down to, you know, the homeowner  
23 actually being the motive force, you know, driving the act  
24 of doing construction or repair work without benefit of  
25 permit, it happens all the time, especially when we're

1 talking about HVAC. You know, installing, I have firsthand  
2 knowledge, so installing a HVAC system without permit got a  
3 quote for \$6,000, installing it with permit, \$20,000. And  
4 the reason was not the cost of pulling the permit. The  
5 contractor wanted to replace the ducts, so that's why it  
6 was so much more money.

7           So in a lot of times, you know, you're dealing  
8 with sometimes you get a good contractor, sometimes a  
9 contractor is out to make a boat payment. So, you know, it  
10 really is difficult for any homeowner to know what they're  
11 getting. And when they start looking at it saying, oh,  
12 what is this, \$500, \$1,000 for a HERS rater to -- I don't  
13 even know what that person is, it is up to us to actually  
14 explain what that is, and we need to do a better job of  
15 that.

16           And right now, if I may put it this way, we've  
17 insulated ourselves from that responsibility. We've been  
18 dealing with the easier customer, the contractor, who is  
19 motivated to work with us to a certain degree, and they are  
20 the easier customer but they're not the right customer. We  
21 need to deal with the homeowner. That's who we need to  
22 make the connection with. And however we get there, we  
23 need to get there.

24           MR. LEONELLI: Okay.

25           MS. WHITE: Okay, moving on, we have Dav Camras.

1           Dee, I'm going to go ahead and unmute you and ask  
2 you to unmute yourself on your side.

3           MR. CAMRAS: Can you hear me?

4           MS. WHITE: Yes, Dee.

5           MR. CAMRAS: Okay. So I have several --

6           MS. WHITE: Dee, could you give your name and  
7 affiliation, please?

8           MR. CAMRAS: Sorry. Mr. Dav Camras. And I  
9 work -- I am my own business, HERS Rater LA. I've been  
10 doing HERS rating and energy evaluations, and also Title 24  
11 calculations, for a little over 12 years.

12           I am my own company, a one-man band. And while  
13 the -- while what you described and discussed with Energuy  
14 is great, for companies like mine, where I'm a one-man  
15 band, it's totally a penalty, even if I'm -- and I try to  
16 be completely honest, I'm obviously, and other one-man  
17 bands, are completely penalized because we can't compete  
18 and have one person do one task and one person do another  
19 task and one person do a third task because we are all just  
20 me. And so that inherently penalizes small companies like  
21 me.

22           Number two, yes, in theory, this idea that the  
23 homeowner cares and will motivate a better product is a  
24 great idea. But over the many years that I've been doing  
25 ratings, I have found a majority of homeowners don't give a

1 damn and just want to get their certificate equal to the  
2 installing contractor.

3           Number three, yes, it is inherently bad to have  
4 the installing contractor, and I've lost most of the people  
5 who would hire me because I'm too honest and I will fail  
6 them, and there are many people I operate in the Los  
7 Angeles market and there are huge -- or enough competitors  
8 who will pass every job, and they are huge successful, in  
9 air quotes, rater companies that most of the contractors  
10 hire because it's a wonderful thing because it's just  
11 basically paperwork.

12           In addition, I have found that many of the  
13 contractors, many of the people who I've worked with,  
14 really don't have any clue about CF2Rs being theirs or  
15 builders, and it's just paper pushing. And so I've  
16 Always -- I've wondered for 10 years, why is anyone doing a  
17 CF2R? The installing contractor doesn't care. The HERS  
18 rater, if it passes the HERS rating, great. And for the  
19 other general construction, it's done, they don't care, it  
20 just needs to be done if the jurisdiction having authority  
21 demands it otherwise, and they don't really care or they  
22 demand it but they don't look at it, so it just needs to be  
23 filled out, which is really a paper pushing process.

24           The third thing is that I am rather, personally,  
25 soured on HERS rating because it's ass-backwards. The

1 whole point is to have a good product and an efficient air  
2 conditioning and heating system. But to have -- but for a  
3 homeowner and/or contractor to spend 20 grand to install a  
4 system and then some yokel, like myself, comes in after the  
5 fact and says, this system sucks. I'm now causing the  
6 homeowner to bear more costs, I'm causing the contractor to  
7 bear more costs, and so nobody likes me.

8           And I've gotten into HVAC design work because  
9 HERS rating to me is, to put it crassly stupid, it's after  
10 the fact, it's already been built, money has already been  
11 spent. And in order to get this end goal of efficient  
12 system you have to attack it from the installing contractor  
13 and motivate them to want to do a good job. And there must  
14 be a number of carrots that can be developed that can  
15 motivate contractors to install it in the first place,  
16 rather than after the fact have a HERS rater give their  
17 stamp and blessing of it passed or it passed in air quotes.  
18 Because it's very frustrating to be the bearer of bad news.  
19 Nobody likes that guy.

20           MR. LOYER: Yeah, I've been that guy several  
21 times myself. I used to do little league umpiring.

22           So I think one of the things that is really  
23 important that really does need to come into our  
24 consideration is the very first thing, the point you make,  
25 that you are a one-man band, and there are plenty of one-

1 man bands out there that do this work. And in their  
2 situation, there are quite a few of them that actually do  
3 parse out these particular services to individuals. So  
4 while it might be a change in practice, it's not going to  
5 be overly burdensome for them.

6 But for a true one-man band, like what you are,  
7 where you're the only employee, these reg changes would  
8 mean, in fact, that you could no longer offer those permit  
9 pulling services, you could no longer complete the CF1R,  
10 the CF2R.

11 I think that's one of the things that we need to  
12 take back and consider to see if there is a way to build  
13 within the code the ability to allow a one-man band, such  
14 as yourself, to continue on in that respect with perhaps  
15 more oversight, more QA, but to continue to offer those  
16 services, whilst to also require much larger shops to  
17 divide those services up. I have no idea how we would do  
18 that, so that's something we would have to take back and  
19 consider.

20 But I think that is a very valid complaint and I  
21 would like to see you actually submit that comment to our  
22 docket at the very least.

23 Let me just put on my glasses so I can read my  
24 own chicken scratch here.

25 MS. WHITE: Joe?

1 MR. LOYER: Yeah?

2 MS. WHITE: I do want to just chime in here a  
3 little bit.

4 You actually make several very good comments and,  
5 I would, I encourage you to submit those comments to the  
6 docket and provide a bit more of the background about how  
7 things are really working and your suggestions for how we  
8 really could be focusing on maybe a different rubric in  
9 order to get at quality installation, because I think  
10 that's one of your main points in your comments.

11 So I know that we have quite a few of other folks  
12 that have their hands raised, so I'm going to encourage us  
13 to move on because we've also got quite a few more  
14 questions that are popping up in the Q&A and we do want to  
15 make sure that we get a break in here shortly.

16 MR. LOYER: Yeah, we have to break at 2.30.

17 MS. WHITE: Yes, we're going to need to break at  
18 2.30. And we're going to try and get a couple more in  
19 here.

20 We have Logan. I know that we've spoken with you  
21 once already. I'm going to ask you to hang on a little bit  
22 and we're going to talk with Amy first.

23 So Amy, I'm going to ask that you accept my  
24 invitation to unmute and go ahead and speak.

25 MS. BARRIERE: Oh, my name is actually Emily. I

1 am not Amy, sorry.

2 MS. WHITE: I'm sorry, Emily, my apologies,  
3 terribly sorry.

4 MS. BARRIERE: You're fine. Yeah, I work for  
5 BarrierEnergy. We're kind of a smaller HERS rating company  
6 based out of Santa Barbara. There's really so much to say  
7 here, it's hard, but I'll start with this.

8 So being based out of Santa Barbara, there seems  
9 to be a lot of HERS raters that are kind of all in L.A.  
10 And then when you start to get out of the bigger cities,  
11 there's a less concentration. So from what I've seen, I  
12 agree that the homeowner absolutely is the last person you  
13 want to put this on because the homeowner is the last  
14 person that wants to do it.

15 We work with a lot of contractors and they come  
16 to us because they know we're reputable. We're well known  
17 for our work, you know, we do a good job, and so -- and  
18 they do this day in and day out, this is their job.  
19 They're the installers, they're the builder, so they  
20 understand what's going on.

21 The homeowner has absolutely no idea what's going  
22 on. And when you try to tell them, they will become -- you  
23 know, they don't like it. They will become combative.  
24 They will argue with you. I've had countless arguments  
25 where I've tried to tell homeowners certain things are



1 required and they will tell me, no, it's not, the inspector  
2 or so-and-so, someone else, told me that's not required, so  
3 I'm not going to do it. The homeowner basically wants to  
4 shortcut the process and they want to find the cheapest way  
5 to get this done. That's their bottom line. What's the  
6 cheapest way?

7           The cheapest way for a lot of them is to get an  
8 out-of-area company, such as out of L.A. Nothing against  
9 Raters in LA, but when you're talking about being two hours  
10 away, I really doubt that any of those companies plan on  
11 driving all the way here to actually see that everything  
12 that they're writing down is accurate. So they're going to  
13 hire a cheap company based out of L.A. who's not going to  
14 do a quality job so that they can shortcut it and get  
15 around doing it in a cheap way. I just don't see this  
16 being beneficial to what you guys are trying to achieve.

17           MR. LOYER: So I appreciate your point of view, I  
18 really do. In the situation, you know, that we see  
19 confronting us is pretty significant. We wouldn't propose  
20 this if it were not. We've had, since the inception of the  
21 HERS program, we've had the HERS raters working with the  
22 contractors. The problem is whilst you have a good,  
23 honest, above board company, there are many who are not,  
24 who are clearly working to the benefit of the contractor  
25 and not doing the job that they were intended to do.

1           So we do need to involve the homeowner more, at  
2 the very least. And our perspective is that if we need to  
3 draw this hard line where the contractor cannot pay the  
4 rater directly, that's the line that needs to be drawn.

5           However, if there is a better solution, if there  
6 is even just a different solution, maybe it's not even as  
7 good but maybe it can get us stepwise towards the ultimate  
8 goal, that might be a good idea.

9           So if, Emily, if you have any other ideas about  
10 how we can push industry towards this direction, where we  
11 involve the homeowner much better, much more than they are  
12 now, so that they eventually start to understand as a  
13 concept, as a group, we would definitely like to hear it.  
14 Absolutely. And thank you.

15           MS. WHITE: Alright.

16           MS. BARRIERE: Yeah.

17           MS. WHITE: Thank you again, Emily, and sorry  
18 about that name thing.

19           So the next person is Jamie.

20           Jamie, I'm going to unmute you now, if you would  
21 please speak, accept the invitation to speak?

22           MR. MEDLIN: Hi. Can you hear me?

23           MS. WHITE: Yes, sir.

24           MR. MEDLIN: Thank you, everybody. I also kind  
25 of have some comments. My name is Jamie. I'm the

1 President of Archon Energy Solutions. We've been doing her  
2 assessing about 12 years now.

3           You know, I also feel with the homeowner, the  
4 entire situation that we're -- there's obviously two big  
5 things here. There's, you know, bad characters in this  
6 industry. And that's obviously why we're at this point,  
7 because there's been a lot of people getting away with not  
8 actually testing and producing certificates to the benefit  
9 of the contractor. And I feel that, realistically,  
10 contractors, if this becomes a burden even further, it's  
11 going to provide a lot less compliance.

12           So something that we've done is we do pull a lot  
13 of permits. We do a lot of testing and we help the entire  
14 experience for the homeowner so that the contractors have  
15 less of a headache and they are more willing to comply. So  
16 I know that there was somebody else that had mentioned that  
17 today. And I think it's really important to consider  
18 because compliance, we've already mentioned earlier is very  
19 -- it's very low. It's what, you know, one percent are  
20 actually pulling permits.

21           And so there, you know, there has to be some  
22 understanding of the experience for the customer. Being  
23 easy for the contractor will allow them to keep pulling  
24 permits and doing this the right way.

25           I think going to the homeowner to find the HERS

1 company, what will happen is not every HERS raters is  
2 really on the same level. You know, you've got many like  
3 stories of HERS raters that, you know, show up smoking a  
4 cigarette at the front porch and their, you know, their  
5 actual soft skills in the home are very poor, and that's a  
6 direct reflection of the contractor. So now what you're  
7 going to do is there's -- and it's tough, because I can see  
8 in your position where you have bad actors that have  
9 basically ruined it, right, and that's why we're here. And  
10 now we're trying to figure out a way to penalize these  
11 people, but also continue with business as usual.

12           And I think that, again, we've got inspectors  
13 that if they create a bad experience for the homeowner,  
14 which in my company, we pride ourselves on the in-home  
15 experience because it is a reflection of their entire  
16 installation, so if you have somebody that's not -- you  
17 know, they lack those soft skills, whether it's, you know,  
18 yes, there's a few tests that we're performing in an  
19 alteration, so it's pretty much across the board, anybody  
20 can really do it, but it's the presentation. It's how they  
21 go about it, how they delivered the results. What was  
22 their actual experience? How fast was paperwork produced?  
23 How are they helping close that permit?

24           Now you create this bad experience. The  
25 contractors get very frustrated and now they're going to be

1 reducing compliance because they're like, okay, well, I  
2 can't rely on a company that we know is providing excellent  
3 service for us, they're helping us with compliance, they  
4 take a lot of the stress off of them, because contractors,  
5 they struggle just getting somebody to help pull a permit  
6 in their office, or they struggle with specific areas. So  
7 with us as a support company, we can do more to ensure that  
8 they're compliant.

9 Now you choose a random HERS rater, I don't know,  
10 I just feel like that's just my opinion on why it needs to  
11 be discussed further.

12 MR. LOYER: I think one of the -- I think that's  
13 an important aspect of this. The payment is to be from the  
14 homeowner, be that existing home. And when we talk about  
15 the 99 percent noncompliant or 90 percent noncompliant,  
16 whatever particular study you'd like to reference, they're  
17 talking primarily about residential existing home and HVAC  
18 replacement. That's what primarily they're talking about.

19 So I think one of the things that we need to be  
20 clear about is the payment has to come from, directly from,  
21 the homeowner to the HERS rater or to the technician.

