

Date of Hearing: July 9, 2025

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

SB 500 (Stern) – As Amended June 30, 2025

SENATE VOTE: 29-10

SUBJECT: Energy: usage data

SUMMARY: Mandates the authority of the California Energy Commission (CEC) to approve and use a system or tool alternative to the ENERGY STAR Portfolio Manager to collect energy usage data of covered buildings in the state of California.

EXISTING LAW:

- 1) Requires a charge on electricity and natural gas consumption to fund cost-effective energy efficiency and conservation activities. (Public Utilities Code §§ 381 and 890)
- 2) Requires electric corporation procurement plans to first meet its unmet resource needs through all available energy efficiency and demand reduction resources that are cost-effective, reliable, and feasible. (Public Utilities Code § 454.5 (b)(9)(C))
- 3) Requires the CPUC to establish targets for all potentially achievable cost-effective electricity and gas efficiency savings. (Public Utilities Code §§ 454.55 and 454.56)
- 4) Requires the California Public Utilities Commission (CPUC) to make certain information regarding electric service and electrical corporations available on its internet website. (Public Utilities Code § 8380)
- 5) Requires IOUs and POUs to use reasonable security procedures and practices to protect a customer's unencrypted electrical or gas consumption data from unauthorized access, destruction, use, modification, or disclosure. (Public Utilities Code § 8380)
- 6) Requires the CEC to establish a building energy use benchmarking program for covered buildings. (Public Resources Code § 25402.10)
- 7) Defines covered building to be a building with no residential utility accounts or any building with five or more active utility accounts. (Public Resources Code § 25402.10)
- 8) Requires each utility to maintain records of the energy usage data of all buildings to which it provides service for at least the most recent 12 complete calendar months and upon request of the owner, owner's agent or operator of a covered building to provide aggregated energy usage data for a covered building to the owner, owner's agent building operator or to the owner's account in the ENERGY STAR Portfolio Manager. (Public Resources Code § 25402.10)

- 9) Requires the CEC to assess the potential for the state to reduce GHG emissions from the state's residential and commercial building stock by at least 40% below 1990 levels by January 1, 2030. (Public Resources Code § 25403)
- 10) Requires the CEC to develop a statewide estimate of all potentially achievable cost-effective electricity and natural gas savings, establish targets for statewide annual energy efficiency savings, and demand reduction for the next 10-year period. (Public Resources Code § 25310)
- 11) Requires the CEC to develop and implement a comprehensive program to achieve greater energy savings in California's existing residential and nonresidential building stock. (Public Resources Code § 25943)

FISCAL EFFECT: Unknown

CONSUMER COST IMPACTS: Unknown.

BACKGROUND:

Buildings Energy Efficiency Action Plan – The Buildings Energy Efficiency Action Plan has been published by the CEC in 2015, 2019, 2021 and will be published in late 2025. The Plan and its subsequent updates provide a 10-year roadmap to activate market forces and transform California's existing residential, commercial, and public building stock into high performing and energy-efficient buildings. The Action Plan is separated into three goals that drive energy efficiency: doubling energy efficiency savings by 2030, removing and reducing barriers to energy efficiency in low-income and disadvantaged communities, and reducing GHG emissions from the building sector.

Assembly Bill 802 (Williams, Chapter 2015) and Energy Benchmarking – AB 802 directed the CEC to create a statewide building energy use benchmarking program for buildings larger than 50,000 square feet. Benchmarking allows a building's energy use to be compared to its prior performance and to that of its peers. This program is called the Building Energy Use Disclosure and Public Benchmarking Program (Building Benchmarking Program). The CEC's regulations require building owners to report building characteristic information and energy use data to the CEC by June 1 annually, for non-residential buildings and buildings with 5 or more residential utility accounts. Building owners complete their reporting using ENERGY STAR Portfolio Manager, a free online tool provided by the United States Environmental Protection Agency. Assembly Bill 802 also required that energy utilities provide building-level energy use data to building owners, owners' agents, and operators upon request for buildings with no residential utility accounts and for buildings with five or more utility accounts.

