

DOCKETED

Docket Number:	19-BSTD-03
Project Title:	2022 Energy Code Pre-Rulemaking
TN #:	237015
Document Title:	Earthjustice, Sierra Club, RMI, et al Response to Feb 24 CBIA Letter
Description:	N/A
Filer:	System
Organization:	Earthjustice, Sierra Club, RMI, et al.
Submitter Role:	Public
Submission Date:	3/5/2021 3:13:40 PM
Docketed Date:	3/5/2021

Comment Received From: Earthjustice
Submitted On: 3/5/2021
Docket Number: 19-BSTD-03

Earthjustice, Sierra Club, RMI et al Response to Feb 24 CBIA Letter

Additional submitted attachment is included below.



Docketed in 19-BSTD-03

March 5, 2021

David Hochschild
California Energy Commission Chair

Andrew McAllister
California Energy Commission Member Assigned to 2022 Building Standards Proceeding

Re: Response to Letter Designed to Derail 2022 Building Code Electrification

Chair Hochschild and Commissioner McAllister:

We write to respond to a series of specious assertions in a February 24th sign-on letter led by the California Building Industry Association, and including the California Natural Gas Producers Association among its signatories. The letter seeks to derail progress on the 2022 building code update by the California Energy Commission (“CEC”).

Since the process for updating the building code began, well over one hundred organizations, ranging from environmental, environmental justice and public health groups, to utilities such as PG&E, to air districts and local governments, to architectural and business associations, have urged the Commission to adopt an all-electric building code. Accompanying these comments was substantial analysis demonstrating that all-electric new construction results in significant climate, air quality and public health benefits and lowers construction costs compared to homes that continue to rely on gas.

Recognizing the importance of all-electric new construction to achieving California's climate, air quality and public health objectives, the California Air Resources Board passed a resolution last year supporting electrification of appliances in the 2022 building code "in order to protect public health, improve indoor and outdoor air quality, reduce GHG emissions, and set California on track to achieve carbon neutrality."¹ As Governor Newsom declared amidst the ashes of the North Complex Fire during a wildfire season of unprecedented and devastating severity, "This is a climate damn emergency." Now is the time for the Administration to act through adoption of a building code with strong electrification measures.

In a recently released pre-rulemaking draft of the building code, the CEC made improvements in response to numerous stakeholder concerns that strengthen the 2022 code. These include assuming heat pump water heaters ("HPWHs") in the low-rise residential design baseline for most climate zones and, to the extent developers decline to take advantage of HPWHs and their superior efficiency to gas water heating, a requirement that homes include the necessary space, plumbing, and electrical connection to enable future HPWH installation, thereby eliminating a key barrier to future decarbonization. While these changes are a step forward, they still assume other appliances such as those used for space heating rely on fossil fuels. Rather than backslide from these modest code changes as suggested in the Feb. 24th letter, the Administration should go further and ensure that electric is the default for all appliances in the building code.

While the letter cites the current COVID pandemic—which, with availability of vaccines, is on its way to resolution—as a justification for inaction, the reality is that the 2022 building code does not take effect until January 1, 2023. That is nearly two years from now. Assembly Bill 2913 (2018) currently allows builders a full year between permit issuance and construction before a permit expires, meaning that for some builders, the new code would not be implemented until 2024. In short, the building industry is expected to have fully rebounded from COVID impacts by the time a 2022 Title 24 is implemented.

HPWHs are a proven technology that are already being installed in buildings throughout California and bear many similarities to tanked water heaters using gas. Becoming a certified

¹ CARB, *Resolution 20-32*, at 2 (Nov. 19, 2020), <https://ww3.arb.ca.gov/board/res/2020/res20-32.pdf>.

AO Smith HPWH installer entails reading a 36 page instruction manual, watching a seven minute video, and completing a 15-question online test.² To the extent in-person workforce training is needed, there will be ample opportunity before construction would commence on projects utilizing HPWHs. Nothing about including HPWHs in baseline 2022 code requirements can legitimately be construed as fast-tracked or rushed. The building industry has more time to adjust designs to accommodate HPWHs than the 1 year and 45 days it took to build the Empire State Building.

Equally misleading in the Feb. 24th letter are claims that electric rates justify continued reliance on fossil-fueled appliances. **To the contrary, a recent *en banc* by California’s energy agencies on electric rates found that electrification *reduces* rates by increasing volumetric electric sales. In contrast, delaying adoption of a strong electrification code until the 2025 code cycle would result in more than \$1 billion of unnecessary spending on new gas connection infrastructure.**³ Moreover, because new construction now requires solar, operational costs of all-electric homes are further reduced because solar generation offsets additional electric load and complements technologies like HPWHs, which heat water for later use in the middle of the day and can be programmed to operate in even greater alignment with solar generation. Rate concerns support electrification this code cycle.

Finally, the letter makes unsupported claims about purported increases in construction costs for all-electric homes. **In fact, study after study has found all-electric homes are cheaper to build in part because they avoid the need for gas pipeline infrastructure.**⁴ As one builder recently stated in reporting by NPR, “his company only did its first all-electric building because an environmentally-minded developer forced them to. They thought it would cost a lot extra - turns out it's cheaper.”⁵ Opposition to electrification is not about cost. It is about a status quo mindset that the planet can ill afford.

History will look at this moment and judge what we did to avert the climate crisis. **Climate action delay is climate denial.** We urge the administration to resist the unfounded arguments for delay and, instead, rise to this moment and support strong electrification measures in the 2022 building code.

² AO Smith, Heat Pump Certification, <https://www.hotwater.com/service/heat-pump-certification/>.

