

# Nonresidential Building Energy Use Disclosure Program (Rulemaking Instituting AB 1103 and 531)

## Proposed Adoption Hearing

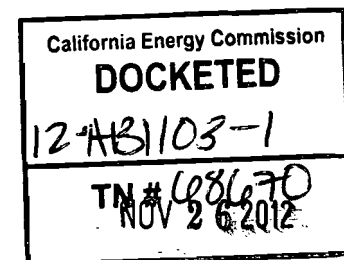
Martha Brook, PE  
Senior Mechanical Engineer

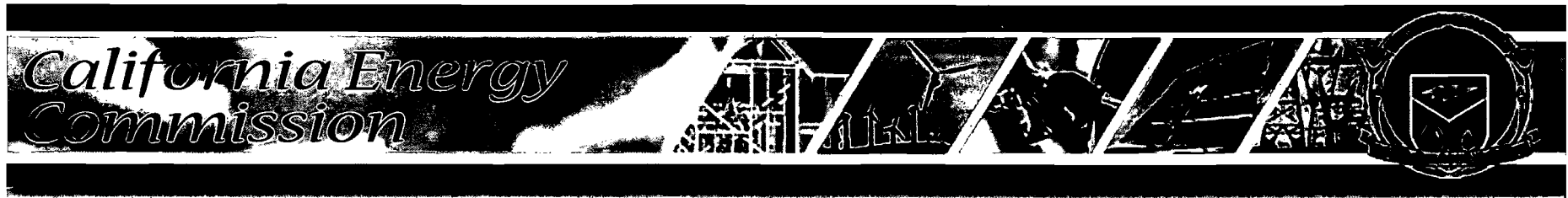
Justin Regnier, PE  
Project Manager / Mechanical Engineer

High Performance Buildings  
Efficiency and Renewable Energy Division

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Staff Counsel

July 11, 2012





## Nonresidential Building Energy Use Disclosure Program

### Statutory Basis for Program

- AB 1103
- AB 531

### What the Program Does

- Allows visibility for Energy Use in major transactions
- Provides a standard framework for Energy Use Disclosure
- Provides phased implementation



# Background – Disclosure Details

**Disclosure of energy use data for nonresidential buildings is required to be made to buyers, lessees, and lenders**

- No public disclosure
- Occurs when a nonresidential building is sold, leased, or financed
- Disclosure takes three forms
  - Electronic submission of data to CEC
  - Standard reports from ESPM
    - Statement of Energy Performance
    - Data Checklist
    - Facility Summary
  - Disclosure Summary Sheet from CEC



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# Which building has the lowest energy use?

