

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



January 20, 2012

Dear HERS Provider:

SUBJECT: Energy Efficient Mortgages (EEM) – Request for your assistance in notifying HERS Raters

The U.S. Department of Housing and Urban Development (HUD) has posted a fact sheet on its website under the heading “Summary of State of California requirements affecting home energy ratings for Energy Efficiency Mortgages” – <http://portal.hud.gov/hudportal/HUD?src=/states/california/homeownership/energyeffmtg>. The fact sheet, which is titled “Information on Energy Assessments for Energy Efficiency Mortgages in California,” can be accessed directly at the following link – <http://portal.hud.gov/hudportal/documents/huddoc?id=fact-sheet-ca-energy.docx>. A copy of the HUD fact sheet is enclosed.

The fact sheet “provides important information on California requirements for residential energy ratings and raters and how these requirements are applied to FHA Energy Efficiency Mortgages in California” and “reminds home owners and purchasers, lenders, and other interested parties that all FHA Energy Efficiency Mortgages [EEMs] in California must use a certified HERS Whole House Home Energy Rater.”

To ensure compliance with the FHA EEM program, we request that you inform all Raters certified by your organization of the requirement that EEMs in California must be conducted by a certified Whole House Home Energy Rater. We recommend that you include the HUD fact sheet with such communications and ask that that you provide the Energy Commission with a copy of the communication used along with the individual name and contact information to those who were sent the communication. Thank you for your assistance.

If you have questions about this request, please contact Eurlyne Geiszler at Eurlyne.Geiszler@energy.ca.gov or (916) 654-4052.

Sincerely,

Original Signed By: _____
KAREN DOUGLAS
Commissioner

FACT SHEET: Information on Energy Assessments for Energy Efficient Mortgages in California

To: Homeowners and Home Purchasers, FHA Lenders, and Other Interested Parties

This Fact Sheet provides important information on California requirements for residential energy ratings and raters and how these requirements are applied to **FHA Energy Efficient Mortgages** in California.

The FHA Energy Efficiency Mortgage (EEM) program allows a borrower to finance up to 100 percent of the expense of a cost-effective “energy package” based on the analysis and recommendations of a qualified, third party home energy rater.

In California, the California Energy Commission has adopted regulations for the **California Home Energy Rating System (HERS) Program** that govern home energy rating services in California. The regulations require that Home Energy Ratings meet requirements set by the Commission, and that home energy evaluations be performed only by a HERS Rater who has been certified by an authorized agency in the State.

In September 2009, an expanded **California Home Energy Rating System Program (HERS II)** was adopted modifying the required scope of residential energy evaluations. Briefly, the HERS II regulations established a more comprehensive, whole-house, energy rating process for existing and newly constructed single-family homes and multifamily residential buildings of three stories or less.

This fact sheet reminds home owners and purchasers, lenders, and other interested parties that **all FHA Energy Efficiency Mortgages in California must use a certified HERS II Whole House Home Energy Rater.** Energy evaluations performed by non-certified rating services are prohibited in California.

Currently, the **California Energy Commission** has approved organizations to provide the required training and certification for whole-house, home energy raters in accordance with the State regulations. As of June 2011, there are over 200 certified Whole House Home Energy Raters in the state. A list of certified Whole House Home Energy Raters is available through the California Energy Commission’s Website at <http://www.energy.ca.gov/HERS/index.html>.

To ensure compliance with California's HERS II regulations, it is recommended that FHA Energy Efficiency Mortgages should include documentation demonstrating that a certified HERS II rater completed the HERS rating required under FHA Energy Efficiency Mortgages guidelines. This can be easily verified by checking for or requesting the CalCERTS HERS rater license number on the energy rating documents accompanying the loan.

For additional information, you may visit the California Energy Commission's HERS Website at: www.energy.ca.gov/HERS/index.html. You may also contact Helen Lam at (916) 651-3007 or hlam@energy.state.ca.us.