



#### California Energy Commission June 16, 2023 Business Meeting Backup Materials for Agenda Item No. 3ii: Certification of updated 2022 Alternative Calculation Method (ACM) Reference Manuals

The following backup materials for the above-referenced agenda item are available as described below:

- 1. Proposed Resolution, attached below.
- 2. CEQA memo, attached below.
- Nonresidential and Multifamily ACM Reference Manual (<u>https://efiling.energy.ca.gov/GetDocument.aspx?tn=250488&DocumentContentI</u> <u>d=85252</u>)
- Residential ACM Reference Manual (<u>https://efiling.energy.ca.gov/GetDocument.aspx?tn=250486&DocumentContentI</u> <u>d=85253</u>)

For the complete record, please visit: <u>2022 Energy Code Compliance Software &</u> <u>Supporting Documents Docket</u>

[https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-BSTD-02].

To stay informed about this project and receive documents as they are filed, please subscribe to the Topic, which can be accessed here:

https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiencystandards/2022-building-energy-efficiency. The Topic sends out email notifications and direct links when documents are filed in the proceeding docket.

#### **STATE OF CALIFORNIA**

#### STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

#### RESOLUTION CERTIFYING THE SINGLE-FAMILY RESIDENTIAL ALTERNATIVE CALCULATION REFERENCE MANUAL AND NONRESIDENTIAL AND MULTIFAMILY ALTERNATIVE CALCULATION REFERENCE MANUAL FOR THE 2022 BUILDING ENERGY EFFICIENCY STANDARDS

**WHEREAS**, the 2022 Building Energy Efficiency Standards, amending California Code of Regulations, Title 24, Part 1 and 6, were adopted by the California Energy Commission (CEC) on August 11, 2021, with a proposed effective date of January 1, 2023; and

**WHEREAS**, these standards were approved by the California Building Standards Commission on December 14, 2021, and went into effect January 1, 2023; and

**WHEREAS**, the Warren-Alquist Act, in Public Resources Code section 25402.1(e), requires the CEC to certify "an energy conservation manual for use by designers, builders, and contractors of residential and nonresidential buildings" no later than 180 days after the California Building Standards Commission approves the Building Energy Efficiency Standards; and

**WHEREAS**, in order to implement the requirement of section 25402.1(e), CEC staff has developed an energy conservation manual that is comprised of several documents, including residential and nonresidential compliance manuals, residential and nonresidential alternative compliance method reference manuals, a data registry requirements manual, and other compliance forms, all of which contain information to assist designers, builders, and contractors in meeting the Building Energy Efficiency Standards, including forms, charts, and other data; and

**WHEREAS**, the CEC certified the energy conservation manual at its May 11, 2022, and June 8, 2022, business meetings; and

WHEREAS, to respond to necessary changes to California's Building Energy Code Compliance Software (2022 compliance software), CEC staff developed updated content for the Single-Family Alternative Calculation Reference Manual, Publication Number CEC-400-2022-008-CMF-REV2 and the Nonresidential and Multifamily Alternative Calculation Reference Manual, Publication Number CEC-400-2022-009-CMF-REV2 (collectively the "ACM Reference Manuals"), which document the modeling methods used in the 2022 compliance software, which demonstrates performance compliance with the 2022 Building Energy Efficiency Standards; and **WHEREAS**, CEC staff has considered the application of the California Environmental Quality Act (CEQA) to the updated ACM Reference Manuals and finds that the updated ACM Reference Manuals do not meet the definition of a "project" under Public Resources Code, section 21065, because the updated ACM Reference Manuals have no potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and even if the update ACM Reference Manuals were to considered a project, then the project would fall under the "common sense exemption" in California Code of Regulations, Title 14, section 15061(b)(3) because there is no reasonable possibility the updated ACM Reference Manuals would have an significant effect on the environment; and

**WHEREAS**, the CEC has considered staff's proposed updates to the ACM Reference Manuals and staff's finding that its adoption is exempt from CEQA.

