

- TO: Mayor and Council Members Marlene Best, City Manager Shawn Hagerty, City Attorney
- FROM: Annette Ortiz, CMC, City Clerk
- DATE: December 8, 2021

# SUBJ: UPDATED COUNCIL MEETING MATERIALS – DECEMBER 8, 2021

## PUBLIC HEARING:

(13) Consideration of Electrification as One of the Measures to Reduce Greenhouse Gas Emissions and Achieve Carbon Neutrality Consistent with the State of California's Decarbonization Efforts. (Development Services – Kush)

The attached correspondence relating to the above-mentioned Item is provided for your consideration.



BUILDING INDUSTRY ASSOCIATION OF SAN DIEGO COUNTY

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California Building Industry Association

National Association of Home Builders

December 8, 2021

Honorable John Minto City of Santee 10601 Magnolia Avenue Santee, CA 92071

Dear Mayor Minto,

The Building Industry Association of San Diego County represents 650-member companies and a workforce of over 30,000 men and women throughout the region. The Building Industry has worked closely with state regulators over the years on energy standards and supported four successive energy standard updates from 2011 thru 2020. We are equally committed to working with the city on local decarbonization efforts.

It is critical that any decarbonization plan recognize the fact that housing availability and affordability are critical to the social and economic well-being of the San Diego region.

New homes produced locally and throughout California are the most energy efficient units in the nation if not the world. However, Santee's average annual housing production of 144 units over the previous 5-years represents a small fraction of the 1.2 million existing housing stock countywide, of which 2/3 were built pre-1980 before the first energy regulations were adopted in California. Additional mandates on new home production will have a small impact on decarbonization efforts compared to the benefits associated with retrofitting portions of the City's existing 20,000 homes. Any approach should focus on improvements to existing housing stock to have a more immediate and beneficial impact toward decarbonization goals.

Electrification pursuits can clearly provide benefits, but a tempered approach is recommended to ensure electric grid safety, reliability and affordability. The State struggles at times to handle current energy use and is ill prepared to double the load with all-electric homes. California electric ratepayers already pay 65% higher residential electric rates than rest of the US currently. The Public Utilities Commission predicts 20-40% rate increase over next 2-4 years.

A tempered approach is also needed to ensure that local efforts do not get too far ahead of state efforts that result in unintended conflicts. *For example, electric tankless water heaters are not permittable under current Title 24 regulations.* This prohibition leaves new home builders' little choice other than to install less efficient, full-tank water heaters which is actually a step backwards. Cooperation and collaboration at all levels of government is essential.

The state has also recognized that electrification comes with increased up-front costs, such as 400-amp electric panels that would be necessary for 100% electric homes and additional design costs to install electric heat pumps and water heaters.

The state Housing and Community Development (HCD) and the Building Standards Commission (BSC), the two agencies that propose green building standards in California, are taking a more moderate approach to electrification. The California Energy Commission refrained from mandating all electric construction in its latest updates for 2023 due to legal hurdles and the lack of market familiarity.

For these reasons, the BIA recommends that the City of Santee mirror the actions of state regulators and wait for State code changes during the next triennial code update cycle.

The BIA appreciates the opportunity to provide comment on the decarbonization discussion and looks forward to working with the city on this and other important matters.

Sincerely,

Matthew J. Adams

Vice President

cc: Santee City Council



December 7, 2021

RE: 12/8/21 Santee City Council Meeting: <u>Support for Agenda Item 13 Public Hearing on</u> Electrification

Honorable Mayor and Council Members of the City of Santee:

The <u>San Diego Building Electrification Coalition</u> (SDBEC) is an alliance of community, business, faith, justice, and environmental organizations coming together to advance electrification in residential and commercial buildings.

Our coalition is pleased that the City of Santee is considering a Building Electrification measure. The Staff report notes several of the over 50 cities in California that have adopted Building Electrification ordinances, including Encinitas and Solana Beach, showing that this is an effective approach.

We recommend that Santee create an all-electric <u>new</u> construction ordinance. As you know, the State of California is requiring cities to reduce their greenhouse gas emissions, and this is a cost-effective way to address this. It is cheaper for new construction to skip installation of natural gas infrastructure, and on-going utility costs will be lower given new construction requires solar PV.

Note that addressing only new construction initially will have no impact on existing residences, while enabling local contractors to gain experience with all-electric technologies. The city can also tailor the building electrification measure to meet the community's needs, and can include narrow exceptions to the all-electric requirements if needed.

