



HESCHONG MAHONE GROUP, INC.

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Article I. AB 1103 Working Group – Meeting Notes

Friday, March 13, 2009 – 1:00-2:30 pm

Attending:

California Energy Commission: Martha Brook, Joe Lowyer

California Association of Realtors: Elizabeth Gavric

California Business Properties Association: Matthew Hargrove

California Public Utilities Commission: Jordana Cammarata

Environmental Protection Agency: Tracy Narel

Heschong Mahone Group: Doug Mahone, Amy Barr

New Buildings Institute: Mark Frankel

Pacific Gas & Electric: Keith Forsman, Peter Turnbull

Southern California Edison: Steve Galanter, Matt Evans, Jim Navarrete, Mugi Lukito

Sempra: Frank Spasaro, Kevin Shore, Sandra Williams

Sacramento Municipal Utility District: Scott Saunders

State of California: Andrew Zingale (Assembly Member Saldana's Office)

The Irvine Company: Rich Bluth

- 1) Introductions
- 2) Scope & purpose of AB1103 Working Group
 - a) Energy Commission Energy Efficiency Committee asked we create this workgroup to develop a draft set of requirements for implementing 1103 (not in regulatory language)
 - i) Requirements will act as basic outline for public workshop in June
 - b) Goals: get issues and a good set of requirements worked out
 - i) What info needs to be disclosed and what form should it take?
 - c) Additional/side items:
 - i) Commercial energy performance regulations: how can we leverage everything that's going on throughout nation with ENERGY STAR® and other efforts in this domain?
 - ii) What does CA want to carry forward with policy work in this area?

- 3) Group organization and procedures
 - a) How formal are we going to be?
 - i) Leave informal
 - b) How big should it get?
 - i) Keep small enough so everyone's working
 - (1) Process with larger group will happen later during the public workshop
 - ii) Have good representation from most of interested parties
 - (1) Participants are representatives of their organizations/industries: will bring industry-specific issues back to group
 - iii) Subgroups to deal with issues as they come up?
 - (1) Something to keep in mind as an option
- 4) Membership
 - a) Core working group members
 - b) Separate corresponding members
- 5) History of why we're here
 - a) January 2009: electric and gas utilities must maintain records of energy data for all buildings they provide service to in a format compatible with Portfolio Manager for at least most recent 12 months
 - i) When requested, must upload data to Portfolio Manager
 - b) January 2010: nonresidential building owners must disclose benchmarking data and ratings upon time of sale, refinance
 - c) PG&E, SMUD, SCE, Sempra compliant via automated system
 - i) Other munis have not been involved in process
 - (1) Have provided data in spreadsheets
 - (2) Have not been reachable regarding automated
 - (3) AB1103 doesn't seem to be enough of a priority for them
- 6) Task 1: Issues
 - a) Bill itself doesn't have implementation steps in it
 - b) Key questions:
 - i) Disclosure
 - (1) What triggers disclosure?

- (2) Who should ask for it? Who can help with it? Obligation that realtor or lender has?
- (3) Who do utilities release data to?
 - (a) EPA just tool: takes place within Portfolio Manager, but really is no EPA management
 - (b) Utilities want to be free of any ownership after disclose information
- (4) What should disclosure look like?
 - (a) No limitations on what data might look like.
 - (b) What do buildings unable to get ENERGY STAR® rating disclose?
 - (c) Plan to expand scope and kind of benchmarking that is going on?
- (5) What is disclosed?
 - (a) Portfolio Manager: ENERGY STAR® rating
 - (b) Portfolio Manager: Energy Use Index - weatherized and/or plain
 - (c) Portfolio Manager: Separating by fuel type
 - (d) Monthly data
 - (e) Other data - water, CO2, etc
 - (f) Asset rating
 - (g) Operational rating
 - (h) Tenant-specific data
- (6) What is time period for request?
 - (a) Both parties should be able to waive disclosure
- ii) Priority for approaching buildings?
 - (1) Phasing
 - (a) Over 100,000 sq ft owner occupied building, commercial (not industrial)
 - (b) Limit on cases with small separate meter accounts
 - (c) Public buildings
 - (d) Tenant occupied is biggest struggle
 - iii) Multi-tenant issue
 - iv) Identity verification
 - (1) None on EPA side so how should utilities release it?
 - (2) Utilities' obligation

- (3) AB531 (Confidentiality Bill) would go into effect January 1, 2010
- v) How does real estate industry handle issue of confidentiality?
 - (1) Due diligence process in commercial transactions
 - (2) Potentially will become public information
- vi) Legislative change that needs to be done now that points to regulations?
 - (1) AB531: vehicle to deal with confidentiality issue and potentially anything else that comes out of these discussions
- vii) How do different stakeholders use the info? How to leverage activity to mine data?
- viii) Overlap with other benchmarking efforts?
 - (1) What's going on at federal level?
 - (a) Don't want to have anything on that level preempt what we're doing
 - (2) LEED projects will have to release info going forward: NBI working with USGBC
 - (3) State of PA Small Business Energy Efficiency Program: buildings have to agree to add their building to rest of participants in group
- 7) AB1103 Working Group Process
 - a) Get work done between meetings
 - b) Google Groups to have discussions offline
 - i) Place to submit issues/ideas
 - c) Task for next meeting: go back to own organizations and get list of issues together