**THEREFORE, BE IT RESOLVED**, that on the basis of the entire record before it, the CEC hereby adopts staff's finding that the updated ACM Reference Manuals are not subject to CEQA because they do not meet the definition of a "project" as they are not an activity that has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and even if they were a project, they are exempt from CEQA pursuant to the Common-Sense Exemption (Cal. Code Regs., tit 14, section 15061(b)(3)) because there is no reasonable possibility that the activity will have a significant effect on the environment, including unusual circumstances; and

**THEREFORE, BE IT RESOLVED**, that the CEC hereby certifies the updated Single-Family Alternative Calculation Reference Manual, Publication Number CEC-400-2022-008-CMF-REV2, used to demonstrate compliance with the 2022 Building Energy Efficiency Standards; and

**FURTHER BE IT RESOLVED**, that the CEC hereby certifies the updated Nonresidential and Multifamily Alternative Calculation Reference Manual, Publication Number CEC-400-2022-009-CMF-REV2, used to demonstrate compliance with the 2022 Building Energy Efficiency Standards; and

**FURTHER BE IT RESOLVED**, that the updated ACM Reference Manuals and other related documents and materials can be found at the CEC, 715 P Street, Sacramento, California, 95814 in the custody of the Docket Unit and online in Docket Number 22-BSTD-02 https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-BSTD-02; and

**FURTHER BE IT RESOLVED**, that the CEC directs the executive director or their designee to take all actions reasonably necessary to make the above-referenced documents available and in good form, including but not limited to correcting typographical and other non-substantive errors.

### **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 June 16, 2023.

AYE: NAY: ABSENT: ABSTAIN:

Dated:

Liza Lopez Secretariat

## Memorandum

To: Docket 22-BTSD-02

From: Michael J. Sokol, Director Efficiency Division California Energy Commission 715 P Street Sacramento, California 95814 Date: June 16, 2023

**Subject**: Basis for Finding that the updated 2022 Single-Family Residential Alternative Calculation Reference Manual and 2022 Nonresidential and Multifamily Alternative Calculation Reference Manual (collectively the "ACM Reference Manuals") are not a project and are exempt from the California Environmental Quality Act (CEQA) under the Common-Sense Exemption

## I. CEQA

The California Environmental Quality Act (Public Resources Code, sections 21000 *et seq.*; see also CEQA Guidelines, California Code of Regulations, Title 14, sections 15000 *et seq.*) requires that state agencies consider the environmental impact of their discretionary decisions. CEQA allows for certain projects to be exempted from its requirements. Of relevance here, and discussed further below, is the common-sense exemption (California Code of Regulations, Title 14, section 15061(b)(3)).

## II. Pub. Resources Code, section 25402.1(e) ACM Reference Manuals

Public Resources Code section 25402 requires the CEC to adopt building design and construction standards that increase the efficiency of energy and water use in new residential and nonresidential buildings. The standards are contained in Part 6 and associated administrative regulations in Part 1 of Title 24 of the California Code of Regulations (Energy Code). Further, section 25402 requires the Energy Code to be cost-effective when taken in its entirety and when amortized over the economic life of the structure when compared with historic practice.

No later than 180 days after approval of the Energy Code by the California State Building Standards Commission, the CEC must certify an energy conservation manual for use by designers, builders, and contractors of residential and nonresidential buildings. (Public Resources Code, section 25402.1(e).) The manual shall contain, but not be limited to, the following: (1) The standards for energy conservation established by the commission, (2) forms, charts, tables, and other data to assist designers and builders in meeting the standards, (3) design suggestions for meeting or exceeding the standards, (4) any other information which the commission finds will assist persons in conforming to the standards, (5) instructions for use of the computer program for calculating energy consumption in residential and nonresidential buildings, (6) the prescriptive method for use as an alternative to the computer program.

## III. The Proposed Action

On August 11, 2021, the CEC adopted amendments to its Building Energy Efficiency Standards, located in Part 1, Chapter 10, and Part 6 of Title 24 of the California Code of Regulations (2022 Energy Code), as authorized and directed by Public Resources Code section 25402.<sup>1</sup>

On December 14, 2021, the California Building Standards Commission approved the 2022 Energy Code. The 2022 Energy Code went into effect on January 1, 2023.

