

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

EXECUTIVE DIRECTOR RECOMMENDATION TO CERTIFY CONSOL HOME ENERGY EFFICIENCY RATING SERVICES, INC. AS A HOME ENERGY RATING SYSTEM PROVIDER AND OPERATE A RESIDENTIAL DATA REGISTRY EXCEPT FOR CERTAIN BUILDING TYPES IN COMPLIANCE WITH THE CALIFORNIA HOME ENERGY RATING SYSTEM PROGRAM AND THE 2022 BUILDING ENERGY EFFICIENCY STANDARDS

Executive Summary

ConSol Home Energy Efficiency Rating Services, Inc. (CHEERS) has applied for certification as a California Home Energy Rating System (HERS) program provider, authorized to administer a California HERS program overseeing HERS raters conducting field verification and diagnostic testing (FV&DT) under the 2022 Building Energy Efficiency Standards (Energy Code). CHEERS has also applied for approval of its residential data registry under the 2022 Energy Code. The non-confidential parts of the application are available on the 2022 HERS Provider's Application docket located at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-HERS-01>.

The CHEERS application package also included a request to approve two related External Digital Data Sources (EDDS) to work with its residential data registry. The EDDS application materials were reviewed concurrently with the residential data registry application.

The CHEERS HERS provider application does not currently include a compliant whole-house program component. CHEERS is addressing deficiencies staff identified in their whole-house program component and anticipates submitting a supplemental application once the deficiencies are addressed.

Note that the CHEERS residential data registry application does not currently provide support for low-rise multifamily compliance documentation. CHEERS is working towards supporting the documentation and anticipates submitting a supplemental application once the compliance documentation is ready.

Based on the staff review of the CHEERS application, I recommend that the California Energy Commission (CEC) certify CHEERS as a California HERS program provider authorized to administer a California HERS program overseeing HERS raters conducting FV&DT under the 2022 Energy Code with the scope of approval as outlined in Exhibit A. I also recommend approval of CHEERS' HERS data registry as a residential data registry with the scope of approval as outlined in Exhibit A. Finally, I recommend approval of EDDS capabilities with The Energy's Best Online Scheduling System (BOSS) software and Archon Energy Solutions' Compass software.

On June 22, 2022, CHEERS submitted applications to the CEC requesting certification as a HERS provider under the California HERS program (California Code of Regulations title 20, sections 1670-1675) and approval of a residential data registry under section 10-109(b) of the 2022 Energy Code. As specified in section 1674(c) of the California HERS Program, staff reviewed and validated all information received in the HERS provider application and determined that CHEERS meets the criteria to administer a California HERS program overseeing HERS raters conducting FV&DT under the 2022 Energy Code. As specified in section 10-109 of the 2022 Energy Code, staff reviewed and validated all information received in the residential data registry application and determined that CHEERS meets the criteria for operating a residential data registry. Pursuant to title 20, section 1674(c)2 and title 24, section 10-110(b), the executive director posted a public notice to docket number [22-HERS-01](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-HERS-01) at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-HERS-01>, provided an opportunity for public comment, and considered all comments received as of November 9, 2022. The staff evaluation is included as Exhibit A.

Conditions of Certification

CHEERS has agreed to the Conditions of Certification included as Exhibit B. The Conditions of Certification ensures that the conflicts of interest provisions of the California HERS program regulations are met.

Recommendation of the Executive Director

Based on the staff review and validation of the CHEERS applications, I recommend that the CEC confirm these findings, certify CHEERS as a HERS provider, and approve the CHEERS residential data registry and EDDS components with the scope of approval as described in Exhibit A.



Drew Bohan
Executive Director
California Energy Commission

November 11, 2022

Date

EXHIBIT A

Staff Evaluation – CHEERS, Inc. 2022 HERS Provider and Residential Data Registry Applications

Scope of Approvals

ConSol Home Energy Efficiency Rating Services, Inc. (CHEERS) submitted applications to the California Energy Commission (CEC) requesting certification as a Home Energy Rating System (HERS) provider under the California HERS program (California Code of Regulations Title 20, sections 1670-1675) and approval of a residential data registry with External Digital Data Sources (EDDS) capabilities under section 10-109(b) of the 2022 Building Energy Efficiency Standards (Energy Code).

The HERS provider application includes training and certification of HERS raters for field verification and diagnostic testing (FV&DT) for:

- New construction, additions, and alterations of single-family residential buildings.
- New construction, additions, and alterations of multifamily buildings.
- Nonresidential verification (i.e., nonresidential and hotel/motel occupancies).

The residential data registry application includes:

- Registration of single-family residential compliance documentation.
- Registration of nonresidential compliance documentation.
- EDDS capabilities using The EnergyGuy's Best Online Scheduling System (BOSS) software.
- EDDS capabilities using Archon Energy Solutions' Compass software.

Note that the CHEERS HERS provider application does not currently include a compliant whole-house rating system or building performance contractor component. CHEERS is addressing deficiencies identified in these areas and anticipates submitting a supplemental application once the deficiencies are addressed.