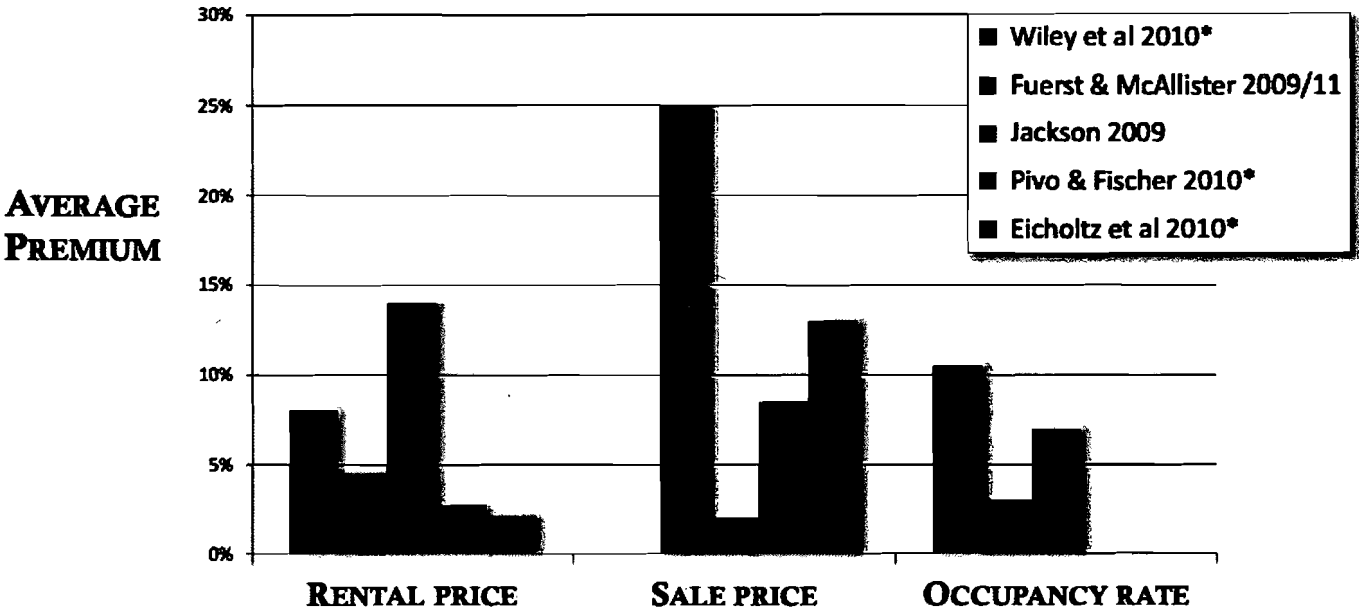




## Research findings

- Large samples of nonresidential buildings evaluated
- Values assessed across comparable properties
- Controlled for building size, age, amenities, etc.
- All studies conclude that **Energy Star labeling increases nonresidential building values**

# Added Value of ENERGY STAR-Labeled Commercial Buildings in the U.S. Market

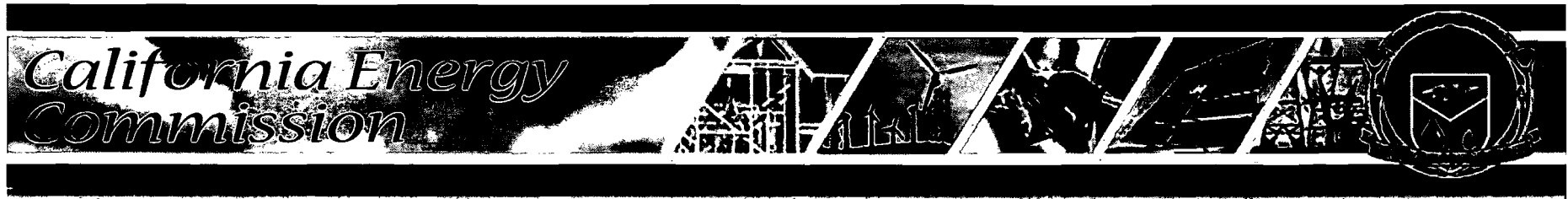


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 \*These studies only tracked two of the listed indicators.  
 All studies controlled for multiple factors, including building size and location.  
 For more information, please contact David Leipziger at [david@imt.org](mailto:david@imt.org).



## Legislative Findings...

- The Legislature found that AB 1103
  - ...would allow building owners and operators to compare their building's performance to that of similar buildings and to manage their building's energy cost
  - ...could motivate building operators to take actions to improve the building's energy profile and help to justify financial investments

