



July 17, 2015

California Energy Commission - Docket Unit
Attn: Docket No. 12-HERS-1
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California Energy Commission

DOCKETED

12-HERS-01

TN # 76059

JUL 17 2015

RE: Informational Proceeding to Improve the HERS Program
Docket # 12-HERS-01
Presiding Commissioner: Andrew McAllister
Docket No. 12 – HERS – 1

Build It Green appreciates the opportunity to offer these comments on the California Whole-House Home Energy Rating System pursuant to the June 17, 2015, workshop on this matter. Build It Green is a non-profit organization dedicated to connecting consumers and building professionals with the information and resources they need to build energy- and resource-efficient homes. Three aspects of our work shed light on the requirements of a home rating system from a boots-on-the-ground perspective:

1. Build It Green is the statewide administrator for the GreenPoint Rated program, a green home certification program that complements the HERS system. Over 33,000 California new homes have been certified GreenPoint Rated to-date and approximately 9% of all new homes built each year earn the certification.
2. Build It Green implements the Home Upgrade Program for Pacific Gas & Electric Co., a role which has put us squarely in the middle of early debates about the role of HERS II ratings in the Home Upgrade Program and subsequent efforts to diversify the choice of analysis tools via adoption of HPXML data protocols, CalTest, and CalTrack.
3. Build It Green is a state leader in real estate professional engagement, having trained and certified more than 600 real estate professionals to the National Association of Realtors Green Designation since 2013. In that role, we are acutely aware of the real estate industry's aversion to any mandatory requirements that threaten to complicate the time-of-sale process.

Build It Green appreciates the Commission's willingness to evaluate the Whole-House Home Energy Rating System with the aim of aligning it with market needs. Toward that end, we urge the Commission to (1) keep it simple, and (2) include a whole-house BTU/year estimate as part of the rating.

Keep it simple.

Our field experience over the last five years has led us to the conclusion that the existing home sector's home rating needs are very different from the needs in the new home sector. One size does not fit all. A key difference is that the trigger events that offer opportunities to

generate a rating for an existing home do not lend themselves to a rating process that is time consuming or expensive. A typical home upgrade will cost on the order of \$5,000 to \$15,000, meaning that a rating process that costs more than a few hundred dollars imposes a substantial price premium on the job. Trigger events such as emergency equipment replacement or time-of-sale are highly time constrained and ill-suited to a rating process that requires the services of yet another professional and the associated scheduling issues.

In the interest of simplicity, Build It Green recommends that the Commission give serious consideration to adopting the Home Energy Score for existing homes. Sponsored by US Department of Energy and developed by Lawrence Berkeley National Laboratories, the labeling system is being continually refined to achieve the necessary balance of rigor and simplicity. Preliminary results from states such as Colorado that are adopting the score statewide indicate that the Home Energy Score can feasibly be delivered via home inspectors, HERS Raters, and BPI-certified contractors for an incremental cost on the order of \$200-300. And the score can be delivered in conjunction with an inspection or upgrade project that is already occurring, rather than requiring a separate inspector and an additional transaction.

Adoption of the Home Energy Score also offers the benefit of aligning with a system that is being adopted nationwide. Information channels for transmitting real estate data from buyer to seller are increasingly controlled by national-scale enterprises such as CoreLogic, Zillow, and Redfin. California's access to those channels will be greatly improved if we can leverage the same data connectivity solutions being developed elsewhere around the country.

Include a Whole-House MMBTU/year Estimate

Adoption of distinct rating protocols for existing and new homes raises issues of comparability. It would also appear to contradict the Commission's mandate to create a single energy asset rating. Build It Green proposes to bridge this gap by endorsing a proposal that emerged from a 2014 roundtable on home rating systems hosted by the National Association of State Energy Officials (NASEO). The summary report observed:

Both Vermont and Massachusetts have chosen site energy MMBtu/year as the primary metric on their energy labels. The meeting participants acknowledged that MMBtu/year is a foundational metric from which other metrics can be derived and that it will likely prove durable over time. It also provides a potential link between existing homes and new homes. Other, less granular metrics might still be presented to homeowners, but MMBtu/year could be a common metric for all rating programs. Furthermore, participants acknowledged that having multiple metrics, including potential metrics for transportation efficiency or indoor environmental quality, is acceptable and there should not be an effort to identify "one metric to rule them all."

The key benefit of a BTU/year metric is that it is independent of any reference home. Virtually any energy rating result can be converted to a BTU/year value and compared to other rating results, as well as to actual utility bills. The value of a BTU/year metric would be further enhanced if a library of benchmark values were regularly derived and updated. Home owners and home buyers should be able to compare the BTU/year value for a particular home with the average or median value, based on actual utility bills, for comparable homes in the immediate area.

By including a BTU/year metric as a complement to the Home Energy Score, HERS score or other scoring system, the Commission can preserve the flexibility to tailor its asset rating system to the various market niches it intends to serve while maintaining the integration and consistency of a single energy asset rating system.

In closing, Build It Green expresses its appreciation to the Commission for its thought leadership on this issue and encourage Commission staff to contact us with any questions that our comments might trigger. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Bruce Mast". The signature is written in a cursive style with a prominent horizontal line across the top.

Bruce Mast
Deputy Executive Director