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Project Title:	2025 CALGreen Rulemaking
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Document Title:	Resolution for the 2025 California Green Building Standards Code (CALGreen)
Description:	Resolution No: 24-0911-08 – This document is the signed resolution document the approval and adoption of the 2025 amendments to the California Green Building Standards Code (CALGreen).
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Submitter Role:	Commission Staff
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**STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION**

RESOLUTION ADOPTING PROPOSED REGULATIONS

IN THE MATTER OF:

Docket No. 24-BSTD-02

**2025 CALIFORNIA GREEN BUILDING
STANDARDS CODE RULEMAKING
PROCEEDING CALIFORNIA CODE OF
REGULATIONS, TITLE 24, PART 11**

I. INTRODUCTION

The State Energy Resources Conservation and Development Commission (“California Energy Commission” or “CEC”) has, as directed by Section 25402 of the Public Resources Code, developed and undertaken a proceeding to adopt triennial revisions to voluntary standards, which are more stringent than the Building Energy Efficiency Standards (“California Energy Code” or “Energy Code”) in Part 6 of Title 24 of the California Code of Regulations. These voluntary standards are known as the California Green Building Standards Code (“2025 CALGreen”) and found in Appendices A4 and A5 to Part 11 of Title 24 of the California Code of Regulations.

The voluntary standards contained in the 2025 CALGreen proposal are changes to model code language that serve as recommendations, examples, and templates for local jurisdictions to use in considering above-code ordinances (also known as “reach codes”) and apply to newly constructed buildings and additions or alterations to existing buildings. Additionally, they provide above-code measures a builder could choose to utilize to comply with the Energy Code via performance standards if preferred. The 2025 CALGreen amendments increase the number of available voluntary options that residential buildings may utilize to gain compliance credits and provide recommended Long-term System Cost targets for California Climate Zones 1 through 16. Neither the public nor local jurisdictions are compelled to require or follow these voluntary standards.

Because the 2025 CALGreen proposal is entirely comprised of voluntary energy-saving provisions with no identifiable significant effects on the environment, the CEC staff have determined that the action is exempt from CEQA under the common-sense exemption because it can be seen with certainty that there is no possibility that the proposed amendments will have a significant effect on the environment.

Therefore, the CEC hereby adopts the 2025 CALGreen proposal as posted on August

16, 2024, for 15-day review effective January 1, 2026, following approval by the California Building Standards Commission.

The CEC takes this action under the authority granted by Public Resources Code Sections 25213, 25218, 25218.5, 25402, 25402.1, 25402.4, 25402.5, 25402.8, 25910, 25942, and 25943.

The CEC does so to implement, interpret, or make specific Public Resources Code Sections 25007, 25008, 25310, 25402, 25402.1, 25402.4, 25402.5, 25402.8, 25910, 25942, and 25943, and Health and Safety Code Sections 18390, 18934, and 18935.

II. HISTORY OF THE PROCEEDING

A. Rulemaking

The CEC developed the 2025 CALGreen amendments concurrently with the amendments to the mandatory 2025 Energy Code, which the CEC adopted at a public hearing on September 11, 2024.

To develop the 2025 CALGreen proposal, the CEC conducted an open, transparent, and extensive public process. Between March 2022 and today, the CEC held and participated in numerous stakeholder meetings and public workshops on the broader topic of the 2025 Energy Code and CALGreen. Nine staff-led, pre-rulemaking workshops were held addressing various aspects of the 2025 Energy Code and CALGreen in detail. Additionally, a Lead Commissioner Hearing for CALGreen was held on June 5, 2024, where staff presented all of the proposed measures to the public. During this process, stakeholder groups submitted comments to help improve versions of the proposed standards, and the CEC staff considered all public comments.

The CEC initiated the formal rulemaking proceeding on May 17, 2024, by posting the following rulemaking documents on its website to formally notify the public of the CEC's proposal to adopt the 2025 CALGreen amendments: a Notice of Proposed Action ("NOPA"), which described the proceeding, summarized the proposed voluntary standards, and explained how interested persons could participate; proposed Express Terms ("45-day language"); an Initial Statement of Reasons ("ISOR"), describing the rationale for the proposal; and the estimated fiscal and economic impact analysis. On May 17, 2024, the NOPA was published in the California Regulatory Notice Register, delivered to the Secretary of the California Natural Resources Agency, and mailed to a representative number of small business enterprises or their representatives that are likely to be affected by the proposed action. The CEC provided each of these documents and notices to every person on the CEC's Building Energy Efficiency Standards list server, the CEC's Efficiency list server, and to every person who had requested notice of such matters. The CEC also posted each of these documents, as well as the 15-day language (discussed below), to its website.

