



CALIFORNIA ENERGY COMMISSION



CALIFORNIA
NATURAL
RESOURCES
AGENCY

California Energy Commission February 11, 2026 Business Meeting Backup Materials for 2025 Energy Code Third-Party Compliance Software, Integrated Environmental Solutions Virtual Environment (IES VE) Title 24 2025 Version 1.0

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

1. Proposed Order, attached below
2. CEQA Memo, attached below
3. [IES VE Title 24 2025 Version 1.0 Nonresidential Ruleset Implementation Test Specifications](#)
[<https://efiling.energy.ca.gov/GetDocument.aspx?tn=268347&DocumentContentId=105537>]
4. [IES VE Title 24 2025 Version 1.0 Nonresidential Sensitivity Test Results Summary](#)
[<https://efiling.energy.ca.gov/GetDocument.aspx?tn=268350&DocumentContentId=105538>]
5. [IES VE Title 24 2025 Version 1.0 Nonresidential Sensitivity Test Results Narrative](#)
[<https://efiling.energy.ca.gov/GetDocument.aspx?tn=268349&DocumentContentId=105539>]
6. [IES VE Title 24 2025 Version 1.0 Self Certification](#)
[<https://efiling.energy.ca.gov/GetDocument.aspx?tn=268348&DocumentContentId=105540>]

For the complete record, please visit: [2025 Energy Code Compliance Software, Manuals and Forms Docket](#)

[<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=24-BSTD-03>]

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

<https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards>. 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

IN THE MATTER OF:

**2025 Energy Code Third-Party
Compliance Software, Integrated
Environmental Solutions Virtual
Environment (IES VE) Title 24 2025
Version 1.0**

Docket No.: 24-BSTD-03

**Order to Approve the Integrated
Environmental Solutions Virtual
Environment (IES VE) Title 24 2025
Version 1.0 Alternative Calculation
Method Compliance Software
Application**

I. BACKGROUND

The Warren-Alquist State Energy Resources Conservation and Development Act, Public Resources Code sections 25000 et seq., 25402.1(b), requires the California Energy Commission (CEC) to, among other things, establish a process for certifying calculation methods for demonstrating compliance with its building energy efficiency standards.

As allowed by the 2025 Energy Code, California Code of Regulations (CCR), Title 24, Part 1, Chapter 10, Section 10-109(c)3, Integrated Environmental Solutions has submitted an application requesting the Commission approve Integrated Environmental Solutions Virtual Environment (IES VE) Title 24 2025 Version 1.0 as an alternative calculation method (ACM) to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

As specified by the 2025 Energy Code, Section 10-109(c)3, ACM applications must meet the applicable application requirements of Section 10-116(b) and provide documentation demonstrating that the candidate software meets the requirements, specifications, and criteria specified in Sections 10-109(c)1A, 10-109(c)1B, 10-109(c)1C, 10-109(c)1D and 10-109(c)1E, as appropriate.

CEC staff has reviewed the IES VE Title 24 2025 Version 1.0 ACM application submitted by IES and determined that it contains the documentation, building energy modeling functionality, and aligns with the current version of the 2025 ACM Reference Manuals as required by the above sections of the 2025 Energy Code.

II. STAFF RECOMMENDATION

CEC staff has considered the IES VE Title 24 2025 Version 1.0 ACM application for the 2025 Energy Code and has concluded that it contains the applicable documentation and building energy modeling functionality and aligns with the current version of the 2025 ACM Reference Manuals as required by Sections 10-109(c)3 and 10-116(b) of the 2025

Energy Code. Therefore, staff recommends approval of IES VE Title 24 2025 Version 1.0 as an ACM to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

Staff has also considered the application of CEQA to the proposed approval and concluded that the proposed action is exempt from CEQA because it can be seen with certainty that the approval of this application will not have a significant effect on the environment.

III. ENERGY COMMISSION FINDINGS

1. CCR, Title 24, Part 1, Section 10-109(c)3 requires third-party ACM compliance software be approved by the CEC through an application process.
2. IES submitted an ACM application for IES VE Title 24 2025 Version 1.0 in December 2025.
3. CCR, Title 24, Part 1, Section 10-109(c)3 requires that ACM applications include documentation demonstrating that the compliance software meets the requirements, specifications, and criteria specified in CCR, Title 24, Part 1, Sections 10-109(c)1A, 10-109(c)1B, 10-109(c)1C, 10-109(c)1D and 10-109(c)1E, as appropriate.
4. IES's IES VE Title 24 2025 Version 1.0 ACM application contained documentation which demonstrates compliance with the requirements, specifications, and criteria specified in CCR, Title 24, Part 1, Sections 10-109(c)1A, 10-109(c)1B, 10-109(c)1C, 10-109(c)1D and 10-109(c)1E for building performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.
5. CCR, Title 24, Part 1, Section 10-109(c)3 also requires that applications contain the application requirements of CCR, Title 24, Part 1, section 10-116(b).
6. CCR, Title 24, Part 1, Section 10-116(b) contains application requirements for ACM applications. The applicable requirements for the IES VE Title 24 2025 Version 1.0 ACM application include a compliance software vendor certification statement, computer runs and summary sheets as specified by the ACM Reference Manual, a user manual and changelog describing the functional and analytical capabilities of the ACM candidate compliance software, an executable of the candidate ACM compliance software, and an application fee deposit.
7. Staff evaluated the submitted application for compliance with the above applicable regulations to ensure that IES VE Title 24 2025 Version 1.0 would be compliant upon CEC approval.
8. The CEC confirms staff's recommendation and finds that the requirements of CCR, Title 24, Part 1, Sections 10-109 and 10-116 have been met. Therefore, IES VE Title 24 2025 Version 1.0 has met the requirements to be approved as a third-party ACM used to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

9. The CEC has considered and agrees with staff's CEQA findings. The proposed action is not a project because it does not impose any new requirements and, therefore, has no potential for resulting in either a direct physical or reasonably foreseeable indirect physical change in the environment. If it is considered a project, it can be seen with certainty that the approval of the applications will not have a significant effect on the environment and it is exempt under the common-sense exemption.

