

June 20, 2023

The Honorable Eduardo Garcia
Chair, Assembly Utilities and Energy Committee
1020 N Street, Room 408
Sacramento, CA 95814

Re: SB 795 (Stern) Energy: building energy efficiency: heating, ventilation, and air-conditioning equipment sale registry and compliance tracking system: electronic statewide compliance documentation data repository - SUPPORT

Dear Chair Garcia,

The California Efficiency + Demand Management Council ("Council") writes in support of SB 795 by Senator Stern which would require the California Energy Commission (CEC) to establish online systems to track sales of HVAC equipment and track compliance documents required for HVAC and lighting control building standards.

The Council is a statewide trade association of non-utility businesses that provide energy efficiency ("EE"), demand response ("DR"), and data analytics services and products in California. Our Member companies include EE, DR, and distributed energy resources ("DER") service providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and EE product manufacturers.

The Council acknowledges California's vast amounts of improperly installed HVAC equipment and dismal permitting compliance - leading to inefficient energy consumption and unnecessary, additional costs and emissions. The Council supports SB 795's statement that California "needs to take concrete steps to improve and simplify enforcement of the California Energy Code compliance documentation requirements." (SB 795, Sec. 1(g)). The Council would like to thank the author and bill sponsors for collaborating with the Council and amending the bill with language to incorporate the identification of "barriers and solutions to HVAC permitting compliance" into the Integrated Energy Policy Report ("IEPR") provisions as reflected in bold type below:

Public Resources Code 25402.21.

...

(e) As part of each integrated energy policy report adopted pursuant to Section 25302, the commission shall describe the implementation status of the electronic statewide compliance documentation data repository. The report shall identify any barriers to implementing the electronic statewide compliance documentation data repository that may need to be addressed by the Legislature, including funding requirements or conflicts in law **or barriers and solutions to HVAC permitting compliance.**

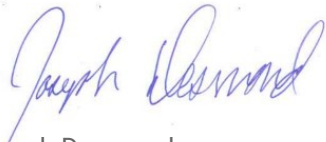
Some examples of issues that could be considered in response to the amendment above include:

- Incentives for efficient equipment installation are undermined by the high cost of permitting while installation of less efficient equipment saves costs by avoiding the permit process altogether;
- Variations in permitting requirements and enforcement complicates an already complex process;

- Highly manual, paper-based permitting requirements increases the effort required for compliance;
- Lengthy turnaround times to approve permits can discourage customer participation; and
- Potential buyers lack information on the quality of HVAC system performance at the time of real estate transactions.

Integrating HVAC permitting, as enabled by the amendment, helps prevent older, less efficient equipment from remaining in operation for longer periods. **The Council is pleased to support SB 795.**

Sincerely



Joseph Desmond
Executive Director, California Efficiency + Demand Management Council