On June 5, 2024, the CEC held a Lead Commissioner Hearing on the 2025 CALGreen proposal. On July 1, 2024, the 45-day comment period established by the NOPA closed. The CEC received several written public comments on the 2025 CALGreen amendments during the 45-day comment period. Accordingly, on August 16, 2024, the CEC issued a Notice of proposed changes to the 45-day language, which was available for 15-day comment from August 16, 2024 through September 3, 2024 ("15-day

Language”).

III. FINDINGS AND CONCLUSIONS

Several statutes govern the CEC’s adoption of the 2025 CALGreen proposal: the California Environmental Quality Act (“CEQA”);¹ the Warren-Alquist State Energy Resources Conservation and Development Act;² the administrative rulemaking provisions of the Administrative Procedure Act (“APA”);³ and the State Building Standards Law.⁴ Pursuant to these statutes, the CEC has reviewed the entire record of this proceeding, including public comments, reports and other documents, transcripts of public events, and all other materials that have been filed in this proceeding (Docket No. 24-BSTD-02).⁵

Based on that record, the CEC makes the following findings and conclusions.

A. The California Environmental Quality Act (CEQA), Public Resources Code Sections 21000, et seq.

CEQA requires that state agencies consider the environmental impact of their discretionary decisions, including the adoption of regulations. A project is exempt from CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. (California Code of Regulations, Title 14, Section 15061(b)(3)). A significant effect on the environment is defined as a substantial, or a potentially substantial, adverse change in the environment, and does not include an economic change by itself. (Public Resources Code Section 21068; California Code of Regulations, Title 14, Section 15382).

The CEC has considered the application of CEQA to the 2025 CALGreen proposal. These energy-saving voluntary standards are intended as model codes and examples for local jurisdictions to use in considering above-code ordinances or for above-code measures a builder could choose to utilize. If adopted by a local jurisdiction, the standards would not result in substantial or potentially adverse changes to the environment, since the adopted standards would apply to newly constructed buildings, alterations, and additions, but would not trigger the construction itself. Adherence to adopted standards would result in benefits to the environment from increased energy efficiency; no significant adverse impacts are foreseeable. Thus, it can be seen with certainty that there is no possibility that the adoption of the 2025 CALGreen proposal may have a significant effect on the environment.

Accordingly, the CEC finds that the adoption of the 2025 CALGreen proposal is exempt from CEQA under the commonsense exemption (California Code of Regulations, Title 14, Section 15061, subdivision (b)(3)) because it can be seen with certainty that there is

¹ Pub. Res. Code § 21000, *et seq.*

² Pub. Res. Code, § 25000, *et seq.*

³ Gov. Code, 11340, *et seq.*

⁴ Health & Safety Code, § 18901, *et seq.*

⁵ The documents and other materials that constitute the rulemaking record can be found online at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?doctetnumber=24-BSTD-02>.

no possibility that the adoption of the proposed amendments will have a significant effect on the environment.

B. The Warren-Alquist Act, Public Resources Code Sections 25000, et seq.

The 2025 CALGreen proposal satisfies the requirements of the Warren-Alquist Act, in Public Resources Code Section 25402, which requires the CEC to adopt building design and construction standards that increase the efficiency in the use of energy and water for new residential and new nonresidential buildings, and energy and water conservation design standards.

The 2025 CALGreen amendments fulfill these directives. The 2025 CALGreen proposal includes voluntary measures that exceed the mandatory standards in the 2025 Energy Code, and where adopted by a local jurisdiction would increase energy efficiency and conserve energy by reducing the energy budget otherwise allotted to a building in the 2025 Energy Code. Although it is unclear which standards local jurisdictions may choose to adopt, to the extent that a local jurisdiction does choose to implement any of these voluntary standards without further modifications, they would reduce the wasteful, uneconomic, inefficient, and unnecessary consumption of energy for appliances that require a significant amount of energy or water on a statewide basis. The reduction in statewide electricity demand would also marginally decrease water consumption in the electricity generation sector.

There are no estimated costs or savings associated with the 2025 CALGreen amendments because they are voluntary standards. However, the voluntary standards in the proposed 2025 CALGreen are designed to be cost-effective if implemented, as well as technologically feasible and attainable. If a local jurisdiction chooses to adopt a local ordinance that requires compliance with any of these voluntary standards, it must submit the local ordinance to the CEC, which must find, under Public Resources Code Section 25402.1, subdivision (h)(2),⁶ that the city or county has filed the basis of its determination that standards are cost-effective with the CEC and that the local ordinance would result in a diminution of energy consumption compared to the mandatory provisions of the California Energy Code before the local ordinance becomes enforceable. The local jurisdiction is also responsible for performing its own CEQA analysis and subsequently submitting the required documentation with the CEC, as applicable.

