DOCKETED	
Docket Number:	19-BSTD-03
Project Title:	2022 Energy Code Pre-Rulemaking
TN #:	236738
Document Title:	Rheem Manufacturing Company Comments - Title 24-2022 Pre-Rulemaking January 26, 2021 Workshop – Heat Pump Baseline
Description:	N/A
Filer:	System
Organization:	Rheem Manufacturing Company
Submitter Role:	Public
Submission Date:	2/11/2021 2:36:24 PM
Docketed Date:	2/11/2021

Comment Received From: Rheem Manufacturing Company

Submitted On: 2/11/2021 Docket Number: 19-BSTD-03

Rheem Comments â€" Title 24-2022 Pre-Rulemaking January 26, 2021 Workshop â€" Heat Pump Baseline

Additional submitted attachment is included below.



February 11, 2021

California Energy Commission 1516 Ninth Street Sacramento, CA 95814 Docket office, Ms-4 Docket No. 19-BSTD-03

Re: Comments on the January 26th, 2021 staff workshop on Heat Pump Baselines for the 2022 Pre-Rulemaking for Building Energy Efficiency Standards (Title 24, Part 6)

Dear Commissioners,

Rheem Manufacturing Company (Rheem) appreciates the opportunity to comment on the California Energy Commission's (CEC) January 26, 2021 workshop on the 2022 Pre-Rulemaking for Building Energy Efficiency Standards regarding Heat Pump Baselines and All-Electric Ready measures.

Rheem is an industry leader in total heating, cooling, refrigeration and water heating solutions and one of the few global brands with product offerings covering residential and commercial heating, cooling, conventional and hybrid storage water heaters, tankless water heaters, solar water heating systems, pool and spa heaters, commercial boilers, residential hydronic and geothermal systems, commercial refrigeration products, indoor air quality accessories, and replacement parts for all categories. Rheem has a manufacturing facility in Oxnard, California and is headquartered in Atlanta, Georgia. Rheem also has U.S. based manufacturing facilities in Alabama, Arkansas, Connecticut, and North Carolina and distribution facilities throughout the US, Canada and around the world.

Rheem is committed to a clean energy future and continues to bring to market products that advance the goals of emissions reduction at an affordable price to the homeowner, working cooperatively with environmental agencies and regulators. As California rapidly moves to decarbonize its building stock, appliances, HVAC and energy infrastructure, the Energy Commission appropriately balances the need to set a carbon neutral pathway *today* while acknowledging more work is needed to increase the electric equipment readiness, labor force training, and market adoption of *tomorrow*. This is particularly critical for the most vulnerable consumers, many of whom rely on natural gas due to economic and infrastructure limitations.



Rheem supports CEC's market-based approach to transition Low Rise Residential buildings to all heat pump technologies over two code cycles, while carefully addressing adoption challenges in parallel. We thank the CEC for their hard work on this proposal and comments made by staff during the workshop, emphasizing the key role heat pumps will play in achieving the state's building decarbonization goals. In support of continued progress towards these goals, we make the following comments and recommendations:

 We strongly support the CEC's proposal to establish heat pump baselines for space heating and water heating in Low Rise Residential buildings, including the option for Dual-Fuel heat pumps installations for HVAC.

The CEC correctly allows builders to choose a heat pump space heating or water heating, depending on the climate zone, in the 2022 code cycle, with the expectation of 100% electric heat pump requirements in the 2025 Code cycle. This allows the appliance and building industry to rapidly expedite the use of heat pumps over the two code cycles while taking advantage of emerging incentives to install and manufacture these appliances that will improve market penetration and enhance builder and consumer experience. Specifically, we support the CEC's allowances for new structures to achieve compliance with installation of one of the following:

- 1. A heat pump water heater
- 2. A heat pump space heater; or
- 3. Dual-fuel heat pumps and other efficiency measures

The CEC approach to promote and incentivize heat pumps wisely addresses market perception, while the multiple compliance paths allow for limited use of more efficient natural gas propane solutions in this cycle and provide options for consumers to go carbon neutral without mandating specific technologies that may not work in certain climates. In addition, the CEC clearly states future code cycles will be more aggressive in pushing an all-electric baseline with a larger heat pump market and more developed installer community.

 We support the electric-ready measures specified for single family and multifamily systems serving single dwelling and also recommend electric-ready measures be included for all building types

Recognizing that some electric-ready measures currently exist in the code for water heating, extending these measures to include suitable electric circuits for



space heating and other appliances is appropriate and should expedite adoption of heat pumps. We further encourage CEC to pursue electric-ready measures in all building types for unitary and central water heating, space heating, cooking, and drying to avoid burdensome costs placed on the building owner in the future.

These measures provide clear industry certainty and direct manufacturers to build the carbon neutral appliances to meet these 2022, and future, building code changes. With 90% of existing California households and businesses using natural gas appliances, the state needs to carefully support both electric and fuel-efficient pathways in the foreseeable future to ensure building electrification targets are achieved, and don't just remain targets.

We strongly support CEC's efforts and believe California needs to engage with appliance manufacturers directly to develop a clean, cost-effective and efficient pathway for tomorrow's electric and dual fuel heating appliances to be readily available and installed as quickly as possible.

Thank you for your consideration.

Karen Meyers

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