



QAQC Enhancements

Second Comment Period – Topics for Additional Feedback

April 23, 2024

Today's Speaker



Elliot Seibert

Implementation Manager

U.S. EPA ENERGY STAR
Residential Branch



Agenda

1. Refresher on proposed QAQC enhancements
2. Topics for additional feedback during 2nd period
3. Submitting comments & next steps

Refresher on Original Proposal



Context

- Recent compliance matters suggest opportunity for improvement.
- Greater scrutiny due to 45L, with IRS now directly relying on ENERGY STAR certifications.
- To enhance confidence in certification quality, the EPA proposed a set of QAQC enhancements; 1st comment period from Dec. 2023 to Feb. 2024.
- Approach: make current activities more effective, harness digital technology, and give HCOs new oversight tools.
- The EPA defines high-level requirements in the “ENERGY STAR Certification System”; HCOs propose specific implementation details that make sense for their system.



Proposed Elements

- Digitized checklist collection
- On-site Rater photo collection
- Review of photos/checklists during 10% File Review
- New layer of HCO direct File Review (<1%)

- Comprehensive data validations
- Printing certificates exclusively through software
- Reframing Field Evaluations as a “Skills and Knowledge” check
- Requirement that builders facilitate HCO site visits, as warranted

Finding Documents from 1st Comment Period

ENERGY STAR Find Products Save at Home New Homes Commercial Buildings Industrial Plants

Home > Partner Resources > Resources For Residential New Construction Partners > Program Requirements > Archives

Residential New Construction

Program Requirements

Single Family Homes

Multifamily Buildings

Manufactured Homes

ENERGY STAR NextGen

Policy Record

Stakeholder Feedback

Archives

MULTIFAMILY HISTORICAL DOCUMENTS ANNOUNCEMENTS **STAKEHOLDER FEEDBACK**

This page contains program documents that were previously available for stakeholder feedback, along with stakeholder comments, EPA's response to comments, finalized policy announcements, and associated materials, posted in reverse chronological order.

- [ENERGY STAR Certification System Quality Assurance and Quality Control Enhancements](#)
- [ENERGY STAR Specific...](#)

ENERGY STAR Certification System Quality Assurance and Quality Control Enhancements

EPA is proposing enhancements to the ENERGY STAR Certification System designed to improve the effectiveness of current QA/QC activities, give HCOs new tools to oversee participants operating in their ENERGY STAR certification programs, and ultimately create more confidence in the quality of ENERGY STAR certifications. New measures will impact partners' verification workflow, including centralized photo collection, digital checklist retention, printing of labels and certificates exclusively through approved software, and a threshold amount of QA review being performed directly by Home Certification Organization (HCO) personnel.

Resources Available During First Comment Period (12/11/2023 - 02/09/2024*)

*Extended from original 01/19/2024 deadline. Note that this change is not reflected in the linked documents below.

- [Email Announcing Comment Period for Proposed QA/QC Enhancements](#) (PDF, 221 KB)
- [Email Announcing Extended Comment Period for Proposed QA/QC Enhancements](#) (PDF, 189 KB)
- [Stakeholder Feedback Form](#) (WORD, 150 KB) - Please use this form to submit comments no later than February 9, 2024.
- [ENERGY STAR QA/QC Enhancements - Companion Document](#) (PDF, 153 KB)
- [Draft Redline ENERGY STAR Certification System](#) (PDF, 906 KB)
- [Webinar on the Proposed QA/QC Enhancements](#) (PDF, 629 KB) - EPA held a webinar on December 11, 2023 to introduce the proposed QA/QC enhancements, explain the comment period process; and answer questions.

energystar.gov/partner_resources/residential_new/program_reqs/program_reqs_archives



Topics for Additional Feedback

Second comment period open now through May 10th



- 1. Revised** – Require most critical elements of quality control prior to certification, but streamline review scope to allow short turnaround.
- 2. Revised** – Higher rate of HCO direct file review, but with an introductory ramp-up schedule.
- 3. New** – Differentiated credentials to perform quality control reviews for the SFNH and MFNC.

Topic 1:

Quality Control File Review Before Certification



Topic 1: QC File Review Before Certification

- Proposition: Requiring QC File Review before certification avoids discovering irresolvable deficiencies after certificate is distributed.
- Industry expectations provide only a few days for the ENERGY STAR certificate to be issued following final inspection.
- Opinions varied, but were generally skeptical on completing QC review before certification. Challenges driven by staff availability and high effort required for 'full' review and follow-up.

