

DOCKETED

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Comments Responding to August 27TH IEPR Workshop on Energy Efficiency and Building Decarbonization By APGA

Additional submitted attachment is included below.

**Comments Responding to August 27TH IEPR Joint Agency Workshop on
Energy Efficiency and Building Decarbonization
By the American Public Gas Association (APGA)
Docket #: 19-IEPR-06
Project Title: Energy Efficiency and Building Decarbonization**

I. Introduction

The American Public Gas Association (APGA or “Association”) submits comments to the Docket No. 19-IEPR-06 in response to the August 27th workshop, titled “IEPR Joint Agency Workshop on Energy Efficiency and Building Decarbonization.”

II. Comments

The American Public Gas Association (APGA or “Association”), an interested party, wishes to provide comments in response to the August 27th workshop, titled “IEPR Joint Agency Workshop on Energy Efficiency and Building Decarbonization.” APGA represents the interests of approximately 1,000 public gas systems in 37 states, including several in California. APGA members are retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that own and operate natural gas distribution facilities in their communities. Public gas systems exist to provide safe, reliable, and affordable natural gas service to their customers. APGA members serve their communities in many ways. They deliver natural gas to be used for cooking, cleaning, and space and water heating, as well as for various commercial and industrial applications.

APGA highlights a few key points regarding the Energy Efficiency and Building Decarbonization plan below, but at the outset, would like to address the central issue present in this effort. APGA members recognize the importance of being good stewards of our environment and supporting sound policies achieving that aim. However, such policies must not jeopardize the affordability and reliability of any state’s energy system. By forcing consumers to fuel-switch to a single end-use technology (that is, electricity) rather than focusing on greenhouse gas (GHG) emissions reduction, policy-makers will threaten energy affordability and grid reliability. Natural gas, renewable natural gas, and the existing pipeline infrastructure can play a significant role in California’s achieving the goals of Senate Bill (SB) 1477. There are

incredibly efficient natural gas appliances for residential applications that can achieve GHG emissions reductions and utility bill savings. The direct use of natural gas in America's homes and businesses achieves 91% energy efficiency. Comparatively, converting natural gas into electricity and then transporting it to the consumer provides only 36% of usable energy.¹ Compelling consumers to eliminate their natural gas appliances is therefore a terrible policy choice.

Alternative energy will not be available in the foreseeable future to generate American's electricity needs. The same is true in California unless it deprives such sources from other states. Furthermore, reliance on solar, wind, and battery storage means Californians would be dependent on mining operations in foreign countries, many of which utilize exploitive and unsafe labor practices. Natural gas should be a part of any of California's efforts to meet the objectives of SB 1477. As well, APGA supports renewable natural gas technology and energy storage through electrolysis. Where are these in California's plans? APGA urges the state of California to consider the benefits of natural gas direct use and maintaining energy end-use diversity, as it aims to provide all its citizens reliable and affordable energy in an environmentally-sustainable way.

Below are specific concerns with the proposed plan, which were presented by Rory Cox (California Public Utility Commission, CPUC) and Tiffany Mateo (California Energy Commission, CEC). The slide numbers referenced are based on the file found CEC's website.²

- If the metrics required by SB 1477 are focused on GHG emissions and utility bill savings per slide 4, why are natural gas appliances not even considered? Slide 5 of this same presentation says the BUILD program is focused on "all-electric new construction."
- Similarly, slide 6 only lists the following as "Clean Heating Technologies: "Electric space and water heat pumps, Solar hot water with electric backup, Heat pump dryers (BUILD only), and Induction cooktops (BUILD only)." APGA would argue that natural gas appliances can achieve energy efficiencies, with significantly less impact on consumers.

¹ AGA, "Natural Gas Safety, Resilience, Innovation, 2019 Playbook," <http://playbook.aga.org/#p=50>.

² https://ww2.energy.ca.gov/2019_energypolicy/documents/2019-08-27_workshop/2019-08-27_presentations.php

- Slide 7 details some of the direction given to the TECH program per SB 1477. Is renewable natural gas not an energy source that should be considered if the state's goal is to achieve its greenhouse gas emissions reduction goals?
- Slide 10 provides the roles of the supply chain for the TECH program. APGA would argue that there is forced fuel switching in the responsibilities for distributors if they are to offer sales and marketing for electric appliances. This would eliminate consumer choice.
- On slide 12, it is noted that the proceeding will have a focus on new construction in wildfire recovery areas. APGA would like to highlight the resiliency aspect of natural gas, given its underground construction, as well as abundant availability domestically.

III. Conclusion

APGA hopes these comments will be taken into consideration, as the CPUC and CEC work to implement SB 1477.

Dated: September 10, 2019

Respectfully submitted,



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