DOCKETED	
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### Nov 19, 2024 - BUILD Workshop Audio Transcript

There are 336 lines of dialogue, over the span of 53 minutes and 20 seconds.

#### 1

### 00:00:11.746 --> 00:00:25.996

Camille Remy-Obad: My name is Camille Remy-Obad. I am the supervisor of the Building Initiative for Low-Emissions Development Program, or in its shortened form, the BUILD Program, here at the Energy Commission. It's my pleasure to welcome you to this workshop for the Draft Second Edition of the BUILD Guidelines. I am joined by several of my team members today, whom will be turning on their cameras and we'll be introducing along the way.

#### 2

00:00:26.406 --> 00:00:38.775

Camille Remy-Obad: We are very excited to have you here this morning to discuss these draft guideline modifications, which reflect adjustments that we've made due to stakeholder feedback or to regulatory updates.

### 3

00:00:38.996 --> 00:00:45.006

Camille Remy-Obad: The second edition of the guidelines were posted to the docket on November 14th.

#### 4

00:00:45.106 --> 00:00:50.585

Camille Remy-Obad: And we're requesting public comments through Tuesday, December 3rd.

# 5

00:00:50.966 --> 00:00:56.135 Camille Remy-Obad: Most importantly, I'd like to thank you very much for your engagement in this process.

# 6

00:00:56.656 --> 00:01:04.135 Camille Remy-Obad: Your continued feedback is very important to us to ensure that the guidelines can accommodate industry constraints.

7

00:01:04.716 --> 00:01:07.916 Camille Remy-Obad: Next slide, please. 8 00:01:12.846 --> 00:01:15.045 Camille Remy-Obad: Okay, little bit for logistics:

9

00:01:20.198 --> 00:01:24.475 Camille Remy-Obad: This presentation is being recorded.

10

00:01:24.516 --> 00:01:44.706

Camille Remy-Obad: and a transcript will be provided and posted to the CEC website. We again, we do welcome either your... we'll be going over how you can comment either in person or via written comments. So we'll be covering both of those.

11

00:01:45.053 --> 00:02:02.406

Camille Remy-Obad: If there are any Zoom issues, you'll notice on this slide there is a place to contact about Zoom issues. And if anything does go catastrophically wrong in terms of Zoom, we will also post information for ...resuming either the meeting at another time, or rescheduling so...

12

00:02:02.546 --> 00:02:05.625 Camille Remy-Obad: ...just quickly on that. Next slide, please.

13

00:02:07.636 --> 00:02:08.581 Camille Remy-Obad: Okay, uhm...

# 14

00:02:10.206 --> 00:02:37.356

Camille Remy-Obad: So, as mentioned here, the webinar is entirely remote via Zoom. Everyone will be muted during the presentation (but after the staff presentations there will be an opportunity to clarify questions (for clarifying questions, I'm sorry), and for public comments. To ask a question or to provide a comment, please use the raise hand feature on the Zoom application to be called to speak.

15

00:02:37.536 --> 00:02:45.025

Camille Remy-Obad: When you speak, please provide your name and affiliation, It is helpful for us in terms of keeping track of comments.

00:02:45.116 --> 00:02:54.656

Camille Remy-Obad: If you call in by phone, you will need to need the dial to star 9 to raise your hand and star 6 to unmute yourself.

### 17

00:02:54.816 --> 00:03:01.415

Camille Remy-Obad: We're asking folks to please limit their limit their comments to about 3 minutes to allow all interested parties to participate.

18

00:03:01.896 --> 00:03:08.825

Camille Remy-Obad: There is also a Q&A window in the Zoom application, which you can use to type your questions.

### 19

00:03:08.856 --> 00:03:24.105

Camille Remy-Obad: If you want to comment but are unable to raise your hand in the Zoom application or by phone then use the public comment portion of the workshop. Or you may be able to type in right into the Q&A window and we'll read it out loud.

# 20

00:03:24.526 --> 00:03:34.086

Camille Remy-Obad: If your question will be addressed in a future section, we may hold your question until later, because we think it might be addressed at that point in time.

21

00:03:36.596 --> 00:03:38.246 Camille Remy-Obad: ...alrighty.

# 22

00:03:40.766 --> 00:03:47.036

Camille Remy-Obad: And then, just, please remember that folks will stay muted until you're called on to speak.

# 23

00:03:47.156 --> 00:03:53.116

Camille Remy-Obad: Also written comments again (just to reemphasize); we are asking that they be submitted by December 3rd.

# 24

00:03:53.536 --> 00:04:06.086

Camille Remy-Obad: And the other thing I just want to let you know is there is an ecommenting system that is accessible by our BUILD website...

00:04:06.096 --> 00:04:14.895

Camille Remy-Obad: ...as is the ability to subscribe for more information on BUILD, and that'll be touched on a subsequent slide: Slide 8. So more to come on that.

### 26

00:04:15.126 --> 00:04:16.335 Camille Remy-Obad: Next slide, please.

### 27

00:04:20.680 --> 00:04:29.801 Camille Remy-Obad: This slide just provides a quick agenda for today's workshop. As I previously mentioned, we will be...

### 28

00:04:31.096 --> 00:04:41.105

Camille Remy-Obad: ...taking pauses after any of the sections that have to do with the guideline revisions. So there'll be time for people to make comments there.

### 29

### 00:04:41.246 --> 00:04:59.306

Camille Remy-Obad: We'll start out with just a program overview; Marites will be providing that. Then Adriana Dominguez will be providing information on the eligibility requirements and the incentive structure, program participation, and funding updates...

# 30

00:04:59.723 --> 00:05:07.185

Camille Remy-Obad: ...and touching on a little bit of (since we have you here) touching on some of the application and compliance issues that we've run into.

#### 31

# 00:05:07.436 --> 00:05:26.146

Camille Remy-Obad: Next, we will go take a deeper dive into specifically the proposed guideline revisions. And a discussion of those will be offered at the end of each of those. And then we will do our formal public comment period: Talk a little bit about next steps and have our closing remarks.

#### 32

# 00:05:26.496 --> 00:05:37.115

Camille Remy-Obad: At this time, I'd like to introduce Marites Antonio; she's our program lead for the BUILD Guideline update. And she'll provide a brief overview of the BUILD Program.

00:05:41.226 --> 00:05:42.496 Marites Antonio: Good morning, everyone.

### 34

00:05:42.676 --> 00:05:45.196 Marites Antonio: I'm Marites Antonio and I'll go over

### 35

00:05:45.456 --> 00:05:51.456 Marites Antonio: the BUILD Program, background, eligibility requirements and incentive structure.

# 36

00:05:51.606 --> 00:06:06.935

Marites Antonio: So the BUILD Program evolved from SB 1477 legislation, promoting heat pump distribution to a pilot program, focused on transforming the market by incentivizing near-zero residential technologies...

# 37

00:06:07.006 --> 00:06:11.025 Marites Antonio: ...and efficiency measures for low-income residential buildings.

#### 38

00:06:11.176 --> 00:06:19.046 Marites Antonio: For the next several slides we'll review the BUILD participation requirements for anyone new to the program. Next slide, please.

#### 39

00:06:20.646 --> 00:06:28.035 Marites Antonio: Administered by the California Energy Commission in collaboration with the California Public Utilities Commission.

