



# Home Energy Rating System Program Field Verification and Diagnostic Testing Issues Staff Workshop

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## Purpose of the Workshop

- To work together openly on high priority issues related to HERS.
  - *Scope of Workshop is Field Verification and Diagnostic Testing (HERS I) only.*
- To begin developing specific recommendations for draft regulatory language.
- To facilitate stakeholder discussion and public comment to improve the HERS program.
- Touch on procedural process, timeline, and activities.



## Expected structure for the day

- Staff have identified the following issues as high priority:
  - Conflict of Interest
  - Energy Commission Oversight of Providers
  - Provider Quality Assurance (QA)
- Public discussion and exploration of issues with consideration for developing new regulatory language for a future Rulemaking.
- Discuss and explore developing new processes to improve the HERS program.



# Public Comment and Stakeholder Interaction

## **Note to commenting participants:**

- Please keep your comments succinct and subject specific.
- Please submit your comments in writing too!
- Please be respectful of staff and fellow participants.





## Background: The Procedural Process

*The Energy Commission conducts an Order Instituting Informational Proceeding or “OII” so that stakeholders and the public may participate in the process to collect the information necessary to identify potential procedures and other actions that would lead to improvement or change.*

***The HERS OII began in 2012 with the intent to improve the HERS Program.***





# The Rulemaking Process

*The Order Instituting Rulemaking (OIR) is designed to provide the public with a meaningful opportunity to participate in the adoption of regulations.*

*Staff expects to begin the OIR December 2015/January 2016.*

## **The OIR will:**

- Be concluded within 12 months
- Be fully transparent and open to public participation including:
  - Public workshops
  - Comment periods
  - Creating a record for public and judicial review



# HERS FV/DT Issues: High Priority

- Conflict of Interest
- Energy Commission Oversight of Providers
- Provider Quality Assurance

*Note: A future staff workshop will be held in late June/early July on the subject of QA.*



# Discussion Topic: Conflict of Interest

- Discuss the pros and cons of Raters providing other services. Example: Raters pulling permits.
- Discuss the pros and cons of Raters selling products to builders, contractors, and subcontractors that may be used on projects they rate.
- Explore new regulatory language. Would specifics be beneficial?

## For example:

**Independent Entity** means having no financial interest in, and not advocating or recommending the use of any product or service as a means of gaining increased business with, firms or persons specified in Section 1673(j). *This expressly allows/prohibits the following...*



## Reference: Existing Language

1673 (j) Conflict of Interest.

- (1) Providers shall be **independent entities** from Raters.
- (2) Providers and Raters shall be **independent entities** from the builder and from the subcontractor installer of energy efficiency improvements field verified or diagnostically tested.
- (3) Providers and Raters shall be **independent entities** from any firm or person that performs work on the home for a California Home Energy Audit or a California Whole-House Home Energy Rating.



## Reference: Existing Language

*EXCEPTION to Section 1673(j)(3): California Whole-House Home Energy Raters, who are working as or for a Building Performance Contractor certified under an Energy Commission-approved Building Performance Contractor program as part of a Provider's Rating System as specified in Section 1674(e) of the regulations and in the HERS Technical Manual, shall not be required to be an independent entity from the person(s) or firm(s) performing the work on a home. This exception shall not apply to California Field Verification and Diagnostic Testing Raters performing field verification and diagnostic testing of newly constructed homes or alterations to existing homes to verify compliance with the requirements of Title 24, Part 6.*



## Reference: Existing Language

**Independent Entity** means having no financial interest in, and not advocating or recommending the use of any product or service as a means of gaining increased business with, firms or persons specified in Section 1673(j).

**Financial Interest** means an ownership interest, debt agreement, or employer/employee relationship. Financial interest does not include ownership of less than five percent of the outstanding equity securities of a publicly traded corporation.



# Discussion Topic: Energy Commission Oversight of Providers

- Discuss what constitutes a disciplinary action against the Provider and what is the process. This includes:
  - Failure to comply with QA quotas
  - Failure to provide data as required
  - Other issues
- Explore acceptable methods of notification and disciplinary processes and/or actions between the Energy Commission and a Provider.
- Explore the development of an Energy Commission Provider compliance webpage.



# Discussion Topic: Provider Quality Assurance

## Topics for further discussion and exploration:

- Provider QA timeframe
- Education and training of new Raters
- QA used in the education and training of Raters
- Provider notification of QA failures
- Provider QA tracking
- *Explore Rater compliance & disciplinary processes related to QA (time permitting)*



## Provider QA: QA Timeframe

- Discuss the pros and cons of requiring Providers to perform QA within a specified amount of time.