³ Rocky Mountain Institute, *California Can’t Wait on All-Electric New Building Code* (July 28, 2020), <https://rmi.org/california-cant-wait-on-all-electric-new-building-code/>.

⁴ E3, *Residential Building Electrification in California—Consumer Economics, Greenhouse Gases and Grid Impacts*, at 55 (Apr. 2019) (finding all-electric homes have “a capital cost advantage ranging from \$3,000 to more than \$10,000 over a mixed-fuel home” due to avoided gas infrastructure costs); Rocky Mountain Institute, *The Economics of Electrifying Buildings*, at 29 (2018), <https://rmi.org/insight/the-economics-of-electrifying-buildings/>

⁵ NPR, *Cities’ Goal to Lower Climate Emissions Could Be Blocked by Gas Utilities* (Feb. 23, 2021), <https://www.npr.org/2021/02/23/970672290/cities-goal-to-lower-climate-emissions-could-be-blocked-by-gas-utilities>.

Respectfully submitted,

Matthew Vespa
Staff Attorney
Earthjustice
mvespa@earthjustice.org

Matthew Vasilakis
Co-Director of Policy
Climate Action Campaign
matthew@climateactioncampaign.org

Jonny Kocher
Hub Coordinator
Sunrise Bay Area
JonathanKocher@gmail.com

Catherine Garoupa White
Director
Central Valley Air Quality Coalition
catherine@calcleanair.org

Bronwyn Barry, RA, CPHD
Board Chair
North American Passive House Network
bronwyn@naphnetwork.org

Laura Neish
Executive Director
350 Bay Area
laura@350bayarea.org

David Diaz
Executive Director
Active SGV
wes@activesgv.org

Sandra Slater
Program Manager
Cool Block
sandra@sandraslater.com

Lauren Weston
Executive Director

Lauren Cullum
Policy Advocate
Sierra Club California
lauren.cullum@sierraclub.org

Denise Grab
Manager
Rocky Mountain Institute
dgrab@rmi.org

Diane Bailey
Executive Director
Menlo Spark
diane@menlospark.org

Robert M. Gould, MD
President
San Francisco Bay Physicians for Social
Responsibility
rmgould1@yahoo.com

Hoi Yung Poon,
Co-Founder, Advisor
Silicon Valley Youth Climate Action
hoipoon@gmail.com

Nicholas Carter, PhD
Owner
npc Solar
nick@npcsolar.com

RL Miller
President
Climate Hawk Vote
rlmiller.blueskies@gmail.com

Steve Schmidt
Founder and COO
Home Energy Analytics
steve@hea.com

Alan Weiner
Chapter Lead

Acterra
lauren.weston@acterra.org

Jan Dietrick, Policy Team Leader
350 Ventura County Climate Hub
vcclimatehub@gmail.com

Ann Feeney
Strategy Committee Chair
San Diego Building Electrification Coalition
annfeeney4@gmail.com

Tina Devon Gallier
Board Member
350 Sacramento
Tina.gallier@350sacramento.org

Vanessa Teo
President
BAYCATS (Bay Area Youth Climate Action Team)
vanessaxteo@gmail.com

Gary Latshaw
Chair
Bay Area for Clean Environment
glatshaw@gmail.com

Elise Kalfayan
Glendale Environmental Coalition
elisek@sunroomdesk.com

Tara Kelly Hammond
Founder & Chief Environmental Officer
Hammond Climate Solutions
tara@hammondclimatesolutions.com

Environmental Center of San Diego
Pamela Heatherington
Board of Directors
contactecosd@gmail.com

Kara Ballester
President

350 Conejo/San Fernando Valley
mighty30north@gmail.com

Nicole Kemeny
President
350 Silicon Valley
nicole.kemeny@gmail.com
Chris Benz
Steering Committee
Napa Climate NOW!
christinabbenz@gmail.com

Bruce Hodge
Founder
Carbon Free Palo Alto
hodge@tenaya.com

Ruth Merino
Chair
San Jose Community Energy Advocates
info@sanjosecommunityenergy.org

Sandy Emerson
Board President
Fossil Free California
sandy@fossilfreeca.org

Brooke Donner
Vice President
UPTE Local 9
brooke@brookedonner.com

Cathy Gere
Steering Committee
Green New Deal at UCSD
cgere@ucsd.edu

Colleen FitzSimons
Executive Director
San Diego Green Building Council
colleen@sd-gbc.org

Melissa Elder
Partnerships Team Lead

BQuest Foundation
kara@bquestfoundation.org

Sunrise San Diego
melissamarie.sunrise@gmail.com

Robert Carr
Principal
Robert Carr Consultants
robert.carr1307@gmail.com

Pauline Seales
Organizer
Santa Cruz Climate Action Network
paulineseales120@gmail.com

Sven Thesen,
Founder,
Project Green Home
SvenThesen@gmail.com

Justine Burt
Co-Chair
Unitarian Universalist Church of Palo Alto,
Green Sanctuary
SvenThesen@gmail.com

Linda Kramer & Margo Allen Finlayson
Co-Chairs
Climate Realty Project, Orange County
margo.ipc@gmail.com

Tonya Parnak
Founder
350 Petaluma
tonyaparnak@yahoo.com

Christine Kohl-Zaugg
Executive Director
Sustainable San Mateo County
christine@sustainableanmateo.org

Michael Zelniker
Co-Chair Los Angeles Chapter
Los Angeles Chapter Climate Reality Project
aionpic@gmail.com

Cc: Alice Reynolds, Advisor to Governor Gavin Newsom
Jim DeBoo, Executive Secretary
Jamie Callahan, Deputy Cabinet Secretary
Wade Crowfoot, Secretary, California Natural Resources Agency
Jared Blumenfeld, Secretary, California Environmental Protection Agency