

## SENATE THIRD READING

SB 500 (Stern)

As Amended June 30, 2025

Majority vote

**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.

**Major Provisions****COMMENTS**

AB 802 (William), Chapter 590, Statutes of 2015 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.

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. 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. 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.

**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."

**Arguments in Support**

This bill is supported by the City of San Diego and the Natural Resources Defense Council. They argue that in the face of the federal government ending the Environmental Protection Agency's Energy Star program, the bill is necessary to maintain access to the energy efficiency data foundational to achieving the state's climate goals.

**Arguments in Opposition**

None on file for the current version of the bill.

**FISCAL COMMENTS**

According to the Assembly Committee on Appropriations predicts a onetime cost to CEC of 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.

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

**VOTES****SENATE FLOOR: 29-10-1**

**YES:** Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

**NO:** Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

**ABS, ABST OR NV:** Reyes

**ASM UTILITIES AND ENERGY: 18-0-0**

**YES:** Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

**ASM APPROPRIATIONS: 15-0-0**

**YES:** Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

**UPDATED**

VERSION: June 30, 2025

CONSULTANT: Kristen Koenig / U. & E. / (916) 319-2083

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