To implement the requirements of section 25402.1(e), CEC staff developed an energy conservation manual comprised of several documents, including residential and nonresidential compliance manuals, ACM Reference Manuals, a data registry requirements manual, and other compliance forms, all of which contain information to assist designers, builders, and contractors in meeting the 2022 Energy Code, including forms, charts, and other data. As part of developing the energy conservation manual, the CEC developed new content for the ACM Reference Manuals, which document the modeling methods used in the 2022 compliance software. The CEC certified the ACM Reference Manuals at the June 8, 2022, CEC business meeting and certified updated ACM Reference Manuals at the October 12, 2022, CEC business meeting.

To respond to necessary changes to the 2022 compliance software, CEC developed updated content for the ACM Reference Manuals. The CEC is considering certifying the updated ACM Reference Manuals at the June 16, 2023, CEC business meeting.

#### **IV.** CEC approval of the updated ACM Reference Manuals is not a project.

CEQA only applies to an action "that has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." (California Code of Regulations, Title 14, section 15061(a).)

As discussed above, the CEC certifies an energy conservation manual to assist interested persons with complying with the Energy Code, pursuant to Public Resources Code section 25402.1(e). The energy conservation manual provides information regarding the 2022 Building Energy Efficiency Standards, which were adopted on August 11, 2021, and approved by the California Building Standards Commission on December 14, 2021. The energy conservation manual does not impose any new requirements and therefore has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Accordingly, the energy conservation manual, including the updated ACM Reference Manuals, do not meet the definition of a project under CEQA.

<sup>&</sup>lt;sup>1</sup> Prior to adopting the 2022 Energy Code, the CEC adopted the Final Environmental Impact Report (EIR) for the 2022 Energy Code. The Final EIR consists of the Draft EIR, comments received during the 45-day public review and comment period, and the CEC's responses to the comments received during the 45-day public review and comment period, as well as a revised Draft EIR incorporating changes made to the text of the Draft EIR in response to the comments received on the Draft EIR. Considering all comments received on the Draft EIR and based on the entire record of this proceeding, the CEC certified the Final EIR as complying with CEQA and found that there are no significant, unmitigated environmental impacts from the adoption of the 2022 Energy Code.

# V. Even if the updated ACM Reference Manuals were considered a project, they are exempt from CEQA under the Common-Sense Exemption.

The updated ACM Reference Manuals are exempt from CEQA under the Common-Sense Exemption. As stated above, CEQA only applies to projects that have the potential to cause a significant effect on the environment. (California Code of Regulations, Title 14, section15061(b)(3).) A "significant effect on the environment" is defined as a substantial, or a potentially substantial, adverse change in the environment, and does not include an economic change by itself. (Public Resources Code, section 21068; California Code of Regulations, Title 14, section 15382.)

The updated ACM Reference Manuals are designed to help building owners, architects, engineers, designers, energy consultants, builders, enforcement agencies, contractors and installers, and manufacturers comply with and enforce the 2022 Energy Code. The ACM Reference Manuals are purely a reference and instructional guide that reiterates the language already contained in the 2022 Energy Code. The updated ACM Reference Manuals contain no new requirements to comply with the 2022 Energy Code. As such, the updated ACM Reference Manuals do not have the potential to have a significant effect on the environment that was not already contemplated in the previous Environmental Impact Report (EIR) adopted on August 11, 2021.

#### VI. Conclusion

As shown above, it can be seen with reasonable certainty that the proposed updates to the 2022 ACM Reference Manuals are not a project because they do not impose any new requirements and therefore have no potential for resulting in either a direct physical change in the environment. If the updated ACM Reference Manuals were to be a project, the updated ACM Reference Manuals were to the environment and, therefore, they are exempt pursuant to the Common-Sense Exemption under California Code of Regulations, Title 14, section 15061(b)(3).