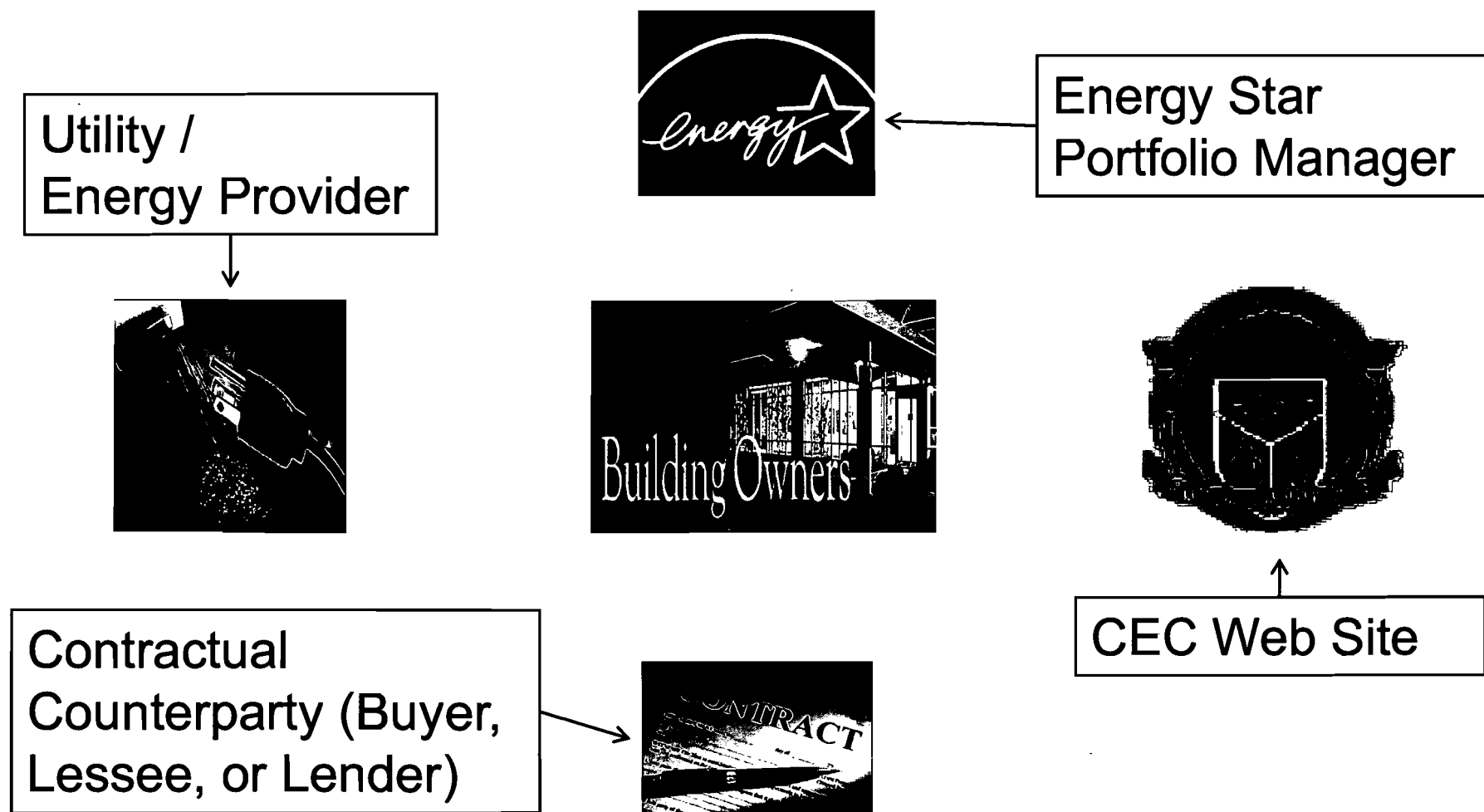


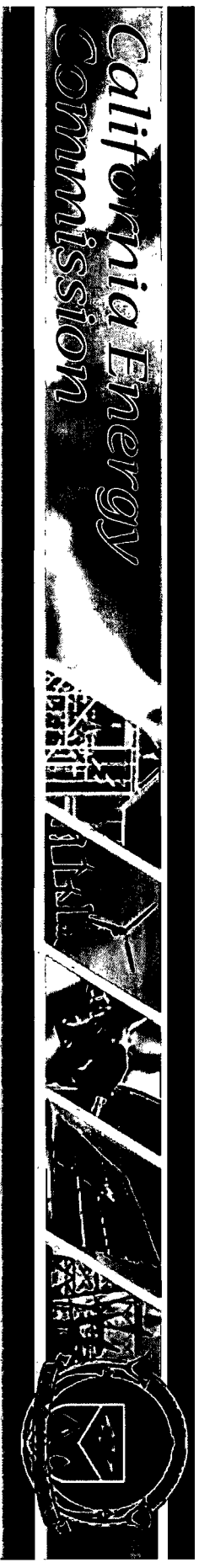
# Summary of Outreach

- Outreach to stakeholders
- Draft regulations published and public comments received in August 2009, May 2010, and September 2011
- Webinars/Presentations for interested groups
- Public Comment Meeting

