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November 24, 2014

California Energy Commission
Dockets Office
1516 Ninth Street
Sacramento, CA 95814
Attention: Mazi Shirakh



RE: Docket No. 14-BSTD-01 2016 California Title 24 Update Process, November 3 Hearing

Dear Mr. Shirakh:

The Southern California Gas Company (SCG) is the nation's largest natural gas distribution utility, providing safe and reliable energy to 20.7 million customers. SoCalGas appreciates the opportunity to provide these comments on the November 3 workshop.

Life Cycle Cost Analysis

SoCalGas is concerned that the data used in the CASE study to determine cost-effectiveness of instantaneous water heater (IWH) technology may be inconsistent with standard practice. There are fundamental differences of opinion on the accepted maintenance practices, cost and equipment life assumed in the analysis. These differences factor significantly on the assumed cost-effectiveness of the various water heating options.

SoCalGas shared an alternative set of assumptions on equipment life, maintenance costs and frequency with stakeholders to demonstrate how the difference in the standard practices we analyzed resulted in a very different cost-analysis. The disparity of opinions on the accuracy of the available data presented in the CASE study does warrant additional research. SoCalGas is willing to spearhead this research and analysis to validate assumptions. We respectfully request that the CEC refrain from adopting further Title 24 regulations on IWH until this research is complete.

Gas Availability

SoCalGas respectfully requests that Subchapter 8, Section 150.1 (8)(D) remain in the draft regulation. The draft regulation deletes the current language stating the circumstances in which a IWH may be installed as the main water heating source single family units. Due to the reasons stated above, we believe this change to the regulation should be removed until the life-cycle cost analysis research is complete.

Thank you for this opportunity. We look forward to discussing this further with staff.

Sincerely,

Tamara Rasberry /s/