22 There is nothing in the rules, as it stands right  
23 now, that would prevent a contractor from saying, you know,  
24 look homeowner, you're going to, in order to close all this  
25 out, you're going to have to get a HERS rater. Here's a

1 HERS rater I've worked with in the past. I can recommend  
2 them. Now if the homeowner looks at it and says, okay,  
3 well, you've worked with in the past, let me figure out  
4 what this HERS or, you know, whatever, you know, ECC thing  
5 is all about, they will do their own research and find  
6 their own technician to use, or they might take the  
7 referral by the contractor.

8           And I know a lot of people would look at that and  
9 say, well, how is that different? The difference is now  
10 you've actually engaged the homeowner directly. Now, even  
11 though you are recommended by a contractor, you are now  
12 working directly for the homeowner. And, yeah, there may  
13 be still this relationship between you and this other --  
14 and this contractor. But at the very least, at the very  
15 least, we will have engaged the homeowner.

16           So at this point, there's nothing that says that  
17 a contractor cannot recommend a HERS provider or HERS rater  
18 or a technician. So until that shows itself to be a  
19 problem in three years after, you know, the 2025 Code  
20 becomes enforced, we might have to address it at that  
21 point.

22           But I think it's an important, you know, it's an  
23 important splitting of the baby. Because you're right,  
24 there have been benefits, and to not to recognize them is  
25 unacceptable. There have been benefits to having the HERS

1 companies actually pull permits and complete the CF1Rs and  
2 CF2Rs. The problem is, is that it's gone completely -- not  
3 completely off the rails, but it's definitely gone --  
4 there's definitely been some bad actors taking advantage  
5 and we need to put a stop to that whilst not punishing the  
6 people that are doing the job right.

7 MR. MEDLIN: Sure.

8 MR. LOYER: And I think any kind of suggestion  
9 you have along those lines, you know, if you have some  
10 ideas that can be submitted to our docket, I fully  
11 encourage you to do that.

12 MR. MEDLIN: Sure. No, I appreciate the  
13 opportunity to speak. And I know that there's a lot of  
14 people that want to talk.

15 One last thing would be -- and I don't know if  
16 this is later on in this conversation, but the QA process  
17 from each of the providers, obviously I think that this is  
18 also a direct problem because of the, you know, QC  
19 happening on the inspectors and not having, you know, a  
20 robust system to, you know, beat down on these bad actors.

21 so how will it -- I guess, and I know this is  
22 going to be a little bit rough to say, but like why would  
23 it still be in the hands of the providers to provide QCs to  
24 these inspectors, or will there be an actual CEC division  
25 of doing these inspections instead of leaving it to the

1 providers and their QC teams? Is there something that will  
2 be done to enforce that the QC is being done by the  
3 providers will even be, you know, correct?

4 MR. LOYER: So that's a really good point, you  
5 know, why should we -- so the providers, the HERS providers  
6 up to this point, haven't been able to live up to the  
7 requirements of the QA. And I will add quickly, that is  
8 really not their fault, it's the way that that QA was set  
9 up to work or not work. It simply wasn't, it wasn't,  
10 possible through all their efforts to. They made very  
11 legitimate efforts to make that -- make those numbers  
12 happen and it just could not happen.

13 So with that in mind, we don't think that the  
14 providers are the bad actors here. We think it's just the  
15 circumstance of the program. And so in that situation,  
16 we're not trying to penalize the providers or take that  
17 responsibility away from them. We think that they should  
18 still continue on with that requirement. In point of fact,  
19 they're in the best position to provide that QA/QC.

20 So if we were to create another agency to do that  
21 within the Energy Commission, that would be a state agency.  
22 That would be a fairly large endeavor on our part to  
23 actually make that work. And then they would have to have  
24 direct access to the data registries that the providers  
25 implemented.



1           So there's a lot of positives to ultimately doing  
2 that. If we could wave a magic wand to just make it  
3 happen, yeah, that world could be a better world. But  
4 really, we haven't proven that we need to get there. We  
5 haven't proven that that's the solution that we need. What  
6 we have shown is that the QA program that we outlined in  
7 the regulations isn't achievable by anybody. That's what  
8 we've proven.

9           So what we need to do, in our view, is to provide  
10 a different QA program that the providers or the  
11 administrators, as we're going to be calling them, actually  
12 can live up to, and one that can catch these bad actors and  
13 prove that they are bad actors and have ramifications that  
14 are directly and programmatically and process-defined to  
15 deal with them. And that's been the real deterrent of how  
16 to deal with these bad agents that are out in the world.

17           And I will also hasten to add, before we go on to  
18 break, this is not intended to be a witch hunt, really.  
19 When it comes down to it, you know, certain raters are  
20 doing certain things at certain points in their career that  
21 we don't like. We don't necessarily want to get rid of  
22 them. Some we do. Some we do. But we mostly want them to  
23 come back into the fold. We want them to be good raters.  
24 And so we want to encourage them to be good raters. So  
25 ultimately, if they won't behave and won't do the job that

1 they're intended to do, yes, we want to get rid of them.  
2 But we need more raters, not fewer. If we implement these  
3 regulations the way we're going, we're going to need more  
4 of them.

5           So, ultimately, we're going to allow the  
6 administrators to implement these QA/QC programs and see  
7 how far that gets us.

8           MS. WHITE: Jamie, I do encourage you, especially  
9 with your ideas of the additional options that we should be  
10 considering for improving the quality assurance/quality  
11 control, to embellish on those ideas in your comments. We  
12 are looking for this kind of input. We want to make sure  
13 that we consider all of the appropriate options that folks  
14 would like to suggest to us, so we have not committed to  
15 any of these things. We don't have all the answers. We're  
16 exploring what we know could be really good fixes based on  
17 the information we have at hand.

18           But, of course, if there's other information out  
19 there, and I'm actually speaking to everyone, not just  
20 Jamie now, but if there's other information out there that  
21 we need to know, we encourage you to submit it in your  
22 comments. That will help us a great deal to make the  
23 necessary changes in this program and make the improvements  
24 we'd all like to see.

25           So with that, it's 2:40, and we're going to take

1 a 15-minute break, give everybody a chance to reset a  
2 little bit, and then we will be back at 2:55.

3 MR. LOYER: You want to just say three o'clock?

4 MS. WHITE: Three o'clock? Okay, three o'clock.

5 We have quite a few folks. Please keep your hands raised  
6 and we'll start going through the list of those that have  
7 their hands raised currently. And anyone who would like to  
8 continue to raise hands, or put comments into the Q&A,  
9 please do so. The goal is, if we can't get to it all  
10 today, we will be getting to it all. The input is desired  
11 greatly, and we don't want to miss any of it.

12 MR. LOYER: Yeah, it's very much appreciated.  
13 Thank you, everybody.

14 MS. WHITE: Thank you.

15 (Off the record at 2:39 p.m.)

16 (On the record at 3:00 p.m.)

17 MS. WHITE: I also want to let folks know that  
18 for those of you that actually disconnect from the Zoom  
19 meeting and then reconnect, you may lose the links that are  
20 in the chat. So I will be reposting here in just a moment  
21 the link to the proceedings main web page that includes the  
22 links to the docket logs, instructions on how to submit  
23 comments, links to the events, and then also the staff  
24 documents. So that one main link, just in case anybody may  
25 have logged out and then logged back in and no longer have

1 access to those previous links, so I'm going to go ahead  
2 and do that now. Hopefully everybody's back and we will  
3 resume the raised hand comments.

4 And so at this point, I'd like to call on Jim  
5 Hodgson.

6 Jim, I'm going to ask that you unmute and begin  
7 the talk.

8 MR. HODGSON: Great. Thank you. Can you hear  
9 me?

10 MS. WHITE: Yes, Jim. Thank you.

11 MR. HODGSON: Great. Jim Hodgson with CHEERS.  
12 Great discussion so far, and I've been jotting down a few  
13 notes to share.

14 First and foremost, we're encouraged that the CEC  
15 is taking this topic seriously and is digging in. Without  
16 question, there are issues to address in the HERS industry,  
17 but I don't want to lose sight of the benefits that HERS  
18 raters bring to the table right now.

19 You know, Russ King posted a comment to the  
20 docket that I wholeheartedly agree with in that HERS raters  
21 have evolved into the single most effective jobsite  
22 trainers on the California Energy Code. The California  
23 HERS Program is indeed across the country and it plays, I'd  
24 argue, the most critical role in the implementation of our  
25 residential Energy Code.

1           So, yeah, yes, the HERS program has several areas  
2 for improvement. But I believe that the focus of this and  
3 subsequent workshops should be on the prioritization of  
4 those improvement areas and the resulting recommendations.

5           So the second point is on the cost analysis  
6 section of the Staff Report, and Joe alluded to this a bit  
7 earlier in the Q&A, and this is one of the most important  
8 sections of the report, but it discusses cost impacts in  
9 generalities like no cost or minor cost or ongoing cost.  
10 And it's critically important for the industry -- or I  
11 should say industry stakeholders to understand the dollar  
12 costs of what's being proposed.

13           And so what I'd recommend is that CEC staff meet  
14 with HERS raters, HERS providers, HVAC contractors, to put  
15 numbers behind those estimates so the industry has a sense  
16 of how any increased costs may or may not be aligned with  
17 the goals and increased Title 24 compliance, pulling  
18 permits, et cetera.

19           The third point is many of the examples in the  
20 CEC reports site -- or I should say many of the examples  
21 that the CEC reports site are anecdotal, rather than  
22 conclusions from empirical evidence. And why anecdotal --  
23 or anecdotes are really helpful in painting narratives,  
24 they don't always provide the, say, analytical rigor  
25 necessary to identify widespread issue.

1           And so if the CEC has done that empirical work, I  
2 highly encourage you to share that and make it available  
3 for review. I think that'd be great data for the industry  
4 to see. For example, for every underperforming  
5 verification identified, how many verifications were  
6 performed adequately? Scale and context are really  
7 important here, you know, especially if this data is going  
8 to be used to drive regulatory change.

9           Lastly, Joe, I'd like to thank you and the CEC  
10 staff for taking time to discuss all these issues. These  
11 are the right topics. And CHEERS looks forward to working  
12 with you, staff, and the industry to help improve the HERS  
13 program. Thank you.

14           MS. WHITE: Thank you, Jim. Really appreciate  
15 your comments.

16           Next is Chris Barriere. Sorry if I got your name  
17 wrong. I'm going to ask you to unmute, if you would  
18 please.

19           MR. C. BARRIERE: Okay, can you hear me?

20           MS. WHITE: Yes, sir.

21           MR. C. BARRIERE: Okay. Cool. Hey, thank you  
22 guys for doing this. So, yeah, my family company, we've  
23 been doing this for 12 or 13 years, I think, now.

24           I don't know if everyone had a chance to go over  
25 the 112-page document that was posted to the docket yet,

1 but I've been doing that. I agree, pretty much, with  
2 almost everything that I see in there.

3 I've experienced some interesting things over the  
4 years. We've seen that, you know, on top of other, you  
5 know, some of the big HERS rater firms, some of them are  
6 based out of state. The ones that seem to be doing all the  
7 slippery stuff seem to be these huge-huge firms that take  
8 on large scale new construction projects. So I think a lot  
9 of talk needs to be done about locking down new  
10 construction and working directly with builders. So I've  
11 already been working on some changes to the proposal from  
12 my own perspective that I'll post.

13 But I wanted to talk about, actually, on a  
14 completely -- it's the same subject but it's a little bit  
15 off track from where we've been going, using the CF1R  
16 reporting software, the only two that are approved  
17 currently our EnergyPro and CBECC-Res. They both use the  
18 same core algorithm and they run basically identical  
19 calculations. And the two of them seem to favor gas-fired  
20 appliances over electric appliances.

21 Actually, under the newest Code revision, it was  
22 increasingly difficult to get all-electric installs to pass  
23 compared to previous years, where it seems like,  
24 universally, a lot of new builders are still installing gas  
25 instead of heat pumps, which is -- seems to be, I mean, if

1 we go back to the mission statement and the executive  
2 summary, the whole purpose of all of this is to install  
3 more heat pumps.

4           And so I think we need to look at how we can fix  
5 the software so that we can start phasing out gas entirely.

6           On a personal note, I survived a house fire when  
7 I was a kid, so I understand about how dangerous gas  
8 appliances are. And so basically one of the things that I  
9 always try to tell my customers if we have the chance is to  
10 try and recommend electric appliances because the lower  
11 fire hazard, but also because that's the direction the  
12 industry is going in. Most of the reputable manufacturers  
13 are not continuing to develop high-efficiency or low-  
14 efficiency furnaces, they're moving towards heat pumps.

15           And so we need -- someone else brought up the  
16 point about, well, they sold it to us at the store. Why?  
17 What is this about the AHRI eyes are taking it.

18           And this is another thing, is that if you want to  
19 put this on the consumers, the homeowners, education that's  
20 going to have to go along with this is intense because  
21 literally none of them know anything about this. I would  
22 say maybe -- that last week I had a homeowner that knew a  
23 lot about it and that was actually kind of a shock.  
24 Typically, when I do interact with homeowners, they want us  
25 out of their house as quick as possible, they don't want to



1 know anything about what's going on, but that's just on the  
2 average. I mean, every once in a while we actually do get  
3 really informed conscientious consumers that are really  
4 interested in the program one another score. Those people  
5 are always a breeze to deal with.

6 But I think, I see that there's a lack of  
7 funding. And I think, honestly, we got to get  
8 straightforward with this. If CHEERS and CalCERTS are  
9 going to be able to provide their own inhouse quality  
10 control programs effectively, they're going to need state  
11 funding. And so what we got to talk about is, you know,  
12 where -- whose budget this money is going to come out of?  
13 How much are we talking about? How many people are we  
14 talking about are they going to be private? Are they going  
15 to be consultants? Are they going to be -- can existing  
16 firms do QC on other firms?

17 This this brings up a  
18 whole -- another whole mess of wiring, so to speak, about  
19 how this is all going to function that we need a lot of  
20 clarity on early on because I can see that there's going to  
21 be just a lot of confusion for the consumers.

22 So anyways, that's, I guess, that's where I'm  
23 going to leave off. Thank you again.

24 MS. WHITE: Thank you, Chris. We do encourage  
25 you to submit your comments, particularly about where you

1 see --

2 MR. C. BARRIERE: Oh, I'm working on it.

3 MS. WHITE: -- yeah, where you see some of the  
4 software challenges to decarbonizing buildings existing  
5 within the current tools that we have available.

