





California Energy Commission November 12, 2025, Business Meeting Backup Materials for the 2025 Energy Code Compliance Provider Applications

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

- 1. Proposed Order, attached below.
- 2. Executive Director Recommendation to Approve the CHEERS ECC-Provider and 2025 Energy Code Data Registry Applications, available at efiling.energy.ca.gov/GetDocument.aspx?tn=266830&DocumentContentId=103924
- 3. California Environmental Quality Act Exemption Memorandum, attached below.

For the complete record, please visit: docket log 25-BSTD-01.

To stay informed about this project and receive documents as they are filed, please subscribe to Building Energy Efficiency Standards, which can be accessed here: public.govdelivery.com/accounts/CNRA/signup/31895. The Topic sends out email notifications and direct links when documents are filed in the proceeding docket.

ORDER NO: 25-1112-xXx

STATE OF CALIFORNIA

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

Docket No.: 25-BSTD-01

CHEERS ECC-Provider and Data Registry Applications for the 2025 Energy Code Order to Approve the CHEERS Energy Code Compliance Provider and Residential Data Registry Applications

I. BACKGROUND

The Energy Code Compliance (ECC) Program regulations¹ support projects in demonstrating compliance with the 2025 Energy Code through required testing and documentation. The ECC Program helps ensure both code compliance and the quality installation of efficiency measures that consumers expect. The ECC program is administered by ECC-Providers that train and certify ECC-Raters to determine whether installed energy efficiency measures meet Energy Code requirements.

As such, the ECC-Program replaces the field verification and diagnostic testing (FV&DT) scope of the Home Energy Rating System (HERS) Program. The HERS Program regulations for FV&DT provisions will expire on December 31, 2025.²

The 2025 Energy Code regulations define an ECC-Provider as "an organization approved by the Commission to administer the ECC program pursuant to the requirements of Section 10-103.3."

Additionally, the 2025 Energy Code specifies an approval process as well as functional and technical requirements of a residential data registry.⁴ Finally, "[f]or residential

¹ California Code of Regulations, title 24, part 1, chapter 10, section 10-103.3

² California Code of Regulations, title 20, division 2, chapter 4, article 8, section 1670(i), as amended to be operative until the date 24 CCR 10-103.3 becomes effective

³ California Code of Regulations, title 24, part 1, chapter 10, section 10-102

⁴ Id., section 10-109(i)1A

compliance document registration, the Registration Provider shall be approved in accordance with the requirements in Section JA7.8 and shall also be an ECC-Provider approved by the Energy Commission."⁵

California Home Energy Efficiency Rating Services (CHEERS), a HERS Provider, has submitted an ECC-Provider Application and a 2025 Energy Code Residential Data Registry Application for CEC approval. Approval will not decertify the CHEERS data registry as approved for past Energy Code cycles.

Subsequently, the CEC's Executive Director recommended approval of the applications to the Energy Commission, for consideration at the next-possible regularly scheduled business meeting.

II. EXECUTIVE DIRECTOR'S RECOMMENDATION

The recommendation (TN 266830) is available on the CEC's website on <u>docket log 25-BSTD-01</u> (2025 Energy Code Compliance Provider Applications). The recommendation is for approval of the CHEERS (1) ECC-Provider application and (2) Residential Data Registry application.

The recommendation is appended by a staff evaluation that identifies the applicant, the scope of each application, and the basis for approving each application. Staff also identifies limitations in provisions and impacts on parties that are not the applicant.

III. ENERGY COMMISSION FINDINGS

- 1. CCR, Title 24, Part 1, section 10-103.3(c) requires Energy Code Compliance Providers to be approved by the Commission through an application process. To become an ECC-Provider, an applicant must submit a full application.
- CHEERS submitted ECC-Provider application components, including revised materials, to the CEC between May 2025 and October 2025. On September 25, 2025, staff published a notice of a complete application on docket log 25-BSTD-01 for public review and comment, pursuant to 20 CCR 1674(c)(2).
- 3. CCR, Title 24, Part 1, section 10-109(a) requires data registries and external digital data sources (EDDS) to be approved by the CEC in order to be used to demonstrate compliance with Part 6.
- 4. CHEERS submitted data registry (including EDDS) application components, including revised materials, to the CEC between August 2025 and October 2025. On September 25, 2025, staff published a notice of a complete application on docket log 25-BSTD-01 for public review and comment, pursuant to 24 CCR 10-110(b).

⁵ 2025 Reference Appendices, Joint Appendix section JA7.4.1 Registration Provider