# 40

00:06:28.086 --> 00:06:38.015

Marites Antonio: BUILD is a residential building decarbonization program that provides incentives and technical assistance to support the adoption of all-electric...

#### 41

00:06:38.906 --> 00:06:42.985 Marites Antonio: ...building technologies in new low income, residential buildings.

00:06:43.156 --> 00:06:51.936

Marites Antonio: BUILD makes clean energy technologies accessible to affordable housing developments to benefit low-income Californians.

### 43

00:06:52.356 --> 00:07:20.215

Marites Antonio: BUILD incentives are based on the additional reduction of greenhouse gas emissions achieved primarily through the electrification of water and space conditioning systems to ensure the program reduces Ghg emissions while providing utility cost savings for occupants. Staff developed the BUILD program guidelines that include a methodology to evaluate a project's all electric design.

### 44

00:07:20.296 --> 00:07:24.806 Marites Antonio: BUILD Staff, also developed incentive calculators that estimate

# 45

00:07:24.866 --> 00:07:31.595 Marites Antonio: the GHG reduction value, and thus the resulting of an electric, an allelectric project

### 46

00:07:31.916 --> 00:07:37.185

Marites Antonio: when compared to the GHG emissions of a similar mixed fuel residential building.

# 47

00:07:37.646 --> 00:07:50.925

Marites Antonio: So BUILD Staff, recognize the challenge of low, of the low income housing market and the added complexity of all electric building contractions. So the program is designed to be flexible.

# 48

00:07:51.026 --> 00:08:01.186 Marites Antonio: As I'll touch on subsequent slides. The BUILD Program offers free technical assistance extended reservation periods

#### 49

00:08:01.316 --> 00:08:14.035

Marites Antonio: and incentive progress payments for costs incurred throughout the process of planning and constructing an all, an eligible, all electric building for Noteworthy program benefits

00:08:14.036 --> 00:08:36.585

Marites Antonio: for developers to consider. There's a total of 2 million dollars in incentives for applicant or developer to install near zero all electric building technologies and efficiency measures. There's up to 300 hours of no cost technical assistance to aid in design and installation of these technologies.

51 00:08:36.716 --> 00:08:38.656 Marites Antonio: and a special

#### 52

00:08:38.896 --> 00:08:56.955

Marites Antonio: New Adopter Incentive award up to \$100,000 for eligible applicants, building their first, all electric residential project of 10 units or more. And then there's the ability to layer BUILD funds with other housing or efficiency programs and incentives.

53 00:08:57.076 --> 00:08:59.005 Marites Antonio: Next slide, please.

#### 54

00:09:02.221 --> 00:09:11.396

Marites Antonio: Here's the allocation breakdown of BUILD Program funding, including a percentage breakdown by IOU territory as a pilot program

# 55

00:09:11.656 --> 00:09:22.056

Marites Antonio: BUILD was allocated 80 million dollars, of which 60 million is budgeted for incentives. The majority of the funding comes from SoCal

# 56

00:09:22.366 --> 00:09:33.965 Marites Antonio: SoCal Gas and PG&E. The 2 gas corporations serving the wider population of the State, then followed by San Diego Gas and Electric, then Southwest Gas.

# 57

00:09:34.466 --> 00:09:40.295 Marites Antonio: the unspent funds remaining, as of July 1, 2033

#### 58

00:09:40.326 --> 00:09:45.595 Marites Antonio: will be returned to the rate payers of the respective gas corporations. 59 00:09:46.538 --> 00:09:48.076 Marites Antonio: Next slide, please.

### 60

00:09:51.626 --> 00:10:11.625

Marites Antonio: So before discussing the proposed revisions to the BUILD Guidelines, we'd like to take this opportunity to do a quick review of the program. We also encourage you to check fact sheets, program guidelines and the BUILD GIS on our website on this slide. We've included snippets of the materials you'll find

61

00:10:11.676 --> 00:10:24.016

Marites Antonio: on the website, for example, you'd see the BUILD GIS tool which provides data like number of projects approved by Iowa territory, and then the links to the BUILD docket and subscription list

62

00:10:24.796 --> 00:10:26.226 Marites Antonio: Next slide, please.

#### 63

00:10:29.836 --> 00:10:32.846 Marites Antonio: and well done. Let's launch on an eligibility.

# 64

00:10:32.896 --> 00:10:47.745

Marites Antonio: So the BUILD incentives are available to any public nonprofit or private developers, with at least 5 years of experience of deed, restricted low income housing development, eligible applicants must also have

65

00:10:48.176 --> 00:11:07.206

Marites Antonio: have received at least one certificate of occupancy for an affordable housing project. here in California eligible projects are new low income. residential buildings must be all electric, not mixed fuel and demonstrate modeled resident utility cost savings.

66

00:11:07.506 --> 00:11:15.885

Marites Antonio: The projects must also be located in the specific gas territories shown earlier, including tribal areas. Next slide.

00:11:19.521 --> 00:11:22.706 Marites Antonio: So of the 80 million dollars building

#### 68

00:11:22.776 --> 00:11:34.545

Marites Antonio: program budget, at least 60 million is allocated to new, low-income residential housing incentives to provide a flexible definition of low income, residential housing

#### 69

00:11:34.726 --> 00:11:37.955 Marites Antonio: funding for the BUILD Program is available

### 70

00:11:40.686 --> 00:11:49.886

Marites Antonio: for rental housing in disadvantaged and low-income communities or areas in which at least 80% of the households

### 71

00:11:52.646 --> 00:11:58.796 Marites Antonio: have income levels at or below 60% of the area median income.

#### 72

#### 00:11:59.406 --> 00:12:13.315

Marites Antonio: The area median income is a household income averaged based on the household size of a geographic area of the State as annually updated by the California Department of Housing and Community Development

#### 73

00:12:13.616 --> 00:12:25.255

Marites Antonio: for condominiums or single family residential developments. The requirements include affordable purchase prices and resale restrictions or equity sharing agreements.

# 74

00:12:25.646 --> 00:12:42.866

Marites Antonio: The BUILD Program website has instructions on how to determine the low income requirement designation for the project site. So you could also cross-check the low income designation of a project site using the BUILD GIS

75 00:12:43.176 --> 00:12:44.546 Marites Antonio: Next slide.

### 00:12:47.056 --> 00:13:03.515

Marites Antonio: So one key component of the BUILD Program is the availability of technical assistance an applicant can request up to 300 hours of technical assistance from our technical assistance provider or TAP. The TAP provides a range of services which

### 77

# 00:13:04.676 --> 00:13:09.826

Marites Antonio: which include design advice. The TAP can assist an applicant on heat

### 78

# 00:13:09.966 --> 00:13:28.956

Marites Antonio: pump, water system best practices, building envelope, performance and improvement tap could assist with equipment, selection, maintenance, and operation. They could train applicant on all electric systems and overall guidelines that tap can

# 79

00:13:29.576 --> 00:13:36.285 Marites Antonio: guide the applicant at different stages of the project from design to permitting or construction to commissioning

80 00:13:36.566 --> 00:13:38.086 Marites Antonio: Next slide. Please

# 81

00:13:42.316 --> 00:14:06.046

Marites Antonio: let's go over the incentive types. So there are 4 types of incentives that make up the total BUILD incentive. The 1st one is the base GHG incentive which is based on the Ghg emissions avoided from a mixed fuel building. Currently, this incentive is valued at \$150 per metric ton of equivalent Co 2

# 82

00:14:07.361 --> 00:14:08.136 Marites Antonio: emissions.

