

AB 1103 Deadline Delayed by California Energy Commission

Last week the California Energy Commission released a Notice of Postponement of Enforcement notifying the public that the California Energy Commission would be suspending enforcement of the regulations promulgated under the Nonresidential Building Energy Use Disclosure Program until September 1, 2013. The new law originally scheduled to become effective July 1, 2013, generally requires that prior to the leasing, sale or finance of an entire commercial building, the landlord, seller or borrower is required to disclose certain energy use information. The same disclosure obligations will apply to buildings with a total gross floor area between 10,000 and 50,000 square feet beginning January 1, 2014, and for buildings between 5,000 and 10,000 square feet beginning July 1, 2014. More information about the new disclosure law can be found in our previous article *Important New Disclosure Laws Affecting Commercial Real Estate Transactions* Citing the fact that the ENERGY STAR Portfolio Manager Website will be unavailable for a period of time in late June and early July for site upgrades, as well as a delay in the ability of certain utility providers to provide energy use data, the California Energy Commission has advised that it will suspend enforcement of the Nonresidential Building Energy Use Disclosure regulations until September 1, 2013. However, the California Energy Commission still encourages the disclosures to be made “to the extent feasible.”

For more information, please see the Frequently Asked Questions published by the California Energy Commission, or contact Candy Harper or Heather Johnston, in our firm’s transactional real estate department.