6 But I'm also very interested in your ideas about  
7 how we might be able to keep those costs down and still be  
8 able to be effective at getting towards the bad actors.  
9 And thank you again for your comments.

10 MR. C. BARRIERE: Oh, I had a question, one more  
11 question, actually.

12 HAS any legal action been taken to go after some  
13 of these, quote unquote, bad actors, or are we still kind  
14 of just wringing our hands?

15 MS. WHITE: We have not actually been able to,  
16 under the existing regulations, go after, so to speak, as  
17 the CEC. I do know that some of the providers have taken  
18 action against some raters, but that's probably not --  
19 well, it's not sufficient to be big enough to turn, hence  
20 why we're proposing some of these more robust changes.

21 MR. C. BARRIERE: Okay. Thank you so much.

22 MS. WHITE: You're welcome.

23 Logan, let's see, there's a couple of other  
24 people who haven't had a chance to speak.

25 David, I'm going to ask you to unmute and accept

1 my request to talk.

2 MR. ORTIZ: Hello. Can you hear me?

3 MS. WHITE: Yes. Thank you.

4 MR. ORTIZ: Hi, Joe and Lorraine. Thank you very  
5 much for all the hard work you're doing. You're spot on  
6 with the regulations.

7 One distinction that I think needs to be made is  
8 when regulation -- sorry, I'm a HERS rater. I've been HERS  
9 rater since about 2015. And the proposed changes for  
10 regulations, make a distinction between the HERS company to  
11 staff at the HERS company and the HERS rater. I want to be  
12 clear that the bigger companies, the bigger HERS companies,  
13 are going to direct their staff, whether it's the staff  
14 member or the rater, to do whatever they want. So divvying  
15 up the duties with regard to pulling their stuff, if that's  
16 a move to separate the rater, it's not going to work there.

17 The HERS company is going to operate based off of  
18 what the owner or the president tells its staff to do. So  
19 whatever regulations are crafted, you have to you have to  
20 understand that the HERS company is its own entity and the  
21 owner of the HERS company is going to tell their Raters  
22 what to do.

23 One thing that I haven't heard of or heard said  
24 yet is the ability for large HERS companies to hide the  
25 quality assurance audits that are done on them. So these

1 big HERS companies hire their own raters, they train them,  
2 they pay for their certifications, and sometimes these  
3 Raters leave the company to other industries, different  
4 industries, they just quit. But the HERS company will  
5 retain that login and password of that HERS rater. And,  
6 you know, if the if that HERS rater -- or if the HERS  
7 company gets a project that isn't passing, they will just  
8 use that login and password of that HERS Rater that has  
9 left the company. These big HERS companies just  
10 continually go through HERS Raters over and over again. So  
11 there needs to be some kind of a disciplinary action with  
12 regard to HERS companies.

13           And I started in 2015. I worked for one of these  
14 big HERS companies and it became very clear that the  
15 collusion was widespread, even with the bigger HERS  
16 companies.

17           One of the previous speakers was spot on, I  
18 forget their name but I think it was Dav from L.A., and he  
19 was using profanities, but he's spot on. The reason these  
20 big HERS companies have been so successful is because  
21 there's an understanding that there's not going to be --  
22 they're not going to get it any trouble with regard to  
23 going back and fixing the issues with the install. And I  
24 experienced that firsthand with regard to existing homes,  
25 working with air conditioning companies, straight from the

1 horse's mouth, the air conditioning companies told me, all  
2 I care about is a pass and I don't even care if you get  
3 your equipment out. And on that paperwork that we sign,  
4 the 3Rs, it says, "penalty of perjury, all the information  
5 is correct."

6 So I quickly left that company, started my own.  
7 And I've since then moved over to the new construction side  
8 where general contractors are much more receptive to  
9 training and understanding the regulations and getting it  
10 right the first time.

11 And so with regard to homeowners hiring the HERS  
12 rater, I don't see that being a big issue. You do a simple  
13 internet search and you get half a dozen to a dozen HERS  
14 companies in an area to hire. And the building department  
15 will direct the homeowner and say you need to hire HERS  
16 company to have this permit signed off on. Just do a quick  
17 Google search.

18 So as a -- you know, operating as a  
19 whistleblower, any HERS company that's not in favor of the  
20 homeowner hiring their own HERS rater, it's because they're  
21 upset because the party's over and they're going to have to  
22 be held accountable for the poor installs that they've been  
23 allowing these contractors to continue.

24 And I've done my best with air conditioning  
25 companies to say, let me do an in-service with your

1 technicians, with your installers. Let me go into the  
2 field with your installers. I'll do it for free. I'm not  
3 going to charge you just to go out, so we can educate you  
4 and how the job is being done. But after, you know, two or  
5 three times of saying this needs to be fixed, you know,  
6 they go and find a new HERS company and, low and behold,  
7 it's one of the bigger ones.

8 So I say that with caution. Take all of the  
9 comments with a grain of salt. I think the only way to  
10 have the homeowners best interest in mind is if they're  
11 hiring the HERS company, not just the rater but the  
12 company, because the HERS company will direct what their  
13 raters do.

14 Thank you.

15 MS. WHITE: Thank you, David. And I'm remiss in  
16 asking both Jim and David to please provide their  
17 affiliation, so if you could, please?

18 MR. ORTIZ: Yeah. I'm a HERS rater. I'm a  
19 current HERS rater right now.

20 MS. WHITE: Okay. Do you have a company name or  
21 are you -- and your last name for the court reporter, just  
22 to help them out, keeping --

23 MR. ORTIZ: Yes. Ortiz is my last name.

24 MS. WHITE: Ortiz? Okay.

25 And Jim Hodgson was from CHEERS, and that's a

1 provider for their HERS program.

2           The next person is Brian Stevens. If you would  
3 please accept my request to unmute and talk?

4           MR. STEVENS: Perfect timing. My name is Brian  
5 Stevens. I'm with Stevens Testing. Thank you for the  
6 opportunity to speak and get involved in the new Code that  
7 is going to affect kind of all of our businesses here.

8           So just a couple of things, going to kind of beat  
9 that dead horse that everybody's going after but by billing  
10 our contractors directly, it kind of takes us into a level  
11 where we're sort of a consultant with them, as well as  
12 being their HERS rater. And what I mean by that is that  
13 we're pretty aggressive in training, particularly in times  
14 like now, where the new Code is coming out that's going to  
15 affect contractors that we take care of, and going out to  
16 job sites with their technicians, going to, you know,  
17 installer meetings to kind of get them on the same page  
18 with the new Code structures.

19           And over the last eight years at Stevens Testing,  
20 and I've been doing this since 2010, what I've seen with  
21 that is you build a relationship with them where they know  
22 you're not a bad guy when you fail their jobs, that you're  
23 here to kind of help them understand and get through Title  
24 24, which I think helps bring compliance up. We kind of  
25 take the fear out of it.

1           And if we're going to start billing the  
2 homeowners, there's not much of a benefit with companies  
3 like us in spending that extra time with contractors if  
4 we're not going to be getting the jobs from that investment  
5 we're basically putting in there by helping them understand  
6 and comply with the Code that's going forward.

7           Along with that same point, we're kind of a small  
8 family business it's me and my brothers. We've all been  
9 doing this for about 12 years. And the way we keep our  
10 costs competitive and still have a qualified technician out  
11 there that's tested over 20,000 homes is we keep our prices  
12 low. And if we're going to now be competing in an  
13 advertising war with the larger contractors, it's going to  
14 drive our cost up. And more than that, I don't think I can  
15 invest as much as some of these large companies that are,  
16 like the guy said, out of state and out of country in some  
17 states -- in some situations.

18           And the last thing with dealing with the  
19 homeowner is we've actually kind of like limited the amount  
20 of homeowner jobs we take because the payment is kind of a  
21 pain in the butt to get through. We'll have to open up  
22 another thing where, you know, we got credit card readers  
23 on our -- with all my guys so that we can charge them right  
24 at this point where we're taking care of the testing,  
25 instead of kind of batching and taking care of all of it at



1 one time with a part-time accountant who's basically  
2 invoicing our contractors directly. Payment tracking will  
3 become another aspect of our job where, ultimately, you're  
4 going to have to hire someone else who's going to keep  
5 track of money that's going in and out and, you know, going  
6 to Small Claims Court to try and get money out of a  
7 homeowner that doesn't want to pay us after we provided a  
8 service.

9 MS. WHITE: I really appreciate that input,  
10 Brian. And understanding how the relationships between the  
11 HERS raters, the contractors and the homeowners actually  
12 are currently out there in the world, that's important for  
13 us to know.

14 Did you have any more comments on that?

15 MR. STEVENS: No. I've got some stuff I'm  
16 writing down right now that I'll submit --

17 MS. WHITE: Okay.

18 MR. STEVENS: -- to the docket --

19 MS. WHITE: Good.

20 MR. STEVENS: when I get it all finished up.

21 MS. WHITE: Perfect.

22 I'm going to loop them back to -- I know you've  
23 been very patient, Logan, so I'm going to look back to you  
24 before I go to Richard and Roman. So Logan, I'm going not  
25 unmute you.

1           MR. STRAIT: Yeah. Hi. One moment. Let me  
2 close this door over here.

3           MS. WHITE: Cool. Thank you, Logan.

4           MR. STRAIT: Okay. Hi. I'm a HERS rater. I  
5 actually work for BarrierEnergy, for the Barrieres that  
6 we've been hearing from.

7           And basically, you know, I'm really glad that we  
8 finally have the opportunity to really kind of enforce the  
9 Code, like more, with more teeth than we've sort of been  
10 able to level at people before under the threat of like,  
11 well, I'll just ditch you and, you know, hire a cheaper  
12 HERS rater who doesn't even show up and just kind of signs  
13 off on it or whatever.

14           I think the biggest problem, as we've kind of  
15 hinted at and indicated before, is that we can only do that  
16 in so far as the authority having jurisdiction is willing  
17 to actually enforce those Codes. You know, as we've been  
18 saying, the homeowners know very little about HERS testing.  
19 And educating them is certainly kind of an uphill battle  
20 and certainly part of the process, you know, insofar as  
21 they largely view us as an obstacle, you know, we need to  
22 get these guys to sign this so that we can get our, you  
23 know, permits so on and so forth.

24           And so it seems to me that with the way that  
25 we're looking at implementing these changes, you know, it

1 kind of gives a lot of homeowners the incentive to just do  
2 exactly that, you know? And then it almost puts the onus  
3 on us. I mean we're the stricter QC is certainly welcome.  
4 It almost puts the onus on us to kind of verify that we're  
5 not being, you know, undercut by people that -- you know,  
6 by bad actors. Because it seems to me that in an authority  
7 having jurisdiction, such as Santa Barbara County, that the  
8 authority having jurisdiction won't be, you know, putting  
9 that onus on necessarily these bad actors.

10           And I mean, I guess the problem, you know, it is,  
11 it is good that we'll be being paid, I suppose, by the by  
12 the homeowners rather than by the contractors because it  
13 removes that conflict of interest. It just kind of  
14 introduces a new complication which is the sense that --  
15 and I hope I have some general agreement from the rest of  
16 us here -- that us enforcing the code makes the homeowner  
17 kind of upset at us because that makes us more, again, the  
18 obstacle to getting these signatures that they want.

19           And then the fact that we also then have to be  
20 the ones trying to educate the homeowners and advertising  
21 our business, potentially, against competitors or what have  
22 you, since we're no longer working with the installers, it  
23 kind of creates a kind of a Catch 22, where the more that  
24 we try to enforce the Code, the less they actually want to  
25 hire us to do that.

1           And thank you all for your time. And thank you  
2 all for implementing these much needed changes. Thank you.

3           MS. WHITE: Thank you very much, Logan.  
4 Appreciate your additional thoughts here.

5           Roman, if you would, please.

6           MR. LEONELLI: Hi again everybody. Thank you for  
7 giving me another of opportunity to speak.

8           So I just wanted to, you know, comment on it  
9 seems like there are some people in the chat here today  
10 that think that if you're not willing to work with the  
11 homeowner, that you must be a corrupt organization. And I  
12 just would like to iterate that I believe that's completely  
13 not true.

14           I think that, you know, a lot of us as larger,  
15 you know, large or midsize organizations are doing the  
16 education on the ground. We're the reason why people are  
17 compliant. Yes, there are some bad actors and rather large  
18 companies that are that are, you know, not doing what our  
19 industry is supposed to be doing. However, the reason that  
20 we -- that the industry is compliant at all is because of  
21 us. We're the ones providing the training. We're the ones  
22 that, you know, like other people have said, we're the ones  
23 that are working with contractors to make sure that they're  
24 compliant. Also, we're providing -- we're making it easier  
25 to pull permits, so we're helping to increase compliance

1 and also pass the compliance.

2           So I'm fully onboard with getting the homeowner  
3 involved. I think that that would help. However, I think  
4 that there's another way of getting the homeowner involved,  
5 other than making them responsible for payment because, you  
6 know, put into perspective, you have to consider what if  
7 the HERS test fails? Now the now the homeowner is then  
8 responsible for paying for a retest or perhaps multiple  
9 retests. And then we're going back and forth with the  
10 contractor to help them understand why they failed, what  
11 needs to be done to correct the situation. They have to  
12 come out correct it. Now the homeowner has to pay again.  
13 I mean, I just don't think it's a good process.

14           And like I mentioned before, if we're helping  
15 pull permits, that they can be compliant, then we have  
16 their permits in our office. So for the homeowner to go  
17 find another HERS Rater, how then -- I mean, because let me  
18 just explain the process.

19           Currently, we pull the permit. We do the HERS  
20 tests. We provide all the paperwork that the homeowner  
21 needs to get a final inspection done. So we have the  
22 permit, we have the permit paperwork printed out -- or  
23 sorry, excuse me, the permit and the HERS test paperwork  
24 printed out for the homeowner, we provide that to the  
25 homeowner so that they can call the city to have their

1 final inspection.

2 I just think that we have a very good system in  
3 place. We are educating and training contractors on how to  
4 be compliant. We're making it easier for them to be  
5 compliant. I think that we can involve the homeowner  
6 without making them responsible for payment in the way of a  
7 signature. They already can register on CHEERS. They can  
8 register on CalcERTS. They can be involved. We can be  
9 responsible as HERS Raters for educating the customer on  
10 what we're -- excuse me, the homeowner for what we're doing  
11 during the test. We can explain the targets of the testing  
12 for instance, the CFM target, say, hey homeowner, this is  
13 your CFM target for duct leakage, this is the reading I'm  
14 getting. Do you sign this document stating that I educated  
15 you on all the results that I got here today?

