

California Energy Commission

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From: Elisabeth Russell [<mailto:erussell@ambag.org>]

Sent: Thursday, October 22, 2015 12:21 PM

To: Parrow, Donna@Energy

Subject: Request Related to an item on the California Energy Commission's Nov. 12th Agenda

Dear Commissioner McCallister,

I have attached a copy of a letter I sent to the attention of Martha Guzman-Aceves, Deputy Legislative Affairs Secretary, and copied to your attention, but given the urgency of the request, I am sending you an email version as well. Thank you for your consideration.

Best wishes,

Elisabeth Russell

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October 22, 2015

Martha Guzman-Aceves, Deputy Legislative Affairs Secretary
Office of the Governor
State Capitol, First Floor
Sacramento, CA 95814
martha.guzman-aceves@gov.ca.gov

Dear Ms. Guzman-Aceves,

I am writing to you on behalf of the Association of Monterey Bay Area Governments related to the energy efficiency work and GHG planning and reduction work we do for our region. For the last ten years AMBAG has been funded through the CPUC as a local government to work at a regional level and implement strategic energy efficiency and climate planning work throughout the AMBAG region. The AMBAG region encompasses three counties, eighteen cities and encompasses more than 5,000 miles. We work with all of our local governments, with our businesses, with our residents and have been very active working with our school districts providing full support for their Prop 39 energy efficiency and renewable projects. Right now we are actively supporting forty-four school districts with Prop 39 planning and implementation. Our specific reason for writing to you now is concerning an item that we hope to see go before the California Energy Commission on their November 12th agenda. We are asking your support to keep this item on the agenda and not have it be pulled from the agenda. We have participated in the stakeholder process related to this item and hope that it will have the opportunity to come to final presentation and resolution. Below are the details about the specific item of concern. Thank you for your consideration of this request.

INTRODUCTION

Hundreds of skilled jobs in the lighting retrofit industry are being lost and California's ability to meet its efficiency and greenhouse gas reduction goals is being compromised by the unintended consequences of a section of Title 24 2013. California Energy Commission staff has been working with the stakeholder community for the last year to develop language that will correct the oversights in the current Code. In June CEC staff presented the proposed 2016 Title 24 Code to Commissioners, who approved all chapters except Sections 141.0(b)2.I., J., K., and L., and Tables 141.0-E and -F, which is all the language dealing with lighting system Alterations and Modifications. Approval on this language was delayed to address concerns about the quantity of energy savings that would result from the proposed changes. CEC staff have since confirmed that the proposed 2016 15 Day Language for these sections will indeed generate greater energy savings, and the item was placed on the agenda for CEC meetings on August 12 and again October 14. However, both times this topic was pulled from the agenda without explanation.

If the CEC does not make a decision on this issue during their Thursday November 12 business meeting, the current flawed 2013 language will remain in force until 2020, effectively blocking a large group of utility ratepayers from upgrading their lighting systems and greatly damaging an

already reeling lighting retrofit industry. The proposed Code language represents a hard-won compromise between conflicting interests that will deliver significantly greater energy savings than the current Code. We urge you to direct the CEC Commissioners to hear and approve the proposed Code during their November meeting.

BACKGROUND

The 2013 update to Title 24 took effect last July and put in place significantly increased standards for lighting retrofits, essentially treating them much more like new construction. However, while many of the new requirements make sense for new construction and major renovations, they are not appropriate or affordable when applied to retrofit situations. These new requirements have greatly increased job costs and complexity for lighting retrofits but delivered little if any corresponding increase in energy savings. Instead of driving greater energy savings from lighting retrofits, these sections of Title 24 2013 is unfortunately motivating customers to simply maintain their existing inefficient but functional lighting systems rather than upgrading their equipment. This is stranding potential savings and hindering California's ability to hit its energy efficiency and GHG reduction targets.

The energy savings and industry impacts described above are supported by docketed evidence provided to CEC by dozens of stakeholders that document the unintended consequences of the 2013 Code. Tens of millions of kilowatt-hours of potential savings are being stranded as potential customers routinely reject Code-triggering proposals. Lighting contractors and maintenance firms that have been in business for decades have cut staff or closed their doors entirely, and lighting distributors and recyclers have seen steep declines in their sales to the retrofit market. For lighting retrofits in the existing built environment, the 2013 Code's assumed savings are simply not being achieved.

CONCLUSION

The proposed 2016 15-Day lighting system Alterations and Modifications language is a consensus document that incorporates a great deal of stakeholder involvement and compromise. While none of the parties are completely happy with every provision, the proposed language is broadly acceptable to the Lighting Retrofit Industry because it reflects market realities and provides much-needed relief by correcting the most critical deficiencies in the current Code that have been blocking thousands of projects and stranding savings. CEC's thorough engineering analysis and calculations demonstrates that the proposed Alterations language will deliver substantially more real-world savings than 2013 Code.

CEC's procedural timeline requires an up or down decision on the 2016 update to Title 24 by November 12. If that vote does not take place next month CEC will be unable to make any changes to current Code until 2020. That would be the death knell for a large portion of lighting retrofit industry in California, and the State would fall significantly short of achieving its ambitious energy efficiency and greenhouse gas reduction goals. For all these reasons, it is

essential that the Governor urge the Commission to adopt the proposed 2016 15-Day Language at its upcoming November 12 business meeting.

Again, thank you for your consideration of this request for support. Please contact me if there are any questions I could help answer.

Sincerely,

Elisabeth Russell
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cc: Rob Oglesby, Executive Director, California Energy Commission
Robert B. Weisenmiller, Chairman, California Energy Commission
Andrew McCallister, Commissioner, California Energy Commission