

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street
 Sacramento, California 95814

Main website: www.energy.ca.gov



In the matter of:)	Docket No. 12-HERS-1
)	
Regulation of Home Energy Rating)	WORKSHOP ON
Programs for Residential Dwellings)	INFORMATIONAL PROCEEDING
)	

Notice of Lead Commissioner Workshop

The Energy Commission's Lead Commissioner for Efficiency will conduct a workshop to obtain comments from stakeholders interested in improving the California Home Energy Rating System (HERS) Program. Specifically, the workshop will seek input from stakeholders related to the following topics:

- Provider Quality Assurance Programs.
- HERS Rater Disciplinary Process.
- HERS Rater Companies.
- Conflicts of Interest.
- Permissible HERS Provider Certification Categories.

The California Energy Commission has instituted an informational proceeding so that all stakeholders and other interested persons may participate in the process to collect the information necessary to identify potential procedures and other actions that would improve the HERS Program, including but not limited to those that were identified in the CalCERTS Investigation.

The workshop will be held on:

March 6, 2013
 9:00 AM to 3:00 PM
 CALIFORNIA ENERGY COMMISSION
 1516 Ninth Street
 Hearing Room A
 Sacramento, California
 Wheelchair Accessible

Remote Access Available by Computer or Phone via WebEx™
 (Instructions below)

Background

Public Resources Code section 25942 directs the Energy Commission to establish criteria for a statewide home energy rating system program. The Commission's regulations implementing this program are the California Home Energy Rating System (HERS) Regulations, Title 20, Cal. Code Regs, Section 1670 et seq. The Energy Commission approves and regulates HERS Providers who train and certify Raters. These certified Raters verify that contractors have properly installed the required energy efficiency measures.

The overall goal of the HERS program is to ensure that when an energy efficiency upgrade is made to a building, that it not only meets the Building Energy Efficiency Standards but also that the systems installed are operating at a level of performance that reflects the value of the Standards to the consumer. The HERS program is a consumer protection service designed to ensure that homeowners receive properly installed energy efficiency measures.

Recently, the Commission considered a complaint about the oversight that one of the HERS Providers had exercised over Raters it had certified. (Complaint Against and Request for Investigation of CalCERTS, Inc., Docket # 12-CAI-01 (CalCERTS Investigation).) The assigned Committee, consisting of Commissioners Karen Douglas, Presiding Member, and Andrew McAllister, Associate Member, determined that CalCERTS, Inc.'s process for discipline and decertification was "unrefined, informal, and seemingly improvised." Further, the Committee noted that "the process lacks features such as published written procedures and full and complete discipline-related notices. These deficiencies – as well [as] more general matters involving Provider-Rater relations – warrant broader Commission inquiry".

To undertake this inquiry, the Commission adopted an [Order Instituting Information Proceeding](#). That Order authorized the Lead Commissioner to collect information from interested stakeholders on the following aspects of the California HERS Program:

1. The adequacy of the Provider Quality Assurance Program as specified in the HERS Regulations, California Code Regulations, Title 20, Section 1673.

The current HERS regulations outline the procedures for conducting Quality Assurance Inspections. We will explore the adequacy of these requirements and consider modifications to the requirements.

The Commission is specifically interested addressing the following questions:

- How do the QA requirements impact the Providers business model?
- What changes should be made to the current QA requirements?
- How should QA be used in the development and training of Raters?
- Would requiring Continuing Education Credits keep Raters informed as to the latest techniques and requirements?

- How can the QA program be leveraged so that a Rater's re-certification depends on meeting QA requirements?
- How would an independent third-party Quality Assurance company help HERS Providers meet the required QA goals and allow Providers to focus on their core business?

2. HERS Rater Disciplinary Process.

The HERS Regulations do not specify a disciplinary process to be followed by HERS providers when decertifying, suspending, or administering any other form of discipline to HERS Raters. We will evaluate what procedural requirements should be added to the HERS Regulations to address this omission.

The Commission is specifically interested in the following questions:

- What is the Providers' current progressive disciplinary process?
- If any, what are the consequences for each violation?
- Should decertification of a Rater by one provider limit that Rater's ability to become certified with another HERS Provider?
- Should a HERS Rater decertification by one HERS Provider result in their decertification by all other HERS Providers where they may already have a certification?
- Should the disciplinary decision be overseen by an independent group?
- If so, how should this group be constituted and how should it function?

3. HERS Rater Companies.

The HERS Regulations do not explicitly address entities that are operated by HERS Raters or employ other HERS Raters as part of that entity, often referred to as "HERS Rater Companies". We will consider oversight requirements of such companies in the HERS Regulations.