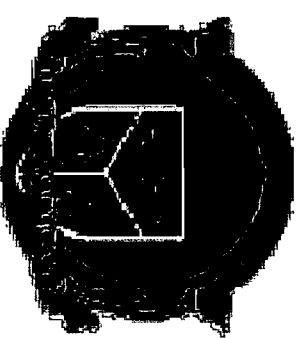
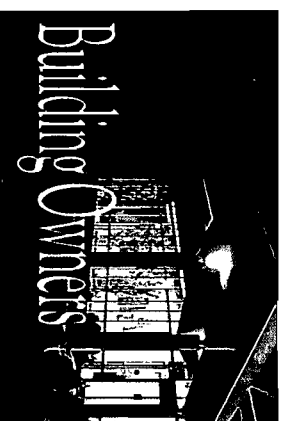
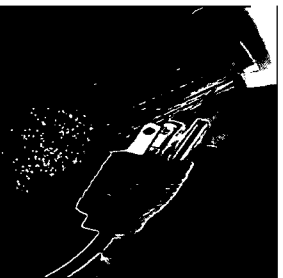


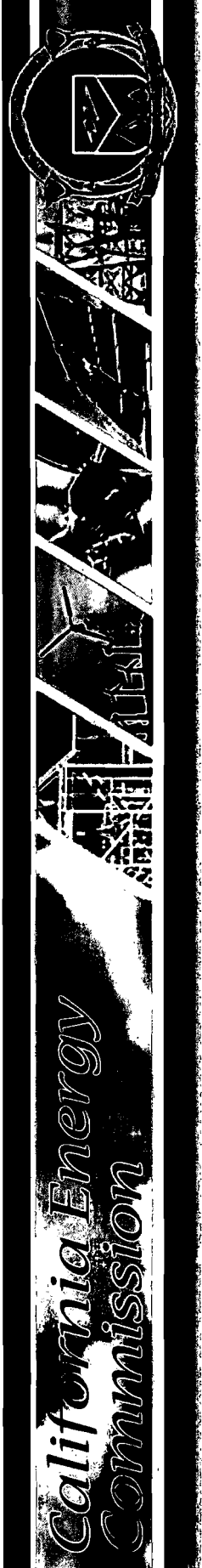
# Disclosure Process – Elements



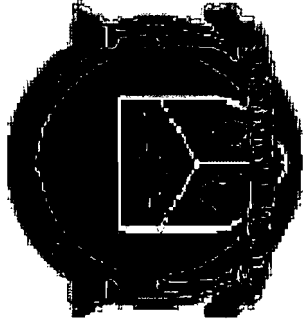
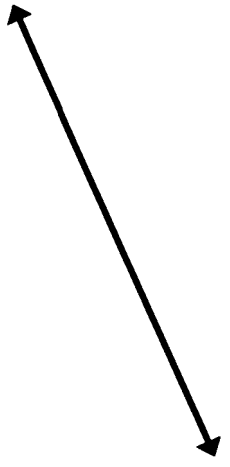


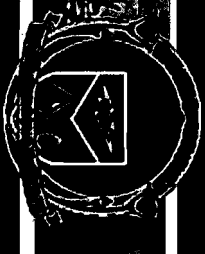
## Disclosure Process – Step 1



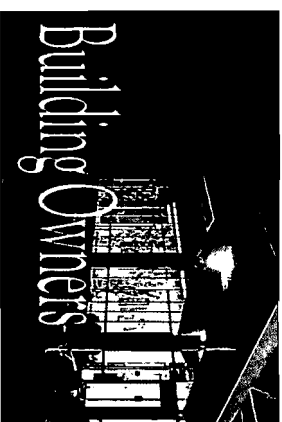
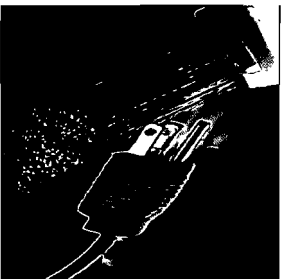