16 I think that that would be a good avenue forward,  
17 to say we, as HERS raters, have to collect a homeowner  
18 signature, whether that be on the registry digital or  
19 something physical and we take a picture of it or whatever,  
20 some method that we state that we spoke to the homeowner  
21 and the homeowner attests that we explain the results that  
22 we got, and that they passed or failed. That, I think,  
23 would be a better avenue than to put this cost on the  
24 homeowner and further just disconnect HERS raters from the  
25 contractors because we're the ones that have actually

1 created compliance in this whole industry.

2 I just, I think that there -- I fully agree with  
3 involving the homeowner. I agree with more QA. I agree  
4 with getting away with sampling rates on alterations. I  
5 think that samples should only be for large multifamily,  
6 not for residential alterations. I think that should go  
7 away completely. I'm for more compliance in this industry.  
8 But I think that putting it on the homeowner, making them  
9 pay for stuff, is only going to have the adverse effect.  
10 Homeowners are going to say, I can save over \$1,000 by not  
11 pulling a permit and not paying this HERS rater guy to come  
12 into my house and do an inspection, I'm going to do that.  
13 Can you please do the work without a permit? Otherwise,  
14 I'm going to the other contractor that's willing to do it  
15 without a permit.

16 That's my two cents. I think that involving the  
17 homeowner is a great idea but the way you go about it  
18 is -- could be detrimental to this whole industry.

19 MS. WHITE: Thank you, Roman. And we look  
20 forward to your written comments.

21 MR. LEONELLI: Oh, I will. Give me some time.

22 MS. WHITE: Yeah, yeah. No, no. I mean you have  
23 some time --

24 MR. LEONELLI: Oh, sorry.

25 MS. WHITE: -- so that's a good thing.

1 MR. LEONELLI: I did not introduce myself.  
2 Again, I'm not a good public speaker, but I'm Roman  
3 Leonelli with ERE Inspections out of Los Angeles and Orange  
4 County.

5 MS. WHITE: Perfect. Thank you so much. And we  
6 do look forward to those written comments.

7 And just a reminder to everybody, the written  
8 comments aren't doing till December 16th. But if you want  
9 to file them early, that's fine. If you've got them done,  
10 that would be great. We can get started on them right  
11 away. But we do look forward to this first wave of  
12 comments by December 16th so we can continue to craft the  
13 public engagement. Hopefully, we'll get our second  
14 workshop in January, as a reminder for folks.

15 So Richard Barlow, I would like to invite you to  
16 please accept my invitation to unmute and speak, please.

17 MR. BARLOW: Good afternoon and thank you, Mrs.  
18 White. Once again, Richard. I'm also a rater with  
19 Absolute Efficiency Group. And I appreciate all the raters  
20 and everyone on this call because everybody's making great  
21 points.

22 The first thing I just wanted to touch on is the  
23 alteration side and the homeowner. Now us, as a HERS  
24 rating company, we never charge the homeowner unless the  
25 homeowner is actually calling to schedule a HERS rating.



1 And when they do call, we note -- we just explain to them  
2 that if the system is not passing, will they agree for  
3 retest fees? We'll do the smoke, we'll do whatever. We'll  
4 explain, whatever is not passing or -- and what -- and the  
5 corrective action, we always try to find out what it's  
6 going to take, whether it be their motors, you know, the  
7 wiring needs to be changed on the motoring to go to high  
8 speed, whatever the case may be, where the duct leakage is,  
9 whether it's plenums, boots not connected, so on and so  
10 forth.

11           So we will, on our initial call with the  
12 homeowner, we will explain to them the full process. So  
13 when we get to the house it's very rare that they have any  
14 issues with us as being the rater, because they already  
15 feel comfortable knowing that they understand the process  
16 and what we're there for. So I just want to -- you know,  
17 so we never just a homeowner calls and say, can you do a  
18 test, and we say, yeah, we'll be there. We explain to  
19 them. And we give them a price based on what they explain.  
20 We also tell them that price may change if the information  
21 provided that, you know, we document during the phone call  
22 is not accurate.

23           So I don't -- really, we typically don't have a  
24 whole lot of issues with homeowners, per se. If a  
25 contractor calls us or a building, they will be responsible

1 for billing, and then they -- we tell them, if they ask us  
2 to bill the client, we tell them to send the client our  
3 invoice and let them handle that, okay?

4           So the alterations, we actually last year we --  
5 or early this year, we were part of a docket from going  
6 because our homeowner felt uncomfortable with the previous  
7 rater, and we went and tested and explain the whole  
8 process. And at that time the homeowner wasn't even aware  
9 of the process. He didn't even know what tests were  
10 being -- you know, had taken place. Fortunately, you know,  
11 we -- that that homeowner was on top of it. He kind of  
12 felt uncomfortable. And, you know, we ended up finding out  
13 that, you know, everything that was -- all the required  
14 verifications did fail, and we gave them corrective  
15 actions.

16           So in any event, that's the alteration side.

17           Now with the new construction side, I really have  
18 one major issue with new construction, which I would hope  
19 would be corrected, and a lot of the raters have  
20 interjected this same thing is, you know, we're the ones  
21 educating everybody, but we're the last people at these  
22 projects. And that shouldn't be the case.

23           We did a test run in February of this year. We  
24 went to 14 city building and safety offices, 14, and we  
25 created a half-page leaflet and asked those 14 cities, can

1 you hand -- and once a permit is issued, if it's requires  
2 HERS test, because it has have a set of plans, it does have  
3 an energy Title 24 calc on the plans. And you give them  
4 this little half-page leaflet stating that they will need a  
5 HERS Rater for the following reasons. None of those  
6 cities, except for one, said I'll look into it. Only one  
7 city.

8           Because we get to these jobs, these new  
9 construction single families, and then they're already  
10 pissed off because they've been through enough inspections,  
11 enough change orders, enough stuff coming out their pocket,  
12 and then all of a sudden they got to have a HERS rater come  
13 in. And then if they got three systems, it could be, you  
14 know, close to \$1,000 extra that they got to pay.

15           I don't know why we're the ones that's educating  
16 people all the time, which we have no problem with because  
17 that's just the way it has been since we started in 2010.

18           So I don't know if the cities can just give  
19 somebody a handout, telling them what the steps are for  
20 them to get signed off and to get a certificate of  
21 occupancy. Every day we go to jobs, every day, and people  
22 are not aware of that. Oh, I didn't know we needed a HERS  
23 rater. And my HVAC guy or my brother is telling me now I  
24 need a HERS rater, and then they have a problem with the  
25 HVAC guys or the builders because they think they're trying

1 to get more money out of them.

2           So I don't know, I just think it should be a  
3 little more, you know -- these organizations that are ahead  
4 of us should be more responsible of, you know, telling  
5 people how this works.

6           Now being a small company, we have six raters.  
7 And you know, I feel all these raters, you lose probably  
8 about 20 percent or more the jobs that you anticipate a  
9 closing and getting paid for because things don't pass.  
10 And then they get another rater and then other Rater signs  
11 it off.

12           That's why the one doc -- we went to one job, we  
13 were the first Rater. We told the guy, "Hey, here's your  
14 Title 24." We had to explain to him how they -- you know,  
15 and which all HERS raters. We explained to him, "Hey, you  
16 need to meet or exceed all these." We go to the job and he  
17 doesn't have a 97 percent furnace. And this is this is  
18 just during the QI stage, we inform these people. He  
19 doesn't have all the features. The windows put in, you  
20 know the U-value is too high and what whatever the case may  
21 be.

22           But in closing, you know, don't just -- I'll tell  
23 them we can't sign off, they get another HERS rater, and  
24 another HERS rater they don't even go to the job. The  
25 system says it's a ducted system -- I mean a mini-split.

1 They put in a ducted system and the HERS rater just does  
2 the paperwork side unseen. The same equipment is still in  
3 the house. The city inspector gets the paperwork, they  
4 don't look at the paperwork, half of the time they won't  
5 look at the paperwork, so it's showing a ducted system  
6 passing duct leakage at five percent and they don't even  
7 have a ducted system in the house.

8           So I think the education needs to be put on the  
9 people before us, instead of the HERS raters. We've been  
10 put in a good situation, HERS raters, believe it or not.  
11 We've been forced to educate people. If they educate  
12 people before they get to us now, the job will be a whole  
13 lot easier.

14           So that's the point I'd like to make. And  
15 hopefully we'll see a change in that, that the cities are  
16 informing these people exactly on what is going to be  
17 required moving forward.

18           I just finished a job this morning and the  
19 homeowner never knew, and he asked to get a HERS rating  
20 like now, because he never knew that he was, you know,  
21 supposed to get a HERS test. And the city inspector tells  
22 him, after he's visited the property six, seven times for  
23 other electrical, whatever the case may be, and then at the  
24 final, and when he's all said done with his job, then he  
25 asked the homeowner for HERS rating. And she's like, what

1 is that? Well, look on the registry.

2 So I think the education needs to start from the  
3 top and not from the HERS raters. So thank you for the  
4 opportunity.

5 MS. WHITE: Thank you very much, Richard. Really  
6 appreciate your comments. And that is -- that has been a  
7 common theme of trying to get the education going a little  
8 earlier, so thank you for that reinforcement.

9 David, David Choo.

10 MR. CHOO: Hey everybody. Can everybody hear me?

11 MS. WHITE: Yeah, David. Go ahead.

12 MR. CHOO: Hey everybody. This is David with  
13 HERS provider CalCERTS.

14 You know, I recognize so many names here and it's  
15 really encouraging. I think everything we've heard today  
16 so far has been really great. I see a lot of people that  
17 are really passionate to get this done right.

18 So I just want everybody to know that we at  
19 CalCERTS are here, we're listening, and we really welcome  
20 this conversation. You know, those of you that know me  
21 know that we've wanted this conversation for many years, so  
22 it's exciting to see it happen.

23 As everybody knows, we have a lot of experience  
24 in QA, as we've -- only god knows how many thousands we've  
25 done. I just wanted to let all the stakeholders and the

1 Commission know that we look forward to working through the  
2 documents and data and information that we've provided to  
3 the Commission over the years. We want to make this work  
4 and we're grateful for the opportunity.

5           You know, over the years, I think we've also  
6 proven that QA, when done correctly, can protect not just  
7 homeowners and ratepayers, but also HERS raters. So this  
8 conversation is great and it's all in a long time coming.  
9 So I look forward to meaningful and positive collaboration.

10           That's it for me, Lorraine.

11           MS. WHITE: Well, we definitely appreciate the  
12 level of engagement today. David, you're spot on, this has  
13 been a long time in coming. The Commissioner had made  
14 those comments earlier today and, you know, with Joe's  
15 comments throughout the day, there is a recognition that,  
16 yeah, the time is right to make some really positive change  
17 here. And we can do this with the collaboration and the  
18 input from all the participants here.

19           So as a manager in this program, moving us to  
20 this point has been pretty amazing and has taken the  
21 efforts of the entire Commission and all of our partners  
22 here. So we are encouraged beyond belief with the level of  
23 engagement here and enthusiasm.

24           So with that, I'm going to move on to the next  
25 person.

1 Amer, I'm going to go ahead and ask you to  
2 unmute. I hope I got your name correctly. You should have  
3 seen my request.

4 Yeah, yeah. Thank you so much.

5 MS. WHITE: Thank you.

6 MR. ALMALLA: Yeah, of course. My name is Amir  
7 Omala. I do primary -- I know this is focused a lot on  
8 HERS raters. Maybe I can bring a little bit of a different  
9 perspective.

10 I just do Title 24 for a small engineering firm.  
11 And I haven't been in business for too long, about a couple  
12 of years, and what I've noticed the most is, you know, I  
13 think this point has been made multiple times today, is  
14 just a lack of information and knowledge from the  
15 homeowners. A lot of the times, they don't know what Title  
16 24 is, they don't know what a HERS rater is, they don't  
17 know why it's required. And it seems like a burden on them  
18 every time it's brought up. You know, homeowners are  
19 usually doing this once, twice, maybe three times in a  
20 lifetime. They don't -- it's not a reoccurring, you know,  
21 requirement in their life, so they just want to get it over  
22 with and move on and get their, you know, certificate of  
23 compliance and move into their house. They don't really  
24 care what the process is.

25 Something I've implemented in my process to kind



1 of create more accountability is actually, you know, before  
2 registering with cheers or CalCERTS is just drafting up a  
3 one-page document that kind of summarizes what the Title 24  
4 entails. A lot of people, you know, even some contractors  
5 don't know how to read it, unfortunately. They ignore it.  
6 We've had, you know, big lawsuits come back where the  
7 contractors just says, I didn't even read the Title 24 and  
8 didn't think it was important. And, you know, that's a  
9 huge issue.

10 So I summarize the key components, have the  
11 homeowner review it, discuss it with me if they have any  
12 questions, and then sign off on it. And, you know, that's  
13 created a lot of, you know, very informative discussions  
14 with the homeowners where they will ask follow-up questions  
15 and try to understand why, or what is being required of  
16 them, that way they're not installing things.

17 You know, kind of to one of the gentleman earlier  
18 who was saying, you know, this has to be -- the education  
19 or the information needs to be provided at earlier stages  
20 rather than when the HERS rater is inspecting at the end  
21 of, you know, installation, kind of explaining to them what  
22 will be required and that if they don't install what is on  
23 the Title 24, they will have problems down the line.

24 And then, you know, creating some kind of  
25 accountability for them to sign off to feel like if -- it

1 could be so frustrating for me when, you know, they come  
2 back and say, well, I know you said R21 but we put R13 in  
3 the walls. And I just tell them, well, sorry but that  
4 doesn't pass. I don't know what to tell you, it's not  
5 complying. So, you know, it creates frustration all  
6 around.

7           And I agree to the point where we need to tackle  
8 this a little earlier on and inform the homeowners, if  
9 they're the ones making decisions on, you know, what is,  
10 ultimately, how much they're spending and what's being  
11 installed in their homes. Yeah, a little accountability  
12 earlier on is -- definitely creates, you know, less  
13 headache

14           That's all I have. Thank you.

15           MS. WHITE: Thank you, Ameer. I really  
16 appreciate that. And sorry for all the clicking in the  
17 background.

