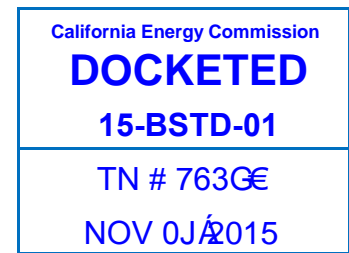




Docket 15-BSTD-01 Comments

November 09, 2015

California Energy Commission
Attn: Docket 15-BSTD-01
Dockets Office
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Re: 2016 Building Standards Update; 15-BSTD-01 Rulemaking Comments of EcoCosm on Lighting Alterations Language

EcoCosm has been following the development of the 2016 Code's lighting aspects and we appreciate the opportunity to comment in this proceeding. Title 24 2013's requirements for lighting retrofits are overly burdensome, and customers have responded to the new rules by simply not retrofitting old equipment. Instead they are maintaining existing inefficient equipment, stranding an enormous quantity of energy savings throughout California. For the past year a diverse group of interested parties have worked with CEC to craft new language that would eliminate the unintended negative consequences of 2013 Title 24 while also saving more energy than current regulations. As an environmental nonprofit organization, our mission is to deliver the greatest possible benefit to the utility ratepayers we serve with our energy efficiency programs. As such, we strongly support adoption of the proposed 15-Day Lighting Alterations language.

Title 24 2013 rolled out the most sweeping changes in the Code's history, including a major increase in the stringency for lighting projects. With great optimism and the best of intentions, the 2013 Code mandated multilevel lighting and complex daylighting controls for both new construction and for most retrofits to existing, functional lighting systems. Unfortunately, what is comparatively straightforward and affordable for new construction projects is the exact opposite in the existing built environment. Are the anticipated savings for these complex multilevel controls actually being achieved in the retrofit market? Regretfully, all docketed data unequivocally show that these savings are not being realized.

Opponents of the proposed 15-Day Language contend that the 2013 Code is a rousing success and that everything is perfectly fine in the lighting retrofit industry. They disparage stakeholders who favor the proposed changes as "shallow retrofitters" who have no interest in installing comprehensive lighting upgrades. These claims are false, and are primarily coming from sources who don't actually perform the retrofits in question. Further, not one of the opponents have docketed a single piece of market-based evidence to substantiate their allegations.

In contrast, numerous stakeholders favoring the proposed changes have delivered extensive data to CEC detailing the unintended but severe consequences that the 2013 Code has inflicted on the lighting retrofit marketplace. These real-



world impacts are not “anecdotal” as opponents have alleged; they are substantive, credible and factual (summary of impacts attached). These data show that after the 2013 Code took effect last July, significant negative repercussions immediately began to affect the lighting retrofit community. We believe the Commission should be greatly concerned by the many lighting contractors and C-10 electricians who since last July have had to lay off 25% to 80% of their staffs due to plummeting revenues. Also concerning are the wholesale distributors who have seen their LED fixture replacement sales plunge by 90%, and the implementers and ESCOs who are forced to meet program goals by turning to lamp-only jobs because Code-triggering jobs are not selling. If the 2013 Code is really working and these complex controls are truly cost effective, then why do Small and Medium Business customers continue to overwhelmingly reject such projects?

California’s recently enacted Senate Bill 350 doubled our statewide energy efficiency goals. Unfortunately, the current Code has created a situation in which less energy savings is being achieved rather than more. Because current Code requires complex and expensive lighting controls that customers in this market don’t want and simply cannot afford, they are choosing to maintain their existing systems rather than purchase new equipment. When Code requirements are overly aggressive, customers will continue to use older inefficient equipment rather than upgrade. Docketed evidence shows that thousands of lighting retrofit projects that would install reliable, long-term wattage reductions of 60-70% in ceilings across California are being rejected by customers because the added costs for complex controls and compliance puts the payback far beyond acceptable levels. The result is California is failing to capture much-needed energy and GHG savings.

The proposed 15-Day Language embodies a hard-won compromise that balances the concerns of the various parties and has the broad (if grudging) support of the stakeholders who actually engage in the business of lighting upgrades in existing buildings and whose livelihoods depend on delivering real – not imaginary – energy savings. Many of these companies and organizations in support of the changes are listed below.

Extensive analysis by CEC engineering staff confirms that the proposed changes will save 112 GWh more energy than the flawed 2013 Code. Furthermore, the proposed language will be easily enforceable using the same practices already widely used by contractors and program implementers, who routinely supply robust documentation of pre-post fixture wattages to utilities for rebate purposes. Given all these facts and what is at stake, we strongly urges the Commissioners to break the logjam that has stalled the retrofit market by approving the proposed 15-Day Language on November 12. Let’s get back to work delivering the savings that are essential to California’s energy future.

Respectfully,

Justin Tiedemann, LEED AP

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IMPACT SUMMARY - Stakeholder Numeric Data on Title 24 2013 Impacts			
Organization	Org. Type	Commenter	Specific Impacts and Comments
EcoCosm	ESCO	Justin Tiedemann, LEED AP	<p>The 2013 Standards have severely impacted our business. One of many examples includes a lighting upgrade project that would have saved 151 kW and 1,134,000 kWh. This was for a \$20 billion company who has a strict two year hurdle rate for energy projects. Once we added the cost to meet the current Title 24, the project payback was 2.5 years. The client rejected it and we lost 1/3 of our revenue for the year.</p> <p>In addition, our energy engineers have identified lighting projects in over 15 million square feet of building space since the new code went into effect. 95% of the lighting projects identified in these building are now stranded opportunities because owners do not want to move forward given the cost to comply with the new Title 24.</p>