# 83

00:14:08.486 --> 00:14:20.586

Marites Antonio: The next one's the increased building efficiency. It's based on a percentage above the energy code. This incentive maxes out at \$1,000 per bedroom.

00:14:20.796 --> 00:14:35.745

Marites Antonio: The 3rd one is the incremental PV. It's an incentive for the incremental PV. Above code that might be included in the project to meet the modeled resident. Utility cost savings requirement.

#### 85

#### 00:14:35.855 --> 00:14:57.185

Marites Antonio: The incremental PV. Incentive is a dollar 30 per watt. Then we have the kicker incentives. That's a flat rate based on the equipment installed. We'll go over the eligible kicker incentives on the next slide, and depending on the project itself. An applicant may qualify for one or more of the incentive types

#### 86

00:14:57.366 --> 00:14:58.856 Marites Antonio: Next slide, please.

#### 87

00:15:00.286 --> 00:15:17.116

Marites Antonio: So the purpose of offering kicker incentives is to encourage the market, to learn about and incorporate these technologies. Kicker incentives include devices that contribute to electoral grid stability, like grid flex

#### 88

00:15:17.246 --> 00:15:22.456 Marites Antonio: and on-site energy storage, low emission technologies, such as

#### 89

00:15:22.536 --> 00:15:28.225 Marites Antonio: heat pumps with low GWP refrigerants, high efficiency

#### 90

00:15:28.306 --> 00:15:32.885 Marites Antonio: appliances like induction cooktops and heat pump clothes, dryer

#### 91

00:15:33.396 --> 00:15:45.806

Marites Antonio: and on-site energy storage and EV chargers. Please take a look at the Kicker technology fact sheet we have on our website to learn more about each category or each group of technology.

#### 92

00:15:47.051 --> 00:15:48.626 Marites Antonio: Next slide, please.

00:15:50.621 --> 00:16:01.125 Marites Antonio: So a unique feature of the BUILD Program is the New Adopter design award. The program provides up to \$100,000 per applicant to an eligible

#### 94

00:16:01.286 --> 00:16:10.036

Marites Antonio: applicant designing their 1st all electric residential housing project. It's important to note

#### 95

00:16:10.066 --> 00:16:30.805

Marites Antonio: that eligible applicants must not already have received a construction permit for an all electric residential building in California. At the time of applying for the New Adopter design award, the project must be a multifamily residential building, with at least 10

### 96

00:16:30.896 --> 00:16:40.225 Marites Antonio: units, and the award must be used to reimburse or pay for eligible costs, like architecture, engineering, and then

#### 97

00:16:40.316 --> 00:16:41.796 Marites Antonio: energy consultant.

#### 98

00:16:42.026 --> 00:16:52.235

Marites Antonio: Eligible applicants must indicate whether they are requesting this award at the time they submit their application for a BUILD incentive reservation.

# 99

00:16:52.266 --> 00:17:02.445

Marites Antonio: and approval and payment of the New Adopter design award is contingent upon the CEC's approval of the incentive reservation package.

#### 100

00:17:02.936 --> 00:17:12.586

Marites Antonio: So the table on the slide shows the breakdown of the 2 million budget for New Adopter award and the funds still available by service territory.

00:17:13.636 --> 00:17:21.415

Marites Antonio: Next, I'd like to introduce you to Adriana Dominguez. She is BUILD's data and metrics, subject matter, expert.

#### 102

00:17:27.116 --> 00:17:31.406

Adrianna Dominguez: Okay, let's talk about program participation. Next slide, please.

#### 103

00:17:32.436 --> 00:17:36.546 Adrianna Dominguez: This 1st slide is the BUILD Program's participation roadmap.

### 104

00:17:36.676 --> 00:17:49.566

Adrianna Dominguez: First, although optional BUILD Staff encourage participants to apply for technical assistance, to get help through the entire process, including help with the project design and applying for the bill incentive.

# 105

00:17:49.626 --> 00:17:56.356 Adrianna Dominguez: As previously mentioned, there is a general 300 hours of free technical assistance per developer or

106 00:17:56.366 --> 00:17:58.296 Adrianna Dominguez: property owner.

# 107

00:17:58.686 --> 00:18:07.426 Adrianna Dominguez: Also optional, except for those applying for New Adopter Design. Award is applying for Step one Design Incentive Reservation.

#### 108

00:18:07.546 --> 00:18:24.255

Adrianna Dominguez: Starting the program as early as possible allows for fund reservations early in the project development process for those eligible for New Adopter Design Award being approved for a step one design incentive reservation is required.

#### 109

00:18:24.616 --> 00:18:41.155

Adrianna Dominguez: Next, is the step two Construction Incentive Reservation. This is where an applicant submits or updates important documentation, including an approval building permit energy models and the custom path tool incentive calculation.

00:18:41.426 --> 00:18:53.595

Adrianna Dominguez: Once approved for construction reservation, the applicant is eligible for the 1st program payment, which is 25% of the base GHG incentive amount.

#### 111

### 00:18:53.676 --> 00:19:09.356

Adrianna Dominguez: The second 50% of the base incentive progress payment can be claimed upon installation of the project's foundation. So, in other words, at this stage the applicant can receive 75% of the base GHG incentive amount.

#### 112

00:19:09.606 --> 00:19:17.026

Adrianna Dominguez: The last step of the program. Participation roadmap is step 3. Project completion that applicants

# 113

00:19:17.136 --> 00:19:39.255

Adrianna Dominguez: apply for, once a certificate of occupancy is issued. Once the step 3 completion package is approved and the applicant has completed their project completion survey. They can submit a claim for the final payment which includes the remaining 25% of the base GHG incentive amount as well as the other 3 incentives.

114 00:19:39.556 --> 00:19:40.836 Adrianna Dominguez: These are

# 115

00:19:42.466 --> 00:19:54.125

Adrianna Dominguez: efficiency measures above code, incremental PV if necessary, to ensure bill savings, and any near 0 emission technology kickers if included with the project.

# 116

00:19:55.826 --> 00:19:57.266 Adrianna Dominguez: Next slide, please.

# 117

00:20:01.756 --> 00:20:12.385 Adrianna Dominguez: The BUILD Program started accepting applications in March 2022. Since that time the BUILD Program now has projects located in all 8

00:20:12.606 --> 00:20:18.856

Adrianna Dominguez: of California's climate regions, I'll provide a regional count in a subsequent

#### 119

00:20:19.036 --> 00:20:23.265 Adrianna Dominguez: slide. The majority of BUILD projects approved

# 120

00:20:23.416 --> 00:20:35.516

Adrianna Dominguez: are multifamily low-rise. Currently there are 59 low-rise projects which include 6 single family as well as 32 mid-rise projects approved for BUILD reservations

# 121

00:20:35.536 --> 00:20:41.766

Adrianna Dominguez: from the eligible BUILD applicants, 65% meet their affordability requirements

# 122

00:20:41.806 --> 00:20:51.886

Adrianna Dominguez: by ensuring 80% of the units are rented to tenants with household incomes at or below 60% of the area medium income or AMI.

#### 123

#### 00:20:51.906 --> 00:21:09.015

Adrianna Dominguez: 19% are located in disadvantaged communities. 12% are located in low-income communities identified by qualified census tract, and 4% are single family homes that include resale restrictions or equity sharing agreements.

