



**HESCHONG
MAHONE
GROUP**

**Consultants
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AB 1103 Working Group – Meeting Notes

Thursday, January 21, 2010 – 10:00 -11:15am

Attending:

California Association of Realtors: Elizabeth Gavric
California Business Properties Association: Matthew Hargrove
California Energy Commission: Robin Mayer, Martha Brook, Joe Loyer,
Devi Eden, Craig Hoellwarth
SMACNA: Erik Emblem, Jim Hussey
Environmental Protection Agency: Tracy Narel, Peter Flippen
Heschong Mahone Group: Amy Barr, Josh Rasin
LBNL: Paul Matthew
Pacific Gas and Electric Company: Keith Forsman, Theda Silver-Pell
Simon Properties: George Caraghiaur
Southern California Edison: Bob Levine
Westfield: James Darrish, Adam Comeau

1. Shopping centers

- a. The CEC met with representatives from various shopping centers
 - i. Concerns with how to obtain meaningful ratings for mall buildings
 1. Seems that aggregate energy data isn't meaningful
 - ii. If the owner isn't paying the utility bills, there is very little incentive to make any capital improvements.
- b. Various metering models for different malls
 - i. Master meter (landlord pays for all)
 - ii. Landlord in charge of common area only
 - iii. Landlord pays for common areas and part of tenant
 - iv. Tenant pays for all
- c. Knowing the energy use of tenants can be useful because affects rents the landlord is able to receive: the more a tenant is paying in energy costs, the less he/she can pay in rent
- d. Relationship between mall and dept stores is the most complicated



2. AB758
 - a. Signed in November
 - b. Gives CEC fairly broad authority to develop programs for increasing efficiency in existing buildings (res and nonres)
 - i. Gives authority to do anything need to do throughout state
 - ii. Want to tackle asset rating system for commercial buildings

3. Tenant disclosure/confidentiality
 - a. IOUs need a directive from the CPUC stating that there is no confidentiality issue with AB1103
 - b. Primarily a concern with 15/15 rule

4. Draft regulations update
 - a. Definition of ownership
 - i. Building should be defined by ownership
 1. i.e. department stores are typically owned by separate entity so wouldn't be part of transaction. Thus, no need to be included in 'entire building' requirements
 - ii. CEC revised the definition of entire building to better reflect what owner actually controls
 - b. Identifying vacancies
 - i. In offices, PM guidelines say to make a separate space and set the operating hours to zero.
 - ii. What about malls?
 - c. Disclosure form content needs to be included in the regulations.

5. Schedule
 - a. Target date of April for workshop – kickoff for formal rulemaking
 - b. Include draft guidelines – sections not completely finalized should be marked as 'reserved'

6. Next meeting: February 18, 2010
 - a. Josh Rasin from HMG to send out meeting invite to group