



To: California Energy Resources Conservation and Development Commission

Re: Order Instituting Information Proceeding  
Docket No. 12-HERS-1

From: Don Charles, USERA

California Energy Commission  
**DOCKETED**  
**12-HERS-1**  
**TN # 70850**  
**MAY 17 2013**

### Response to CEC

### **Workshop Agenda** **Informational Proceeding to Improve the HERS Program** **Wednesday, March 6, 2013**

#### **Topic: Provider Quality Assurance Program (9:40 – 10:25)**

*This topic will explore the adequacy of the Provider Quality Assurance (QA) Program as specified in the HERS Regulations, Cal. Code Regs., Title 20, Section 1673.*

Questions to consider:

How do the QA requirements impact the Providers business model?

*The QA program increases costs that will be borne by the rater and ultimately the consumer.*

What changes should be made to the current QA requirements?

*Providers should strive on auditing jobs within a reasonable time frame (30 – 60 days old from original verification) and be on a consistent plan of performing audits pro-actively verses waiting until the end of the year. In doing so, the QA program will catch potential issues before they are wide-spread and be able to address them early on and/or use them to re-access the rater's knowledge and possibly use the findings for additional training. If the issues are more serious in nature involving possible intentional wrong-doing, then the providership can work directly with the CEC to determine what corrective actions or disciplinary measures might be best.*

How should QA be used in the development and training of Raters?

*Some issues might require further explanation to help the rater do a better job or gain additional knowledge or understanding. This is far different than malicious intent on the part of a rater that might warrant disciplinary action. If it is determined that a lack of understanding or knowledge is the issue, sometimes which is merely the result of lack of experience, then Providership's should use these opportunities to help the rater improve their understanding to bring them along to a higher standard. If a trend is noted amongst multiple raters, that information would allow a Providership to strengthen that part of the training curriculum along with newsletter outreach to clarify any code issues, such as weigh-in method cannot be part of a sample group.*

Would requiring Continuing Education Credits keep Raters informed as to the latest techniques and requirements?

*We do not necessarily feel it is warranted. Code iterations change approximately every three years with classroom recertification as part of that requirement.*

*Additionally, we recommend taking advantage of outside training through free utility programs and building performance classes.*

How can the QA program be leveraged so that a Rater's re-certification depends on meeting QA requirements?

*Raters need to meet QA standards for re-certification.*

How would an independent third-party Quality Assurance company help HERS Providers meet the required QA goals and allow Providers to focus on their core business?

*A potential concern would be what training have they received and by who to avoid any perceived bias. We feel the existence of such a third-party QA company should be to support all providers with clear and standardized protocols. Any failures of QA findings should be referred to a select oversight committee at the CEC. Such committee should be made up of a QA representative of all Providerships along with CEC compliance personnel. The committee would be able to determine, at the CEC level, what disciplinary action, if any, should be taken. Such corrective action could be to require additional training and/or de-certification if the findings are deemed to be fraudulent in nature by the providers' QA representatives and affirmed by the CEC.*

### **Topic: HERS Rater Disciplinary Process (10:25 – 11:10)**

*This topic will explore how the HERS Regulations can be updated to provide clear direction when disciplinary action is taken by a HERS Provider.*

Questions to consider:

What is the Providers' current progressive disciplinary process?

*We follow an approved standardized process*

If any, what are the consequences for each violation?

Should decertification of a Rater by one provider limit that Rater's ability to become certified with another HERS Provider?

*USERA feels that de-certification should be done at the CEC level (see above response) to ensure thoroughness and complete fairness in order to protect both the raters businesses and the providers from frivolous lawsuits as well as the integrity of the HERS program at the state level. A select oversight committee at the CEC would necessarily cross Providership lines maintaining the integrity of the process.*

Should a HERS Rater decertification by one HERS Provider result in their decertification by all other HERS Providers where they may already have a certification?

*Again, this is where consistency in the QA standards and procedures amongst providers and the CEC will play a critical factor. That being said, USERA believes that de-certification should be done at the CEC level to ensure thoroughness and complete fairness in order to protect both the raters businesses and the providers from frivolous lawsuits as well as the integrity of the HERS program at the state level.*

Should the disciplinary decision be overseen by an independent group?

*An independent group within the CEC as stated above.*

If so, how should this group be constituted and how should it function?

*Please see above response.*

### **Topic: HERS Rater Companies (11:10 – 12:00)**

*This topic will explore how the HERS Regulations can be updated to identify the oversight responsibility for HERS Rater companies.*

Questions to consider:

Should the owner/operator of a Rater Company be required to be a certified HERS Rater in good standing?

*USERA believes this makes sense. In addition, USERA has no issue with the existence of rater companies in the market and feels that it will only help facilitate market growth and transformation which is good for everyone.*

If so, should the regulations require the owner/operator to have additional certification and training?

*No*

If so, what should that training consist of?

Should corrective action taken against one Rater be applied to all Raters of a Rater Company?

*No. There have been allegations that there is a culture in some rating companies of wrongdoing. Perhaps rating companies should have their own internal QA requirement reportable to the Providership for review and audit. We are open to solutions.*

Should individuals (not Raters) entering compliance document data into a HERS Registry need to be certified to do so?

*No. This is a typical admin function. Document registration and certification should be done by the responsible party, not the admin. Basic data entry, (not registration and certification) should be allowed.*

### **Topic: Conflict of Interest (1:00 – 1:50)**

*This topic will explore the need for updating the HERS Regulations to more clearly define the role of a Provider when the Provider is involved in other aspects of the building and construction industry.*

Questions to consider:

Should the Regulations prohibit Raters from performing HERS verification on homes for which they were the energy consultant?

*Without data to the contrary, we do not see a conflict.*

Should Providers be prohibited from accepting compliance documentation or rating data for work performed on homes where the Provider manages the above-code rating system?

*Any direct connection should be avoided to assuage any conflict perception.*

Should Providers be prohibited from accepting compliance documentation or rating data for work in which an affiliate company has prepared or conducted the analyses for the compliance documentation?

*Yes*

Should Contractors or their affiliates be prohibited from performing ratings on projects where they have installed energy efficiency measures?

*Yes*

**Topic: Permissible HERS Provider Certification Categories (1:50 – 2:40)**

*This topic will explore the possibility of defining the levels of Provider Certifications.*

Questions to consider:

Should HERS Providers be required to get certifications for all of the categories of Field Verification and Diagnostic Testing?

*No. Providers should be allowed to fill niches in the market and or the CEC should be required to justify the expense for entering a particular market segment where there is little to no business or growth opportunity.*

Should Providers be approved for only one segment of the market? (Alterations, Newly-constructed Buildings, Whole-House HERS, BPC, NSHP, etc.)

*Yes. Again, providers should be allowed to fill niches.*

How does segmenting the HERS industry impact consumers?

*By allowing segmenting, you open the industry to competition at different levels. More choice ensures competitive rater and consumer pricing.*

Should it be ensured that all aspects of Title 24 compliance are being offered by one or more providers?

*It would be a benefit but should not necessary be mandated.*