IV. CONCLUSION AND ORDER

The CEC hereby approves IES VE Title 24 2025 Version 1.0 as a third-party ACM for demonstrating performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

The CEC also adopts staff's recommendation that this action is either not a project under the California Environmental Quality Act (CEQA) or, if considered a project, it is exempt from CEQA under the common-sense exemption.

The CEC also directs the executive director or their designee to take all actions reasonably necessary to make the above-referenced software available and maintain the software in good form, including but not limited to reviewing and approving updates to third-party software consistent with bug fixes, correcting calculation and analytical errors, necessary ongoing software updates, user interface changes, and other minor updates.

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 February 11, 2026.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kim Todd
Secretariat



CALIFORNIA ENERGY COMMISSION



MEMORANDUM

FROM: Will Vicent, Deputy Director

SUBJECT: Basis for Finding that the action of approving the application submitted by Integrated Environmental Solutions for approval of Integrated Environmental Solutions Virtual Environment (IES VE) Title 24 2025 Version 1.0 as an Alternative Calculation Method for the 2025 Energy Code is either not a project or is exempt from the California Environmental Quality Act under the Common-Sense Exemption.

DATE: February 11, 2026

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 IES VE Title 24 2025 Version 1.0 as an Alternative Calculation Method (ACM) for the 2025 Energy Code

The Warren-Alquist State Energy Resources Conservation and Development Act, Public Resources Code sections 25000 *et seq.*, 25402.1(b), requires the California Energy Commission (CEC) to, among other things, establish a process for certifying calculation methods for demonstrating compliance with its building energy efficiency standards.

As allowed by the 2025 Energy Code, California Code of Regulations, Title 24, Part 1, Chapter 10, Section 10-109(c)3, IES has submitted an application for the Commission to approve IES VE Title 24 2025 Version 1.0 as an alternative calculation method (ACM) to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

As specified by the 2025 Energy Code, section 10-109(c)3, ACM applications must meet the application requirements of Section 10-116(b) and provide documentation demonstrating that the candidate software meets the requirements, specifications, and criteria specified in Sections 10-109(c)1A, 10-109(c)1B, 10-109(c)1C, 10-109(c)1D and 10-109(c)1E, as appropriate.

CEC staff has reviewed the IES VE Title 24 2025 Version 1.0 ACM application submitted by IES and determined that it contains the documentation, building energy modeling functionality, and aligns with the current version of the 2025 ACM Reference Manuals as required by the above sections of the 2025 Energy Code.

III. The Proposed Action

As specified in Section 10-116(c) of the 2025 Energy Code, staff reviewed the IES VE Title 24 2025 Version 1.0 ACM application submitted by IES and determined that it contains the documentation, building energy

modeling functionality, and aligns with the current version of the 2025 ACM Reference Manuals as required by Section 10-109(c)3 and 10-116(b) of the 2025 Energy Code.

Based on the information submitted and staff analysis the CEC is considering approval of IES VE Title 24 Version 1.0 as an ACM to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code at its February 11, 2026, business meeting.

IV. Approval of IES VE Title 24 Version 1.0 as an ACM for the 2025 Energy Code 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 considering approval of IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code pursuant to the requirements of Section 10-109(c)3 and 10-116(b). This third-party ACM compliance software, IES VE Title 24 2025 Version 1.0, will be used as a tool to demonstrate performance compliance with the nonresidential new-construction requirements of the 2025 Energy Code.

Approval of the ACM compliance program, IES VE Title 24 2025 Version 1.0, 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 approval of IES VE Title 24 2025 Version 1.0 does not meet the definition of a project under CEQA.

V. If approval of IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code were considered a project, it is exempt from CEQA under the Common-Sense Exemption

Approval of IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code 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.)

Approving IES VE Title 24 2025 Version 1.0 as an ACM assists the building energy community in demonstrating performance compliance with the 2025 Energy Code. IES VE Title 24 2025 Version 1.0 reflects the requirements of the 2025 Energy Code and building energy modeling requirements of Section 10-109(c), Title 24, Part 1. IES VE Title 24 2025 Version 1.0 contains no new requirements to comply with the 2025 Energy Code. As such, it can be seen with certainty that there is no possibility that the approval of IES VE Title 24 2025 Version 1.0 as an ACM will have any significant effect on the environment. Therefore, approving IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code is subject to the common-sense exemption in 14 CCR section 15061(b)(3).

VI. Conclusion

As shown above, the proposed approval of IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code is not a project because it does not impose any new requirements and, therefore, has no potential for resulting in a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. If approval of IES VE Title 24 2025 Version 1.0 as an ACM for the 2025 Energy Code were to be considered a project subject to CEQA, it can be seen with certainty that the approval would not have a significant effect on the environment and, therefore, is exempt pursuant to the Common-Sense Exemption under California Code of Regulations, Title 14, section 15061(b)(3).