Topic 1: QC File Review Before Certification

Energy Model Review

- Requires most effort.
- Less likely to lead to irresolvable deficiency.
- Risk of significant decertification issues is relatively low (though needs to be monitored over time)

Photo and Checklist Review

- Requires less time/effort.
- Likely to result in detection of previously undiscovered issues.
- Deficiencies likely to be irresolvable.

Topic 1: QC File Review Before Certification

Revised Proposal:

- Break review into two stages:
 - Stage 1: Review of new photo/checklist elements, pre-certification.
 - Stage 2: Energy modeling review, which can stay as-is (w/in following quarter)
- Stages concept applies at both standard 10% file review, and new direct HCO File Review (<1%)

'Stage 1' - ENERGY STAR QC Checklist File Review (Required Pre-Certification)

What: QC reviewers would ensure the program's Rater checklists are complete and review individual checklist items when software flags a validation warning or when an exemption or alternative is used. In addition, QC reviewers would examine approximately 10-15 photos to ensure consistency with program requirements.

When: This stage would be mandatory prior to certification for the subset of homes selected for review.

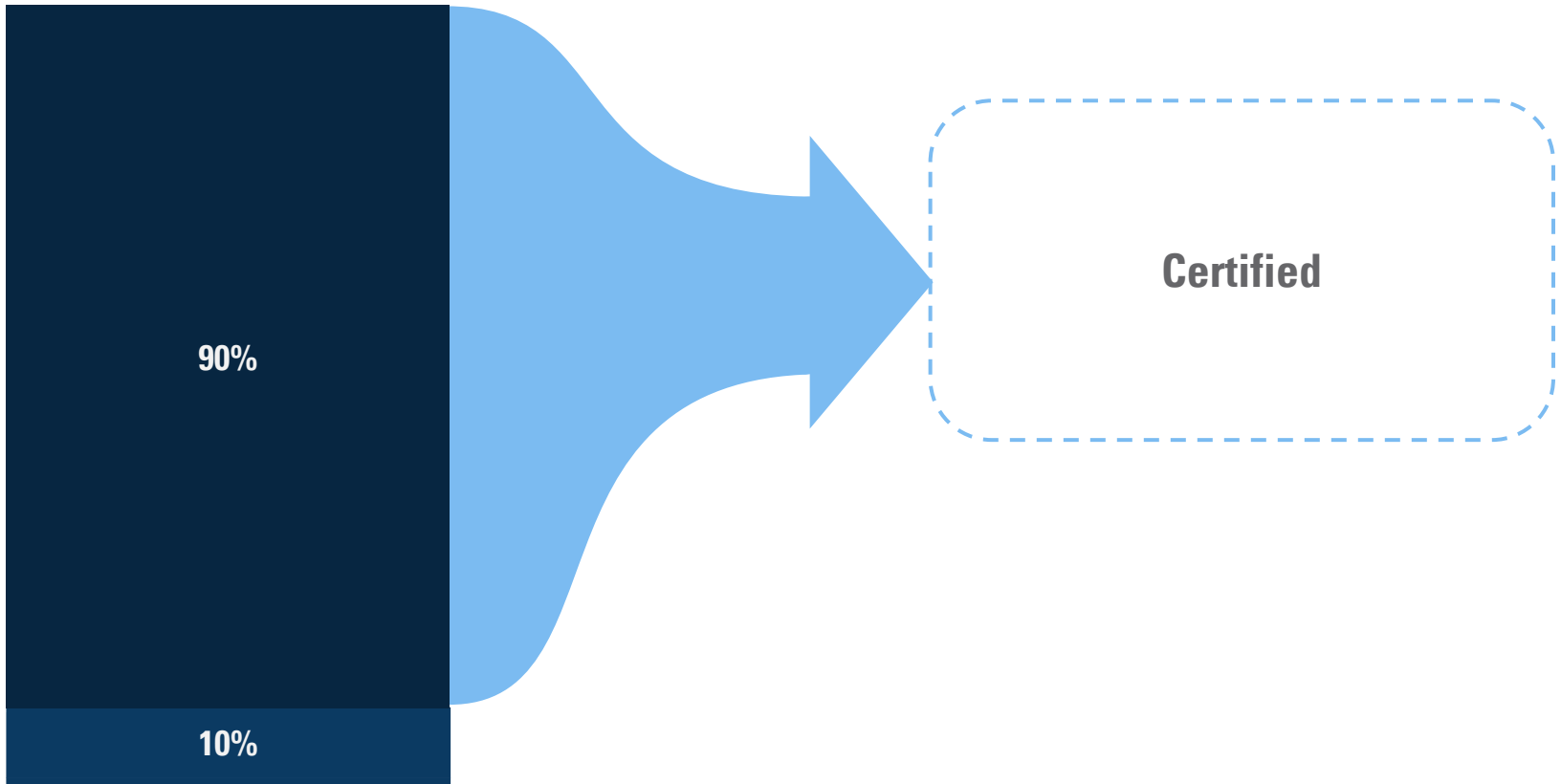
How: QC reviewers would complete an updated, significantly streamlined ENERGY STAR Quality Control and Certification Review Checklist (ENERGY STAR QC Checklist).

