



HESCHONG MAHONE GROUP, INC.

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AB 1103 Working Group – Meeting Notes

Thursday, September 17, 2009 – 10:00-11:15 am

Attending:

California Energy Commission: Martha Brook, Robin Mayer, Devi Eden

California Association of Realtors: Elizabeth Gavric

California Business Properties Association: Matthew Hargrove

CB Richard Ellis: Dave Pogue, Judy Hill

Environmental Protection Agency: Tracy Narel

Heschong Mahone Group: Amy Barr

Lawrence Berkeley National Laboratory: Paul Mathew

Pacific Gas and Electric Company: Peter Turnbull

Sempra: Kevin Shore

Southern California Edison: Bob Levine

The Irvine Company: Rich Bluth

1. Confidentiality issue

- a. Close to a regulation that will satisfy utilities and AB1103 in terms of customer confidentiality
 - i. Utility's will have an option to either use an NDA or aggregate data (down to 2 tenants)
 - ii. Munis don't have problem because of government code exemption
- b. Building owner's responsibility to get consent
 - i. If tenant doesn't cooperate, owner needs to provide statement saying that have tried and cannot receive release from tenant (per Robin Mayer, will be very tight language regarding this)
- c. Single tenant issue not resolved, but think have everything else resolved with utilities
- d. Matthew Hargrove suggested having utilities adding statement into contract between customer (tenant) and utility at time sign up for service

- i. Utilities believe this is not a feasible solution for all customer types and would take too many years to be effective

- 2. Tenant leased space
 - a. Industrial spaces often leased to tenants doing many different things, but all get rated under 1 building type classification
 - i. Is rating really meaningful for industrial buildings?
 - ii. What's normalized for warehouse ratings?
 - iii. How often is this the case? When considering the whole market, believe these to be a relatively small portion of the market
 - b. Include disclaimer on disclosure form ('you're mileage may vary')?

- 3. Guidelines and regulations
 - a. Hoping for another draft of regulations by next working group meeting
 - i. Don't expect them to be ready until January 2010
 - ii. Think schedule will start with January 1, 2011 (instead of July 2010) because of all the delays
 - iii. AB531 sitting on Governor's desk
 - b. Biggest key unknown on utility side is what will be included in disclosure statement
 - i. Since have been focused on confidentiality issues so far, haven't spent time on disclosure
 - ii. Now that confidentiality issues mostly figured out, can start focusing on forms and what we want to include, what's the most useful info to disclose, etc
 - c. Guidelines included by reference into regulations to encourage people to read them
 - i. Informational – here's some stuff to make it easier, but you don't have to follow these suggestions
 - ii. Can't be final form until regulations are in their final form (or close to)
 - d. October 1, 2009 (2 weeks) = deadline for comments on guidelines
 - i. Revised version will be sent back out to group before next working group meeting