Therefore, the CEC finds the 2025 CALGreen proposal has met all the requirements of the Warren-Alquist Act.

C. The Administrative Procedure Act, Government Code Sections 11340, et seq.

The California Administrative Procedure Act (APA) requires all state agencies to take certain steps and assess several matters when adopting regulations. Many of these matters, analyses, and findings are required to be addressed in the ISOR, prepared as part of the NOPA, or included in the Final Statement of Reasons (FSOR) that is required to be prepared after the regulations are adopted. In support of those documents, the CEC makes the following findings and determinations in adopting the

⁶ See also Cal. Code Regs., tit. 24, part 6, § 10-106.

2025 CALGreen proposal.

The 2025 CALGreen proposal contains only voluntary measures, clarifying language, references to existing requirements, and other non-substantive changes. Due to this, the 2025 CALGreen amendments do not impact any party's legal rights or responsibilities, and therefore the CEC finds that:

- The 2025 CALGreen amendments will not have a significant statewide economic impact on businesses, will not result in the creation of new businesses, will not result in the elimination of existing businesses, and will not result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. Businesses may, but are not required to, comply with the 2025 CALGreen amendments. Consideration of potential future actions is uncertain and is not included in the assessment of the effects of the proposed standards.
- The 2025 CALGreen amendments will not impose any direct costs or savings, or any direct or indirect requirements or mandates, on local agencies or school districts, including but not limited to costs that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- The 2025 CALGreen amendments will not result in the creation or elimination of jobs within California. The 2025 CALGreen proposal is voluntary and has no regulatory effect.
- The 2025 CALGreen amendments will not result in costs or savings in Federal funding to the state of California and will not alter or affect the CEC's receipt of Federal State Energy Program funding for the building standards program or alter or affect the state's ongoing participation in any Federal programs.
- The 2025 CALGreen amendments will not result in any nondiscretionary costs or savings to local agencies or school districts.
- The 2025 CALGreen proposal will not have an impact on housing costs. Although these voluntary measures provide templates and examples that could, if enacted by a local jurisdiction, potentially affect housing prices, any likely effect would be to increase energy efficiency, resulting in energy bill savings over the life of the building that will be greater than any increased construction costs that could result from those heightened standards.
- The 2025 CALGreen amendments will not result in cost impacts to representative private persons or businesses, as these are voluntary standards, templates, examples, and non-substantive changes to the regulations that do not require compliance. Further, the CEC is not aware of any cost impacts that a represented private person or business would necessarily incur in reasonable compliance with the 2025 CALGreen amendments.

- The 2025 CALGreen proposal will not adversely impact the health and welfare of California’s residents, worker safety, or the state’s environment. The 2025 CALGreen amendments may encourage consideration and adoption of local ordinances relating to energy efficiency in buildings, and such ordinances, if adopted may have positive impacts on health, welfare, and the environment known to result from energy efficiency. However, such impacts are uncertain.
- The 2025 CALGreen amendments have no alternatives that would be more effective in carrying out the purposes of the statutes for which they are proposed, that would be as effective and less burdensome to affected private persons in carrying out those purposes, or that would be more cost-effective to affected private persons and equally effective in implementing those purposes, as neither affect the rights or responsibilities of any individual.
- The 2025 CALGreen proposal will not have a significant adverse economic impact on small businesses, does not differentiate between a small business and a regular business, and no alternatives were proposed that would lessen any adverse economic impact on small business.
- The 2025 CALGreen amendments will not require completion of any new report.

There is nothing else in the record that justifies any changes to the proposed 2025 CALGreen as published on August 16, 2024. Therefore, the CEC finds that the 2025 CALGreen proposal meets the requirements of the APA.

D. The Building Standards Law, Health and Safety Code Sections 18901, et seq.

The 2025 CALGreen proposal must be submitted to the California Building Standards Commission (“CBSC”) for approval and is required to be accompanied by an analysis which will, to the satisfaction of the CBSC, justify its approval. (Health & Safety Code Section 18930, subdivision (a)). For the reasons described below, the CEC finds and concludes that the 2025 CALGreen amendments comply with each one of the applicable criteria.