# 124

00:21:09.016 --> 00:21:22.605

Adrianna Dominguez: I encourage folks to take a look at our online GIS tool, the link is in our BUILD website incentives tab, to see a broad range of metrics related to the various BUILD projects.

125 00:21:23.126 --> 00:21:24.636 Adrianna Dominguez: Next slide. Please

00:21:25.986 --> 00:21:33.835

Adrianna Dominguez: Let's take a closer look at the number of BUILD projects per IOU territory and incentive amounts currently reserved.

#### 127

00:21:34.276 --> 00:21:38.736 Adrianna Dominguez: Here is the status of the BUILD Program funds as October 2024,

### 128

00:21:38.786 --> 00:21:42.515 Adrianna Dominguez: we have 104 active applications.

### 129

00:21:42.606 --> 00:21:47.726 Adrianna Dominguez: 38 million of the total, 60 million incentive budget has been reserved

### 130

00:21:47.786 --> 00:21:51.416 Adrianna Dominguez: with 6.4 million currently under review.

### 131

00:21:51.566 --> 00:22:00.585

Adrianna Dominguez: The program funding is allocated by gas territory. Next slides will provide further detail regarding the approved units and remaining balances.

# 132

00:22:00.796 --> 00:22:04.056 Adrianna Dominguez: A noteworthy metric for the BUILD Program

#### 133

00:22:04.076 --> 00:22:13.045 Adrianna Dominguez: is the total metric tons of GHG avoidance, which is currently estimated at 4,892 metric

# 134

00:22:13.206 --> 00:22:18.516 Adrianna Dominguez: tons of CO2 equivalent. Next slide please.

#### 135

00:22:20.486 --> 00:22:27.086 Adrianna Dominguez: The total number of affordable units for the 8 regions is 7,

### 00:22:27.246 --> 00:22:53.736

Adrianna Dominguez: 504 units. The regions with the highest number of affordable units are Los Angeles with around 1,900, San Francisco Bay Area with 1,400, and Sacramento Valley with 1,100 units. In the other hand, the regions, with the lowest number of affordable units are Sierra Nevada Mountains and Inland Desert, with around 200 units each

### 137

00:22:54.656 --> 00:22:56.026 Adrianna Dominguez: Next slide, please.

### 138

00:22:56.596 --> 00:23:08.546

Adrianna Dominguez: The pie charts represent total budgets for the regions with green indicating reservations. Blue showing applications under review and gray is available Funding.

# 139

00:23:08.786 --> 00:23:31.525

Adrianna Dominguez: PG&E territory total funding is approximately 25.4 million, and applications under review exceed the total funding amount by 1.3 million. This means that applications received after 95% of the total funds can be approved, but their reservation will be waitlisted.

# 140

00:23:31.536 --> 00:23:37.756 Adrianna Dominguez: We expect this territory to be fully reserved on the 1st quarter of 2025

# 141

00:23:38.086 --> 00:23:55.876

Adrianna Dominguez: SCG still has almost 50% of their funds available, and 100% of the Southwest Gas Territory are also available. So still plenty of opportunity to submit for incentive reservations if your project is located in either of these service areas

# 142

#### 00:23:56.466 --> 00:24:15.745

Adrianna Dominguez: In San Diego, Gas and Electric, there is 33% of funds available. But since the total budget is only 4 millions, funds could be consumed quickly as projects in San Diego, Gas and Electric territory tend to be high rise with larger incentive awards.

143 00:24:17.046 --> 00:24:18.526 Adrianna Dominguez: Next slide, please

00:24:19.336 --> 00:24:30.206

Adrianna Dominguez: Program staff will continue to review and approve applications up to 95% of a Territory's allocated amount on a 1st come 1st serve basis.

#### 145

#### 00:24:30.486 --> 00:24:42.566

Adrianna Dominguez: Applicants attempting to submit incentive increase amendments, or the last application to receive incentives may not receive their fully requested amount. If there are insufficient funds.

#### 146

00:24:42.586 --> 00:24:57.045

Adrianna Dominguez: A waitlist will be implemented for all other applications afterwards. Please note, if an applicant receives the certificate of occupancy while on the waitlist the application will no longer be eligible for BUILD Program incentives

#### 147

00:24:58.496 --> 00:24:59.996 Adrianna Dominguez: Next slide, please

#### 148

00:25:00.696 --> 00:25:08.405

Adrianna Dominguez: The BUILD application system allows applicants to enter information in the initial screening and the supplemental narrative tabs

# 149

00:25:08.476 --> 00:25:17.366 Adrianna Dominguez: the calculator upload and the supporting documents tabs allows applicants to upload documentation required to submit their projects.

#### 150

00:25:17.566 --> 00:25:26.996 Adrianna Dominguez: Next, let's take this opportunity to discuss some common application or compliance issues that tend to slow the approval process.

#### 151

00:25:27.336 --> 00:25:28.776 Adrianna Dominguez: Next slide, please.

#### 152

00:25:31.186 --> 00:25:41.796

Adrianna Dominguez: An incentive application breaks down into 3 essential parts, eligibility information, technical calculations and claims process.

00:25:41.896 --> 00:25:53.886

Adrianna Dominguez: common eligibility issues include incomplete developer experience or project information provided in the supplemental narrative, incorrect low income affordability designation

### 154

### 00:25:54.056 --> 00:26:13.415

Adrianna Dominguez: Often seen technical issues include missing energy models or required documentation, incorrect versions of the Custom Path Tool used or discrepancies between submitted documents, for instance, the number of units listed in the building permit versus the CPT does not match.

#### 155

### 00:26:13.486 --> 00:26:33.515

Adrianna Dominguez: Additionally, staff recognized for earlier applicant efforts that obtaining detailed meter information is impractical, so to minimize the level of effort required staff has removed or modified the metering requirements in the guidelines

### 156

### 00:26:33.936 --> 00:26:46.105

Adrianna Dominguez: because the BUILD Program offers New Adopter awards and progress payments through the application process. There are multiple places where claim corrections can crop up. For example.

#### 157

#### 00:26:46.126 --> 00:27:05.236

Adrianna Dominguez: missing geotagged photographs of the project's completed foundation, proof of invoice payment, either canceled checks or vendor's unconditional lien waiver, or the applicant has not completed the project completion survey

#### 158

00:27:05.266 --> 00:27:12.946 Adrianna Dominguez: additionally due to fiscal software incompatibilities, 3rd party incentive payment assignments are not possible.

#### 159

00:27:13.916 --> 00:27:15.466 Adrianna Dominguez: Next slide, please.

#### 00:27:16.246 --> 00:27:37.385

Adrianna Dominguez: As a market transformation pilot project. The BUILD Program includes mandatory evaluation measurement and verification participation requirements, including an initial application approval survey. An invitation to participate in this survey is included in the BUILD Incentive reservation acceptance, letter

### 161

# 00:27:37.726 --> 00:27:50.216

Adrianna Dominguez: Applicant completion Survey, upon step 3 approval, the evaluation measurement and verification consultants will contact the applicant to schedule this required exit interview

### 162

00:27:50.276 --> 00:27:59.776

Adrianna Dominguez: once completed, the BUILD Program receives an auto-generated completion confirmation that allows the step 3 claims process to begin

# 163

00:28:00.016 --> 00:28:12.855

Adrianna Dominguez: for more information about the evaluation measurement and verification participation requirements. See the BUILD Revised Guidelines, Chapter 6. Section Q and Appendix F.