18           MR. ALMALLA: Oh, that's alright.

19           MS. WHITE: We've got a nice little team trying  
20 to also get some real time stuff so that some of the  
21 questions we can respond to sooner than we can if we just  
22 waited for the transcript.

23           So, Eric, Eric Beriault, I'd like to invite you  
24 to unmute and speak.

25           MR. BERIAULT: Alright. How's my volume?

1 MS. WHITE: Sound good.

2 MR. BERIAULT: Perfect. Alright. So thank you  
3 for hosting today. I want to thank you and Joe. You guys  
4 have been -- any questions I've had, you guys have been  
5 great to deal with. And I know this is a big task, so I  
6 really appreciate it.

7 I think there's probably a few of us on the call  
8 that were originally there in March of 2013 at the original  
9 OII proceeding, I guess, so I kind of thought everyone  
10 forgot about it. So I was pleasantly surprised when it was  
11 back on the radar, so that's great.

12 So I'm just going to quickly kind of cover off a  
13 little -- a few points at a high level. I will be, you  
14 know, obviously will be submitting written comments, but I  
15 just wanted to chime in on a couple things.

16 Well, first of all, the easy one is the naming  
17 convention. So whatever ends up getting picked, I just  
18 want to make sure that we're thinking about it in terms of  
19 the homeowner because that's a person that keeps coming up  
20 that is really, really paying for the whole process and  
21 doesn't really know why. So it might be something that's  
22 easy and relatable. And I do like Energy Code compliance  
23 because it's -- whenever I'm talking to someone outside of  
24 the industry, I always say that, those three words, at some  
25 point in time in my description, so that might be a good

1 one.

2           Anyways, more of a rhetorical question here but,  
3 you know, whenever we're doing this we're -- you know, we  
4 always talk about, you know, we're policing the people in  
5 the system and, you know, we know that there's -- the  
6 majority or not in the system. So I just want to make sure  
7 that we're not doing this, you know, tightening things up  
8 to the point where, you know, the unintended consequences  
9 lower compliance.

10           A couple things I want to -- there's some mention  
11 of keeping or removing sampling. I like the idea of  
12 sampling. It hasn't worked. It doesn't mean it won't.  
13 The reason I like it is, you know, once we get past this,  
14 and then we can actually go for that extra 90 percent of  
15 the marketplace that's not complying, we're going to need  
16 economies of scale, we're going to need ways to bring  
17 everyone up to speed quickly. And sampling maybe an  
18 opportunity if it's done right. In our experience it's  
19 rarely done right, but we do work with a couple of  
20 contractors that do it right. But it currently doesn't fit  
21 in most contractors' sales model, which is sell today and  
22 sell tomorrow. So that's one of the reasons why it doesn't  
23 work.

24           The other thing I want to address is the QA, and  
25 we're in favor of QA. I like some of the things that I've

1 read in the documents. But I also want to -- like with  
2 very simple math, you can understand how expensive QA is  
3 for the provider, and it's their responsibility. But, at  
4 the end of the day, it's us, then the contractor, then the  
5 homeowner is going to pay for it, so the homeowner is going  
6 to pay for it. So it's needed, but maybe we scale it a  
7 little bit differently for people who aren't -- and I know  
8 there's some wording in there -- that aren't complying.

9 But maybe for the ones that are, for the people that  
10 are doing it right, that have a track record, maybe it's  
11 more of a desktop QA where it's less of a burden of the  
12 provider, and to the rater and to the homeowner, and  
13 everyone else has to be on site. So it's definitely  
14 something to consider.

15 And so with the sampling, the quality assurance,  
16 there's technological solutions, like everything, that can  
17 be implemented that can give us the results that we want,  
18 that don't make it too burdensome financially.

19 So moving on, I want to talk about conflicts of  
20 interest because there's two main ones, one is the HERS  
21 rater and the installer; right? The installer pays the  
22 HERS rater. Financial conflict of interest, no matter how  
23 you slice it.

24 The second one is the HERS rater and the  
25 provider; right? It's the same kind of conflict. We're

1 paying the provider to police us. So in the past, they  
2 haven't had the teeth to do what's right because it's not  
3 in the regulations, which then puts the onus on them as a  
4 company; right? And that, I wouldn't do that if I were  
5 them either.

6           So I like what I hear. You know, obviously, I  
7 like what I'm reading. The one important thing, I think,  
8 is that if one provider takes agreed-upon action against a  
9 HERS rater or HERS rating company, whatever we end up  
10 calling them, I think it's important that all providers  
11 must abide by that. Because that's how we minimize the  
12 conflict of interest and, you know, kind of give some teeth  
13 to the whole quality assurance program, so I think that's  
14 pretty important.

15           And then lastly, I really like some of the  
16 comments from the independent raters because their  
17 perspective is important. Especially, we agree they're  
18 going to need more HERS raters, and they won't be all  
19 working for HERS rating companies, there will be lots of  
20 independent raters. The burden can't be put on them to  
21 have to hire someone to pull a CF1R. That that one doesn't  
22 make sense. So there needs to be some solution there where  
23 they can keep doing what they're doing. So that was a  
24 really good perspective. I never thought of that, right,  
25 because we're always thinking about our perspective, so

1 that's why these meetings are great so we can all kind of  
2 understand where one else is coming from.

3 So I'll cap it at that for now. But thanks again  
4 for hosting this. I really appreciate it.

5 MS. WHITE: Thank you, Eric, very much. If you  
6 would please, for the benefit of the court reporter, could  
7 you please state your full name and affiliation?

8 MR. BERIAULT: Yeah. Eric Beriault with Energy.

9 MS. WHITE: Thank you.

10 And the last hand I see is Shelby Gatlin.

11 Shelby, if you would accept my invitation to  
12 unmute?

13 MS. GATLIN: Hello. Can you hear me?

14 MS. WHITE: Yes, ma'am.

15 MS. GATLIN: Great. This is Shelby Gatlin. I'm  
16 with CalCERTS. I just wanted to jump in and say that we  
17 look forward to working with the Commission on the  
18 rulemaking.

19 We don't have any comments at this time, but  
20 we're listening. And we're also listening specifically to  
21 see where the HERS providers can step in and really help.  
22 And so as we work with the Commission on the rulemaking, I  
23 would recommend that if the rating companies or the raters  
24 identify ways that the HERS providers can help solve some  
25 of these problems and take the burden on themselves to help

1 promote the HERS program and help the HERS raters, I would  
2 encourage you to get in contact with us. We also want to  
3 hear from you to see how we can help advocate for you and  
4 work with the Commission through this rulemaking.

5 So it's been a long workshop today and I  
6 appreciate the opportunity to listen in. We had a lot of  
7 people who want to join today but couldn't because IHAKI,  
8 so hopefully they will be able to join again when you meet  
9 in January.

10 Thank you.

11 MS. WHITE: And just a reminder for everybody,  
12 the webinar has been recorded -- is being recorded right  
13 now. We also have a court reporter to develop a  
14 transcript. We recognize that there was a conflict. Thank  
15 you for alerting us to that Shelby. But in order to keep  
16 the schedule and make sure that we have enough time for all  
17 the vetting and exchange that we need, we needed to start  
18 earlier than later because this is a very long process in  
19 order for us to do this.

20 So there will be, Joe has mentioned, at least two  
21 more workshops. There's the possibility for more within  
22 the pre-rulemaking stages. We also have other public  
23 meetings that will end up occurring as we move into the  
24 actual rulemaking process, which is to occur in the next  
25 couple years. So a lot more to come, a lot more



1 opportunity to provide input and comment, but the dialogue  
2 was important to start now.

3           Along those lines, we actually do have some  
4 additional time. I've noticed that some more questions and  
5 comments have been actually posted to the Q&A chat feature.  
6 So if no one else has other comments that they would like  
7 to make verbally, I don't see any additional hands raised,  
8 I'd like to move back.

9           MS. GATLIN: Can I --

10          MS. WHITE: Oh, Shelby, go ahead.

11          MS. GATLIN: I didn't know if I was muted yet or  
12 not.

13          MS. WHITE: Oh, no, no, not yet. Okay. Go  
14 ahead.

15          MS. GATLIN: I'm live. No, no, no, that's fine.

16           And I do want to mention, you know, Joe said at  
17 the top of the workshop that, you know, there's about 1,000  
18 raters. I do want to, you know, echo that there's 1,000  
19 raters but it represents far, far more many jobs than that.  
20 And, you know, with a rater, there are usually very many  
21 support people, and then the industry that supports them.  
22 So we're talking about this rulemaking impacting lots and  
23 lots of businesses, small businesses, throughout  
24 California. And I think, hopefully, we'll hear from many  
25 of them.

1           But mostly I'd asked to be muted, now that my  
2 comment is over, so when my kids come home, you don't hear  
3 them.

4           MS. WHITE: Okay. Thank you. And I am doing  
5 that now.

6           Alright, so with that, Joe and I are going to  
7 turn to the Q&A list again. And we were, Joe, I do believe  
8 we were somewhere in the neighborhood of -- we were with  
9 Chris Barrera or Barrier.

10          MR. LOYER: Oh.

11          MS. WHITE: And then Stephanie Gorton. I think  
12 it was -- I think we were at Carlos Dominguez.

13          MR. LOYER: I have no idea.

14          MS. WHITE: Okay.

15          MR. LOYER: So I will point out, just call out  
16 Luke. I thought of that same name in almost the exact same  
17 configuration. And yeah, it was pretty funny.

18          MS. WHITE: So do share that --

19          MR. LOYER: So --

20          MS. WHITE: -- where you are there.

21          MR. LOYER: It's a comment. "The California  
22 Residential Energy Efficiency Program, or CREEP.

23          MS. WHITE: Or CREEP. Okay.

24          MR. LOYER: Yeah. That would be quite the  
25 conversation that sorry. Sorry, ma'am, we can't finish off

1 your job, you have to go hire CREEP. Yeah, I don't think  
2 so but, yeah, it was pretty good.

3 MS. WHITE: Okay, so I'm going to go ahead and  
4 read the question. And then, Joe, if you would like to  
5 provide some response, that would be great.

6 "As far as the CF2Rs and PV noticed -- and then PV,  
7 I've noticed a disconnect between how the PV  
8 production is communicated on the type of PV  
9 connections governed by the utilities. VNEM versus  
10 NEM versus NEM-AA, little support is found when  
11 questions arise."

12 So I do believe, Carlos, that this is more  
13 question about fields within the forms on the CF2R  
14 regarding PV .

15 Joe, would you agree?

16 MR. LOYER: Yeah.

17 MS. WHITE: So I'm going to put my direct  
18 contact in the chat so that folks can email me about  
19 questions like this which are out of the scope of the  
20 discussion today. But I will actually forward those  
21 comments to the appropriate Staff people so they can  
22 respond to you, okay? So I'll put my email in there.  
23 Please email me with your question regarding forms or the  
24 specific questions related to the new Code cycle that takes  
25 effect 01/01/23. And like I said, I'll get that to the

1 right people.

2 David, your question or comment is that,  
3 "Municipal building departments will inform homeowner  
4 homeowners that they need to have HERS field  
5 verification and diagnostic testing. A simple  
6 internet search yields many HERS companies."

7 Then there's a discussion between David, and his  
8 question is, "I doubt whether you will get a real cost from  
9 raters on this related to the comments."

10 So when it comes to cost, like I said earlier,  
11 any of the trade secrets, if you guys would like to share  
12 that information with us and we would greatly appreciate  
13 it, there is the option of sending us some of the  
14 information with a confidentiality request. That way we  
15 would not be able to disclose it directly, we could not  
16 make it available to folks in such a form that it could be  
17 tracked back to anybody, but we could use the information  
18 in an aggregated analysis to best support the proper  
19 decision making and better inform the whole proceeding. So  
20 we encourage folks, even if it's sensitive information,  
21 please consider submitting it to us under confidentiality,  
22 so that we still may be able to improve the way that this  
23 proceeding goes.

24 Veronica. "will the current signature  
25 authorizations for CF2Rs from the contractor to the

1 rater tech be removed/revoked?"

2 Joe, would you like to tackle that one?

3 MR. LOYER: Oh, sure.

4 Ultimately, if the proposed regs do go forward,  
5 then, yes, from between the authorization wouldn't be  
6 between the contractor and the rater. It would have to be  
7 between the contractor and the technician company. That  
8 would be the only way to maintain that.

9 MS. WHITE: Thank you.

10 Stephanie Gorton.

11 "Building departments do not have the capacity to  
12 enforce non-permitted homeowners. They don't even  
13 have the capacity to enforce the open expired permits  
14 they have currently."

15 We do note that several folks have talked about  
16 the lack of enforcement by the AHJs and the constraints  
17 that caused that, so we will put Stephanie's comments in  
18 line with those.

19 Chris. Chris has provided us with his contact  
20 information and will be providing us additional information  
21 related to solar installers and sales.

22 Garrett.

23 "With all due respect, none of the new rules and  
24 regulations put forward will matter at all if the  
25 original issue isn't addressed. If the state and

1 cities don't find a way to require permits on every  
2 single job, you will continue to drive both homeowners  
3 and contractors away from permits. If the permits are  
4 required for everyone, then all of these new rules  
5 will actually make a difference. The first domino,  
6 being permits, needs to be addressed or all of this is  
7 pointless.

8 "Can you please address what options are available to  
9 require permits in order to purchase mechanical  
10 units?"

11 Garrett, that's not a question we can answer  
12 today. Joe and I will take this back to the team and to  
13 others who are working on the broad range of topics.  
14 Today, we're focused mostly on what we're proposing for the  
15 HERS program. There are other efforts afoot that will  
16 address the challenges that we're finding with AHJS, and  
17 also with the underground market. Those are very important  
18 and very challenging issues, we know, and we do appreciate  
19 your position here. So I hope you are willing to file your  
20 thoughts in the docket by the 16th of December.

21 Let's see. David's got some supportive comments  
22 here, and a note for you, Joe, so I'll let you read that  
23 when you have time.

24 And then Chris has another comment. "Speaking of  
25 CF1Rs, we have noticed some discrepancies with the CF1R

1 reporting software.”

