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# EFCA IEPR 50 Percent Savings - Written Comments

Additional submitted attachment is included below.



To: The California Energy Commission

Date: 6/21/18

Re: 2018 IEPR – June 7<sup>th</sup> Workshop – Written comments State doubles Energy Efficiency goals, mandated by SB 350

Docket # 18-IEPR-07

To all concerned,

We attended the IEPR workshop on June 7<sup>th</sup> via webex. We enjoyed the workshop and would like to thank you for involving stakeholders in this conversation.

The following are written comments in regards to this meeting.

## The value of data

Often times energy efficiency projects are built based on information from studies or the advice of industry experts. This means many retrofit projects are performed without empirical knowledge of how effective they are when completed. Seldom do contractors or program administers have measured data to determine which installed measures are most effective.

We suggest that the CEC support a simple post retrofit study using actual utility bill information combined with AMI data. The information from this post ante evaluation could then be shared with program designers, implementors and contractors to help them be more efficient. Having real data regarding which measures are most effective would be very useful.

## Time of savings matters

In the presentation there was mention of the fact that energy savings now has a time dependent value. The Cal ISO "duck curve" is growing and we need to encourage energy savings measures that help offset excess production from renewables during the middle of the day. Again, we feel that having measured data on actual projects would improve savings. If we had more information from actual projects on which measures had positive grid impacts we could encourage contractors to include these measures in future projects.

## The true value of EE upgrades

There have been numerous discussions regarding the non-energy benefits of EE upgrades, such as health and comfort. We are aware of the statewide shift from overall energy savings to emissions. We feel it is critical that EE be valued based on its ability to reduce greenhouse gas emissions]. Many EE strategies have significant impacts on emissions. For example, switching from gas burning devices to heat pumps. We encourage including emission reductions as a metric when considering the overall value of EE.

## Work to remove regulatory barriers

Our current building codes are out of date and are not keeping pace with changes in technology. If we are to double our EE savings the CEC must work with stakeholders and the CPUC to remove outdated and restrictive regulations. A prime example is the "Three Prong Test" metric, a cost metric that all but eliminates electric appliances as a viable replacement for gas devices. In almost every situation electric appliances outperform their gas counter parts. Heat pump water heaters and heat pump space heaters will be a key part of meeting the



savings goals outlined in SB 350. This means many homes and buildings will need to move away from natural gas and switch to electricity. Outdated regulations favor gas as a fuel source and restrict "fuel substitution and fuel switching". The three-prong test is a barrier to adopting heat pump technology. The CEC and the CPUC need to act swiftly to remove these types of artificial barriers if we are to achieve the savings outlined in SB 350.

## Streamline and simplify

Inadvertently much of the burden of regulation is passed on to contractors and home owners. Contractors must comply by providing large quantities of data about each individual project they undertake. This excess paperwork is a time and resource burden to the contractor. Ultimately these costs are passed on to the homeowner. We suggest that the CEC explore all methods to reduce the paperwork burden for contractors. We encourage online applications and program submissions which can eliminate redundancies in paperwork, such as entering the homeowners name and address repeatedly when filling out rebate applications. Recent improvements in the HERS compliance process are proof that forms and processes can be streamlined. Simple is hard, and the CEC and CPUC are not very good at simple. We should require as much information as is needed, and nothing more.

## Behavior is key

Humans are unpredictable and complex beings. Often times the first step to saving energy is awareness. Home energy monitors, peer comparisons, smart thermostats, and other behavior tactics need to be a part of the solution. We need to recognize that human behavior has a significant impact on realized savings.

#### Regulation without enforcement

Perhaps the most important effort is to provide significant funding to educate building officials and code enforcement officials. The current situation with permits for HVAC change-outs is a great example. Prior to the HERS requirement for duct testing for HVAC change-outs most projects were done with a permit. After code changes required HERS compliance testing for ductwork the number of projects with permits plummeted. It's estimated that less than ten percent of furnace change-outs today are done with a permit. This is a failure of the system and of the code enforcement officials. It's possible to create new and innovative regulations, without enforcement they will have no impact. When considering a new approach, you must include funding for the education of building officials and provide resources to insure compliance in the future.

We are encouraged by the current trends in the EE industry in California. We enjoy being part of the conversation and hope that you will consider the above points when making your final decisions.

Sincerely,

## **Charles Cormany**

Executive Director Efficiency First California