STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

Rulemaking to Adopt 2016 Building Energy Efficiency Standards Docket No. 2014-BSTD-01 Order No. 14-0910-05

California Energy Commission DOCKETED 14-BSTD-01 TN 73776 SEP 22 2014

ORDER INSTITUTING RULEMAKING PROCEEDING

I. PURPOSE OF THE PROCEEDING

The California Energy Commission hereby institutes a rulemaking proceeding to update the Building Energy Efficiency Standards (also known as the California Energy Code) and the energy- and water-efficiency provisions of the California Green Building Standards Code (also known as CalGreen). The Building Energy Efficiency Standards are contained in the California Code of Regulations, Title 24, Part 6, and associated administrative regulations in Part 1, chapter 10 (collectively referred to here as the Standards). The CalGreen provisions are in Part 11.

II. Authority and Reference

The Energy Commission is conducting this proceeding under the authority granted by and to implement and make specific provisions of the Warren-Alquist Energy Resources Conservation and Development Act, in Public Resources Code sections 25213, 25402, subdivision (a)-(b), 25402.1, 25402.4, 25402.5, 25402.8 and 25910.

This Order is adopted under the provisions of California Code of Regulations, title 20, section 1222(a). As required by this regulation, this rulemaking will be conducted in accordance with Government Code sections 11346.4, .5, .7, and .8.¹

Energy Commission staff shall be responsible for taking all actions necessary and appropriate to comply with all applicable legal requirements, such as the requirements of the Warren-Alquist Act, the rulemaking provisions of the Administrative Procedure Act, Government Code section 11340 et seq., the Building Standards Law, Health and Safety Code section 18901, et seq., and the California Environmental Quality Act, Public Resources Code section 21000, et seq., including but not limited to submittal for approval of all necessary documents to the California Building Standards Commission.

¹ Government Code § 11346.4 and .5 contain requirements for the Notice of Proposed Action; 11346.7 requires the Commission to post on its website a link to the Small Business Advocate; 11346.8 addresses procedures for the Commission's public hearing(s) on proposed regulations and notice of proposed revisions to proposed regulations.

The Energy Commission will not at this time appoint a committee, pursuant to Public Resources Code section 25211, to preside over this rulemaking proceeding. Rather, the Energy Commission reserves the right to appoint such a committee, and to delegate appropriate authority to it, at a later date.

III. History of the Building Energy Efficiency Standards and Basis for this Order

The <u>Warren-Alquist State Energy Resources Conservation and Development Act</u>,² enacted in 1976, mandated that the Energy Commission develop and periodically update Building Energy Efficiency Standards for the state of California. These Standards address newly constructed buildings and additions and alterations to existing buildings. The Standards have, in combination with appliance efficiency standards and utility-sponsored energy efficiency incentive programs, led to vast net savings for California consumers. First adopted in 1977, the Standards have been periodically updated on an approximately three-year cycle, as required by law. The most recent update became effective

July 1, 2014.

Updates to the Standards are also conducted to achieve, in part, the following California energy policy documents: The <u>2003 Energy Action Plan</u>³ (EAP) established California's "loading order" policy for prioritizing energy resources to address the State's growing energy demands. Energy efficiency is the highest priority in the loading order, followed by demand response, and then electricity generation from renewable energy resources. The 2005 Energy Action Plan II and the 2008 Energy Action Plan Update further underscored the State's commitment to the plan by adding more dimensions to these policy areas in the backdrop of Global warming.

In April of 2014, the Energy Commission staff began a public process centered about workshops to consider potential updates to the Building Energy Efficiency Standards. A series of workshops were held though August of 2014. (See <u>www.energy.ca.gov/title24/2016standards/prerulemaking/</u>). These workshops provided staff with information to develop proposed updates to the Building Energy Efficiency Standards.

IV. SCOPE OF THE PROCEEDING

This proceeding will likely result in new requirements and modifications to existing requirements in the Building Energy Efficiency Standards (including documents incorporated by reference as part of the Standards, such as the Reference Appendices and Alternative Calculation Method manuals) and CalGreen. At this time, the Energy

² Available at: http://www.energy.ca.gov/reports/Warren-Alquist_Act/

³ Available at: http://www.energy.ca.gov/energy_action_plan/

Commission expects that proposed updated standards will be made available for public comment and considered by the Energy Commission for adoption in spring of 2015. The adopted Standards would then be submitted to the California Building Standards Commission for approval. The approved Standards would then become effective January 1, 2017, in accordance with the comprehensive cycle for updating the California Building Code.