2           So there were some comments made there. “The  
3 current CBECC and EnergyPro seem to favor gas-fired  
4 appliances.” So I won't repeat the comments that Chris  
5 made. And we look forward to his submissions to the  
6 docket.

7           S.B. Mike.

8           “We are a small market HERS technician company. Most  
9 of what I am hearing about the CF1R and 2Rs will  
10 diminish our model, attempt to shift an untenable  
11 workload onto small market installers, or bring in  
12 out-of-town people who, as we all know, cannot be  
13 trusted. Why this slant toward big markets?”

14           That is not the intention. And your comments  
15 related to small business are very important to us, and  
16 others on the call. If you have particular market  
17 information that you want us to be aware of, please submit  
18 that to us. We do not want to make the playing field -- we  
19 actually want to make the playing field level, not unlevel.  
20 So if there are things that we're proposing which would  
21 have an adverse effect on competitive capabilities of small  
22 business, please let us know.

23           MR. LOYER: If I may just chime in on that?

24           MS. WHITE: Yes, please.

25           MR. LOYER: Just so you know, that's actually one

1 of the requirements of the rulemaking, is for us to take  
2 those things into consideration. So that information, for  
3 everybody, that information is very important to us. We do  
4 want it.

5 MR. LOYER: Okay, so I don't want to skip this  
6 question from David Haggerty.

7 And, Dave, if I've skipped any that really are  
8 important to ask today, forgive me.

9 "Rater companies who have one rater in the office  
10 signing off on incoming testing that may not be a real  
11 or qualified or certified rater doing the testing will  
12 be wrong and is wrong today."

13 MR. LOYER: Yeah.

14 MS. WHITE: Yeah. And so that doesn't change,  
15 David.

16 MR. LOYER: Yeah, it's more explicit in the  
17 proposed regs.

18 MS. WHITE: Okay.

19 "So if I'm an energy consultant, as well as a HERS  
20 rater, I can't do the Title 24 and perform the HERS  
21 tests for the same project. Is it only me in my  
22 business?"

23 So go ahead, Joe.

24 MR. LOYER: Oh, so that's exactly the kind of  
25 thing we want to hear from you in your comment to submit to



1 the docket. Absolutely, we want to find out exactly how  
2 this is going to affect you and, even more importantly than  
3 that, what you would have us do instead.

4 MR. LOYER: And the goal here is we're trying to  
5 avoid conflict of interest. So if there are other methods  
6 and protocols, approaches, procedures that we should be  
7 considering, please submit your ideas.

8 Okay, so, Logan, I see your comment here on the  
9 CF1R and I think we've already covered it, but I'm not  
10 quite sure, so let me go ahead and read it.

11 "A lot of times we have to send for revisions of the  
12 CF1R to uncooperative Title 24 consultants in order to  
13 follow our accurate tests because they didn't follow  
14 the CF1R. It's really great for us being able to  
15 insource the revisions. And forcing us to outsource  
16 them, it will definitely put a strain on the  
17 homeowners, among the other stakeholders."

18 Did you have any comments on that, Joe?

19 MR. LOYER: No, just, again, it's basically the  
20 same comment as before. That's an aspect of your business  
21 that we don't understand very well, so we would like to  
22 understand that better. So in your comment, if you could  
23 outline exactly how that works for you and where this is  
24 going to, actually, going to cause you difficulty and what  
25 you think we can do differently? And I see you got your

1 hand raised there.

2 MR. STRAIT: Yeah, so thank you for addressing  
3 this. Actually, I posted that question before we had kind  
4 of clarified that we can have someone write the CF1R and  
5 somebody else in the same company but not the same person  
6 can then do the CF2R and CF3R, so I think I kind of  
7 understand it now.

8 But just to elaborate, so that we're all kind of  
9 on the same page, you know, we'll get people that are, you  
10 know, doing a job and they got a CF1R generated that was  
11 just completely generic. I mean, a couple of Title 24  
12 authors, in particular, we know for generating very generic  
13 reports that just say like heating system one, cooling  
14 system one, with no -- you know, they will have like  
15 arbitrary efficiency values that aren't necessarily  
16 what -- like the installer or the general contractor aren't  
17 even really looking at those. They just wanted to pull a  
18 permit.

19 And then they will go with something else which  
20 is up to Code but that is not what's on the CF1R. And then  
21 we, basically, have to either sit around waiting for the  
22 CF1R author to accept our revision, and then sometimes  
23 there's even problems with that, or tell the, oh, also, we  
24 do CF1Rs, so here's our price for doing your revision and  
25 your revision will be passing and will be -- correspond to

1 what you actually installed, and then we're all hunky dory.

2 But I'm just saying that what I originally  
3 thought you were saying that no one company can make both  
4 the CF1R and do the FVDT testing, that that would be a  
5 major problem and kind of bottleneck in the industry. But  
6 now we've got it kind of -- (clears throat) sorry -- we've  
7 got it kind of worked out because we understand we have  
8 somebody at the office who can do those CF1R reports, and  
9 then the other people can do more of the testing, and then  
10 that will work for us, so --

11 MR. LOYER: We'd still like you to put it in  
12 writing, honestly.

13 MR. STRAIT: Will do.

14 MR. LOYER: Yeah.

15 MR. STRAIT: Will do.

16 MR. LOYER: Yeah.

17 MR. STRAIT: Yeah.

18 MS. WHITE: And we also, just so folks know we  
19 didn't miss this, for those companies that are just, you  
20 know, a single person shop, we will be looking at ways in  
21 which we can address those types of conflicts without  
22 causing, you know, as I said earlier, an unlevel playing  
23 field.

24 And, Roman, I know that your comment is probably  
25 related to the CF1R since I'm just about ready to get to

1 your written message here on the QA/QC. So I'm going to  
2 unmute you, if you would just accept my request to speak?

3 MR. LEONELLI: Hi again, guys. I'm sorry to be  
4 taking up so much of this discussion but I just wanted to  
5 reiterate on what Logan just mentioned.

6 It is a big problem in the new construction  
7 industry that we see a lot as well. It seems that a lot of  
8 energy consultants just seem to formulate CF1Rs that are  
9 completely, for lack of better description, just  
10 outlandish. There's really no regulation on them and what  
11 they put into the CF1Rs to get these things to comply. And  
12 oftentimes the builder, and you know, they don't have any  
13 idea to even read or know how to read or interpret the  
14 CF1R, so they rely on this company, they hire them, they  
15 get the CF1R, they take it to the city, they get their  
16 permit. That's all they really care about is it's just a  
17 step in the process, they don't know what's in it.

18 So when we go out and try to verify the  
19 conditions that are in the CF1R, it's completely off the  
20 wall. Like for instance, what we see a lot is ducts in  
21 conditioned space, low-leakage duct handler like -- or  
22 ducts completely in conditioned space, and we see that a  
23 lot because, obviously, it's become a sort of a cheat code  
24 to get things to comply because it adds a lot of compliance  
25 margin on a home that might not otherwise comply. And so

1 these energy consultants, the CF1R authors, are putting  
2 that in there a lot of times, and we obviously can't verify  
3 that because the ducts are in the attic, in a vented,  
4 unconditioned attic.

5           So it becomes a big problem at the end of the  
6 project. We have to revise. I would say, you know,  
7 there's a couple firms that are doing it right, and I would  
8 say probably over 75 percent, or maybe even like 90  
9 percent, I don't have an exact number, but a lot of times  
10 it has to be revised.

11           So, yeah, you know, just to reiterate on what  
12 Logan said, this is a big problem in the industry. I think  
13 that there needs to be more rigorous training and, perhaps,  
14 even certification to become an energy consultant and to do  
15 these things properly. Because we, as HERS raters, are  
16 tasked with verifying what they put in that report, and  
17 it's often completely different than what's actually been  
18 constructed onsite. So we see ducts in conditioned space  
19 when they're not. We see, you know, like someone else  
20 mentioned earlier, a mini-split system when it's actually a  
21 ducted system. So we -- you know, it's just completely  
22 wrong, you know?

23           So we then have to go back to the author, speak  
24 to them about changing the CF1R to actually match what's  
25 onsite so that we can get the correct forms and actually

1 put our name on those signatures, you know, ethically and  
2 legally, I guess you could say. And, you know, it's just,  
3 again, it just further creates these avenues for raters  
4 that are just not worthy and they're just signing these  
5 things off because they don't care.

6 But this is a big problem. And for those of us  
7 that do offer CF1R services in-house, this would -- you  
8 know, this is something that we do in order to help people  
9 get through this process. Because sometimes the author,  
10 you know, could have authored this document over a year  
11 ago, and we've run into situations where that person's no  
12 longer in business, they're not around, you know, they're  
13 not answering the phone, they don't, you know, do things in  
14 a timely manner. So anyway, they can't make those changes,  
15 it needs to be done by us or by someone. You know, we can  
16 refer it out, I guess.

17 But the ability to do the CF1R and also be the  
18 HERS rater company is paramount in the new construction,  
19 like new construction residential, single-family homes.  
20 It's something that has to be done almost always, I would  
21 say.

22 And we also need to look out for the little guys  
23 that are by themselves that are offering these services.  
24 Kudos to them for offering so many services on their own.  
25 And I think that we can't be penalizing them, forcing other

1 people within the same organization to be doing, you know,  
2 author versus HERS rater. I mean, if you're in the same  
3 organization, it doesn't really matter who the person is  
4 that's doing it. I think that, you know, we need to open  
5 it up for single owner/operators as well.

6 But, yes, I just want to really put -- you know,  
7 there needs to be a certification program, you know,  
8 follow-up training, you know, for these guys, because they  
9 put all kinds of stuff in those CF1Rs just to get  
10 compliance because they know that all they have to do is  
11 produce a document that the builders is not even going to  
12 read, he's just going to bring it to the city, and the  
13 cities don't look at it either. They stamp off and put it  
14 right on the plans and it says ducts in conditioned space  
15 when that's clearly not on the plan drawings.

16 And we see crazy stuff, like 30 SEER air  
17 conditioners to get these things to comply and we're  
18 supposed to verify the SEER and EER on an 18ER and a 30  
19 SEER AC. I mean, like this stuff doesn't exist, you know?  
20 And it's a big problem in terms of this streamlining of  
21 this industry. I think that is something you guys might  
22 want to look at in the future.

23 MS. WHITE: Roman, thank you very much. And we  
24 do look forward to your comments and some of these examples  
25 that you've shared.

1 MR. LEONELLI: Sure. I'll write it all up. It's  
2 going to be pretty lengthy but I got a lot left.

3 MS. WHITE: Yeah. No, this is --

4 MR. LEONELLI: I'll definitely write it all for  
5 you guys. It might be a few pages long but at least like I  
6 feel like I can help you guys kind of understand what we  
7 see in the industry --

8 MS. WHITE: Right.

9 MR. LEONELLI: -- because it seems like there's a  
10 big disconnect. You guys really don't even know what we  
11 charge. I mean, yeah, there's a big disconnect on what's  
12 happening down in the trenches versus what's happening in  
13 the front office here. So, yeah --

14 MS. WHITE: Well, and we really do --

15 MR. LEONELLI: -- I'd love to help communicate  
16 it.

17 MS. WHITE: Yeah. And we really appreciate --

18 MR. LEONELLI: And if anybody else --

19 MS. WHITE: -- everybody's time helping bring us  
20 up to speed.

21 MR. LEONELLI: Yeah. I was just going to say, if  
22 anybody else wants to collaborate with me, I would be happy  
23 to. My name is Roman Leonelli, ERE Inspections. I think  
24 that us, as HERS raters, should really kind of get together  
25 --



1 MS. WHITE: Yeah.

2 MR. LEONELLI: -- and, you know, help communicate  
3 these things to the CEC so we have a better understanding  
4 moving forward.

5 MS. WHITE: And we will be considering different  
6 formats for future workshops, so there may also be  
7 opportunity for panel discussions and different kinds of  
8 forums in which we could drill down on specific topics and  
9 issues and formulate appropriate to solutions, so looking  
10 at all sorts of opportunities for robust engagement.

11 MR. LEONELLI: Thank you so much, Lorraine.

12 MS. WHITE: You bet. You bet. My pleasure.

13 So we also have Emily.

14 Did you want to say any more specifically about  
15 the daily limits? I know that this is a theme that's  
16 showing up in several comments related to daily limits for  
17 different kinds of jobs, new construction versus  
18 multifamily versus existing homes. But if you did, Emily,  
19 we're more than happy to have you say a few words on that.  
20 Otherwise, we'll go ahead and just take note of this  
21 comment and the consideration that we need to make to  
22 address limits.

23 John Johnson has a comment here for the record.  
24 It's about the residential single-family home tests, and  
25 the, again, the maximum number that are realistic. So I

1 will leave this here for people to read. It's not really a  
2 question. It's just basically an explanation.

3 Brian Selby.

4 "Regarding Joe's comments about more training is  
5 necessary to understand compliance forms, Energy Code  
6 Ace has been and currently trains energy consultants,  
7 contractors, plans examiners, building inspectors and  
8 other stakeholders effectively, including how to read  
9 and understand CF1RS, 2Rs and 3Rs."

10 MS. WHITE: Brian, thank you for that comment. I  
11 was going to mention that there is quite a bit of education  
12 that Energy Code Ace does offer. I do know that there are  
13 other energy consultants who have been actively engaged in  
14 education programs, especially for AHJs and new energy  
15 consultants, so there is some training out there. I'm  
16 hearing loud and clear, though, that that may not and  
17 probably is not enough, so just note to parties, as we  
18 start looking at solutions here.

19 Stephanie Gorton.

20 "Is the CEC performing a mall scale pilot prior to  
21 making these major changes? If the goal is to protect  
22 the homeowner from defective installs and power the  
23 progress towards decarbonization, I hypothesized a  
24 pilot will show a decline in installation quality and  
25 permitting compliance without HERS rater performing

1 testing and obtaining closing permits.”

2 We are not planning on doing a pilot. We are  
3 looking at the existing program and modifications within  
4 that existing program and vetting those formally within  
5 these types of webinars. So if we're not considering  
6 alternatives that we should be considering, aren't aware of  
7 potential impacts that you folks think will occur, all of  
8 that, we're asking for people to submit to us as part of  
9 the ongoing dialogue that we want to have related to what  
10 improvements are going to be the most successful in  
11 improving the program and building its credibility and  
12 helping us get to higher compliance rates.