164

00:28:13.836 --> 00:28:16.966 Adrianna Dominguez: Next, I would like to introduce Erica Chac.

# 165

00:28:17.146 --> 00:28:23.196 Adrianna Dominguez: BUILD lead engineer to introduce some of the BUILD Program's proposed guidelines revisions.

# 166

00:28:25.646 --> 00:28:28.656 Erica Chac: Now get into the staff proposed guideline revisions.

167 00:28:28.706 --> 00:28:29.966 Erica Chac: Next slide, please.

### 00:28:31.386 --> 00:28:49.085

Erica Chac: Apart from general clarification of guideline requirements and terminology, the substantive guideline amendments focus primarily on 4 topics. The 1st is increasing participation through developer experience requirements. Second, is clarifying requirements for non-VNEM projects.

### 169

# 00:28:49.396 --> 00:28:59.405

Erica Chac: 3rd is ensuring accuracy with the usage of the Custom Path Tool, and 4th is updating the utility cost savings methodology and equipment requirements.

#### 170

00:28:59.656 --> 00:29:03.195

Erica Chac: We will now dive deeper into each topic. Next slide, please.

### 171

### 00:29:04.306 --> 00:29:19.585

Erica Chac: 1st item is the developer experience. Our current guidelines require applicants to demonstrate 5 years of development experience and have developed and received a certificate of occupancy for at least one deed restricted residential property in California.

#### 172

#### 00:29:19.796 --> 00:29:27.366

Erica Chac: Several newer developer firms were ineligible for BUILD because they did not have the 5 year developer experience as an individual firm.

#### 173

#### 00:29:27.436 --> 00:29:42.875

Erica Chac: Some of those developers were able to pair off with more experienced existing developers or nonprofits to meet the requirements. But for those newer developers who were both unable to find pairing opportunities and had significant collective experience between their principals.

#### 174

# 00:29:42.956 --> 00:29:51.526 Erica Chac: BUILD Staff is proposing to increase participation by making the 5 year developer experience, requirement, a collective total years of experience

### 175 00:29:52.186 --> 00:29:53.875 Erica Chac: Next slide, please.

176 00:29:55.266 --> 00:29:58.376 Erica Chac: So now we would like to open up this item for discussion.

#### 177

00:29:58.436 --> 00:30:13.696

Erica Chac: This is proposed in chapter 2, section A.1 and chapter 5, section A.2, again, which would allow the collective developer experience to meet the 5 year requirement. And this update would address any feedback that we received from newly formed developers.

178

00:30:14.656 --> 00:30:17.426 Erica Chac: And we would like to know what the participants think

#### 179

00:30:18.016 --> 00:30:23.635

Erica Chac: as a friendly reminder. You can comment 3 ways. Use the raise hand feature in zoom.

#### 180

00:30:23.836 --> 00:30:30.516 Erica Chac: or if you are over the telephone, Dial star 9 to raise your hand and then star 6 to mute and unmute your phone line.

181 00:30:30.656 --> 00:30:33.166 Erica Chac: or you can type your question in the Q & A.

182 00:30:40.356 --> 00:30:43.525 Erica Chac: Are there any questions in the chat or Q&A.

183

00:30:50.306 --> 00:30:52.265 Camille Remy-Obad: Erica, I'm not seeing any at this time.

#### 184

00:30:52.266 --> 00:30:54.136 Cenne Jackson: There's no questions at this time.

185 00:30:55.936 --> 00:30:57.736 Erica Chac: Okay, then I think,

00:30:58.256 --> 00:31:04.206

Erica Chac: we can move on to the next topic. But you can always ask this question later as well, or bring up any comments later as well.

#### 187

00:31:05.336 --> 00:31:18.795

Erica Chac: So the next topic is, VNEM. VNEM allows building owners to install solar on multifamily buildings to cover the electricity load for both the common and tenant area, and this is generally connected at one service point.

#### 188

00:31:18.986 --> 00:31:28.725

Erica Chac: This allows owners to share the PV. Benefits with their tenants through allocation of energy credits without having to install one system for each tenant or load in the building.

#### 189

00:31:29.056 --> 00:31:31.975 Erica Chac: So this image shows a general VNEM setup.

#### 190

00:31:32.106 --> 00:31:42.545

Erica Chac: The PV system is on top of the multifamily building with one service delivery point below. And PV credit is allocated to each floor or unit based on the percentages.

#### 191

00:31:43.806 --> 00:31:46.796 Erica Chac: Currently all of the IOUs have a VNEM program

#### 192

00:31:46.806 --> 00:31:50.355 Erica Chac: Depending on the POU, there may be an existing program as well.

#### 193

00:31:50.536 --> 00:31:52.065 Erica Chac: One thing to note

#### 194

00:31:52.336 --> 00:32:06.785

Erica Chac: Virtual Net Billing tariff was adopted by the CPUC as a successor, tariff to VNEM, so as of February 15, 2024. New utility applicants will need to be on Virtual Net Billing Tariff unless they are with SOMAH or MASH.

00:32:06.826 --> 00:32:14.095

Erica Chac: And you can find more information on the tariff on the CPUC's website. Next slide, please.

### 196

00:32:15.796 --> 00:32:34.725

Erica Chac: So only for applicants where VNEM agreement is not available. Staff proposes a pathway for projects to provide a rental agreement to assign tenant bill savings or the monthly modeled resident utility cost difference to the tenant. This would give projects with the tenant bill savings requirement and no VNEM available

#### 197

00:32:34.766 --> 00:32:38.116

Erica Chac: in their area, the potential to participate in the program.

### 198

00:32:38.406 --> 00:32:53.975

Erica Chac: The Custom Path Tool does have the ability to calculate the bill savings difference between the proposed all electric BUILD project and the mixed field baseline and the screenshot on the left side shows a minimum bill of \$28 and 48 cents credit allocation to tenants.

#### 199

00:32:54.086 --> 00:32:58.225 Erica Chac: But please note, these numbers are only for demonstration only.

# 200

00:32:58.276 --> 00:33:03.566 Erica Chac: and the actual amounts will have to be calculated and verified manually by program staff.

#### 201 00.33.06

00:33:06.106 --> 00:33:07.366 Erica Chac: Next slide, please.

# 202

00:33:08.866 --> 00:33:25.126

Erica Chac: So for context, the existing guideline requirements require proof of a measure, installation, and legal covenants assigning the PV benefits to residents, but does not include a term limit nor a calculation methodology. When a project is not using a VNEM agreement

00:33:25.486 --> 00:33:30.986

Erica Chac: staff proposes to revise the guidelines to include a rental or lease agreement addendum to provide

#### 204

00:33:31.026 --> 00:33:43.246

Erica Chac: a rental or lease credit to tenants equivalent to the utility cost difference as calculated by the Custom Path Tool. This will apply for all units that are subject to the affordability requirement for no less than 5 years.

205 00:33:45.526 --> 00:33:46.686 Erica Chac: Next slide, please.

### 206

00:33:48.626 --> 00:34:00.726

Erica Chac: and we would now like to open up this item for discussion. Are there any comments regarding this rental credit pathway for applicants to meet the cost savings requirements? Or is there anything else that we should consider or clarify further in the guidelines.

#### 207

00:34:13.916 --> 00:34:17.085 Erica Chac: Oh, it looks like we might have one raised hand.