- Staff evaluated the submitted applications for compliance with applicable regulations to ensure that CHEERS, its certification programs, other provider responsibilities, its registry, and its EDDS would be compliant upon CEC approval.
- 6. The staff evaluation is summarized and attached to the executive director's recommendation as "Exhibit 1." The evaluation includes a scope of approval for each of the ECC-Provider application and the data registry application.
- 7. Pursuant to 20 CCR 1674(c)(2) and 24 CCR section 10-110(e), the Executive Director Recommendation was submitted to the CEC and made available to interested persons via docket log 25-BSTD-01 and to the applicant by email on October 20, 2025, which was least 15 business days prior to the November 12 business meeting, as required by 20 CCR 1674(c)(5).
- 8. CHEERS submitted revised exhibits with final corrections and amendments to its application materials. Staff updated its evaluation to reflect the revised filings and to state that the recommendation was unaffected.
- 9. 24 CCR section 10-110(f) requires the complete application package, any additional information considered by the executive director, and the Executive Director's recommendation to be considered at the next business meeting after submission of the recommendation.
- 10. The CEC has considered and agrees with staff CEQA findings. The proposed action is exempt from CEQA because it can be seen with certainty that the approval of the applications will not have a significant effect on the environment.
- 11. The Energy Commission confirms the Executive Director's recommendation and finds that the requirements of CCR, Title 20, section 1674 and CCR, Title 24, Part 1, section 10-110 have been met. Therefore, CHEERS has met the requirements to be approved as an ECC-Provider and to operate its 2025 Energy Code data registry.

IV. CONCLUSION AND ORDER

The CEC hereby approves CHEERS as an ECC-Provider for the 2025 Energy Code triennial cycle. The CEC also approves the CHEERS residential data registry to provide 2025 Energy Code single-family and low-rise multifamily residential certificates of compliance, installation, and verification, as well as nonresidential certificates of verification. Finally, the CEC adopts staff's recommendation that these actions are exempt from the California Environmental Quality Act (CEQA).

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on November 12, 2025.

AYE: NAY: ABSENT: ABSTAIN:		
	Dated:	
	Kim Todd Secretariat	

MEMORANDUM

FROM: Will Vicent, Deputy Director

SUBJECT: Basis for Finding that the action of approving the applications submitted by CHEERS is not a project and is exempt from the California Environmental Quality Act under the Common-Sense Exemption.

DATE: November 12, 2025

I. CEQA

The California Environmental Quality Act (CEQA) (Pub. Resources Code, sections 21000 *et seq.*; see also CEQA Guidelines, Cal. Code Regs. (CCR), tit. 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 (14 CCR section 15061(b)(3)).

II. Approval of an ECC-Provider and Data Registry Applications for the 2025 Energy Code

The California Energy Commission (CEC) approves ECC-Providers and their respective data registries so that those providers can train and certify ECC-Raters and ECC-Rater Companies to determine whether installed energy efficiency measures meet Energy Code requirements.

Section 10-103.3 of the 2025 Energy Code (codified in Title 24, Part 1, of the California Code of Regulations) requires an ECC-Provider to submit an application to the CEC for review. Additionally, it also describes the approval process for the technical requirements of a residential data registry. The CEC must then approve the ECC-Provider to administer the program in accordance with the requirements of Section 10-103.3.

California Home Energy Efficiency Rating Services (CHEERS) has submitted an ECC-Provider Application and a 2025 Energy Code Residential Data Registry Application to the CEC for approval.

III. The Proposed Action

As specified in section 10-103.3 of the 2025 Energy Code and Title 20, section 1674, staff reviewed and validated all information received in the ECC-Provider and data registry applications and determined that CHEERS meets the criteria and procedures in section 10-103.3 for providing ECC-Provider and data registry services within the scope of its application. The executive director concurred with these conclusions and signed a recommendation to approve CHEERS as an ECC-Provider and a data registration provider for the 2025 Energy Code.

Based on the information submitted, staff analysis, and the executive director's recommendation, the CEC is considering approval of CHEERS's applications, which would enable CHEERS to operate as an approved ECC-Provider in compliance with the 2025 Energy Code requirements.

IV. Approval of the ECC-Provider and Data Registry 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." (14 CCR section 15378(a).)

As discussed above, the CEC is approving the ECC-Provider to administer the ECC program pursuant to the requirements of Section 10-103.3. The application materials are largely administrative and have no potential to result in either a direct physical change or a reasonably foreseeable indirect physical change in the environment. Accordingly, approval of CHEERS's applications does not constitute a project under CEQA.

V. If Approval of the ECC-Provider's applications were considered a project, it is exempt from CEQA under the Common-Sense Exemption

Approval of CHERS's applications is exempt from CEQA under the Common-Sense Exemption. The common-sense exemption states that, "Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." (14 CCR section 15061(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. (Pub. Resources Code, section 21068; 14 CCR section 15382.)

An ECC-Provider's certification and data registry applications approvals by the CEC are primarily administrative procedures to ensure field verification and diagnostic testing for residential construction, as set forth in 10-103.3, to verify that the newly constructed buildings, additions, and alterations to existing buildings comply with the requirements of the Energy Code. Ensuring consistency between ECC-Providers and the updated Energy Code ensure that the environmental benefits of the Energy Code are achieved, As such, it can be seen with certainty that there is no possibility that the approval of the ECC-Provider applications may have a significant effect on the environment, thus making it subject to the Common-Sense Exemption in 14 CCR section 15061(b)(3).

VI. Conclusion

As shown above, it can be seen with reasonable certainty that the proposed approval of the CHEERS's applications is not a project, as it is largely administrative and has no potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. If CHEERS's application approval were to be considered a project subject to CEQA, it can be seen with certainty that the applications would not have a significant effect on the environment; therefore, approval of CHEERS' application is exempt from CEQA pursuant to the Common-Sense Exemption under 14 CCR section 15061(b)(3).