

DOCKETED

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Document Title:	JCEEP and WSC-SMART Comments on 2025 Energy Code Compliance Tools Workshop
Description:	Comments of the Joint Committee on Energy and Environmental Policy and Western States Council of Sheet Metal, Air, Rail and Transportation Workers on 2025 Energy Code Compliance Tools Staff Workshop
Filer:	Lorrie Lele
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Organization:	Adams Broadwell Joseph & Cardozo
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April 26, 2022

Submitted Via Electronic Docket

California Energy Commission
Docket Unit, MS-4
Docket No. 22-BSTD-01
715 P Street
Sacramento, California 95814

Re: **Comments of the Joint Committee on Energy and Environmental Policy and Western States Council of Sheet Metal, Air, Rail and Transportation Workers on 2025 Energy Code Compliance Tools Staff Workshop**

Dear Commissioners and staff:

We write on behalf of the Joint Committee on Energy and Environmental Policy (JCEEP) and the Western States Council of Sheet Metal, Air, Rail and Transportation Workers (WSC-SMART) regarding the 2025 Energy Code Compliance Tools Staff Workshop held on March 22, 2022.

JCEEP is an advocacy organization that represents the California sheet metal workers' local unions and over 25,000 technicians working for over 600 contractors throughout California. JCEEP's mission is to promote responsible environmental and indoor air quality and energy policy in California as it pertains to and impacts the heating, ventilation, and air conditioning ("HVAC") industry. JCEEP was formed on the premise that air handling systems need to be designed, built, and maintained not just to manage comfort levels of indoor air, but also to protect against health threats and to ensure energy efficiency. JCEEP's members have over 15 training facilities throughout the state and thousands of workers being trained daily in HVAC specialties, such as testing, adjusting, and balancing, commissioning, green building design, energy efficiency, and indoor air quality.

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WSC-SMART represents sheet metal workers local unions located in California, Arizona, Nevada, and Hawaii. WSC-SMART's sheet metal worker members install HVAC systems and are committed to ensuring these complex systems provide healthy air and operate efficiently to reduce energy demands.

JCEEP and WSC-SMART support the Commission's efforts to improve energy code compliance. As the Commission recognizes, compliance with energy code requirements is essential for a multitude of reasons. It is necessary to ensure proper construction and installation. It levels the playing field in the construction market. It protects consumers from poor or risky installation. It pushes the market to higher standards and equipment performance. And it helps the State achieve social, economic, environmental, and energy goals. Yet, despite all these important motivations, a significant amount of work continues to be unpermitted and unenforced.

Homes and businesses are responsible for approximately 70% of California's electric consumption and 25% of the state's greenhouse gas emissions. In certain climate zones, HVAC systems are the largest source of buildings' energy consumption. HVAC energy consumption will continue to increase as average temperatures increase and higher temperatures occur later in the day and year. To meet the state's GHG reduction goals, it is not enough to simply have aggressive building energy code standards; the Commission must ensure compliance with the standards.

Compliance rates for meeting existing installation requirements are low. During the workshop, the Commission stated that estimates range from 50% to 80% of work is unpermitted. The problem is worse for HVAC systems. Both the Commission and the California Public Utilities Commission found that up to 90% of HVAC replacement projects fail to pull the required permits and that contractors only comply with the energy code's installation requirements as little as 15% of the time.

Moreover, the efficiency of HVAC systems is highly dependent on the quality of its installation. A report by the Commission found that 50% of new HVAC systems and 85% of replacement HVAC systems are installed incorrectly, resulting in a 20% to 30% increase in energy use. It is estimated that increasing HVAC permit and Title 24 compliance could reduce peak energy demand by up to 400 megawatts.

Even when permits are pulled, building officials find enforcement of the Title 24 requirements to be too time consuming or complex. In fact, during the workshop, several authorities having jurisdiction (AHJs) acknowledged that enforcement of energy code requirements were their lowest priority since the code does not protect against acute hazards such as fire, structural collapse, and other life-safety requirements. AHJs also repeatedly cited a lack of adequate resources, resulting in uneven enforcement of energy code requirements throughout the state. Installations and enforcement of current and future code requirements must be monitored, especially if the state continues to move toward remote or virtual inspections.

The lack of compliance and enforcement is not only a barrier to meeting energy efficiency and greenhouse gas reduction goals, but it also hurts the high road contractors that comply with code requirements, who are losing work because they must bid against contractors that can cut costs by ignoring these requirements altogether.

A single, accessible state compliance document repository for Title 24 documentation combined with an HVAC sales tracking system would significantly improve compliance by allowing building officials to quickly access relevant Title 24 documentation and cross-check HVAC registrations with pulled permits. This would simplify and speed up enforcement resulting in greater compliance, even in those jurisdictions that look at energy code enforcement as their lowest priority task. It is also a critical first step to address the pervasive problem of underground construction work performed without permits or compliance with Title 24 acceptance testing requirements.

JCEEP and WSC-SMART encourage the Commission, and other interested parties, to support SB 1164. As currently proposed, SB 1164 would require the Commission to prepare two interrelated implementation plans to improve compliance. One report would detail the design of a Title 24 compliance document repository accessible to building officials to simplify and improve enforcement. The other report would describe an HVAC equipment sales tracking system that would be linked to the Title 24 compliance repository to ensure installers comply with permit and code requirements.

April 26, 2022

Page 4

JCEEP and WSC-SMART greatly appreciate the opportunity to provide comments and look forward to assisting the Commission's efforts to improve compliance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew J. Graf".

Thomas A. Enslow
Andrew J. Graf

Attorneys for Joint Committee on Energy
and Environmental Policy and Western
States Council of Sheet Metal, Air, Rail and
Transportation Workers

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