

AB 758 Requirements

AB 758 adds section 25943 to the Public Resources Code (PRC) and sections 381.2 and 385.2 to the Public Utilities Code. These sections require the Energy Commission to establish and assess the program, and utility companies to implement energy efficiency programs for residential and nonresidential buildings. PRC section 25943(a)(2) proposes the following program strategies to achieve greater energy efficiency in existing residential and nonresidential structures:

- Energy assessments;
- Building benchmarking;
- Energy rating;
- Cost-effective energy efficiency improvements;
- Public and private sector energy efficiency financing;
- Public outreach and education; and
- Green workforce training.

PRC section 25943(c) requires the Energy Commission to consider the following in developing the program:

- The amount of annual and peak energy savings, GHG emission reductions, and projected customer utility bill savings that will accrue from the program;
- The most cost-effective means and reasonable timeframes to achieve the goals of the program;
- The various climate zones within the state;
- An appropriate method to inform and educate the public about the need for, benefits of, and environmental impacts of, the comprehensive energy efficiency program;
- The most effective way to report the building energy assessment and the corresponding energy efficiency improvements to the owner of the residential or nonresidential building, including, among other things, the following:
 - Prioritizing the identified energy efficiency improvements;
 - The payback period or cost-effectiveness of each improvement identified;
 - The various incentives, loans, grants, and rebates offered to finance the improvements;
 - Available financing options including all of the following:
 - Mortgages or sales agreement components;
 - On-bill financing;
 - Contractual property tax assessments;
 - Home warranties
- Existing statutory and regulatory requirements to achieve energy efficiency savings and GHG emission reductions;
- A broad range of implementation approaches, including both utility and nonutility administration of energy efficiency programs; and
- Any other considerations deemed appropriate by the Energy Commission.

PRC section 25943(d) requires the Energy Commission to do the following:

- Minimize the overall costs of establishing and implementing the comprehensive energy efficiency program requirements;
- Ensure, for residential buildings, that the energy efficiency assessments, ratings, or improvements do not unreasonably or unnecessarily affect the home purchasing process or the ability of individuals to rent housing (a transfer of property subject to the program shall not be invalidated solely because of the failure of a person to comply with a provision of the program);
- Ensure, for nonresidential buildings, that the energy improvements do not have an undue economic impact on California businesses;
- Determine, for residential buildings, the appropriateness of the HERS program to support the goals of AB 758 and whether there are a sufficient number of HERS-certified raters available to meet the program requirements;
- Determine, for nonresidential structures, the availability of an appropriate cost-effective energy efficiency assessment system and whether there are a sufficient number of certified raters or auditors available to meet the program requirements;
- Coordinate with the California Workforce Investment Board, the Employment Training Panel, the California Community Colleges, and other entities to ensure a qualified, well-trained workforce is available to implement the program requirements;
- Coordinate with, and avoid duplication of, existing proceedings of the Public Utilities Commission and programs administered by utilities.

The comprehensive program that AB 758 directs is expected to be an ongoing and evolving transformation of the market to deliver the substantial energy savings and GHG emissions reductions inherent in the state's existing residential and nonresidential building stock.