**For example:** *Upon completion of the CF3R, if the project is selected for QA, the Provider must perform the QA within \_\_\_\_\_ days or the project is exempt from QA. Exception to this rule include.....*



## Provider QA: Education and Training of Raters

- Discuss a new Rater 'ride along' training requirement.
- For example:
  - A new Raters would partner with a Rater in good standing...
    - *“A new Rater will assist in rating ‘X’ number of ratings per measure”*
  - If an apprentice type of program is not completed then would additional QA be required?
- Explore the concept of new Rater field-training and/or apprenticeship type programs.



## Provider QA: QA used in the Education and Training of Raters.

- Discuss the pros and cons of Raters attending QA on their own project or another Raters
- If new Raters are better trained as a result of the 'ride-along training', should Raters still attend QA
- If the Provider QA report identifies discrepancies along with the action needed to correct them, is there still a benefit to Raters attending QA



# Provider QA: Provider Notification of Failures

- When the Provider QA identifies a failure, who must be notified?
  - Rater, Rater Company, Contractor, CSLB, Energy Commission?
- Discussion:
  - Providers tracking failure rates per measure
  - The Energy Commission developing a standardized reporting form



## Provider QA: QA Tracking

- There must be transparency for both the Energy Commission and the Raters to track status of Providers QA
  - Raters should have access to their QA tracking
- Templates should be developed that are auto-filled by the Providers registry, which:
  - Indicate the required QA's per Rater by measure
  - List all of the QA's and their outcome
  - Track any failed QA's and changes in QA requirements i.e. moving to 2%



# Provider QA: Standardized Provider QA Process

- All Providers should follow the same steps/process when conducting QA
- There should be a checklist for each measure that lists what must occur when actually conducting a Field and Form QA
- Each checklist must include clear information about what is considered a failure or a discrepancy
- Discuss how Providers will track Rater QA using a process that is transparent to both the Energy Commission and the Rater



## Provider QA: Standardize Provider Disciplinary Actions of Raters

- Explore new processes, which describe what actions and steps must be taken by the Provider against a Rater for QA failures, discrepancies, or decertification. Including:
  - Consider an appeal panel made up of Providers, Raters, and Energy Commission Staff
  - If a Provider decertifies or moves a Raters QA to 2%, must all Providers be required to do the same



## Next Steps for Stakeholders

- 30 days comment period. **Comments Due June 12, 2015.**
  - Contact staff if you have questions. We are here to help you!
- June/July Staff Workshop on QA (date TBD).
- All future activities, including workshops and webinars, will be noticed through the Building Standards listserv.
- Be sure to be subscribed to the Building Standards list server for latest announcements and activities.

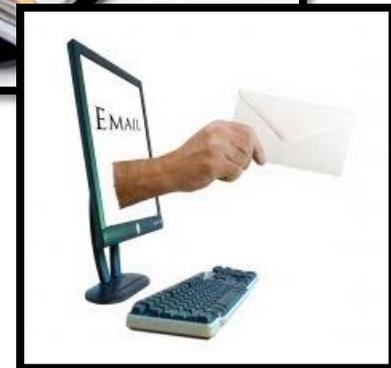




## Comments Due June 12, 2015

- Please keep comments within scope:
  - Issues relating to FV/DT
- Please include “12-HERS-1 and include HERS OI” Send via:
  - Email [docket@energy.ca.gov](mailto:docket@energy.ca.gov)
  - Paper copy

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





# A comment about comments

## Helpful Hints for submitting comments:

- **Who:** Who does this impact? *Rater, provider, the homeowner?*
- **What:** What exactly do you want to change? *Be specific please.*
- **When:** When should these changes occur (timing)?
- **Where:** Are these statewide or regional? *Specify if applicable.*
- **Why:** Why should the regulation be changed? *Reasoning, examples.*
- **How:** How do we implement the changes? How might the changes look? *Feel free to include proposed language.*





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## Helpful Links

- **2008 Regulations:**
  - <http://www.energy.ca.gov/HERS/documents/regulations.html>
- **Notices, Orders, and Documents for OII**
  - <http://www.energy.ca.gov/HERS/12-HERS-01/documents/>
- **Proceeding to Improve the HERS Program Link:**
  - <http://www.energy.ca.gov/HERS/12-HERS-01/>
- **Subscribe to the Energy Commission List Server to receive HERS announcements:** <http://www.energy.ca.gov/listservers/> select “BuildingStandards” Building Energy Efficiency Standards. *Note: You will receive an email back within 24 hours and you must confirm by clicking on the link within, or you will not be subscribed.*