

July 29, 2011

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California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Docket No. 11-IEP-1F

To Whom It May Concern:

On behalf of New Buildings Institute (NBI), I would like to submit the following comments on the California Energy Commission's Draft Staff Report, *Achieving Energy Savings in California Buildings: Saving Energy in Existing Buildings and Achieving a Zero-Net-Energy Future*.

NBI is a nonprofit organization working to improve the energy performance of commercial buildings. We work collaboratively with commercial building market actors – governments, utilities, energy efficiency advocates and building professionals—to remove barriers to energy efficiency. We promote advanced design practices, improved technologies, public policies and programs that improve energy efficiency.

NBI is also deeply involved in net zero energy work both in the state of California and nationwide.

NBI would like to comment on the following key aspects of the CEC Staff Report, specifically to encourage the CEC to:

- Consider how the definition of Net Zero Energy impacts the market
- Add servers as a potential appliance standard
- Consider additional financing mechanisms beyond PACE for commercial energy efficiency

First, the definition of Zero Net Energy is a complicated societal and time-dependent valuation formula that will never be fully understood by key market players, and will be difficult to align with the staff recommendation of public awareness, education and outreach. This gap will have to be bridged so that the market understands and can react to ZNE policies and programs.

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Second, the State of California should make every effort to regulate the servers in commercial buildings to further our efforts toward low and net zero energy buildings. As computer facilities become more distributed and office equipment becomes more portable, the effect of server energy use has increased to a more significant level in normal commercial buildings. As opposed to server 'farms' or official data centers, small servers contribute to plug loads in commercial buildings and are becoming a growing portion of a building's total energy use, yet they are not directly regulated by building codes. In the near term, additional research and appliance regulations on server energy use seem critical to decreasing energy use in commercial buildings.

Finally, NBI believes that new financing channels beyond PACE should be pursued to encourage energy efficiency in commercial buildings. NBI suggests that the State of California assist in piloting business models that overcome current financial barriers in the commercial buildings market. CEC might provide assistance to companies actively engaged in new approaches, whether they are lenders, owners, tenants or third parties.

Thank you for the opportunity to comment on the CEC Staff Report.

Best Regards,

A handwritten signature in black ink, appearing to read "Dave Hewitt", with a stylized flourish at the end.

Dave Hewitt
Executive Director

DCH:pmh