Note that the CHEERS residential data registry application does not currently provide support for low-rise multifamily compliance documentation. CHEERS is addressing supporting the documentation and anticipates submitting a supplemental application once the compliance documentation is ready.

CHEERS' certification status as a provider for FV&DT ratings under prior code cycles remains unchanged.

Summary

The Warren-Alquist Act directs the CEC to establish criteria for a statewide HERS program. No home energy rating services may be performed in California unless those services are certified according to the program established by the CEC. The CEC's California HERS program regulations establish requirements for home energy rating systems, for providers (including the providers' training and certification of raters), and

for the CEC's certification of providers. The regulations define a provider as an organization that administers a California HERS program.

The 2022 Energy Code requires FV&DT of specified residential energy efficiency measures to demonstrate compliance with the Energy Code. This testing must be performed by HERS raters who are certified by the CEC-certified HERS providers. Additionally, the 2022 Energy Code describes the approval process as well as functional and technical requirements for a residential data registry.

Staff has reviewed and verified the CHEERS HERS provider and residential data registry applications to confirm that they are complete and comply with the requirements of Title 20, section 1674(a), and section 10-109 of the 2022 Energy Code. In its application, CHEERS states that ratings are accurate, consistent, and uniform, and has stated that it understands and will not knowingly fail to comply with the requirements of these regulations. CHEERS has also certified under penalty of perjury that all statements in the application are true.

The CHEERS application also included a request to approve two EDDS services to work with its residential data registry. In 2022, CHEERS successfully amended its 2019 Energy Code residential data registry approval to incorporate two EDDS services: The Energuy's BOSS software and Archon Energy Solutions' Compass software. These same EDDS services are proposed for inclusion with the CHEERS 2022 Energy Code residential data registry application. Staff reviewed and verified that the EDDS application materials meet the requirements of section 10-109 of the 2022 Energy Code. CHEERS also presented a live demonstration of each EDDS to staff as evidence of compliance with the requirements of Reference Joint Appendix JA7.

CHEERS' current application under the 2022 Energy Code does not affect the CHEERS approvals as a provider for FV&DT ratings under prior code cycles.

The common ownership of CHEERS, Inc., and ConSol, Inc. by the Hodgson family, and the common identities of the officers and directors present opportunities for conflicts of interest that are prohibited by the California HERS program.

CHEERS, Inc. and ConSol, Inc. must agree to the Additional Conditions of Certification at the end of this Recommendation, to ensure the conflicts of interest provisions of the California HERS program regulations are met.

Staff reviewed the confidential and non-confidential information filed in docket number 22-HERS-01 and verified that all the requirements of the Title 20 California HERS program and the 2022 Energy Code are met with exceptions as noted in this staff evaluation. Therefore, staff recommends the CHEERS 2022 HERS application for approval of the HERS provider application for single-family residential, multifamily, and nonresidential, permitted projects. Staff also recommends approval of the residential data registry application for registration of single-family residential and nonresidential compliance documentation. Finally, staff recommends approval of two EDDS services.

This includes approval of The Energuy's BOSS software to process the specific single-family compliance documentation as described in CHEERS Exhibit C and the Archon Energy Solutions' Compass software to process the specific single-family compliance documentation as described in CHEERS Exhibit D.

It is staff's expectation that CHEERS will amend its applications to include a whole-house program, building performance contractor program, low-rise multifamily data registry component, and possibly other features for future approval consideration.

CHEERS Applications Materials

Staff reviewed and verified the CHEERS application materials as they pertain to the requirements in the California HERS Program and the 2022 Energy Code. Table 1 lists the application materials reviewed and approved.

Table 1: CHEERS 2022 Applications Materials

TN #	Document Title
246743	Exhibit A – HERS Provider Application
246743	Exhibit B – Data Registry Application
247320	Exhibit C – Energuy (BOSS) EDDS software application
247320	Exhibit D – Archon (Compass) EDDS software application
243634	Exhibit E – CHEERS Articles of Incorporation and Bylaws
246743	Exhibit F – Quality Assurance Program & QA Team Qualifications
243638	Exhibit G – Rater Agreement
246743	Exhibit H – FVDT Training Overview, Materials, and Exam Questions
246723	Exhibit J – Registered Compliance Documents Examples

EXHIBIT B

ADDITIONAL CONDITIONS OF CERTIFICATION

To guard against conflicts of interest and comply with Section 1673(j) of the California Home Energy Rating System (HERS) Program regulations, ConSol Home Energy Efficiency Rating Services, Inc., (CHEERS) and ConSol, Inc. (ConSol) hereby agree to, in addition to generally applicable HERS requirements, the following additional Conditions of Certification as a HERS Provider:

1. CHEERS will not accept into its registry any compliance documentation performed by a subcontractor or employee of ConSol or CHEERS, including rating data. CHEERS will not enter into any HERS rating agreements with employees of ConSol.
2. CHEERS will not accept into its registry any compliance documentation, including rating data, required for work performed at homes whose owners have subscribed to or are enrolled in a governmental home energy efficiency program for which ConSol is a program manager or administrator.
3. ConSol and CHEERS will be independent entities from HERS raters on the same project.
4. ConSol and CHEERS will be independent entities from the builder and from the subcontractor installer of energy efficiency improvements field verified or diagnostically tested on the same project.
5. ConSol and CHEERS will be independent entities from any firm or person that performs work on the home either for a California Home Energy Audit or a California Whole-House Home Energy Rating on the same project.

