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Additional submitted attachment is included below.

SIERRA CLUB

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Via electronic submittal/e-commenting:
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California Energy Commission
Building Standards Office

Subject: Sierra Club Comments on the Staff Workshop on CALGreen (Docket #17-BSTD-01)

The Sierra Club appreciates the opportunity to provide these comments to the California Energy Commission on the 2019 Building Energy Efficiency Standards, as presented and discussed at the Staff Workshop on CALGreen on August 30, 2017.

I. Introduction

The Sierra Club supports the Commission's ongoing effort to achieve cost-effective energy savings and greenhouse gas emission reductions through the adoption of updates to the Title 24 Building Energy Efficiency Standards. We appreciate the significant amount of work that went into updates for the workshop on August 30, 2017.

CALGreen provides an important opportunity for cities and counties to adopt and demonstrate the feasibility of reach building codes. Local jurisdictions' experiences implementing reach building codes can help to inform the CEC's development of more advanced standards in future Title 24 code cycles. As such, the CEC should ensure that the 2019 CALGreen offers new transparent ways to measure greenhouse gas reductions. In order for local jurisdictions to adopt reach building codes that align with their climate action goals, it is important that the CEC include a societal cost of carbon (SCC) in reach building codes and CALGreen. Local jurisdictions and stakeholders have expressed the numerous limitations of time dependent valuation (TDV) in Title 24 workshops and comments in both the 2016 and 2019 code cycle. Allowing an additional metric, the societal cost of carbon, would allow cities and counties with the opportunity to design aggressive reach codes that achieve meaningful reductions in GHGs and energy use.

II. The Commission should include societal cost of carbon in CALGreen

As state agencies and local jurisdictions endeavor to implement California's aggressive and needed climate goals, it has become increasingly important that the CEC revisit and align the Building Energy Efficiency Standards with our overarching climate mandate. This is particularly true for the establishment of the 2019 CALGreen, as the reach building codes that are adopted and implemented can inform the development of more ambitious Standards in future code cycles, helping the state to achieve needed GHG reductions from the buildings sector.

A growing number of cities and counties across the state are stepping up to be leaders on climate and energy policies through the establishment of Climate Action Plans and interest in adopting reach building codes. In fact, achieving climate goals is the main driver of some cities and counties that pursue and/or adopt reach building codes. However, the current metric, time dependent valuation (TDV) that is used to determine building code compliance does not provide a transparent way to understand the GHG impact, or to design a reach building code with GHG reductions in mind. TDV is an energy cost metric, not a GHG metric or an energy metric. Among the numerous limitations with TDV, the GHG emissions of buildings is not visible with TDV, as this value gets overshadowed by the energy costs embedded in TDV.

Although CALGreen provides a pathway via tier three for local jurisdications to adopt ZNE reach codes, it does not establish a pathway for carbon neutral or "zero net carbon" buildings. While ZNE has its merits, it falls short of being zero net carbon as it does not compel a transition from gas appliances to high-efficiency electric appliances, or the self-utilization of rooftop solar with electric appliances or energy storage. ZNE in itself does not ensure that we reduce GHG emission from buildings to meet the state's climate goals. As cities and counties recognize some of these limitations with ZNE, they should be given the option to focus directly on GHG reductions in designing reach building codes, in attempt to get closer to carbon neutral buildings.

We anticipate that as cities and counties experience the impacts of climate change across the state, more local jurisdictions will be motivated to lead the state by adopting reach codes focused on carbon neutrality, rather than ZNE. In order to do so, a greenhouse gas metric needs to be front and center in CALGreen.

We were pleased to hear at the April 20th ZNE workshop that CEC was considering offering an option in CBECC-Res to account for a societal cost of carbon. As the CPUC, CARB, and other government agencies are coming to recognize, the SCC provides a unique way to quantify the diverse societal costs of GHG emissions. There is a large body of literature on SCC

and different values based on the estimated costs to mitigate and adapt to climate change.[1,2,3] As such, rather than the CEC determining what the appropriate SCC is for an entire code cycle, we recommend the CEC allow local jurisdictions to determine the right SCC in CALGreen for their locality. Further, we urge the CEC to allow cities and counties to adopt reach codes based on a SCC to comply with both Parts 6 and 11 of the building code. We hope SCC will be a component of future CEC workshops and reports for the 2019 code cycle, and that the CEC will solicit public input on how to better align the Title 24 with state climate goals.

III. Conclusion

Thank you for your consideration of the concerns raised in these comments. We would welcome the opportunity to discuss any of these issues further.

Dated: September 15, 2017

Respectfully submitted,

/s/

Rachel Golden
Senior Campaign Representative
Sierra Club
2101 Webster Street, Suite 1300
Oakland, California 94612
Telephone: (415) 977-5647
Email: Rachel.golden@sierraclub.org

[1] Anthoff, D. and Toll, R.S.J. 2013. The uncertainty about the social cost of carbon: a decomposition analysis using FUND. Climactic Change 117: 515-530

[2] 4 Interagency Working Group on Social Cost of Carbon, "Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis" (Revised July 2015). Available at https://www.whitehouse.gov/sites/default/files/omb/inforeg/scc-tsd-final-july-2015.pdf

[3] The three models are the Dynamic Integrated Climate-Economy (DICE) model, the Climate Framework for Uncertainty, Negotiation and Distribution (FUND) model, and the Policy Analysis of the Greenhouse Effect (PAGE) model.