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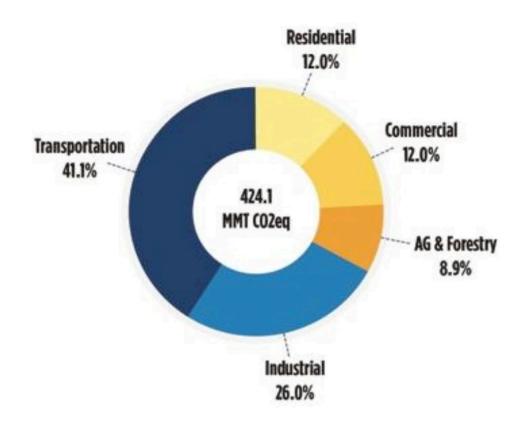
### **Building Decarbonization**

Workshop for the 2021 Integrated Energy Policy Report (IEPR)

Michael Sokol, Efficiency Division Deputy Director

California Energy Commission

#### California's Greenhouse Gas Emissions



Source: CEC using data from CARB 2019 GHG Inventory and the adopted 2019 IEPR Electricity Forecast. Emissions estimate extracted from <u>2018 IEPR Update</u>, Chapter 1, <u>Figure 1</u>, p. 27.



#### **Legislative and Regulatory Context**

- SB 32 (2016, Pavley) Reduce statewide GHG emissions 40% below 1990 levels by 2030
- AB 3232 (2018, Friedman) Assessment of potential to reduce building GHG 40% by 2030
- **SB 100** (2018, De León) 100% zero carbon resources by 2045
- **SB 1477** (2018, Stern) Low-emissions building technology deployment incentives
- CEC, CPUC, CARB, and other agencies taking action to assess and implement strategies to reduce building GHG

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# **Building Decarbonization Assessment (AB 3232)**

#### **Assembly Bill 3232 Requirements:**

- CO<sub>2</sub>e cost per metric ton
- Space and water heating cost-effectiveness
- GHG emission reduction from low-income and multifamily housing, high-rise buildings
- Load management strategies
- Ratepayer, construction costs, and grid reliability considerations





## Variables Impacting Decarbonization

#### **Building/Technology Impacts**

- Building age
- New construction practices and costs
- Availability of heat pumps and low-GWP refrigerants
- Electric panel upgrades
- Internet access







## Variables Impacting Decarbonization

#### **Customer/Consumer Impacts**

- Project financing
- Program design
- Scheduling retrofits
- Retrofit costs
- Cooking practices
- Utility bill changes
- Existing programmatic and regulatory restrictions
- Workforce training
- Split incentives





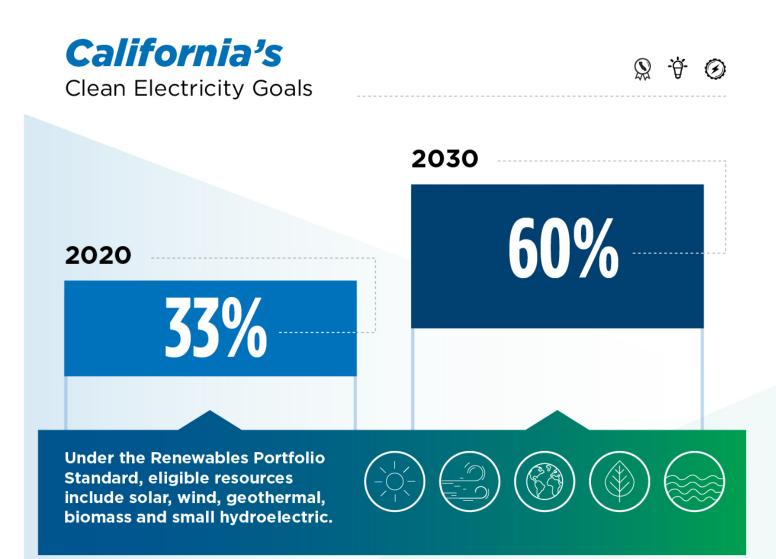


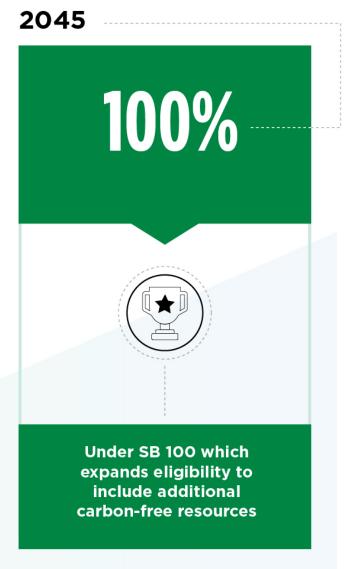
## Seven Broad Strategies of Building Decarbonization