13 Vicki Burlingham has the following comment.

14 “Some projects, we are the QII rater, and another  
15 rater does the remaining mechanical testing. You're  
16 saying multiple raters/rater companies cannot be on  
17 the same project.”

18 That's a question for you, Joe.

19 MR. LOYER: So, no, not at all, Vicki. What  
20 we're saying is that a HERS rater cannot be replaced on a  
21 particular project unless there are extenuating  
22 circumstances. That's what we're saying. So if your  
23 company was hired to do the QII and another company was  
24 hired to do the rest of the mechanical, you cannot be  
25 replaced as the QII rater unless there are extenuating

1 circumstances that necessitate it. And even then, that  
2 means that somebody will have to come out and do a shadow  
3 audit, at the very least, with that new rater.

4 MS. WHITE: Thank you, Joe.

5 Sorry, Emily, I did miss your hand being raised.  
6 So I'm going to ask that you accept my invitation to unmute  
7 and provide your comment.

8 MS. BARRIERE: Yeah. So about the multi -- the  
9 limit issue, yeah, I guess I'm just not fully understanding  
10 what is meant by 15 tests because there's like so many  
11 different forms that we fill out. And I feel like it makes  
12 more sense to put a limit on the number of projects because  
13 you can really get through more like tests and fill out  
14 more information on multifamily buildings or situations  
15 where there's multi-systems.

16 So maybe if you guys can just clarify on what you  
17 mean by like, limiting the number of tests?

18 MR. LOYER: Sure. So when we put this together,  
19 what we were thinking about was what would be simple in our  
20 view for the providers to actually create a programming  
21 limit for. So it would be a simple thing for, in our view,  
22 to say, alright, each one of the forms that the rater has  
23 to submit in the course of doing their business, the  
24 current providers actually track those forms. So they  
25 count up those forms and they actually charge for them. So

1 in that context, it seems fairly straightforward, to us  
2 anyway, that they could create an upper limit of those  
3 forms that could be submitted in any one day.

4 That said, it's, you know, it's not a -- it's an  
5 interesting idea to consider to look at it in terms of the  
6 project itself. That might be an alternative that we  
7 should look a little further into.

8 MS. BARRIERE: Yeah, because if you're dealing  
9 with a house that has like, we've seen like as large as ten  
10 systems or something, you know, you might be able to get  
11 through that house in one day, possibly, if you have  
12 multiple people on deck, and then you've got all the other  
13 items that you're verifying on top of that, so you're  
14 already up to 15 forms for one project easily. We could  
15 probably, with our small team, complete two to three  
16 projects in a day with different people in different  
17 places. So yeah, I feel like that would be great for you  
18 guys to consider.

19 MR. LOYER: Absolutely. Yeah. And I think if we  
20 got a comment from you to the docket along those lines, I  
21 think that would be great.

22 MS. BARRIERE: Yes. Yes, I submitted that.

23 And then, yeah, the other thing that I was hoping  
24 to touch on, just so that you guys don't have to go  
25 rereading all my comments, I can just kind of state it

1 here, so kind of the issue with the whole homeowner thing  
2 it's not -- I don't really care who pays us. Like we've  
3 had -- usually it goes back to the homeowner anyway. Even  
4 if the contractor like brings us on, they forward our  
5 invoice to the homeowner anyway, ultimately.

6 But the issue is that the homeowner, they're just  
7 not going to know because they've never done it before. So  
8 when I find a homeowner reaches out to us, it's because  
9 they already got caught at final with their pants down,  
10 figuratively speaking, you know they got caught at final,  
11 nothing was done, and now they're like scrambling. They're  
12 like, oh, my gosh, I don't know what this is, but I have a  
13 couple days, I need to get this done.

14 And at that point it's almost impossible for us  
15 to do our job, which was supposed to be coming on site in  
16 advance, inspecting while the walls were still open,  
17 looking at the insulation, doing the QII check before the  
18 insulation even goes in. All of that gets thrown to the  
19 side and, ultimately, we have to go track down the  
20 installers and get the information from them, which then  
21 we're just verifying, basically, information that we never  
22 got to see with our own eyes. So it just creates a whole  
23 another level of complication.

24 And when we're working with the builder or  
25 contractor, they know they inform the homeowners, hey, this

1 is something that you're going to have to get done at the  
2 end, so you should do it now, you should do it in advance.  
3 And that way, we can actually do our job, so --

4 MR. LOYER: Well, that's all very true, Emily. I  
5 think if we look back at the original implementation of the  
6 HERS program, I think we also found that -- here's a  
7 shocker -- none of the contractors knew they needed to get  
8 a HERS rating at the beginning either. And even today, we  
9 have contractors that absolutely have no idea that they  
10 need a QII.

11 And I think the big point is we do need to  
12 involve the consumer more directly. And if we have to do  
13 that by shifting the track of payment to be representative  
14 of -- you know, to be coming from the consumer, that's  
15 definitely one way. I think there are other suggestions  
16 that have been made here today that I think we will take  
17 back and definitely consider.

18 MS. BARRIERE: Thank you.

19 MS. WHITE: Thank you very much.

20 And we're also kind of interested to the extent  
21 that the current business practice uses additional support  
22 staff during the actual tests, and if that influences how  
23 much in the way of projects that are certified rater can  
24 actually test and submit. We've heard varying degrees of  
25 information there of the use of technicians in the field in

1 the absence of the actual rater. The rater tends to be in  
2 the office where technicians are out in the field. If that  
3 is, in fact, happening a lot and results in some of these  
4 larger numbers, that would be important for us to know as  
5 well.

6 So Hannah's comments.

7 "We have a massive issue with HVAC companies not being  
8 allowed to hire their own raters. Does this mean that  
9 HVAC contractors would be allowed to refer their  
10 homeowner to a company of their choosing?

11 "Also, how is this going to work with sample grouping  
12 when a company hires a rater to do their sampling  
13 grouping?"

14 Joe?

15 MR. LOYER: So for existing homes HVAC  
16 replacements, our proposal is to eliminate sampling, so  
17 that will no longer be allowed.

18 As far as an HVAC company being allowed to  
19 recommend a FVDT technician or company, they're allowed to  
20 do that. We have no prescription or proposed regulation to  
21 prevent that. So they can recommend somebody if they would  
22 like to do that.

23 As far as that goes to is there still collusion  
24 between the between the FVDT technician or company and the  
25 contractor, there is a certain amount of that that's still



1 going to exist. But I would suggest that once a consumer  
2 understands that they have to hire an inspection, then they  
3 may take it upon themselves to look intelligently at that  
4 and decide, well, if this technician is actually  
5 recommended by this contractor, maybe I should go and get  
6 my own technician who has my best interest at heart. So in  
7 that instance, yes, the HVAC companies can recommend, but  
8 the homeowner does not have to use that inspector.

9 So I think these this method is -- ties the FVDT  
10 technician results more honestly to the consumer's benefit.

11 MS. WHITE: Thank you, Joe.

12 Carol Roberts writes,

13 "To your thoughts about conflict when a rater is also  
14 an energy model, in the IECC states, you cannot  
15 license the software to do and model if you are not a  
16 HERS rater under a provider. I don't see a clear  
17 conflict if you are a rater that also can model.  
18 Mostly, these two tasks naturally become two different  
19 people, but often under the same firm/rater company."

20 Thank you, Carol. We are interested in knowing  
21 more about how things are done, especially in some of the  
22 IECC states. And where this is actually worked to the  
23 benefit of markets, that would be worthwhile for us to  
24 know. For those that may see this as conflict as it has  
25 been identified previously in the Code, please let us know

1 your thoughts on this topic as well.

2           Okay, and Alfredo Baccari, you write today,  
3           "A few big greater companies are providing to HVAC  
4           companies a full-package service, including building  
5           permit, testing, documentation, et cetera. How can  
6           they still provide all these if they cannot be chosen  
7           by the HVAC companies to work with them? Is the goal  
8           to make the building permit process not to be done  
9           anymore by raters?"

10           I'll let you go for that, Joe.

11           MR. LOYER: So, no. So when we're talking about  
12           the large HVAC companies or we're talking about large, what  
13           are right now, rater companies, the relationship between --  
14           it not necessarily has to be between the HVAC companies and  
15           the rater companies. More importantly, we're talking about  
16           that in terms of larger developments. And these big  
17           developments, that relationship is going to be between the  
18           developer and the rater company, so that is the preferred  
19           relationship.

20           If we're talking about the HVAC companies, the  
21           developer just deciding that the HVAC company can choose  
22           their own rater company to inspect their own work, that is  
23           not a preferred relationship as far as we're concerned. It  
24           is actually promoting the conflict of interest as far as we  
25           see it.

1           So we would like in a newly developed, newly  
2 constructed home for the developer to actually be the  
3 hiring agent for the rater company. Then you don't have so  
4 much of a conflict of interest. Because the rater company  
5 is going to be allowed to pull permits, provide the testing  
6 documentation, provide all the documentation in between  
7 from cradle to grave, there is going to be a certain amount  
8 of hand-in-glove that's going to have to work. But that  
9 does not mean that the rater has to be in -- that's in the  
10 employment of the rater company has to be the one that  
11 pulls that permit or provides the CF1R, CF2R. They can do  
12 that with other personnel within that same company.

13           That sort of splits the baby in terms of what is  
14 an acceptable potential conflict and what is an acceptable  
15 potential benefit. So we want to try and keep as much of  
16 the benefit as we can while addressing as much of the risk  
17 in terms of the conflict of interest as we can.

18           MS. WHITE: Thank you, Joe.

19           Luke Morton puts in the Q&A,

20           "Thanks for having this meeting. We are a CABECC with  
21 both energy consultants and HERS raters. Hope to  
22 comment to expand this proceeding to really help  
23 address the whole ecology of enforcement. Our members  
24 endeavor to do our part, and we talk with homeowners,  
25 builders, architects, et cetera, as to what the

1 process should look like, but that rarely happens.”

2 So this is just a comment to note. We do  
3 appreciate the interest in looking at the whole ecology of  
4 enforcement. We welcome those kinds of discussions.  
5 Unfortunately, within the specific rulemaking, we may not  
6 be able to address the entire ecology of enforcement  
7 issues. Our rulemakings are required to be very focused  
8 and targeted on specific things that can be addressed  
9 within a particular set of regulations, so within our  
10 rulemaking order, we define what that scope is.

11 But we are always looking for feedback on the  
12 possible solutions for the entire ecology of the  
13 enforcement world, so thank you, Luke.

14 Stephanie Gorton is offering a case example.

15 “The second largest contractor in the country began  
16 using us and, instead of permitting 63 percent of  
17 their volume, they now permit approximately 98 percent  
18 of their work by using our full service systems,  
19 permit, testing, final inspections, and homeowner  
20 education.”

21 Thank you, Stephanie, for that input.

22 Luke continues with his comments.

23 “I personally thank the builder, subcontractor, HERS  
24 rater every time I get a request for a project share  
25 or transfer on the registry, and I make it abundantly

1 clear that I'm available for recalculations if there  
2 are changes in the field.

3 "There is a theme running here in some of these  
4 questions. Where are the building officials in this  
5 proceeding? Are there any currently in attendance?  
6 And that's not a rhetorical question."

7 We appreciate that. And, Luke, we are reaching  
8 out, making the local building officials aware of this  
9 proceeding. We are seeking out to actively engage them.  
10 If they choose not to attend our webinars, we will be  
11 endeavoring to engage them in other ways to get their input  
12 on improvements to this program and ways that we can  
13 actually support their enforcement more.

14 So CRED provides -- California Residential Energy  
15 Documents, or CRED. There's also the (indiscernible)  
16 comment.

17 And Luke also says, "It is not often, but I do  
18 see builders filling out their own CF2Rs. It's not rocket  
19 science. "

20 Ian Bush.

21 "The number of times I've heard a builder say, 'I've  
22 been doing this for 30 years and never ever heard of  
23 CHEERS or CalCERTS. Why do I need to complete these  
24 documents? Outreach to builders is a must and must be  
25 a priority."

1           We do agree, Ian.

2           So I believe Emily has covered all of the  
3 pertinent comments she has submitted in writing here within  
4 the Q&A. So, Emily, if I have missed any, you just put  
5 your hand up so I'm going to unmute you. Please go ahead.

6           MS. BARRIERE: Thanks. I think, not to be the  
7 dead horse here but I just want to make sure I understand,  
8 so right as it is, we've been filling out the CF2Rs, right,  
9 all the CF2R forms, and then either the contractor or the  
10 homeowner, whoever is assigned, will sign off on the CF2Rs.  
11 So you guys are proposing that we can no longer fill out  
12 the CF2Rs? Is that the --

13           MS. WHITE: Joe?

14           MR. LOYER: So what we're proposing is that the  
15 rater can no longer fill out the CF2Rs. And we're also  
16 proposing that anybody that does fill out the CF2R actually  
17 sign as the document author. What has been happening is a  
18 lot of the CF2Rs were completed by the rater and not only  
19 did they sign off as document author, but they signed off  
20 as installing contractor, as well, which is not  
21 appropriate.

22           So in the context of what you're raising here, if  
23 it's the installing contractor or the homeowner who's done  
24 the installation work, you know, DIY being as it may, in  
25 that case, if you had somebody other than the HERS rater

1 complete the CF2R, you could then, you know, allow them  
2 to -- allow the homeowner or the HVAC contractor to sign  
3 the document as the installing contractor at that point.

4 MS. BARRIERE: Okay, yeah, because I just, I find  
5 that a lot of them don't understand, and they really don't  
6 want to understand. Because like, for example, the duct  
7 leakage and QII, those are two that are both CF2R and CF3R  
8 forms.

9 MR. LOYER: Correct.

10 MS. BARRIERE: And the CF2R for the duct leakage  
11 does require duct leakage testing. So are you saying that  
12 now the homeowner or the installer is going to have to now  
13 purchase duct leakage testing equipment and they're going  
14 to have to -- I just don't quite understand -- they're  
15 going to have to fill out the forms that they don't even  
16 understand what duct leakage is?

17 MR. LOYER: This is a really great example,  
18 Emily. So they were always required to do that. That's  
19 not new requirement. They were always required to do that  
20 duct testing.