'Stage 2' - Energy Rating File Review (Allowed Post-Certification)

What: As today, QC reviewers would assess the overall energy rating, centered on the energy model inputs.

When: The timing of this stage would remain as-is, with the review potentially occurring up to one calendar quarter after a rating is registered in the HCO database.

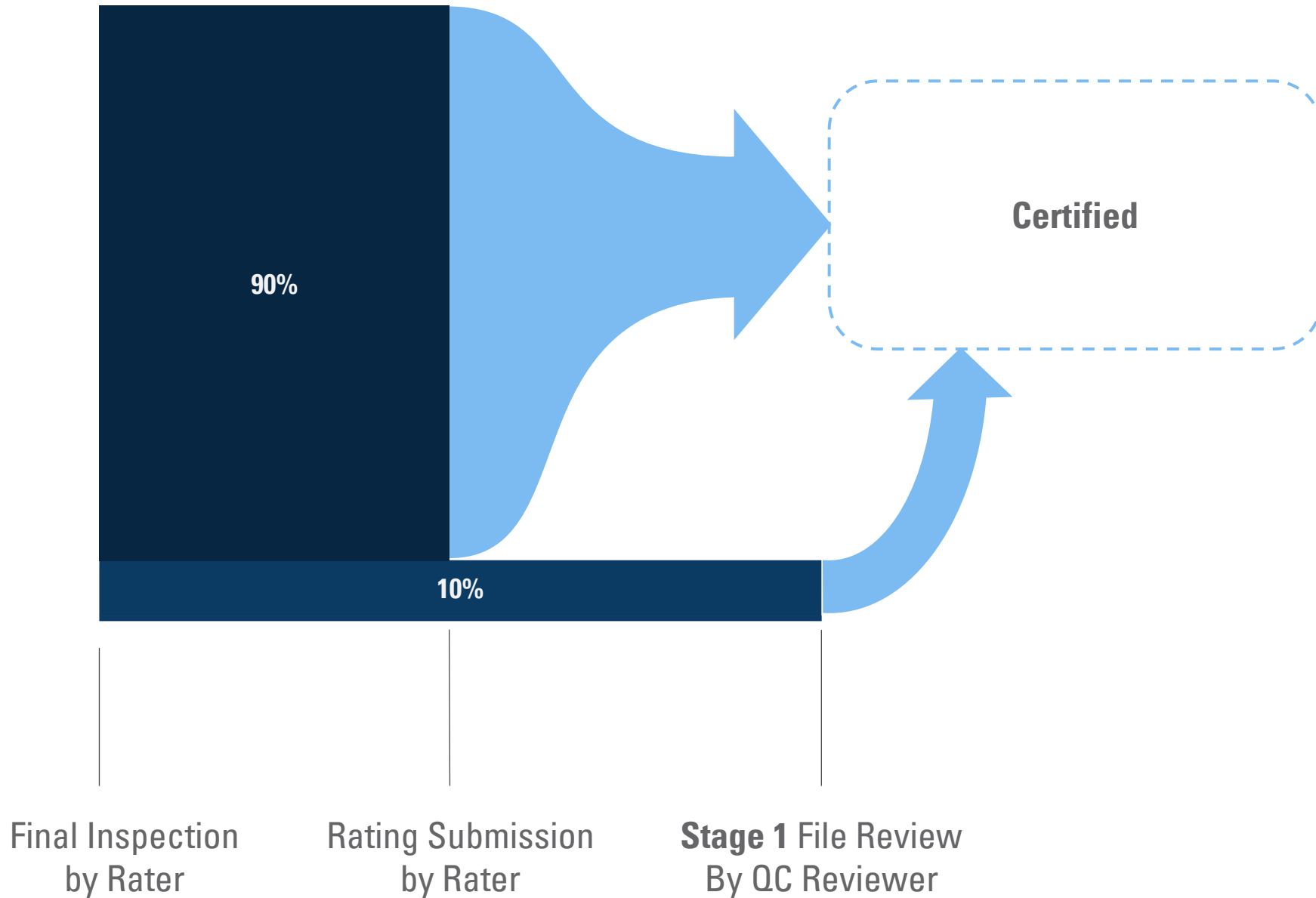
How: Again, as today, QC reviewers would assess the energy model and supporting documentation for compliance with the referenced standards (e.g., ANSI 301, ANSI 310, and ANSI 380) using an HCO-developed checklist.

