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### **SCE Comments for 2022 Energy Code Workshop**

Additional submitted attachment is included below.



#### **Dawn Anaiscourt**

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December 24, 2020

California Energy Commission Docket Office, MS-4 Re: Docket No. 19-BSTD-03 1516 Ninth Street Sacramento, CA 95814-5512 docket@energy.ca.gov

Re: Southern California Edison Company's Comments on the California Energy Commission

Docket No. 19-BSTD-03: Staff Workshop - 2022 Energy Code Pre-Rulemaking -

Proposed 2022 Energy Code Solar Photovoltaic and Electrification

#### Dear Commissioners:

On December 8, 2020, the California Energy Commission (CEC) conducted part two of two workshops to present and discuss proposed changes related to solar photovoltaic (PV) requirements and electrification for the 2022 update of the California Building Energy Efficiency Standards (Energy Code). The workshop included staff presentations on the standards related to solar PV and electrification in the 2022 Energy Code. Topics of discussion included 1) solar PV provisions for high-rise residential and nonresidential buildings, 2) storage provisions for encouraging self-utilization in high-rise residential and nonresidential buildings, and 3) heat pump baselines applicable to nonresidential and high-rise residential buildings.

Southern California Edison (SCE) appreciates the opportunity to submit comments on the workshop, as set forth below.

### I. SCE supports transition to an all-electric energy code for new construction.

SCE supports the inclusion of PV and battery storage for high-rise residential and nonresidential buildings. In comments submitted for part one of these workshops (October 20, 2020), SCE explained that aligning the Energy Code with the State's carbon neutrality goal will avoid locking in natural gas emissions and avoid costly spending on natural gas infrastructure that may become stranded before 2045. SCE continues to support the CEC moving quickly to an all-electric code where feasible. If an all-electric energy code cannot be reached for the 2022 Energy Code, SCE recommends that the CEC expand its electric readiness requirements to also include electrical infrastructure to support future electric space heating, clothes drying, and induction cooking.

## II. SCE recommends the CEC clarify eligibility requirements for Virtual Net Energy Metering (VNEM).

SCE supports the proposed PV and storage requirements presented for the Energy Code and seeks clarifications of the proposed code language in the exception section.

At the workshop, the CEC proposed the PV and battery storage requirements for high rise multi-family and nonresidential buildings requirements. Page 249 of the CEC workshop presentation lays out the following exceptions:

- 1. Exception for small PV systems compared to building loads
- 2. Exception for areas with high snow loads
- 3. Exception for multi-tenant buildings not eligible for VNEM and community solar<sup>1</sup>

SCE understands that, under certain conditions, some exceptions are appropriate. However, as written, the proposed exceptions are vague, difficult to enforce by building departments, and do not identify how the exceptions would be documented or evaluated. SCE requests that the CEC further define the proposed exceptions by adding more detail on the documentation and evaluation, so the language is objective and clear without leaving room for arbitrary interpretation.

For example, the CEC can define "high snow load" by using annual snow accumulation and snow depth data (potentially identifying the official authority that publishes such data). Another option is to designate zip codes and elevation levels that qualify as "high snow load."

As another example, in determining VNEM eligibility or schedule, the CEC should explicitly state how the applicant demonstrates its suitability to claim that exemption. For example, SCE currently has three potential options for a multitenant property to be VNEM eligible, which include 1) the customer qualifies for the Multifamily Affordable Solar Housing (MASH) program, 2) the customer is participating in the Solar on Multifamily Affordable Housing (SOMAH) program, or 3) the property is owned by a single owner. If the multitenant property does not meet any of these eligibility requirements, then the applicant can self-certify as ineligible for SCE's VNEM programs. Similarly, the CEC should explain how the applicant demonstrates that their project is ineligible for any existing community solar program in SCE's service territory.

The potential program changes or VNEM changes between the time the applicant submits the project for approval, and the time the applicant requests PV or energy storage system interconnection are an additional concern. The California Public

<sup>&</sup>lt;sup>1</sup> CEC Presentation on December 8, 2020 Energy Code on Pre-Rulemaking Workshop, available here: https://efiling.energy.ca.gov/GetDocument.aspx?tn=235906&DocumentContentId=68865

Utilities Commission (CPUC) can change the VNEM definition, schedule, or eligibility at any time. Therefore, a local jurisdiction, which enforces the Title 24 requirements, and the applicant must have a clear understanding on when the applicant can determine eligibility for the exceptions. For example, during the design phase of a new building, the applicant may determine that the project is eligible for VNEM. However, after the construction is completed and ready for the interconnection agreement, the project may not qualify for VNEM due to eligibility changes made by the CPUC. Utilities would not be able to provide assurance of VNEM eligibility at any phase of the building construction and connection to the electric grid until the project actually requests interconnection to the utility.

Lastly, as a clarifying suggestion, when the community solar is within the property, the language "VNEM <u>and</u> community solar" in exception 3 referenced above may be referring to the same project. However, when the community solar is outside the property, the term "VNEM <u>and</u> community solar" is no longer clear because the community solar program may not be available for VNEM. Therefore, SCE recommends modifying the sentence in exception 3 to read: "unable to sign up for a VNEM <u>or</u> any community solar program available in the host utility service territory" to make a more appropriate distinction.

# III. SCE recommends the CEC clarify eligibility requirements for community solar that are outside the property.

The term "community solar" is ambiguous regarding whether the "community solar" project is or is not within the boundaries of the property. For example, a VNEM eligible project can be considered a "community solar" project as it is a single project serving the needs of the tenants on that specific property. The CEC should clearly define what a "community solar" project or program is and distinguish it from an "onsite" project that may qualify for VNEM.

SCE recommends the CEC add language to clarify that the applicant must consider on-site PV as an option before considering community solar. This language would provide clarification to applicants seeking exemptions.

From the compliance perspective, the applicant must be able to demonstrate that a community solar option is not available from a local utility, Community Choice Aggregator, or any other energy service provider that meets all CEC community solar requirements, especially 1) the "Durability" requirement, which calls for securing the community solar for 20 years, and 2) the "Additionality" requirement, which requires energy saving benefits exclusively to the dedicated building.<sup>2</sup> California investor owned utilities (IOUs) currently do not have any community solar programs that meet all CEC community solar requirements, including the requirements to provide

<sup>&</sup>lt;sup>2</sup> California Code of Regulations, Title 24, Section 10-115

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"guaranteed" bill savings to the dedicated building over a 20-year period, or to provide a 20-year contractual agreement to provide solar that runs with the land.

The CEC may consider revisiting its community solar requirements so that more solar developers or energy service providers can provide community solar options to developers.

#### IV. Conclusion

SCE thanks the CEC for consideration of the above comments and looks forward to continuing its partnership with stakeholders to develop the 2022 Energy Code. Please contact me at (415) 929-5518 with questions or concerns. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/

Dawn Anaiscourt