- 1) The 2025 CALGreen amendments do not conflict with, overlap, or duplicate other building standards. The CEC is the only state agency authorized to set efficiency standards for buildings.
- 2) The 2025 CALGreen proposal is within the parameters established by enabling legislation and is not expressly within the exclusive jurisdiction of another agency. The CEC has statutory authority under Public Resources Code Sections 25213, 25402, 25402.1, 25402.4, 25402.5, 25402.8, and 25910 to promulgate and update energy and water efficiency standards for residential and nonresidential buildings, including both newly constructed buildings and additions and alterations to existing buildings.
- 3) The public interest requires the adoption of the 2025 CALGreen amendments. California law declares that the welfare of California’s citizens and economy depends on an adequate, reasonably priced, and environmentally-sound supply

of energy and that wasteful, uneconomic, inefficient, and unnecessary uses of energy will result in serious depletion or irreversible commitment of energy, land, and water resources, and potential threats to the state's environmental quality. It is the policy of the state to:

- Employ a range of measures to reduce wasteful, uneconomical, and unnecessary uses of energy, thereby reducing the rate of growth of energy consumption,
- Prudently conserve energy resources,
- Assure progress towards statewide environmental, public safety, and land use goals, and
- Reduce wasteful, uneconomic, inefficient and unnecessary uses of energy, including through the use of solar photovoltaics and other renewable energy.

The 2025 CALGreen proposal serves all these public interests by providing voluntary energy- and water-efficiency and conservation standards that go beyond the mandatory standards set forth in the 2025 Energy Code. By providing a blueprint for the public to voluntarily adopt more efficient measures and for local jurisdictions to adopt local ordinances requiring more stringent standards, the 2025 CALGreen proposal makes a major contribution in meeting the state's goals for reductions in greenhouse gas emissions in buildings. The 2025 CALGreen amendments, where adopted by local jurisdictions, will continue to improve upon the existing building standards and continue to address past and new policy directives.

- 4) The 2025 CALGreen proposal is not unreasonable, arbitrary, unfair, or capricious, in whole or in part. The proposed voluntary standards, as a whole and with respect to each part, were carefully developed through an open, transparent, data-driven process that necessarily responds to, incorporates, and reasonably balances a broad array of interests, state policy goals, and legal requirements. The proposed voluntary standards originated with proposals that were vetted during the public rulemaking process, including public workshops, during which time CEC staff received stakeholder input and refined the proposed voluntary standards based on evidence in the record.
- 5) There are no costs associated with the 2025 CALGreen proposal because it is voluntary, and therefore, the cost to the public is reasonable.
- 6) The 2025 CALGreen amendments are not unnecessarily ambiguous or vague, in whole or in part. These standards include changes that improve clarity and prevent ambiguity. Proposals or comments suggesting clarifying improvements were incorporated into the voluntary standards where it was determined that they provide a benefit to clarity without otherwise changing the application or effect of the intended regulatory change.
- 7) The applicable national specifications, published standards, and model codes have been incorporated into the 2025 CALGreen amendments as required by the State Building Standards Law, where appropriate. The 2025 CALGreen amendments incorporate Federal energy standards for particular appliances that

may be installed in buildings. In addition, the CEC included model and national codes and specifications in the 2025 CALGreen proposal wherever appropriate.

- 8) The format of the 2025 CALGreen proposal is consistent with that adopted by the CBSC. The proposed standards continue to use the format of the other building standards in the California Building Standards Codes.
- 9) The 2025 CALGreen proposal has the written approval of the State Fire Marshal. On July 17, 2024, the State Fire Marshal sent a letter to the CEC stating that the Office of the State Fire Marshall reviewed the 2025 CALGreen amendments, finding no conflict in the proposed regulations, and therefore granting written approval.

Therefore, the CEC finds that the 2025 CALGreen proposal complies with the requirements of the California Building Standards Law.

IV. ADOPTION OF 2025 CALGREEN; DELEGATION TO EXECUTIVE DIRECTOR

Based on the entire record of this proceeding, including all comments received and the staff's responses, the CEC finds that the 2025 CALGreen proposal is exempt from CEQA and meets all statutory requirements. Therefore, the CEC hereby adopts the amendments in the 2025 CALGreen proposal, as set forth in the 15-day language.

The CEC delegates the authority and directs CEC staff to take, on behalf of the CEC, all actions reasonably necessary to have the 2025 CALGreen proposal go into effect, including but not limited to making any appropriate non-substantive changes to the regulations; preparing all appropriate documents, such as the Final Statement of Reasons; compiling and submitting the rulemaking file to the CBSC or Office of Administrative Law (OAL); making any changes to the rulemaking file required by CBSC or OAL; and preparing and filing all necessary CEQA documentation.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on September 11, 2024.

AYE: Hochschild, Gunda, McAllister, Gallardo

NAY: NONE

ABSENT: Monahan

ABSTAIN: NONE

Dated: September 12, 2024

SIGNED BY:

Kristine Banaag
Secretariat