

DOCKETED

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City of Encinitas

October 22, 2025

Ms. Anushka Raut, Air Pollution Specialist
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5514
Electronic Delivery to: LocalOrdinances@energy.ca.gov

Re: Application for Approval of Local Amendments to the California Energy Code

Dear Anushka:

Thank you for your letter regarding the CEC's review of the City of Encinitas' ordinance amending the 2025 Energy Code. The text below clarifies the calculation methodology used in the City's determination that the multifamily requirements are cost-effective.

The ordinance requires selecting only one measure but allows applicants to select from a larger list that includes cost-effective measures and other measures that were not found to be cost-effective in the studies, but may fit well with the proposed project. The water heating package measure is cost-effective.

The analysis in the memo "Application of the 2022 Studies to the 2025 Energy Code: Existing Single Family Building Upgrades" (FlexPath Memo) documents that the savings estimate for the measure remains identical to the previous study because it is focused on existing homes, which retain the same features and modeling assumptions. This is also true for multifamily buildings, resulting in the same savings estimate for the efficiency measure.

The FlexPath Memo provides an updated estimate of the costs for the water heating package measure in a single-family home, showing the measure remains highly cost-effective, yielding a benefit-to-cost ratio equal to 4.74, and a simple payback of 3.4 years.

In Climate Zone 7, the annual savings is approximately 17 therms in single family homes and 13 therms (76%) in multifamily dwelling units. Adjusting the utility cost savings consistent with the lower gas savings for multifamily increases the simple payback time for the measure from 3.4 to 4.3 years, well within the analysis lifetime. A conservative estimate to double the cost assumed in the FlexPath memo for the single-family home still yields a cost-effective result, with a simple payback of 8.6 years.

The Staff Report presented to Council notes the 2022 Cost-Effectiveness Study: Existing Single Family Building Upgrades (Attachment 5) and the FlexPath memo (Attachment 4) as the documents upon which the City relied upon to determine cost-

effectiveness for both the single family and multifamily requirements. The 2019 Cost Effectiveness Study: Existing Multifamily Residential Building Upgrades (published in 2022) is cited in Attachment 4 of the staff report as an additional reference to the original multifamily savings estimate.

If you have questions, please contact me at cnajera@encinitasca.gov or 760-943-2285.

Sincerely,

Crystal Najera

[Crystal Najera \(Oct 22, 2025 15:23:30 PDT\)](#)

Crystal Najera
Sustainability Manager


City of Encinitas Ord. 2025-11, 2019 Cost Effectiveness Study Response


Final Audit Report


2025-10-22


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