



Northern California Commercial Association of REALTORS®

November 6, 2015

California Energy Commission

**DOCKETED**

**15-BSTD-01**

**TN # 763H€**

**NOV 09 2015**

To: [docket@energy.ca.gov](mailto:docket@energy.ca.gov)

Subject: 2016 Building Standards Update; 15-BSTD-01 Rulemaking Comments of the Northern California Commercial Association of REALTORS®

Re: Proposed 15-Day Lighting Alterations Language

Dear Commissioners,

I represent the Northern California Commercial Association of REALTORS®. NCCAR represents commercial brokers from across the state. Created in 1994, the NCCAR coordinates education, information, networking and public policy for the benefit of its members. Our membership is made up of real estate practitioners specializing in commercial real estate services and dedicated to serving the needs of members of the public and clients in aspects of commercial sales, investments, leasing appraising, property management and development. As the premier commercial association for commercial real estate professionals in California, NCCAR members also are members of the California Association of REALTORS®, the National Association of REALTORS® and the California Commercial Alliance (CCA).

I am writing in support of the proposed 2016 Title 24 15-Day Language that is scheduled to be voted on by CEC at the November 12, 2015 business meeting. The proposed language includes changes that are desperately needed to correct the excessive and counterproductive overreach of the 2013 Energy Code's provisions regarding Lighting Alterations and Modifications.

Since the 2013 Code took effect last July, building owners and tenants have cancelled thousands of potential lighting retrofit projects because the expensive new controls provisions have turned otherwise simple and compelling proposals into complex, "bleeding-edge" jobs with paybacks that stretch far into the future. Such requirements may make sense for new construction or major gut rehabs where building plans and reflected ceiling plans are readily available, walls are open with wiring runs visible, incremental costs for controls and compliance are minimized, and commerce is not disrupted. However, none of those advantages apply to lighting retrofits in existing properties containing ongoing commercial enterprises.

When the 2013 Code was being developed, associations like ours were assured that cost effectiveness studies had proved that advanced controls are cost effective. Based on results from real projects that we are seeing, those studies have been proven false.

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We were told by those responsible that the impacts from advanced controls were projected to be \$3 - \$5 per square foot. What we're actually seeing in real projects today is more like \$10 - \$15 per square foot. In some cases the added costs amounts to tens of thousands of dollars. Those kind of cost increases are simply not sustainable.

California's statewide energy efficiency goals were recently doubled with the passage of Senate Bill 350. Those goals will never be reached while otherwise easily-achieved energy savings are being blocked by an Energy Code that attempts to force complex and expensive lighting controls onto customers who neither want nor can afford them. Building owners, operators and lessees across California have demonstrated that they are willing to install retrofit projects using long-life LEDs that would reduce wattage by up to 70%, but they are being stymied from moving forward because the added costs for complex controls and compliance puts the payback far beyond acceptable levels. The leaseholder split incentive barrier will never be overcome when the incremental cost for advanced controls is not returned through utility savings until long after the expiration of the lease.

Perhaps someday the costs for installing and commissioning complex control systems in existing buildings actually will drop to truly affordable levels, but we believe that will take years of further advancement. Today these requirements are killing projects and jobs. Simply put, these complex controls requirements are premature, unproven and do not reflect accepted construction practices in the existing building market. We strongly urge the Commission to vote on November 12<sup>th</sup> to adopt the proposed 2016 15-Day Language.

Sincerely,

Dennis Byron, President

Northern California Commercial Association of REALORS®

C/c Bret Gladfelty, NCCAR Commercial Government Affairs Director

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