The Commission is specifically interested in the following questions:

- Should the owner/operator of a Rater Company be required to be a certified HERS Rater in good standing?
- If so, should the regulations require the owner/operator to have additional certification and training?
- If so, what should that training consist of?
- Should corrective action taken against one Rater be applied to all Raters of a Rater Company?
- Should individuals (not Raters) entering compliance document data into a HERS Registry need to be certified to do so?

4. Conflicts of Interest.

The current HERS regulations have provisions guarding against conflicts of interest that describe the allowed relationships between the Provider and Rater and are designed to protect the consumer. We will investigate expanding these requirements to cover additional business relationships.

The Commission is specifically interested in the following questions:

- Should the Regulations prohibit Raters from performing HERS verification on homes for which they were the energy consultant?
- Should Providers be prohibited from accepting compliance documentation or rating data for work performed on homes where the Provider manages the above-code rating system?
- Should Providers be prohibited from accepting compliance documentation or rating data for work in which an affiliate company has prepared or conducted the analyses for the compliance documentation?
- Should Contractors or their affiliates be prohibited from performing ratings on projects where they have installed energy efficiency measures?

5. Permissible HERS Provider Certification Categories.

The HERS Regulations do not explicitly require that HERS Providers get certified for all categories of Field Verification and Diagnostic Testing categories, e.g., Residential Newly-Constructed Buildings, Residential Alterations, Non-Residential Alterations, etc. We will discuss the benefits and drawbacks of requiring the HERS Providers to get certifications for all of the categories of Field Verification and Diagnostic Testing.

The Commission is specifically interested in the following questions:

- Should HERS Providers be required to get certifications for all of the categories of Field Verification and Diagnostic Testing?
- Should Providers be approved for only one segment of the market? (Alterations, Newly-constructed Buildings, Whole-House HERS, BPC, NSHP, etc.)
- How does segmenting the HERS industry impact consumers?
- How do we ensure that all aspects of Title 24 compliance are being offered by one or more providers?

The Order also specifically requested information on the above issues from certain entities. This workshop will discuss the information received to date, staff's evaluation of that information, and possible recommendations for further Commission action.

Public Comment

Oral comments: Staff will accept oral comments during the workshop. Various classes of stakeholders, including HERS Providers, HERS Raters, Builders, HVAC Installers, and members of the public will be invited to answer questions in-turn as a group on each of the agenda topics. Any comments will become part of the public record in this proceeding.

Written comments: Workshop participants are strongly encouraged to address the attached questions in their comments. The Energy Commission appreciates receiving written comments in advance of the workshop. The Energy Commission recognizes that participants may have different or additional comments after participating in the workshop. The Energy Commission will accept additional written comments that are received by March 20, 2013.

Written comments should be submitted to the Dockets Unit. For additional information on submitting comments, see "Standing Order re: Proceedings and Confidentiality Procedural Requirements for Filing, Service, and Docketing Documents with the Energy Commission," available at: www.energy.ca.gov/commission/chief_counsel/docket.html.

Please note that the Energy Commission may post written comments to its website for the proceeding. Please also note that your written and oral comments, attachments, and associated contact information (e.g. your address, phone, email, etc.) become part of the viewable public record. This information may become available via Google, Yahoo, and any other internet search engines.

The Energy Commission encourages comments by e-mail. Please include your name and any applicable organization name. Comments should be in a downloadable, searchable format such as Microsoft® Word (.doc) or Adobe® Acrobat® (.pdf). Please include the docket number 12-HERS-1 and indicate "HERS OII" in the subject line. Send comments to:

docket@energy.ca.gov

If you prefer, you may send a paper copy of your comments to:

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 12-HERS-1
1516 Ninth Street
Sacramento, CA 95814-5512

Public Adviser and Other Commission Contacts

The Energy Commission's Public Adviser's Office provides the public assistance in participating in Energy Commission proceedings. If you want information on how to participate in this forum, please contact the Public Adviser's Office at PublicAdviser@energy.ca.gov or (916) 654-4489 (toll free at (800) 822-6228).

If you have a disability and require assistance to participate, please contact Lou Quiroz at lquiroz@energy.ca.gov or (916) 654-5146 at least five days in advance.

Media inquiries should be sent to the Media and Public Communications Office at mediaoffice@energy.ca.gov or (916) 654-4989.

If you have questions on the subject matter of this meeting, please contact Todd Ferris, (916) 651-0319, todd.ferris@energy.ca.gov, or Jim Holland, (916) 651-9857, jim.holland@energy.ca.gov.

Remote Attendance

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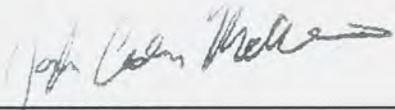
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Availability of Documents

Documents and presentations for this meeting will be available online at:
<http://www.energy.ca.gov/HERS/>



Andrew McAllister
Commissioner

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