

DOCKETED

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CALIFORNIA ENERGY COMMISSION

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Notice of Availability and Opportunity to Comment on the Building Initiative for Low- Emissions Program (BUILD) Draft Guidelines, Second Edition Docket 20-DECARB-01

Introduction

The Building Initiative for Low-Emissions Development (BUILD) Program Draft Guidelines, Second Edition (Draft Second Edition Guidelines) are now available for review and comment. The Draft Second Edition Guidelines would establish the rules for program participation, including eligibility requirements, participation process, and incentive structure.

The Draft Second Edition Guidelines are available on the [BUILD Program webpage](https://www.energy.ca.gov/programs-andtopics/programs/building-initiative-low-emissions-development-program) at <https://www.energy.ca.gov/programs-andtopics/programs/building-initiative-low-emissions-development-program> and through the BUILD docket page at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-DECARB-01>.

Background

Senate Bill 1477 (Stern, Chapter 378, Statutes of 2018) authorized two building decarbonization programs to encourage the development and deployment of near-zero-emission building technologies: the BUILD Program and the Technology and Equipment for Clean Heating (TECH) Initiative. BUILD is a residential building decarbonization program that provides technical assistance and incentives to support the adoption of advanced building design and near-zero emission technologies in new all-electric, low-income residential buildings. The BUILD Program is overseen by the California Public Utilities Commission (CPUC) and administered by the CEC.

Proposed Second Edition Guidelines

The Draft Second Edition Guidelines contains substantive and non-substantive changes to the BUILD Program Guidelines, First Edition (Existing Guidelines). Specific changes include the following:

- Allows for five (5) years of collective developer experience to be eligible for the BUILD Program (Chapter 2, Section A.1; Chapter 5, Section A.2(b)(vii)).
- Removes the pathway for applicants to use the BUILD Calculator for Step 1 (Design Reservation) unless the applicant is a new adopter (Chapter 2, Section A.6; Chapter 4, Section B).

- Removes text allowing applicants to request the third-party assignment of incentive payments (Chapter 5 (3)(b)(ix), Chapter 6, Section H, Appendix A).
- Removes the requirement to list all premise and service point IDs and revises the requirement for meter IDs if infeasible to obtain by certificate of occupancy issuance (Chapter 5, Section A.4.a.xiii).
- Ensures projects without virtual net energy metering (VNEM) agreements meet the modeled resident utility cost savings requirements by a demonstration of individual meters or proof of a measure installation and a rental/lease agreement provision/addendum template providing a utility rent/lease credit to tenants equivalent to the "monthly modeled resident utility cost difference" (as calculated by the Custom Path Tool) for all units subject to the BUILD Program's affordability requirements, for no less than five (5) years (Chapter 5, Section A.4.a).
- Clarifies the expiration date for project completion and final payments (Appendix A, Section E).
- Clarifies the timeframe for verification of the permission to operate (PTO) for any installed solar energy system (Appendix A, Section F).
- Provides more context for unitary heat pump water heaters (HPWHs) and clarifies the JA13 kicker incentive is only for unitary systems (Glossary; Appendix B, Section C).
- Expands on the minimum requirements for space- and water-heating equipment (Appendix B, Section B).
- Updates the minimum requirements for electric vehicle supply equipment (Appendix B, Section C).
- Updates the Modeled Resident Utility Costs Savings Methodology by updating the electric and gas utility rates to 2023, updates the treatment of excess PV generation to align with the net billing tariff, and adds context for PV calculations in the Custom Path Tool (Appendix C).

The Draft Second Edition Guidelines are available in both a "clean" version showing language as if adopted and in underline/strikethrough showing all proposed changes to the Existing Guidelines. Both versions are available for review and comment on the [BUILD program page](https://www.energy.ca.gov/programs-andtopics/programs/building-initiative-low-emissions-development-program), at <https://www.energy.ca.gov/programs-andtopics/programs/building-initiative-low-emissions-development-program>, or the 20-DECARB-01 docket, at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-DECARB-01>.

Public Comment

The CEC encourages the use of its electronic commenting system. Visit the [e-commenting](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=20-DECARB-01) page for this docket, 20-DECARB-01 at

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=20-DECARB-01>.

Enter your contact information and a subject title that describes your comment. Comments may be included in the "Comment Text" box or attached as a downloadable, searchable document in Microsoft® Word or Adobe® Acrobat®. The maximum file size allowed is 10 MB.

Written Comments may be submitted to the Docket Unit by **5:00 p.m. on Tuesday, December 3, 2024**. Written and oral comments, attachments, and associated contact information (including address, phone number, and email address) will become part of the

public record of this proceeding with access available via any internet search engine. Written comments may also be submitted by email. Include docket number 20-DECARB-01 and "BUILD Program" in the subject line and email to docket@energy.ca.gov. A paper copy may be mailed to:

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Media Inquiries. Email mediaoffice@energy.ca.gov or call (916) 654-4989.

Technical Subject Inquiries. Email Larry Froess at BUILDUnit@energy.ca.gov or call (916) 931-9761.

General Inquiries: Email Marites Antonio at BUILDUnit@energy.ca.gov or call (279) 226-1056.

Availability of Documents: Documents and presentations for this meeting will be available at the BUILD Program webpage's "Notices and Documents" section at <https://www.energy.ca.gov/programs-and-topics/programs/building-initiative-low-emissions-development-program-build>, or at the BUILD Program Docket <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-DECARB-01>.

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Dated: November 4, 2024, at Sacramento, California.

Jennifer Nelson
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