

**DOCKETED**

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<b>Project Title:</b>	Improving Energy Compliance of Central Air-Conditioning and Heat Pump Systems
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<b>Document Title:</b>	California Energy Alliance's Comments on Improving Energy Compliance of Central Air-Conditioning and Heat Pump Systems
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July 31, 2018

Ms. Judy Roberson

Standards Compliance Office  
California Energy Commission  
Sacramento CA 95814

RE: Improving Energy Compliance of Central Air-Conditioning and Heat Pump Systems –  
Workshop held June 29, 2018.

The California Energy Alliance (CEA) agrees with the recent comments by Mitsubishi Electric that additional training alone is not sufficient to improve Title 24 compliance in the installation of central air-conditioning and heat pump systems. Mitsubishi Electric sets forth a long list of proposed strategies for improving HVAC performance and for increasing enforcement penalties. However, none of these proposed strategies will sufficiently address compliance issues as long as equipment continues to be purchased and installed without permit compliance. The only way to implement the strategies set forth by Mitsubishi Electric is through increasing compliance with permit requirements.

Enforcement and compliance activity begins when a permit is pulled. Only then is a local building official alerted to the installation of a project. The permit process is how Title 24 compliance documentation and testing requirements are implemented. The permit process is also how contractor license requirements are enforced. Should workforce training requirements be instituted, these requirements would also be enforced via the permit process. Accordingly, compliance strategies need to begin with ensuring that when HVAC equipment is purchased, a permit is pulled and Title 24 compliance and testing documentation requirements are completed. Without this, other strategies to increase installation quality will be limited in effectiveness and scope.

Stakeholders have been trying to solve the HVAC compliance problem for two decades with negligible success. While we have learned some things along the way, these efforts have been largely futile. Given past experience, we should identify suggestions that, based on prior efforts, are just wishful thinking and should be abandoned. Second, we should differentiate between solutions that may affect compliance rates ten years from now and efforts that can make a difference today.

One category of solutions that is probably wishful thinking, or, at best, may provide benefit in the long-term, is that which puts the burden on actions that must be taken by local municipalities. Anyone who has worked with local building departments knows that most are short-staffed, over-worked, and, yes, almost unwilling to take the time to understand and apply the energy code. This is why the CEC created the HERS program. One of the most important things we can do is to shore up and make better use of this program.

There is no question that increased contractor and workforce training is needed in order to improve HVAC installation quality. The vast majority of installers do not have even basic skills and training. We need an apprentice program and requirements for continuing education for HVAC contractors and technicians. But changing the culture of an industry that breaks the law in 80 percent to 90 percent of installations also needs to happen. Training and advocacy alone will not get California to 90 percent compliance by 2020.

Another commonly heard suggestion is increased enforcement by the Contractors State License Board (CSLB) and local law enforcement agencies. This suggestion requires changing the culture of not only an industry, but of entire state agencies – agencies who are already overloaded. If the CSLB could solve the

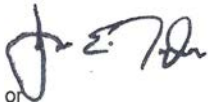
compliance problem, they would have done so decades ago. Can we reasonably expect district attorneys to shift their focus from violent crime to chasing HVAC contractors who don't pull permits? Again, it would be nice to have the resources, but this suggestion is not the solution. But even if the CSLB did have the resources, it would be almost impossible for it to enforce permit requirements and HERS testing without knowing where the equipment is installed.

The CEA encourages the Energy Commission to evaluate options for an equipment registry that would track equipment purchases, permits and allow for much improved Title 24 documentation compliance. Ideally, such a system would be integrated with streamlined, on-line permitting programs. Once we get compliance rates up, we can then focus on the ideas that will help us transition toward practices promoted by the "New School" of HVAC adherents.

Attached with this letter is a document entitled, *CEA's Top Legislative Initiatives, Projects, and Pilots Focused on Improving Energy and Building Standards Compliance in California*. This document describes four realistic, actionable steps that will kick-start the HVAC industry in achieving improved energy efficiency outcomes. It also provides a brief description of a pilot project soon to be announced by the CEA to demonstrate multiple cost reducing strategies such as mobile and embedded EM&V, bundling of demand response with energy efficiency measures, and automated program administration. For the purposes of this compliance proceeding, initiatives 2 and 3 are the most relevant: (a) streamlined permit procedures and (b) HVAC equipment registration.

CEA asks that the Energy Commission review our recommendations with an eye toward near-term, meaningful change. If you have any questions, we are here to assist and look forward to helping California meet its HVAC compliance goals.

Thank you.



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