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**Urgently align CEC and CPUC codes and regulations to California's
GHG goals--renewable gas route equals stranded asset**

Additional submitted attachment is included below.

350 Bay Area appreciates the opportunity to comment for the 2019 IEPR on the CEC and the CPUC's building decarbonization strategies. 350 Bay Area is a non-profit, volunteer organization working for deep reductions in carbon emissions in the Bay Area and beyond. Founded in 2012, 350 Bay Area now represents more than 15,000 people, primarily concentrated in the nine Bay Area counties.

We applaud the leadership of Commissioner McAllister and Pres. Picker in articulating a vision to reduce emissions from California's building stock but the urgency of the climate crisis requires an accelerated implementation of this vision.

Specifically we recommend:

1) "Renewable gas" is not a way forward. The CEC should disregard the misleading comments from Southern California Gas at the April 2019 workshop based on the inaccurate Navigant model. The CEC's Integrated Energy Policy Report and other academic and industry studies have concluded that biomethane should play an insignificant role in building energy. Biomethane could at best replace 4% of CA buildings' gas use, leaving no biomethane resources for sectors that are harder to electrify. Moreover, biomethane has the same air quality, leakage, and safety risks as conventional gas. The CEC and CPUC should repudiate the counter-productive self-interested push to consider "renewable gas" for building energy needs.

2) "No gas infrastructure for new construction" should be California's default policy, with any exception requiring justification. Concern about "stranded assets" should result in avoiding future stranded assets by accelerating building decarbonization. The workshop raised concerns about how to appropriately compensate investor-owned utilities for stranded gas asset investments; we recommend that any economic analysis used to assess stranded assets also incorporate the well recognized risk to health and climate from gas combustion, and the current ongoing externalization of these costs on California residents.

3) Maximize energy efficiency. Because building decarbonization and electrification of transportation are likely to increase grid demand, policies to incentivize energy conservation and energy efficiency **first** should continue. In addition, program incentives to contractors, distributors, or consumers should require that appliances meet a substantial threshold efficiency, and should incorporate higher incentives for higher efficiency appliances such as heat pump water heaters and heat pump-HVAC's

4) Immediately align CEC and CPUC codes and regulations to be compatible with California's building decarbonization vision. How much longer will it take for the agency codes and regulations to reflect California's climate objectives, the urgency of the climate crisis, and the 2018 IEPR vision? We suggest an accelerated process to incorporate the carbon and health costs of gas, which have been quantified in the CPUC IRP and IDER proceedings, as well as the costs of gas infra-structure in buildings, into relevant areas of title 24, Time-Dependent Valuation, and incentive programs which prevent fuel switching. (see avoiding stranded assets, #2 above)

5) Assure investment in worker retraining and equity strategies for low income households. The results from the E3 building decarbonization study presented at the April 2019 workshop suggest that incentives directed toward high-efficiency all electric homes will yield savings in ongoing energy costs which would

be of particular importance to low income families, who spent a greater portion of their income on energy costs.