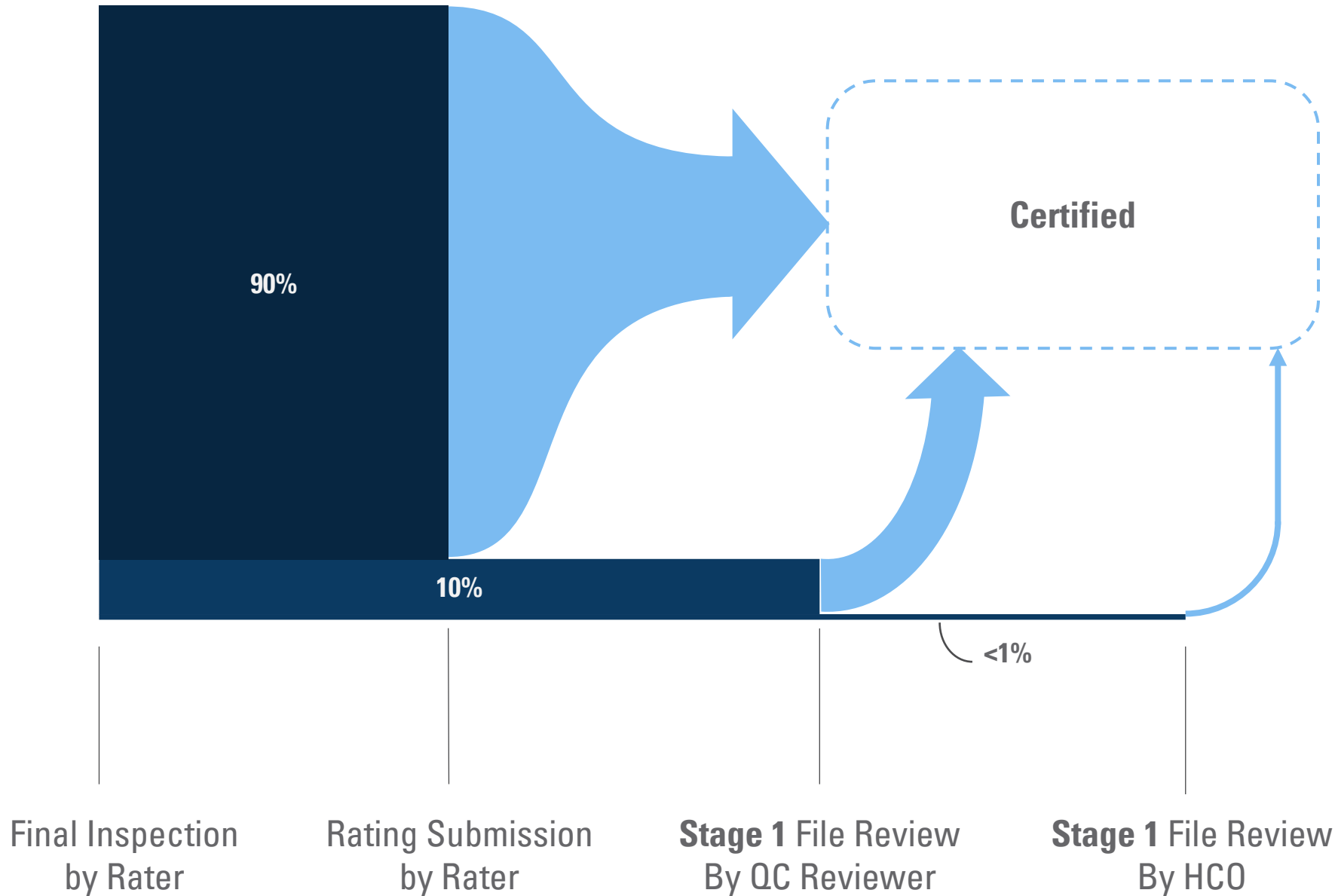


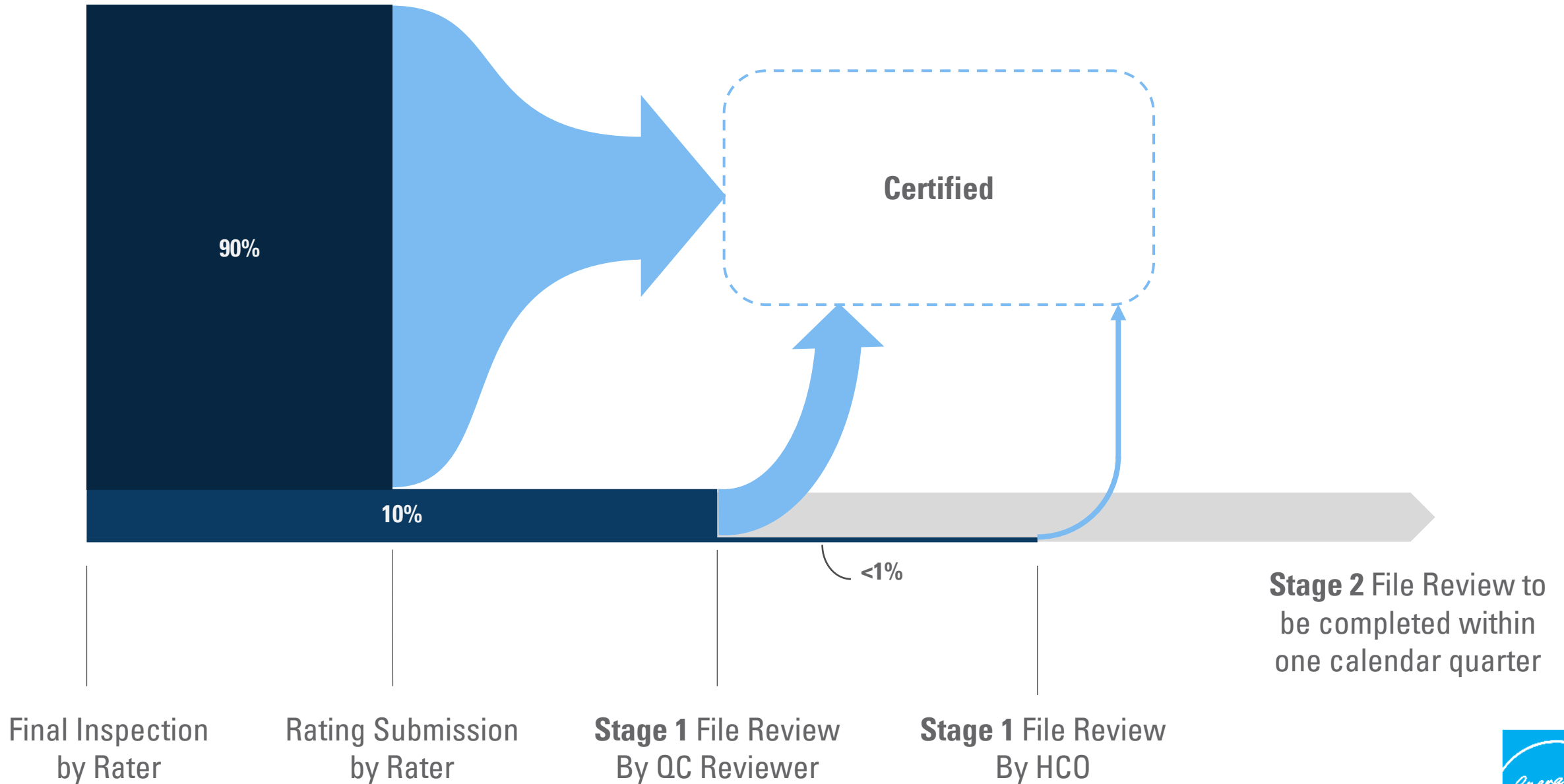
Final Inspection
by Rater

Rating Submission
by Rater









Topic 1: QC File Review Before Certification

- Summary of timing:
 - 90% not selected, certified immediately
 - 99% certified after 10% File Review by QC Reviewer
 - 100% certified after <1% File Review by HCO personnel
- The EPA will do what it can to minimize disruption and, for example, is actively coordinating with Fannie Mae re: Green MBS timing.
- There will be friction with existing marketplace expectations.
- Nevertheless, the EPA believes that status quo does not serve needs of itself, its partners, nor other stakeholders; seeks partners' feedback and support.