COMMENTS:

- 1) *Author's Statement.* According to the author: "At a time when the federal government is changing direction on energy efficiency standards, this bill will empower the California Energy Commission to prepare for a future without the Energy Star Portfolio Manager. This bill will allow California to continue to have predictable benchmarking systems for utilities and building owners, if needed due to changes in federal policy."

2) *Reason for the Bill.* The 2026 fiscal year federal budget has dramatically cut the budget of the United States Environmental Protection Agency (US EPA). As part of this budget cut, the federal administration plans to eliminate the Energy Star Portfolio Manager program.¹ This program provides voluntary energy efficiency certification for appliances, such as refrigerators and dishwashers, and has helped American consumers save hundreds of billions of dollars in energy costs since the program began in 1992.² As discussed above, California's Building Benchmarking Program reporting is done through the Federal Energy Star Portfolio Manager. If the Federal Government ends the Energy Star Portfolio Manager, this could put the CEC's authority to administer the Building Benchmarking Program into jeopardy. SB 500 gives the CEC the authority to use an alternative tool or database for building owners and utilities to report benchmarking data. This will enable the CEC to continue the program regardless of decisions made by the federal administration related to the Energy Star Portfolio Manager.

3) *Prior Legislation.*

SB 596 (Becker) would require the state board to establish interim targets for reductions in the greenhouse gas intensity of cement used within the state relative to the average greenhouse gas intensity of cement used within the state during the 2019 calendar year, with the goal of reducing the greenhouse gas intensity of cement used within the state to 40% below the 2019 average levels by December 31, 2035. Status: Chapter 246, Statutes of 2021.

SB 68 (Becker) directed the CEC to gather and develop guidance and best practices to overcome barriers to the electrification of buildings and installation of electric vehicle charging equipment. This project implements the requirements of that bill to help commercial and residential building owners, the construction industry, and local governments. Status: Chapter 720, Statutes of 2021.

AB 3232 (Friedman) requires the CEC, by January 1, 2021, to assess the potential for the state to reduce GHG emissions from the state's residential and commercial building stock by 40% below 1990 levels by January 1, 2030. Status: Chapter 373, Statutes of 2018.

SB 782 (Skinner) requires the CEC to establish a system for assigning global unique identifiers for each building in the state and requires the electrical service provider to assign the global unique identifier to the aggregated electricity usage of all the customers within the building. Status: Chapter 684, Statutes of 2018.

SB 1477 (Stern) requires the CEC to develop a statewide market transformation initiative to transform the state's market for low-emission space and water heating equipment for new and existing residential and nonresidential buildings and to develop an incentive program to fund near-zero emission technology for new residential and commercial buildings. Status: Chapter 378, Statutes of 2018.

¹ Lisa Friedman and Rebecca F. Elliott, "E.P.A Plans to Shut Down the Energy Star Program," *The New York Times*, May 6, 2025

² Ibid.

AB 802 (Williams), among many provisions, requires the CEC to adopt regulations providing for the delivery to the Commission and public disclosure of benchmarking results for covered buildings. Status: Chapter 590, Statutes of 2015.

Assembly Bill 758 (Skinner) requires the CEC, in collaboration with the CPUC and stakeholders, to develop a comprehensive program to achieve greater energy efficiency in the state's existing buildings. Status: Chapter 470, Statutes 2009.

REGISTERED SUPPORT / OPPOSITION:**Support**

The Climate Reality Project Orange County Chapter
The Climate Reality Project, California State Coalition
The Climate Reality Project, Los Angeles Chapter
The Climate Reality Project, Riverside County Chapter
The Climate Reality Project, Sacramento Chapter
The Climate Reality Project, San Diego Chapter
The Climate Reality Project, San Fernando Valley CA Chapter

Other support has been filed for the bill that addresses a version of the bill prior to significant amendments. That support has been omitted.

Opposition

None on file.

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