- 1. Building end-use electrification
- 2. Decarbonizing electricity generation system
- 3. Energy efficiency
- 4. Refrigerant conversion and leakage reduction
- 5. Distributed energy resources
- 6. Decarbonizing gas system
- 7. Demand flexibility



#### **Senate Bill 100**







#### **Proposed 2022 Energy Code Goals**

- Increase building energy efficiency cost-effectively
- Contribute to the state's GHG reduction goals
- Enable pathways for all-electric buildings
- Reduce residential building impacts on the electricity grid
- Promote demand flexibility and self-utilization of PV generation
- Provide tools for local government reach codes

More Info: <a href="https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/2022-building-energy-efficiency">https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency</a>

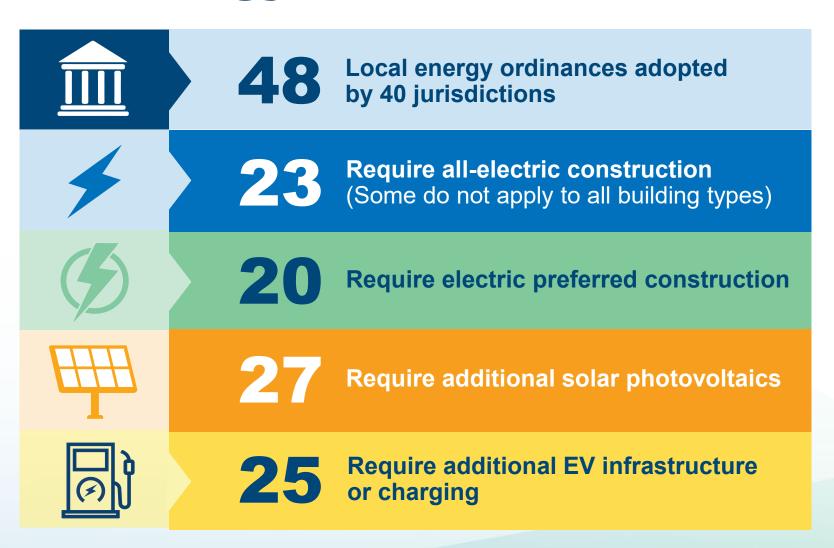


### 2022 Energy Code Update

- 1. Electric Heat Pumps
- 2. Electric Ready
- 3. Solar + Batteries
- 4. Indoor Air Quality



