

# 2025 California Energy Code



# FACT SHEET

## The Energy Code Background

As California's primary energy policy and planning agency, the California Energy Commission (CEC) was mandated by the Warren-Alquist Act to update and adopt building standards that reduce wasteful, uneconomic, inefficient, or unnecessary energy consumption and reduce greenhouse gas (GHG) emissions. That's because homes and businesses use nearly 70 percent of California's electricity! They are also responsible for about 25 percent of the state's GHG emissions. Every three years, the CEC updates the Energy Code, which is published by the California Building

Standards Commission as part of the California Building Standards Code (itself, known as Title 24 of the California Code of Regulations). The CEC's efficiency standards for buildings and appliances together have saved Californians more than \$100 billion in avoided energy costs over the last 50 years. Thanks to efficiency measures, California — the U.S. state with the highest population and largest economy (almost \$3.9 trillion GDP in 2023) — has the second-lowest per capita energy use in both the residential and commercial sectors.<sup>1</sup>

## Meeting State Climate Goals Through Better Buildings for Californians

The Energy Code governs the energy-saving features of newly constructed buildings, building additions, and alterations to existing buildings. The standards for 2025 are cost-effective and are estimated to provide over \$4.8 billion in statewide energy cost savings over 30 years.

The 2025 updates strongly contribute to California's efforts to "decarbonize" its buildings: reducing their carbon emissions. The Energy Code reduces emissions by making buildings more energy efficient; encouraging the use of energy efficient heat pumps for space and water heating; using clean energy generated onsite by solar panels in combination with battery storage; and shifting times of energy use to avoid peak periods of the day when dirty and inefficient powerplants are supplying more power to the grid.

## The 2025 Energy Code Update Focuses on:

- Expanding the use of heat pumps for space conditioning and water heating in newly constructed single-family, multifamily, and select nonresidential buildings. The standards also allow for flexibility in taking alternative but equally efficient approaches.
  - ◊ For homes, use heat pumps for both space heating and water heating, expanding on the single heat pump baselines in the 2022 update.
  - ◊ For nonresidential building types, expanding on the single-zone heat pump baselines in the 2022 update.
  - ◊ For low-rise multifamily buildings with individual water heaters in dwelling units, use heat pump water heater baselines, expanding on the space heating heat pump baselines in the 2022 update.
- Encouraging electric-ready buildings to set up owners to use cleaner electric water heating and cooking when they are ready to invest in those technologies.
- Updating photovoltaic and battery energy storage system standards for high-rise multifamily and nonresidential buildings to achieve cost effective installations in consideration of revised net billing and virtual net billing rules.
- Updating space conditioning system control standards for nonresidential buildings.
- Updating ventilation requirements in multifamily buildings to improve indoor air quality.

Reminder: The CEC does not mandate specific fuel types. California's Energy Code is founded on the principle of enabling building designers to use a range of options for complying with energy requirements.

<sup>1</sup> US Energy Information Administration

## Process and Timeline

The Energy Code measures are updated with extensive input from the public, many stakeholders, and experts who participate in the CEC's process. Over the course of each three-year cycle, CEC staff and technical consultants evaluate each measure. The standards must be technologically feasible and cost-effective over the life of the building. The measures are discussed in public workshops and in online comments before being revised. This year, the standards were adopted at the September 11 CEC business meeting and will go to the California Building Standards Commission for approval as part of California's Building Standards Code before the end of 2024.

After approval, there is a one-year period for the CEC to provide supporting information, training, and technical assistance that brings builders, code officials, and technicians up to speed on the updates before they take effect. Local building departments start enforcing the 2025 Energy Code on January 1, 2026. These measures not only save energy and reduce energy bills, but also help Californians breathe easier and be more comfortable where they live and work. They are a critically important tool for advancing the state's climate and energy goals.

## BY THE NUMBERS

### \$100 BILLION

avoided energy costs over the last 50 years from the CEC's efficiency standards for buildings and appliances

### 70%

 amount of California's electricity used by homes and businesses

### 25%

 amount of the state's total greenhouse gas (GHG) emissions that homes and businesses are responsible for

### \$4.8 BILLION

statewide energy cost savings expected from the standards for 2025

## For more information on:

The current Energy Code updates, please go to [www.energy.ca.gov/2025EnergyCode](http://www.energy.ca.gov/2025EnergyCode)

Please direct media questions to [mediaoffice@energy.ca.gov](mailto:mediaoffice@energy.ca.gov)



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September 2024

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