#### 208

00:34:28.166 --> 00:34:29.256 Cenne Jackson: I think we have a raised hand in the...

#### 209

00:34:29.691 --> 00:34:35.346 Cenne Jackson: ...chat and Paisley wants to know. Would the credit amount be fixed.

# 210

00:34:37.437 --> 00:34:43.856 Erica Chac: Good question, Paisley. No, the credit amount would not be fixed. It would have to be calculated, dependent on that project itself.

#### 211

00:34:44.256 --> 00:34:48.676 Erica Chac: So we would still run the Custom Path Tool, and that would calculate

00:34:48.786 --> 00:34:55.836

Erica Chac: any of the bill savings requirements or utility cost savings requirements, and we would go from... Get the number from there.

213 00:35:15.946 --> 00:35:17.086 paisley: Can you guys hear me?

214 00:35:17.276 --> 00:35:17.656 Camille Remy-Obad: Yes.

#### 215

00:35:18.296 --> 00:35:31.228

paisley: Okay, cool. So yeah, so that makes sense. So like, we were working on that formula for a couple of different plans that we have, and it came up with a a utility cost savings amount. So if we were implement that

#### 216

00:35:32.146 --> 00:35:36.655 paisley: once, the once the calculation is created by the formula

#### 217

00:35:36.716 --> 00:35:44.025 paisley: is that the number for each plan that we would need to credit the tenants in a scenario where we're not otherwise able to give them.

218

00:35:44.286 --> 00:35:49.036 paisley: you know, we have a kind of a unique setup.

219

00:35:50.016 --> 00:35:51.936 Erica Chac: Yeah, so it won't be.

#### 220

00:35:52.356 --> 00:35:55.574 Erica Chac: Are you asking like if it would change annually? Or...

### 221

00:35:56.046 --> 00:35:58.696 paisley: Right. Does it change every year? Does it.

222 00:35:59.226 --> 00:36:07.806 paisley: or is it kind of like, you know, we run the calculation at the time we make the

application, and and that become, whatever that number is, it's derived is the number.

### 223

00:36:07.806 --> 00:36:10.486 Erica Chac: Right. Whatever calculation it is

# 224

00:36:10.536 --> 00:36:15.966 Erica Chac: from the tool. It would be that number, and it will not change like every year, or anything like that.

225 00:36:16.516 --> 00:36:16.916 paisley: Gotcha.

# 226

00:36:17.526 --> 00:36:25.685 paisley: So in a scenario, and I, I don't want to get into specifics about our but a scenario like ours where we we don't really have the ability to allocate

# 227

00:36:26.006 --> 00:36:29.575 paisley: PV, per se. If the formula wasn't making it up

# 228

00:36:29.666 --> 00:36:32.526 paisley: \$28 per month in savings.

# 229

00:36:32.726 --> 00:36:36.296 paisley: we would just give the tenant a credit for \$28 per month

# 230

00:36:36.546 --> 00:36:40.575 paisley: in savings, and they would otherwise just pay their their normal electric bill.

# 231

00:36:42.666 --> 00:36:48.617 Erica Chac: Right, Camille feel free to jump in, but I believe the way it would be, it would be like a rental credit. 232 00:36:49.086 --> 00:36:49.646 paisley: Right.

#### 233

00:36:49.646 --> 00:36:54.146 Erica Chac: I'm not sure if it would be like on the bill itself or the utility bill itself. But.

### 234

00:36:54.666 --> 00:36:59.536 paisley: We would have to give them the credit as a as a credit against their rent or something, right? Yeah.

### 235

00:37:01.756 --> 00:37:02.905 Camille Remy-Obad: That sounds correct. Yes.

### 236

00:37:03.336 --> 00:37:12.775 paisley: And does the 5 years does that apply on a unit basis? In other words, if we open a project on January 1st of 2025

### 237

00:37:13.375 --> 00:37:24.896 paisley: and let's say we have 3 tenants in a given unit over the course of the 5 years. Does the 5 years apply to each tenant, or does it apply to the date upon which

# 238

00:37:24.956 --> 00:37:26.725 paisley: you know the 1st lease was signed?

#### 239

00:37:29.546 --> 00:37:52.415

Camille Remy-Obad: That's good question. I want. I think that's something that we'll need to clarify as part of the, you know, when we finalize the guidelines. So please do, we will obviously note that comment or that question. And that's a clarification that I would also definitely encourage that you provide in our as part of our E-commenting.

#### 240

00:37:52.566 --> 00:37:56.516

Camille Remy-Obad: but we also have it here, so we will catch it either way, and have that clarification.

241 00:37:56.516 --> 00:37:58.716 paisley: Okay, great. Thank you. Guys so much. I appreciate it.

242 00:37:58.716 --> 00:37:59.496 Camille Remy-Obad: You bet!

243 00:38:03.406 --> 00:38:05.375 Erica Chac: Thanks, Paisley. Any other questions.

244 00:38:14.776 --> 00:38:15.836 Erica Chac: Okay. Great.

245 00:38:17.176 --> 00:38:18.786 Erica Chac: Sorry, Cenne. Were you going to say something.

246

00:38:18.786 --> 00:38:23.788 Cenne Jackson: Oh, no, I was saying at this time. Well, there's no other. Well, there's some questions in the

247 00:38:24.526 --> 00:38:25.706 Cenne Jackson: Q&A.

248

00:38:27.476 --> 00:38:35.035 Cenne Jackson: And let's see, Ari says, many developments also include a utility allowance that includes rank.

#### 249

00:38:35.126 --> 00:38:43.935 Cenne Jackson: Could the utility allowance rent, reduction be used to meet the requirement as long as it is greater or equal to the utility cost savings requirement.

250

00:38:49.486 --> 00:38:53.276 Erica Chac: Yeah, that's a good question. And I think, that would be something

00:38:54.246 --> 00:38:59.786

Erica Chac: that you can also docket for us for further consideration in the guideline updates.

#### 252

00:39:00.796 --> 00:39:01.766 Erica Chac: Thanks, Ari.

#### 253

00:39:02.246 --> 00:39:03.655 Camille Remy-Obad: Agreed. Thank you, Ari.

#### 254

00:39:05.286 --> 00:39:07.416 Cenne Jackson: Okay, that seems to be it right now.

#### 255

00:39:08.936 --> 00:39:17.996

Erica Chac: Great. Okay, then thank you. Everyone for your comments. Next, I would like to welcome my team member, Steven Van, to discuss the remainder of the proposed technical amendments.

256 00:39:19.636 --> 00:39:20.226 Steven Van: Hmm

257 00:39:23.256 --> 00:39:24.116 Steven Van: Alright.

#### 258

00:39:24.256 --> 00:39:34.186

Steven Van: Thank you, Erica. I think I see something in the chat: I'm hoping we can address that question towards the end. Thank you for your enthusiasm, though.

#### 259

00:39:34.316 --> 00:40:02.456

Steven Van: Thank you. All right. So on this slide... Since the BUILD Program launched in 2022, the BUILD Calculator was developed with the intent to enable potential applicants to quickly estimate potential BUILD incentives for their building design before committing any resources to pursuing all-electric design. In addition, the two iterations that support the 2019 and 2022 code cycle has led to increased participation in the PG&E and SCG territories.

260 00:40:02.696 --> 00:40:05.705 Steven Van: ...due to the accessibility of the BUILD Calculator.

