

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

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

Policy Committee: Utilities and Energy

Vote: 18 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill authorizes the California Energy Commission (CEC) to approve and use a system or tool as an alternative to the federal ENERGY STAR Portfolio Manager to collect energy usage data of covered buildings in California.

**FISCAL EFFECT:**

Onetime costs to CEC, likely less than \$150,000 (Energy Resources Programs Account), should CEC need to conduct a rulemaking to implement this bill. The CEC asserts a rulemaking is likely not needed, but, if it is, the rulemaking would be exempt from the Administrative Procedures Act, which would reduce the costs of carrying out the rulemaking.

ERPA faces an ongoing structural deficit, with expenditures exceeding revenue, and, therefore, likely cannot support the costs to implement this bill.

**COMMENTS:**

- 1) **Purpose.** The author describes this bill as being in response to actions by the federal government to weaken, or even reverse, energy efficiency standards. According to the author, “this bill will empower the California Energy Commission to prepare for a future without the Energy Star Portfolio Manager” and “allow California to continue to have predictable benchmarking systems for utilities and building owners, if needed due to changes in federal policy.”
- 2) **Background.** As authorized by legislation—AB 802, Chapter 590, Statutes of 2015—CEC established its Building Energy Benchmarking Program to require owners of large commercial and multifamily buildings to report energy use to CEC by June 1 of each year, the idea being this information provides an energy use intensity baseline—like gas mileage for a car—against which a building owner, or others, may compare potential energy efficiency measures. To report building energy use, as specified in state law, building owners use the federal Environmental Protection Agency’s ENERGY STAR Portfolio Manager, an online tool that allows measurement and tracking of energy and water consumption, as well as greenhouse gas emissions. Unfortunately, the Trump administration is considering elimination of the ENERGY STAR Portfolio Manager. This bill allows CEC to approve and use an alternative tool, whether or not the federal tool is available.