

DOCKETED

Docket Number:	19-BSTD-03
Project Title:	2022 Energy Code Pre-Rulemaking
TN #:	237077
Document Title:	SCE Comments for 2022 Energy Code Express Terms Draft
Description:	N/A
Filer:	System
Organization:	Dawn Anaiscourt
Submitter Role:	Public
Submission Date:	3/9/2021 3:25:18 PM
Docketed Date:	3/9/2021

*Comment Received From: Dawn Anaiscourt
Submitted On: 3/9/2021
Docket Number: 19-BSTD-03*

SCE Comments for 2022 Energy Code Express Terms Draft

Additional submitted attachment is included below.

March 9, 2021

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: 2022 Energy Code Pre-Rulemaking – Express Terms Draft

Dear Commissioners:

On February 22, 2021, the California Energy Commission (CEC) published a pre-rulemaking draft of the Express Terms to inform the general public and to solicit feedback on the proposed amendments within the context of the 2022 update of the Building Energy Efficiency Standards (Energy Code).

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

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

SCE appreciates the CEC’s efforts in taking these measured, incremental steps toward the future goal of an all-electric code, by establishing reasonable electric heat pump baselines for space and water heating in select climate zones. SCE continues to support an all-electric code to align with the State’s carbon neutrality goal that will avoid natural gas emissions and additional spending on natural gas infrastructure that may become stranded before 2045.

SCE supports the amended language to make single family homes energy storage system ready, heat pump space heating ready, electric cooktop ready, and electric clothes dryer ready. The infrastructure will encourage voluntary electrification, which is a logical intermediate step to fully electrify new construction for the 2025 Energy Code.

II. SCE disagrees with reasons for opposing electric infrastructure.

The Industry and Labor Coalition submitted a letter (Letter) on February 26, 2021 opposing “fast-tracking” electrification of new homes and apartments.¹

One reason cited for opposing electric ready infrastructure was the challenge of training contractors during the pandemic. The Letter stated, “As we emerge from a global pandemic, the ability to train thousands of contractors to install electric heat pump water heaters is severely hindered.” The 2022 Energy Code takes effect on January 1, 2023, which will likely not result in actual field installations until 12 to 18 months later. This is a result of Assembly Bill (AB) 2913 that was signed into law in 2018. It extended permit expiration dates from six to twelve months, as well as providing express statutory authorization of the local building official to grant one or more extensions for periods of up to 180 days per extension. Builders have traditionally proactively pulled permits ahead of any code change, and the long lead times associated with new permit timeframes provide a reasonable period of time for training. Additionally, heat pump water heater installations are similar to installing a standard tank-style water heater, with just some minor differences, such as a condensate drain. They are also not a new technology and are common in other areas of the country. Heat pump water heaters make up 33-44% of the new construction installations in the Pacific Northwest.² Quick online certification programs are readily available for installers today, and so there should not be issues with training the workforce to install heat pump water heaters by the time 2022 Title 24 goes into effect; particularly since for the most part these homes will not be in production for 12-18 months after the new code goes into effect. In addition, there are a multitude of free online training resources available from a variety of sources, including the utilities' energy education centers, regional energy networks, community choice aggregators, and the equipment manufacturers. Since installations of residential heat pump water heaters are substantially the same as standard electric water heaters, most of the training necessary to prepare the industry for the few considerations unique to heat pump installations can be remotely delivered, including a short, on-demand installer certification program offered on the website of the largest water heater manufacturer in North America.

Another reason cited for opposing electric ready infrastructure was cost. The Letter states, “Also, the CEC is currently assuming an increase in electrical rates of roughly 2% per year, while the PUC is presently considering electrical rate increases of 30%-40%.” This statement is misleading because as electrification becomes prevalent in order to meet the State’s ambitious environmental goals, building electrification will create downward pressure on rates over time as fixed costs are spread across a broader base of energy sales. It will also improve grid utilization systemwide. This argument also failed to reference the expected rise in utility gas rates that are projected as the economy decarbonizes. As demand for natural gas decreases, fixed infrastructure costs and ongoing system maintenance costs will be spread over a diminishing number of

¹ Letter available here: <https://efiling.energy.ca.gov/GetDocument.aspx?tn=236921&DocumentContentId=70085>

² https://neea.org/img/documents/HPWH_MPER4_FINAL.pdf

March 9, 2021

customers. If current investment and cost allocation trends continue, residential and commercial gas rates in 2045 could significantly increase from 2020.

III. 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. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/

Dawn Anaiscourt