#### 261

#### 00:40:05.826 --> 00:40:21.206

Steven Van: However, applicant feedback expressed concerns over the calculation differences between the BUILD Calculator and the Custom Path Tool when transitioning from Step 1 to Step 2, as the incentive estimates are often used in qualifying for further funding opportunities.

#### 262

00:40:21.926 --> 00:40:47.006

Steven Van: Additionally, the current program budget for the PG&E territory is approaching full subscription of its allocation. So at this time, BUILD Staff recommends the discontinuation of the BUILD Calculator in order to ensure accuracy for its applicant's calculate incentives. Our Technical Assistance Provider, however, requested that the BUILD Calculator remain available for new adopters in Step 1 Design in order to still enable that pathway of accessibility.

#### 263

00:40:47.036 --> 00:40:52.705

Steven Van: Additionally, the BUILD calculator will still be publicly available to serve its intended purposes.

#### 264

00:40:52.926 --> 00:41:04.735

Steven Van: For these reasons... Staff recommends that only new adopters be allowed to use the BUILD Calculator, and that all other applicants submit application packages using the Custom Path Tool. Next slide, please.

#### 265

#### 00:41:08.096 --> 00:41:30.336

Steven Van: So for this discussion topic, BUILD Staff proposes to deprecate the BUILD Calculator as a pathway for program participation, with the sole exception for the case of new adopters. For this discussion item, please consider the following: 1. Should there be additional exceptions to consider for allowing the usage of the BUILD calculator in applying for BUILD incentives?

#### 266

00:41:30.376 --> 00:41:34.396 Steven Van: And 2. If you're currently participating in the program,

00:41:34.486 --> 00:41:38.655 Steven Van: how has the usage of the custom patio impacted your experience so far?

#### 268

#### 00:41:43.036 --> 00:41:58.606

Steven Van: So as a reminder, there are 3 ways to comment: Please use the raised hand feature in Zoom. If you're dialing over the telephone, dial 9, to raise your hand, and press 6 to mute and unmute your phone line when called on. Otherwise you can type your question in the Q&A chat at this time.

#### 269 00:42:02.256 --> 00:42:06.226 Steven Van: Hmm, so right now it looks like there is

# 270

# 00:42:06.276 --> 00:42:15.476

Steven Van: no comment at this time, of course, towards the end you're more than welcome to add your comment and submit a question towards the very end. Thank you. Next slide, please.

### 271

### 00:42:17.476 --> 00:42:45.376

Steven Van: Since the BUILD Program's launch in March of 2022 CPUC policy decisions at the time was used in the development of our program guidelines, factoring in export rates granted by the Net Energy Metering policy, the rate schedules from the local electric utilities in each climate zone, and applying current PV requirements from the 2019 code cycle to develop the Modeled Resident Utility Cost Method that is described in detail in Appendix C of the program guidelines.

#### 272

# 00:42:45.766 --> 00:43:01.755

Steven Van: Not soon after program launch. On December 15th, 2022, the CPUC adopted Decision D.22-12-056, which established the Net Billing Tariff to succeed NEM 2.0.

# 273

# 00:43:01.936 --> 00:43:15.316

Steven Van: This significantly changed how excess PV generated would be credited, moving from credit based on its retail price at current rate schedules to a different rate schedule, where the credits are valued based on its generation to the grid. For example:

00:43:15.516 --> 00:43:24.595

Steven Van: Excess PV exported during peak hours from 5 to 8 PM will be valued differently compared to excess PV exported during off-peak hours.

#### 275

00:43:24.696 --> 00:43:31.406

Steven Van: So as a result, BUILD Staff recommends the following changes to the modeling assumption that is itemized in Appendix C.

#### 276

00:43:31.976 --> 00:43:43.625

Steven Van: 1. The utility rate schedules used in 2020 will be updated to 2023 rates to reflect current market conditions, 2. The energy export credit will be aligned to those governed by the NBT,

#### 277

00:43:43.686 --> 00:43:48.606 Steven Van: 3. The current rate schedules will change to add rates required by NBT.

278 00:43:48.716 --> 00:43:49.826 Steven Van: And 4..

# 279

00:43:50.056 --> 00:44:00.886

Steven Van: For the IOUs that are not listed in the Custom Path Tool applicants will now be given the option to select currently existing options that are available to any related building climate zone, that is...

#### 280

00:44:01.566 --> 00:44:11.886 Steven Van: If your IOU is not listed in the Custom Path Tool, you are able to select the currently-existing electric utilities that are listed in the Custom Path Tool to use in

determining your BUILD incentives.

# 281

00:44:12.166 --> 00:44:13.606 Steven Van: Next slide, please.

#### 282

00:44:16.516 --> 00:44:25.295

Steven Van: So for this next discussion topic Staff proposes to update the Model Resident Utility Costs Methodology to reflect revisions required by the new Net Billing Tariff.

283 00:44:25.456 --> 00:44:28.036 Steven Van: For this discussion item, please consider the following:

#### 284

00:44:28.226 --> 00:44:34.386

Steven Van: 1. Are there any questions related to the methodology updates presented in the previous slide?

#### 285

00:44:34.446 --> 00:44:42.006 Steven Van: And 2. Should the guidelines allow utilities not currently listed in the Custom Path Tool to use IOU rates?

### 286

00:44:46.096 --> 00:44:55.195 Steven Van: Hmm, okay... At this time there doesn't seem to be any questions.

### 287

00:44:55.826 --> 00:44:57.616 Steven Van: All right. Next slide, please.

# 288

00:45:02.176 --> 00:45:30.085

Steven Van: As part of the 2022 code cycle, Appendix B lists the required technologies to be used in order to qualify for BUILD incentives. BUILD Staff proposes updating the requirements to current code requirements for the following: So from the top, the various heat pump technologies for space conditioning purposes will adopt the newest efficiency metrics for both the Heating Seasonal Performance Factor and the Energy Efficiency Ratio, that is adopted by the Department of Energy as of January 1st, 2023.

#### 289

00:45:30.146 --> 00:45:44.106

Steven Van: Additionally for applicants designing for Variable Capacity Heat Pumps, BUILD Staff recommends an additional performance pathway through the Northeast Energy Efficiency Partnership to better reflect equipment usage in cold climate regions.

290 00:45:44.346 --> 00:45:45.706 Steven Van: Next slide, please.

#### 00:45:47.986 --> 00:46:04.226

Steven Van: For central water heating designs, BUILD Staff proposes adding clarification to the central on-site heat pump water heater section, such that UEF requirements has been removed in favor of allowing eligibility based on equipment being listed within the energy modeling software...

#### 292

#### 00:46:04.546 --> 00:46:29.205

Steven Van: ...as to satisfy the core technology requirements. Additionally, applicants provided feedback on various water heating system designs, such that we've added an additional criteria for a cluster design that has been included and defined as a central water heating system for NEEA Tier 3 certified unitary heat pump water heaters; in order remove a roadblock for applicants. Lastly, commercial heat pump water heaters for NEEA Tier 2

#### 293

00:46:29.216 --> 00:46:32.345 Steven Van: has been added to further expand eligibility.

294 00:46:32.426 --> 00:46:33.806 Steven Van: Next slide, please.