V. PUBLIC PARTICIPATION

The Energy Commission will involve parties who would be subject to the proposed regulations in public meetings regarding the proposed regulations. The Energy Commission will provide advance notice of these meetings and provide an opportunity to affected members of the public to provide written or oral comments. During these public meetings, the Energy Commission shall receive and take into consideration input from all parties concerning the parties' design recommendations, cost considerations, and other factors that would affect consumers and California businesses of the proposed standard. At this time, the Energy Commission anticipates holding a staff workshop on the proposed regulations in mid-October 2014. The Energy Commission shall take into consideration input provided during this workshop and any other public meetings held prior to issuing the notice of proposed action required by Government Code, section 11346.2. (Public Res. Code, § 25402, subd. (b)(2).)

The Energy Commission encourages full public participation in all of its proceedings. Any person present or in remote attendance at any hearing or workshop shall be afforded a reasonable opportunity to make oral comments on the subject matter of the proceeding. All written comments shall be addressed to:

California Energy Commission - Docket Unit Attn: Docket No. 2014-BSTD-01 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.ca.gov

Written materials may be submitted in hard copy or by electronic means. Please note that comments not submitted to the above docket, or made to Commissioners or staff at a workshop or hearing, will not become part of the record of this proceeding and will not be considered.

To assist the Energy Commission in its efforts, the Energy Commission encourages those entities anticipated to be directly and indirectly impacted by these regulations to provide input in this proceeding. Such input may include observations derived from experiences with prior versions of the Standards, and issues and information that are of particular concern or are within the specific expertise of an entity that the entity believes the Energy Commission should be aware of and consider as it moves forward with this rulemaking.

In particular, the Energy Commission is interested in hearing from the regulated community (including but not limited to builders, manufacturers of building supplies, equipment, and materials, trade associations, distributors, retailers, installers, construction labor, architects, engineers, designers, HERS Providers and Raters, contractors, equipment installers, and energy consultants), energy efficiency advocates, and the general public. The Energy Commission anticipates that one or more workshops and hearings will be conducted in the proceeding, giving stakeholders the opportunity to make presentations and to submit oral and written comments before any proposed regulations are adopted.

Input may be provided through written comments submitted to the docket identified above, or through oral comments and workshops and hearings before the Commissioners and staff of the Energy Commission.

Members of the public may propose specific measures for consideration in the 2016 Standards. To best document the proposed measure and cost-effectiveness, please use the <u>Building Energy Efficiency Measure Proposal Template</u>.⁴ Samples of past Proposals can be viewed <u>here</u>.⁵ These documents are available on the Energy Commission's webpage for Public Participation in the Energy Efficiency Standards Update, where more information may be found. See

<u>http://www.energy.ca.gov/title24/participation.html</u>. Please sign-up on the <u>Building</u> <u>Standards list serve</u>⁶ to be informed of ongoing activities regarding the 2016 Update.

The Executive Director, in conjunction with the Public Adviser, shall publish notices of the times and places for all hearings and workshops sufficiently in advance to provide notice to persons who would be subject to the proposed Standards and potentially affected parties to enable timely public participation at these events. The Executive Director shall also make drafts of regulations proposed for amendment publicly available to such interested persons and the Public Adviser sufficiently in advance of consideration or adoption by the Energy Commission to allow timely public review and comment.

⁴ Available at:

http://www.energy.ca.gov/title24/2016standards/prerulemaking/documents/New_Measure_Proposal_Template_ V1.docx

⁵ Available at: http://www.energy.ca.gov/title24/2013standards/prerulemaking/documents/current/Reports/

⁶ Available at: http://www.energy.ca.gov/efficiency/listservers.html

The Energy Commission's <u>Public Adviser's Office</u>⁷ is available to provide the public with an understanding of this proceeding and to make recommendations to better enable meaningful participation. For assistance, contact Ms. Alana Mathews, the Public Adviser, at (916) 654-4489 or 800-822-6228 or e-mail at: <u>publicadviser@energy.ca.gov</u>. If you have a disability and need assistance to participate in this event, contact Lou Quiroz no less than five days prior to the hearing at (916) 654-5146 or e-mail: <u>lou.quiroz@energy.ca.gov</u>.

CERTIFICATION

The undersigned Secretariat to the Energy Commission does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the California Energy Commission held on September 10, 2014.

AYE: NAY: ABSENT: ABSTAIN:

> Harriet Kallemeyn Secretariat California Energy Commission

⁷ See http://www.energy.ca.gov/public_adviser/index.html