# Disclosure Process – Step 2

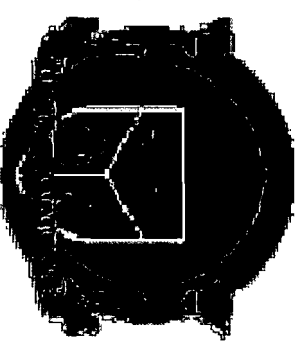


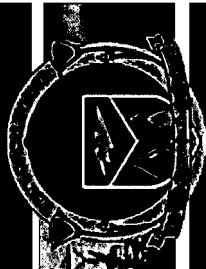


## Disclosure Process – Step 3



Disclosure Summary Sheet

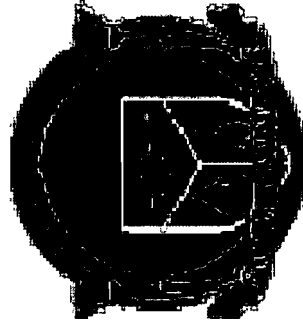


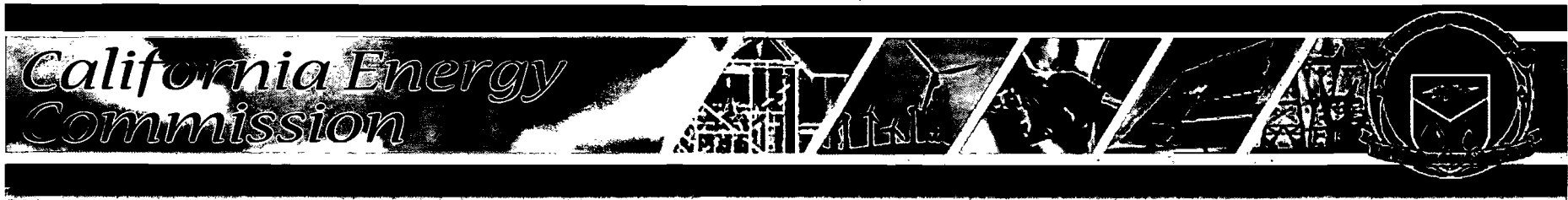


## Disclosure Process – Step 4

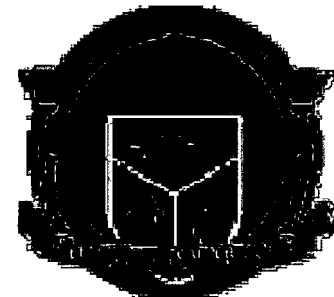
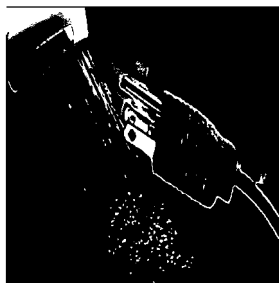


Disclosure Summary Sheet  
ESPM Standard Reports





## Disclosure Process – Step 5



Disclosure Summary Sheet  
ESPM Standard Reports



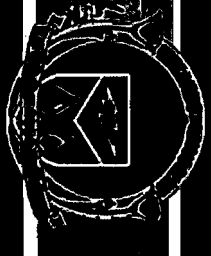
Disclosure Summary Sheet  
ESPM Standard Reports



## Timeline of Rulemaking Activities and Proposed Implementation

October 12, 2007	AB 1103 Chaptered
October 11, 2009	AB 531 Chaptered
March 2009 - February 2011	Working Group Meetings – Initial Regulation
March 2011-March 2012	Outreach and Final Regulations Drafting
March 23, 2012	Regulations issued – 45 day comment period begins
April-June, 2012	45 day comments addressed, 15 day language issued
July 11, 2012	Adoption Hearing at Business Meeting
January 1, 2013	Implementation for Buildings over 50,000 ft <sup>2</sup>
July 1, 2013	Implementation for Buildings over 10,000 ft <sup>2</sup>
January 1, 2014	Implementation for Buildings over 5,000 ft <sup>2</sup>

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# Questions?