21 MS. WHITE: Yeah.

22 MR. LOYER: So --

23 MS. BARRIERE: Yeah.

24 MR. LOYER: So I think the issue there is not so  
25 much are they required to go and purchase that equipment,

1 which is thousands of dollars, like you say, it's thousands  
2 of dollars to purchase that equipment or even rent that  
3 equipment, perhaps even rent it from you. So the question  
4 really has to come to it, is that the right process?  
5 Should that CF2R actually require them to do that duct  
6 testing, or should it be a visual inspection or a visual  
7 checkbox that they acknowledge that they have to do and  
8 they are left up to doing a -- left up to the HERS rater to  
9 actually come through and do the do the duct testing?  
10 That's the real issue in terms of is that a fair thing to  
11 ask the market to do?

12           So that, we're not going to try and address here  
13 in this rulemaking. That is something that could be  
14 considered for the 2025 rulemaking outside of this context.  
15 And I know it's a lot of, you know, insulated boxes or  
16 insulated processes. But, you know, as everybody has  
17 noted, the Energy Code is one of the most complex codes, I  
18 think, that may be in existence, at least in terms of  
19 building codes, certainly in the most complex one in  
20 California.

21           But that is something that we have been looking  
22 into as to what is the value of the CF2R and should it  
23 continue in each one of these tests? And I think if you  
24 submit us a comment along those lines, that the value of  
25 performing -- having the contractor or a DIY installer



1 perform this test when they have no experience in doing it  
2 serves no purpose, I think that is a comment we can do  
3 something with.

4 MS. BARRIERE: Okay. Okay. Thank you.

5 MR. LOYER: Um-hmm.

6 MS. WHITE: So there are several comments that  
7 I'm going to go over because I know we've had lots of  
8 discussions with Roman and with Luke having similar  
9 comments.

10 Amanda Esparza has a comment here, that,

11 "Our company was not able to fully tune into the  
12 meeting. Will we be sent the recording so we can have  
13 our team watch and add comments and feedback to you?  
14 How do you go about this?"

15 I have posted in the chat, and this is for  
16 everyone, I have posted in the chat the web page link for  
17 the proceeding. And on this web page, you will find  
18 information to the related links -- (coughs) pardon me --  
19 of our two dockets, information on how to submit comments.  
20 We'll be posting information related to the workshop, such  
21 as the recordings and the transcripts. You will also find  
22 the links for the actual Staff Reports at this one site.  
23 There will be information that we post on a regular basis  
24 that includes notices of workshops, notices of staff  
25 documents, and other kinds of communications. So we want

1 to make sure that you have that. I have posted it here in  
2 the web page.

3 We had also posted, earlier in the day, quite a  
4 few other links directly to notices to the actual reports  
5 to the docket and how to actually submit those filings.  
6 It's very helpful that you actually have that information.

7 If not, and you need to contact me directly, I  
8 have actually posted my email address into the chat, so you  
9 can copy it there.

10 And so this also responds to Brian Stevens  
11 questions about how to get to the documented information.

12 So Richard Barlow has posted a chat here towards  
13 Emily, so I will let you read that directly, Emily.

14 Chris Barriere.

15 "We need to build in a legal framework for prosecuting  
16 fraud within this process. The CF1R, 2R, and 3R  
17 should all be legally binding documents."

18 We do agree. And there is a perjury statement in  
19 there. One of the reasons why we are concerned when  
20 parties sign themselves as the responsible party when they  
21 actually cannot assume that responsibility. And this has  
22 been information and requirements since the beginning of  
23 this program. These are not new requirements related to  
24 responsible parties, individuals having to do the testing,  
25 like contractors installers, for the CF2Rs, these are

1 longstanding requirements. We're building into these  
2 proposals ways of actually enforcing them and making them  
3 legally binding.

4 But, again, we don't have all the answers. These  
5 are proposals to date. We're looking for more information  
6 and, hopefully, can collaborate with folks here on the  
7 phone to ensure a robust docket and great foundation for  
8 good decision making.

9 Tom Snider asks,

10 "Why doesn't the CEC just do the QA on the HERS  
11 raters? That eliminates conflict of interest between  
12 providers and the greatest."

13 Well, that may diminish the need for the  
14 providers, and also increase the requirements of the state  
15 to have quite a few folks out in the field.

16 And I know, Joe, you did respond to this earlier  
17 today.

18 MR. LOYER: Yeah.

19 MS. WHITE: So you're (indiscernible).

20 MR. LOYER: It doesn't actually do that. Yeah,  
21 sorry.

22 MS. WHITE: Yeah.

23 MR. LOYER: Yeah, there's a lot more to the  
24 conflict of interest between the providers and the raters  
25 than just the Q&A, so just eliminating that won't solve

1 that particular problem.

2 MR. LOYER: Excellent.

3 Alfredo Baccari, I have indicated where the  
4 preceding information is, so please follow the link there  
5 to find out how you can submit comments. I have included  
6 my email address, not for people to submit comments  
7 directly to me, I'm asking that you submit them to dockets,  
8 but if there is a question, say about the new Code, I will  
9 be able to forward it to individuals who can then help you.  
10 But if it's related to comments on the Staff Reports, the  
11 questions we post in our workshop notice, please do file  
12 those with our docket. That way everybody can see and  
13 benefit from that input.

14 Let's see, I'm just scrolling through a couple  
15 here because it does look like there's a discussion back  
16 and forth.

17 Gina, there are a couple -- Gina Rodd, there are  
18 a couple of comments that you've made in the chat, and  
19 they're not catching all of your points here and was  
20 wondering, did you want to actually make some statements to  
21 fully capture your comments, or are you content with filing  
22 comments to the docket?

23 And I'm looking for Gina. Actually, Gina may not  
24 be here any longer.

25 MR. LOYER: She may have had to go.

1 MS. WHITE: Yeah, she's had to go. Okay.

2 Hopefully she'll make written comments to the docket.

3 MR. LOYER: Yeah. Just so everybody knows Gina is  
4 well known to us for through Energy Code days (phonetic).

5 MS. WHITE: Yeah, she's one of the trainers.

6 Emily, did you have your question answered about  
7 the CF2Rs? I'm hoping we've covered that in your last  
8 discussion.

9 So Chris is stating that, "There's still many  
10 open jobs under the 2016 Code cycle.

11 We are aware of that. We're hoping that those  
12 will be addressed here pretty quickly.

13 Roman, did we capture all of your comments there?

14 Joe, did I miss something?

15 MR. LOYER: Gina just typed in. She is, in fact,  
16 here someplace.

17 MS. WHITE: Oh, okay.

18 Gina, did you want to -- there you go. Let me  
19 allow you to talk. When I send you my request to unmute,  
20 please accept.

21 MS. RODDA: Hello. This is Gina Rodda from Gable  
22 Energy.

23 MS. WHITE: Hi Gina. Thank you.

24 MS. RODDA: There were just a few comments that  
25 we're talking about how HERS companies were redoing CF1Rs

1 to be more accurate. And I totally get the statement, the  
2 fact that CF1Rs are not always done by people who should be  
3 doing CFRs. And there's been other comments about  
4 certified energy consultants. And I think, probably,  
5 almost everyone in this room knows that I firmly believe in  
6 that.

7 But please, we're talking about conflict of  
8 interest and fraud and so forth, if you're changing a CF1R  
9 that has gone through plan check, that is not okay. Be  
10 careful. That's it.

11 MR. LOYER: Thank you, Gina. Not, that's a very  
12 important point to be making. It's one of the reasons why  
13 we are actually needing to spend more time looking at who's  
14 been filling them out and when they're changed and things  
15 like that.

16 Pardon me. We did get a very good comment here  
17 from Roman regarding who's actually doing the CF2Rs, so we  
18 thank you for that input. We look forward to you providing  
19 some of those examples and information to the docket.

20 Rosie. Rosie is making a response to Roman, so I  
21 will let that exchange continue in the Q&A.

22 And then --

23 MR. LOYER: Oh, if I could just chime in real  
24 quick?

25 MS. WHITE: Sure.

1           MR. LOYER: Rosie, we would love to know who  
2 these contractors are and how they got to the point where  
3 they all know about this program and are completing their  
4 CF2Rs. I would suggest that they are more the exception  
5 than the rule. And I would absolutely love to know how  
6 that happened so we could replicate it everywhere in the  
7 state.

8           MR. LOYER: That would be awesome.

9           Well, we have about ten minutes left in the  
10 meeting. I am looking at the rest of the comments here and  
11 I think we've covered everybody's questions and given  
12 people an opportunity to comment. I do want to make sure  
13 that that is true, and we have actually done that.

14           If there are any persons who still would like to  
15 make a comment or have a question for us -- I am seeing one  
16 hand raised but I can't figure out who that is. I'm  
17 scrolling through the participants list here.

18           MR. LOYER: I think Logan and Gina.

19           MS. WHITE: Is it Logan and Gina? Okay.

20           MR. LOYER: Yeah.

21           MS. WHITE: So let me go ahead and see if I can  
22 get to the top here. It's lovely that we have so many  
23 folks here today.

24           Logan, I'm going to unmute you. Please accept my  
25 request.

1           MR. STRAIT: Hi. Yeah, real quick. We're just  
2 having a little internal discussion. I thought I might  
3 have misunderstood something.

4           Am I to understand that we are not going to be  
5 able to even author CF2Rs, let alone -- I mean, I know we  
6 can't sign them as a responsible party, but I am to  
7 understand that we cannot author the CF2Rs either, only the  
8 CF3Rs; is that correct?

9           MR. LOYER: So as a HERS rater, if you are a HERS  
10 rater, then correct, you cannot author the CF2Rs or CF1Rs.  
11 You can only complete the CF3Rs. Your rater company or  
12 your technician company can author CF1Rs and CF2Rs, but the  
13 rater themselves, the technician themselves, cannot.

14          MR. STRAIT: Now is there some specific title or  
15 authorization that the company has, other than a HERS  
16 rater, that allows them to author the CF2Rs? I mean, so  
17 just if the company authors the CF2R and it's signed by my  
18 boss, for example, like, that's okay? I mean, he's also a  
19 HERS rater, but he also owns the company, so that's okay  
20 then?

21          MR. LOYER: Yeah, he's acting as the principal of  
22 the company so that is, in fact, okay. And they can also  
23 have a separate person in the company sign that as well.

24          MR. STRAIT: Okay. Okay.

25          MR. LOYER: And also, the permit polling can be



1 done by somebody other than the rater -- or it needs to be  
2 done by somebody other than the rater themselves.

3 MR. STRAIT: Okay. That was the distinction I  
4 was trying to understand, now that we're creating the  
5 distinction between the company -- or between the principal  
6 of the company and us as individuals, because, of course,  
7 right now we're operating with the company as he just is a  
8 HERS rater and this is his company. So I thank you  
9 clarity.

10 MR. LOYER: Absolutely. Absolutely. Thank  
11 you.

12 So, Logan, but you're also a HERS rater; correct?

13 MR. STRAIT: Yeah, but I don't have my own  
14 company because --

15 MS. WHITE: Right. Right.

16 MR. STRAIT: -- I don't have the equipment and  
17 the advertising, and so on and so forth.

18 MS. WHITE: Yeah. So the idea here is the same  
19 person cannot be the one that does all the testing and all  
20 the forms throughout, and what we've been saying is that's  
21 usually done at the very end, that we need to see the  
22 proper progression in the compliance with the Code,  
23 starting with the CF1Rs by the actual designers and the  
24 energy consultants, architects, the builders, and have that  
25 accuracy carried through that compliance. And what we're

1 learning is that's just not happening.

2           So the idea is, well, okay, we put out there some  
3 ideas for corrections. Is there other types of corrections  
4 that we should be considering that may be more effective?  
5 Are there things, costs, unforeseen consequences that we  
6 need to know about related to what we're proposing which  
7 may make them less than ideal or not successful?

8           So we are encouraging everybody, please provide  
9 us with your comments. We are looking at everything that  
10 people provide us. We are considering it all and weighing  
11 this information very seriously as we seek to make  
12 improvements in this program. We have very high ambitions  
13 in California and a lot of great ideals and goals that have  
14 been established.

15           Compliance with the Energy Code is a critical  
16 component to that success. It's one of the main elements  
17 of all the strategies that have been laid out for  
18 addressing climate change, decarbonizing our built  
19 environment, and to fulfilling those things that  
20 Commissioner McAllister spoke about this morning.

21           So for folks, just a reminder, December 16th,  
22 we're looking for the first round of comments on the Staff  
23 Reports that have been published, and on the discussions  
24 that took place today in this workshop. We are planning,  
25 hopefully as early as late January, to take what we learned

1 from you, as of today and through the 16th of December, to  
2 fashion an additional workshop for further discussion on  
3 possible considerations that we should be making for  
4 different strategies that could be effective in improving  
5 the program. We are also looking at additional workshops  
6 down the road where, as we start to refine our proposals  
7 and incorporate your input, that this dialogue can  
8 continue.

9           So if there are things that you need us to know,  
10 information you want to share, whether it's confidentially  
11 or open in the docket, please do so. Joe has provided his  
12 contact information in his presentation. don't know if  
13 you wanted to pull that slide up or just put your email  
14 address in the chat, but all that is a good option. And I  
15 have done that myself.

16           Any final comments from anyone?

17           I'm looking to see if my boss is currently on the  
18 line, Michael Sokol.

19           And, Michael, if you are on the line and would  
20 like to make any final comments, please unmute yourself and  
21 do so.

22           I am not seeing Michael, so I believe he is not  
23 available.

24           Joe, did you have any additional comments you  
25 want to make?

1           MR. LOYER: No. I'd just like to thank  
2 everybody. This has been a great discussion. I really  
3 enjoyed it and I really appreciate your time. Thank you.

4           MS. WHITE: Truly appreciate everybody's time.  
5 And, again, we will be posting the recording for this  
6 meeting, and also the transcript from this meeting, on our  
7 website at the link that I've provided.

8           Truly appreciate your time, your participation,  
9 and your ideas and support in our efforts to improve this  
10 program. Thank you.

11           So with that, we will be concluding this meeting  
12 and I will stop the recording.

13           (The meeting adjourned at 4:56 p.m.)  
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## CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of July, 2022.



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MARTHA L. NELSON, CERT\*\*367

## CERTIFICATE OF TRANSCRIBER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



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MARTHA L. NELSON, CERT\*\*367

July 8, 2022