CHEERS agrees that its failure to comply with any of these Additional Conditions of Certification provide grounds for the Energy Commission to revoke all or part of this approval.

The foregoing Additional Conditions of Certification are agreed to:



Jim Hodgson
Executive Officer
ConSol, Inc.

11/14/2022

Date



Jim Hodgson
Executive Officer
ConSol Home Energy Efficiency Services, Inc.

11/14/2022

Date

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION OF THE CALIFORNIA ENERGY COMMISSION TO CERTIFY
CONSOL HOME ENERGY EFFICIENCY RATING SERVICES, INC. AS A HOME
ENERGY RATING SYSTEM PROVIDER AND OPERATE A RESIDENTIAL DATA
REGISTRY EXCEPT FOR CERTAIN BUILDING TYPES IN COMPLIANCE WITH THE
CALIFORNIA HOME ENERGY RATING SYSTEM PROGRAM AND THE 2022
BUILDING ENERGY EFFICIENCY STANDARDS

WHEREAS, ConSol Home Energy Efficiency Rating Services, Inc. (CHEERS) submitted an application on June 22, 2022, requesting certification as a California Home Energy Rating System (HERS) program provider pursuant to California Code of Regulations, Title 20, sections 1670 et seq. (California HERS Program); and

WHEREAS, CHEERS submitted an application on June 22, 2022, requesting approval of its residential data registry pursuant to section 10-109 of the 2022 Building Energy Efficiency Standards (Energy Code) (codified in Title 24, Part 1, of the California Code of Regulations) except for low-rise multifamily compliance documentation; and

WHEREAS, CHEERS submitted an application on June 22, 2022, requesting approval of two External Digital Data Sources (EDDS) to work with its residential data registry pursuant to section 10-109 of the 2022 Energy Code; and

WHEREAS, the executive director evaluated the CHEERS HERS provider application and observed that CHEERS has met the requirements in section 1674 of the California HERS Program except for whole-house ratings and building performance contractors; and

WHEREAS, the executive director anticipates CHEERS will submit a future application that will incorporate whole-house ratings and building performance contractors; and

WHEREAS, the executive director evaluated the CHEERS residential data registry application and observed that that CHEERS has met the requirements in section 10-109 of the 2022 Energy Code except for low-rise multifamily compliance documentation; and

WHEREAS, the executive director anticipates CHEERS will submit a future application that will incorporate low-rise multifamily compliance documentation; and

WHEREAS, the executive director evaluated the two CHEERS EDDS applications and observed that CHEERS has met the requirements in section 10-109 of the 2022 Energy Code; and

WHEREAS, on October 24, 2022, the executive director provided a public notice to interested persons and provided an opportunity for public comment; and

WHEREAS, the executive director provided a written recommendation describing the review and validation of the CHEERS HERS provider and residential data registry applications by CEC staff and recommending approval of the CHEERS applications, attached hereto as “Exhibit A;” and

WHEREAS, the executive director’s written recommendation was made available to CHEERS on November 14, 2022; and

WHEREAS, the December 14, 2022, business meeting was the first available meeting at least 15 business days after the executive director made his recommendation available to CHEERS, for the CEC to consider this matter; and

WHEREAS, the CEC has considered the executive director’s recommendation, all written comments submitted, oral comments made at today’s business meeting, and CEC staff’s responses to all comments on this matter.

THEREFORE, BE IT RESOLVED, that the CEC confirms the executive director’s determinations, adopts their recommendation, and certifies CHEERS as a HERS provider to administer the CHEERS HERS provider program, pursuant to Code of California Regulations, Title 20, section 1674(c), for HERS raters conducting field verification and diagnostic testing, but not for raters conducting whole-house ratings, with this approval effective for permits filed under the 2022 Energy Code; and

FURTHER BE IT RESOLVED, that the CEC confirms the executive director’s determinations, adopts their recommendation, and approves the CHEERS’ residential data registry, pursuant to Code of California Regulations, Title 24, Part 1, sections 10-109 and 10-110, and Joint Appendix JA7, for registering compliance documentation for all building types except low-rise multifamily compliance documentation, with this approval effective for permits filed under the 2022 Energy Code; and

FURTHER BE IT RESOLVED, that the CEC confirms the executive director’s determinations, adopts their recommendation, and approves the EDDS capabilities with The Energy’s Best Online Scheduling System (BOSS) software and Archon Energy Solutions’ Compass software, pursuant to California Code of Regulations, Title 24, Part 1, sections 10-109 and 10-110, and Joint Appendix JA7, with this approval effective for permits filed under the 2022 Energy Code; and

FURTHER BE IT RESOLVED, that the Executive Director or their designee shall execute the same on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on December 14, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Liza Lopez
Secretariat