Topic 2

Rate of HCO Direct File Review



Topic 2: Rate of HCO Direct File Review

- In 1st comment period, the EPA proposed HCO direct file review on 0.5% of ENERGY STAR certifications.
- **Revised Proposal**: 1%, but with 5-year ramp-up:

- The rate of HCO direct review shall adhere to the following schedule by calendar year:
 - 2025 and 2026: 1 in 400 homes (0.25%)
 - 2027 and 2028: 1 in 200 homes (0.5%)
 - 2029 and beyond: 1 in 100 homes (1%)

Topic 3:

Differentiated SFNH/MFNC Credentials for QC Reviewers



Topic 3: Differentiated SFNH/MFNC Credentials for QC Reviewers

- During 1st period, commenters noted that the ENERGY STAR Multifamily New Construction (MFNC) requires that QC Reviewers have specialized skills and knowledge.
- The EPA agrees, which is why there are differentiated Rater credentials for single-family (SFNH) and multifamily (MFNC) programs.



Topic 3: Differentiated SFNH/MFNC Credentials for QC Reviewers

New Proposal:

- EPA now proposes differentiated SFNH/MFNC credentials for QC Reviewers.
- Minimum requirement is the respective Rater training.
 - HCOs are welcome to propose more; new training content expected over time.
- For SFNH, this closes a loophole to mandate standard 'v3 training.'
- Some QC Reviewers lack MFNC rater training, so this would be a new cost.
- Not required to maintain both SFNH and MFNC QC Reviewer credentials; but it affects which projects one can review.



Submitting Comments & Next Steps



Submitting Comments

- Second comment period is open now and ends on May 10th, 2024. Comments are welcome specifically on these three topics.
 - Comments are solicited on these three additional topics, specifically.
 - Visit the ENERGY STAR website for:
 - “Companion Document” is the detailed explanation
 - **Please use the Word DOCX form to submit comments**
- energystar.gov/partner_resources/residential_new/stakeholder_feedback



Residential New Construction

Program Requirements

Single Family Homes

Multifamily Buildings

Manufactured Homes

ENERGY STAR NextGen

Policy Record

Stakeholder Feedback

Archives

EPA Policies and Temporary Allowances for the ENERGY STAR and Indoor airPLUS New Construction Programs related to COVID-19

About Us

Working with ENERGY STAR

Marketing Resources for Partners

Educational Resources

Partner Locator

Tools & Resources

Related Programs

Home Buyer Information

Program Documents Available for Stakeholder Feedback

Program documents currently available for stakeholder feedback are shown below in reverse chronological order. Program documents previously available for stakeholder feedback are posted in the Stakeholder Feedback tab in the [Archives](#).

ENERGY STAR Certification System Quality Assurance and Quality Control Enhancements

The EPA is proposing enhancements to the ENERGY STAR Certification System designed to improve the effectiveness of current QAQC activities, give HCOs new tools to oversee participants operating in their ENERGY STAR certification programs, and ultimately create more confidence in the quality of ENERGY STAR certifications.

A second comment period is now open to solicit additional stakeholder feedback on three specific topics detailed in the email announcement and companion document linked below. Following this, the EPA will release a combined response to all comments received during both the first and second periods.

To learn more, click [here](#) to register for a webinar on Tuesday, April 23rd from 3:30-4 PM ET.

Resources Available During Second Comment Period (04/15/2024 - 05/10/2024)

- [Email Announcing Second Comment Period for Proposed QAQC Enhancements](#) (PDF, 439.47 KB)
- [Stakeholder Feedback Form](#) (DOCX, 147.17 KB) - Please use this form to submit comments no later than May 10, 2024.
- [QAQC Enhancements - Companion Document for Second Comment Period](#) (PDF, 270.4 KB)

Details about the first comment period are available in the Stakeholder Feedback tab in the [Archives](#).

Next Steps

- Following this comment period, the EPA plans to release a unified response to all comments from both rounds and finalize the policy.
- Once finalized, HCOs will update their own policies and procedures and resubmit an application to EPA for approval.
- There will also be other enabling activities (Revision 14, 'Software Working Group, checklist data schema, etc.)
- HCOs will inform their participants (e.g., Raters) of changes and implementation timelines through normal standards update channels. Implementations likely to begin in 2024-2025 range.

Questions?

Elliot Seibert

Implementation Manager

US EPA ENERGY STAR

Residential Branch

Seibert.elliott@epa.gov