#### Local Ordinances Exceeding 2019 Energy Code



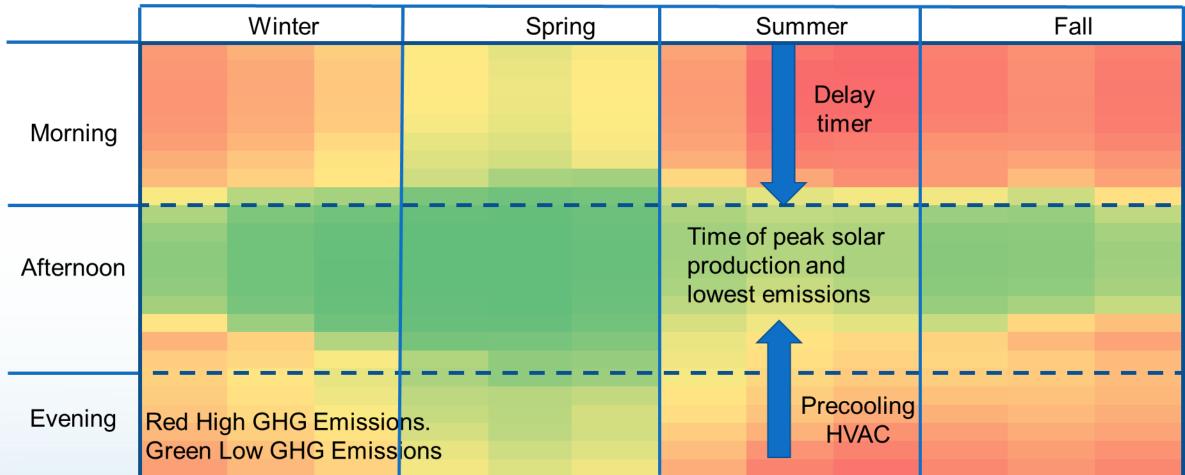


lives in a community with an energy code exceeding state standards



## Load Flexibility - Schedule, Shift, and Curtail

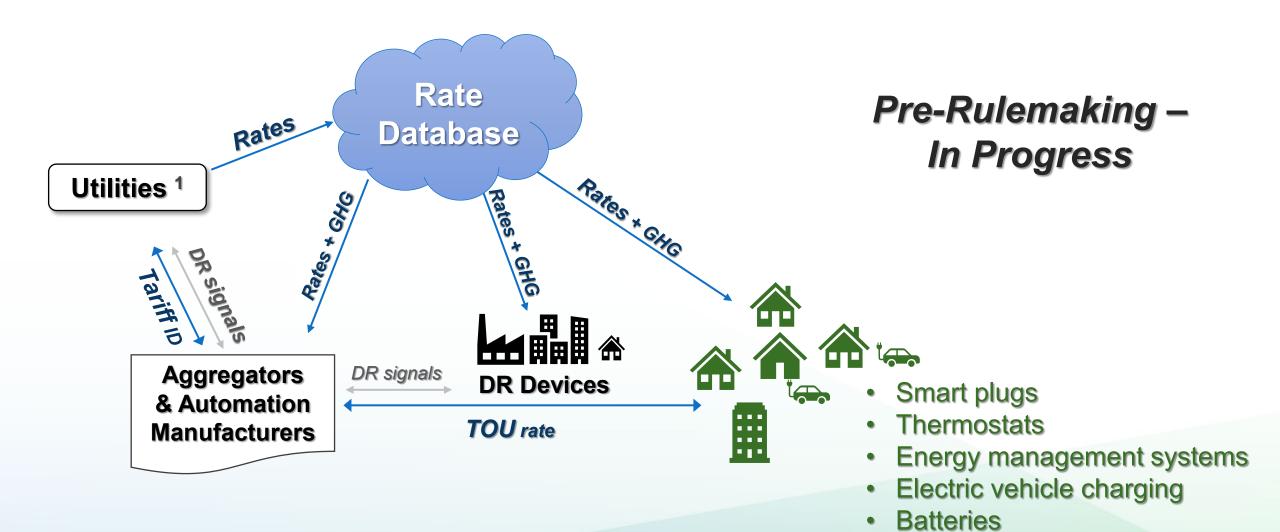
GHG Emissions by Hour and Season (2030)



Flexibility is key to reducing emissions from homes and businesses



### **Load Management Standards**



Water heater controls

1. And Load Serving Entities such as IOUs, POUs, CCAs, Etc.



### Senate Bill 49 Requirements

- Requires CEC to develop Flexible Demand Appliance
   Standards, in coordination with LSEs and CPUC
  - Cost-effective, including GHG and grid benefits
  - \* Requires consumer consent
  - Open source and user-friendly
  - Cybersecurity
- Report on progress in the Integrated Energy Policy Report

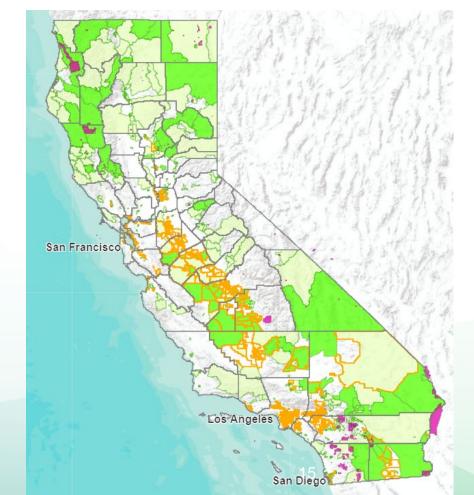
More Info: <a href="https://www.energy.ca.gov/proceedings/energy-commission-proceedings/flexible-demand-appliances">https://www.energy.ca.gov/proceedings/energy-commission-proceedings/flexible-demand-appliances</a>



#### Consumer Centric Approach

- Prioritize and invest in community outreach and engagement
- Commitment to Inclusion,
   Diversity, Equity, Access (IDEA)
- Collaborate with Disadvantaged Communities Advisory Group (DACAG)
- Consult with CA Tribes
- Partner with local communitybased organizations (CBOs)

California Tribal Lands, SB 535
Disadvantaged Communities and Lowincome Communities





### Thank you