#### 295

#### 00:46:37.096 --> 00:46:47.115

Steven Van: In an effort to clarify currently existing equipments that are eligible for kicker incentives and continue to reduce roadblocks for applicants. BUILD Staff proposes the following equipment, requirement...

296 00:46:47.306 --> 00:46:48.436 Steven Van: ...revisions.

#### 297

00:46:48.936 --> 00:47:07.575

Steven Van: For JA13 heat pump water heaters, clarification language has been added to make clear that the proposed water heater systems must be used in a unitary design, where the JA13 water heater only serves a single dwelling unit, as defined in the Joint Appendix 13 of the CEC qualification requirements for the water heaters

#### 298

00:47:07.746 --> 00:47:10.786 Steven Van: with demand management system functionality.

00:47:11.346 --> 00:47:21.925

Steven Van: For smart EV chargers, the language has been updated to specify the AC requirements and provides for a simplified equipment list as provided by Southern California Edison.

# 300

# 00:47:22.146 --> 00:47:40.575

Steven Van: For bidirectional EV chargers, clarification language has been added in order to make clear that the specific utility requirements will be needed in accordance with the CPUC Electric Rule 21, that requires UL 1741 SB certification that is contingent to each utility.

### 301

00:47:41.076 --> 00:47:42.425 Steven Van: Next slide, please.

# 302

00:47:45.426 --> 00:48:04.046

Steven Van: Based on applicant feedback, clarifying language has also been added to make clear that the electric resistance heating element that is primarily used for space conditioning or water heating purposes will not qualify for incentives, and that conditioned spaces that are served by this equipment will be removed from the energy model during application processing.

# 303

00:48:06.206 --> 00:48:12.575

Steven Van: We have also received applicant feedback to request that Ground-Source Heat Pump technologies be considered for eligibility.

# 304

00:48:13.386 --> 00:48:18.256

Steven Van: During initial program development, there is no specific need to exclude this technology.

# 305

00:48:18.276 --> 00:48:26.735

Steven Van: Therefore BUILD Staff, recommends that Ground-Source Heat Pumps be added as an eligible technology, provided that it meets the standard ISO...

00:48:26.966 --> 00:48:33.506

Steven Van: ...-13256 test procedures for minimum efficiency standards as required by code.

#### 307

00:48:33.856 --> 00:48:35.196 Steven Van: Next slide, please.

### 308

00:48:38.766 --> 00:48:39.915 Steven Van: \*coughs\*...excuse me.

### 309

00:48:40.306 --> 00:48:51.206 Steven Van: So, lastly, for this discussion topic, BUILD Staff proposes updating current efficiency metrics to current 2022 Energy Code, expand the eligibility where possible,

# 310

00:48:51.316 --> 00:49:00.256 Steven Van: and simplify eligibility to include 3rd party equipment lists to add any clarifying language where needed. So for this discussion item, please consider the following:

# 311

00:49:01.346 --> 00:49:09.476 Steven Van: 1. Is there any additional considerations needed for equipment that may not be eligible due to specific designs? And 2.

# 312

00:49:09.996 --> 00:49:14.985 Steven Van: Are there any additional GHG-reducing technologies that should be considered?

# 313

00:49:19.666 --> 00:49:27.416 Steven Van: And lastly, just as a reminder (you know) just to submit, there are 3 ways to comment: 1. to use the raise hand feature in Zoom,

# 314

00:49:27.436 --> 00:49:36.396

Steven Van: 2. If you're over the telephone dial 9 to raise your hand and dial 6. Dial star 6 to mute. Unmute your phone line.

31500:49:37.176 --> 00:49:40.305Steven Van: Otherwise you may type your question into the Q&A window.

#### 316

00:49:44.286 --> 00:49:49.736 Steven Van: Hmm, alright, okay, then.

#### 317

00:49:50.136 --> 00:49:57.006 Steven Van: Thank you Everyone for participating and attending this workshop today. And now I'll reintroduce Camille to

#### 318

00:49:57.016 --> 00:50:00.426 Steven Van: to take on the next steps of this workshop.

#### 319

00:50:01.146 --> 00:50:02.315 Steven Van: Thank you, Everyone.

#### 320

00:50:04.526 --> 00:50:08.355

Camille Remy-Obad: Thank you, Steven. And thanks to all the presenters and everybody attending today. We (really appreciate it).

#### 321 00:50:08.356 --> 00:50:09.656 Steven Van: \*cough\*

322 00:50:10.018 --> 00:50:11.106 Camille Remy-Obad: Next slide, please.

# 323

00:50:13.876 --> 00:50:40.778

Camille Remy-Obad: Oops. Okay, also, we are going to open up for public comments at this time. The instructions are there. I realize that we have presented a lot of information. It's come at you very quickly. So I do want to also reemphasize that you don't...this isn't your only opportunity to leave comments. There is the e-commenting feature on our...

00:50:41.186 --> 00:50:53.526

Camille Remy-Obad: ...that functionality is on our webpage. And we will be posting both this slide deck, which will have all of those links. And you can also access that e-commenting feature on our website.

#### 325

00:50:53.956 --> 00:51:03.106

Camille Remy-Obad: So, at this time, I'll open it up. Is there anybody else who wanted to just ask a question or make a clarifying comment at this time?

326 00:51:08.336 --> 00:51:09.386 Camille Remy-Obad: Okay.

#### 327

00:51:11.596 --> 00:51:20.105

Camille Remy-Obad: Well, thank you again. You have already given us some things to think about just in our discussion and the interaction that we've had today. Next slide, please.

#### 328

00:51:22.966 --> 00:51:43.856

Camille Remy-Obad: Okay, so here's a just a little bit more detailed slide that shows: A. We will have comments open through December 3rd (Tuesday). And there is a link (there) to the commenting system. That's what it looks like when you bring it up via that link. And that's also, as I mentioned, located on the web page.

#### 329

00:51:43.956 --> 00:51:45.415 Camille Remy-Obad: Okay, next slide, please.

#### 330

00:51:48.066 --> 00:52:03.076

Camille Remy-Obad: Okay. The anticipated schedule for the guideline revisions. I won't repeat the comment period ending. We hope to post a final draft guidelines by mid-December of this year.

#### 331

00:52:03.156 --> 00:52:16.885

Camille Remy-Obad: And then we anticipate going to the CEC Business Meeting on January 21st of next year, to actually do the adoption of those guidelines. So quick overview of our anticipated schedule.

332 00:52:18.506 --> 00:52:19.936 Camille Remy-Obad: Okay, next slide, please.

333 00:52:23.786 --> 00:52:25.016 Camille Remy-Obad: ...okay.

### 334

00:52:25.742 --> 00:52:31.745

Camille Remy-Obad: Again, I just want to mention, we will have these, we will be posting this deck.

# 335

# 00:52:31.826 --> 00:52:54.556

Camille Remy-Obad: The guidelines (the draft guidelines) are already on our website, so they're available for folks to take a look at. We have both a clean copy, and we do also post a redline version. The beginning of the guidelines has a What's New; which also does a very good job of just summarizing what the changes are that we are proposing.

# 336

### 00:52:54.616 --> 00:53:20.376

Camille Remy-Obad: And other than that, I just would like to sincerely thank everybody for participating. If you have any other questions, or you don't want to do a formal e-comment. That's fine. We also put our email address here on this slide. It's BUILD@energy.ca.gov. So you are welcome to use that to ask any follow-up question (or if you don't want to do a formal e-comment) that will work as well.