DOCKETED	
Docket Number:	19-BSTD-09
Project Title:	Heat Pump Water Heater Demand Management Systems
TN #:	233783
Document Title:	Pacific Gas & Electric Comments - Comments on the Revised JA13 - HPWH Demand Management Specification
Description:	N/A
Filer:	System
Organization:	Pacific Gas & Electric
Submitter Role:	Other Interested Person
Submission Date:	7/6/2020 4:44:07 PM
Docketed Date:	7/7/2020

Comment Received From: Pacific Gas & Electric

Submitted On: 7/6/2020

Docket Number: 19-BSTD-09

## **Comments on the Revised JA13 - HPWH Demand Management Specification**

Additional submitted attachment is included below.



July 6, 2020

Commissioner J. Andrew McAllister
California Energy Commission Docket Office, MS-4
Re: Docket No. 19-BSTD-09
California Energy Commission
1516 9th St
Sacramento, CA 95814

## RE: Pacific Gas and Electric Comments on the Revised JA13 - HPWH Demand Management Specification

## Dear Commissioner McAllister:

Pacific Gas & Electric (PG&E) appreciates the opportunity to support the California Energy Commission's proposed Heat Pump Water Heater Demand Management Specification (the Specification) published for review on June 22, 2020. The Specification is designed to encourage the use of energy-efficient electric water heating technologies with demand-management features that will help meet California's decarbonization goals, reduce customer electricity bills, and contribute to grid harmonization efforts.

PG&E participated in the development process for the Specification and supports finalization and the transition of the contents into the 2019 Energy Code for use by practitioners designing code-compliant buildings. PG&E supports the inclusion of a compliance credit available through the performance approach for including Heat Pump Water Heater (HPWH)s that have load-shifting and demand-response capabilities as described in the Specification.

Offering this option encourages builders to install residential demand-management technologies in California homes. The features described in the Specification are anticipated to support customer use of 'smart' water heaters for daily Time-of-Use (TOU) load shifting and participate in demand-response events. PG&E will be transitioning residential customers to TOU rate structures in 2021. HPWHs with smart technologies for load-shifting and demand-response capabilities may potentially help TOU customers to heat water for home use more strategically, and to reduce electricity bills in the process.

Additionally, encouraging the use of the specified HPWHs may encourage customers to leverage other established technologies such as smart thermostats, moving toward whole-home strategies for demand management.

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<sup>&</sup>lt;sup>1</sup> https://efiling.energy.ca.gov/GetDocument.aspx?tn=233580&DocumentContentId=66125



Licha Lopez
CEC Liaison
State Agency Relations

77 Beale Street, B29K San Francisco, CA 94105 (202)903 4533 E3le@pge.com

Separately, PG&E has proposed a load-shifting/thermal energy storage program (the Watter Saver Program) that can will leverage these HPWH technologies to benefit customers on TOU rates and allow participants with smart HPWH to earn incentives.

The timely addition of the load-shifting and demand-response capabilities for HPWH as a compliance option for the 2019 Energy Code will also help to prepare the market for advancements in the 2022 Energy Code, including the potential to include this option for non-residential applications.<sup>2</sup>

PG&E continues to support the evolution of California's Energy Code to help meet California's decarbonization goals. Please feel free to contact me if you have any questions or concerns.

Sincerely,

[signature goes here, but no sig block necessary given letterhead]

<sup>&</sup>lt;sup>2</sup> https://title24stakeholders.com/measures/cycle-2022/nonresidential-grid-integration/