SDGE is working hard to improve the reliability of the electric grid. And if the grid does go down, note that most gas appliances will not work, e.g. many gas furnaces and hot water heaters have electronic controls. Also gas stoves should not be used for heating, e.g. 20 people died in <u>Texas</u> from carbon monoxide poisoning from their stoves last winter. Additionally all-electric buildings with solar PV and a battery are the most resilient, since they can operate completely off of both the electric and gas utilities.

All electric buildings also reduce the indoor air pollution caused from using gas stoves, e.g. a child living in a home with a gas stove has a 42% increased risk of asthmatic symptoms.

Relying on the 2022 California Title 24 building code will not be sufficient since it is only taking a half-step towards building electrification. If Santee does nothing and just follows this code, it will miss an opportunity to save money. It will cost more money to retrofit buildings to all-electric later rather than future-proofing them now.

SAN DIEGO BUILDING ELECTRIFICATION COALITION



We look forward to your fiscal leadership in directing staff to prepare a draft electrification ordinance requiring all-electric construction for new buildings.

Sincerely,



SAN DIEGO BUILDING SAN DIEGO BUILDING ELECTRIFICATION COALITION



Redwood Energy Sean Armstrong Managing Principal Redwood Energy	Tyson Siegele Energy Analyst The Protect Our Communities Foundation	SAN DIEGO COASTKEEPER Lucero Sanchez Community Policy Coordinator San Diego Coastkeeper
FUTURES Manufactures Unbound	Solutions in Sustainability Alex Kaufman PE CEM Founder Solutions in Sustainability	AIA San Diego American Institute of Architects San Diego
CLIMATE JUSTICE Climate Change Is a Moral Issue First Unitarian Universalist Church of San Diego Rhea and Armin Kuhlman Co-Chair, Climate Justice Team First Unitarian Universalist Church of San Diego	Luke Stroth Green New Deal at UCSD	





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Joe Britton Regional Public Affairs Manager 8330 Century Park Court, CP31D San Diego, CA 92123 jbritton@sdge.com

December 8, 2021

City of Santee 10601 Magnolia Avenue Santee, CA 92071

RE: Agenda Item #13: Consideration of Electrification as One of the Measures to Reduce Greenhouse Gas Emissions and Achieve Carbon Neutrality Consistent with the State of California's Decarbonization Efforts.

Honorable Mayor John Minto and Santee City Councilmembers,

Thank you for the opportunity to convey San Diego Gas & Electric's (SDG&E) position on *Item #13 – Consideration of Electrification as One of the Measures to Reduce Greenhouse Gas Emissions and Achieve Carbon Neutrality Consistent with the State of California's Decarbonization Efforts.* 

SDG&E shares the City's ambitions for achieving meaningful GHG reductions and have demonstrated our commitment to helping accomplish the long-term goals outlined in the Sustainable Santee Plan through significant clean energy investments.

SDG&E recently adopted a company-wide sustainability strategy focusing on the areas of environmental stewardship, clean transportation, grid modernization, community engagement, and company operations. We also recently committed to achieving net zero GHG emissions by 2045. That pledge not only includes our own direct emissions, but also those generated by customers.

To begin to accomplish the goal of a 100% clean energy future, SDG&E has already advanced of number of zero-emissions hydrogen, energy storage and electric vehicle charging infrastructure projects.

We appreciate that the City of Santee is exploring new measures focused on building electrification and want to work collaboratively to make your climate plan a success. We are conducting an economy wide GHG study that will include pathways to get us to net zero emissions with electrification and new technologies like hydrogen. We will share that work broadly once complete in early 2022.

We also encourage you to conduct additional outreach with the public, local businesses, labor, home builders and the many SDG&E employees who live here in Santee. Feedback from a wide cross section of stakeholders is invaluable to developing a long-term strategy to move our region closer to carbon neutrality.

We recognize the urgency to address climate change and its impacts and look forward to our ongoing collaboration in meeting sustainability goals.

We appreciate the opportunity to partner with the City of Santee in the implementation of the sustainability strategy in the areas of environmental stewardship, clean transportation, and grid modernization. Collectively, we can work together on solutions that result in meaningful GHG reductions.

Best Regards,

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Joe Britton Regional Public Affairs Manager San Diego Gas & Electric

CC: Mayor John Minto Vice Mayor Rob McNelis Councilmember Laura Koval Councilmember Ronn Hall Councilmember Dustin Trotter City Manager Marlene Best

From:	Save Fanita
To:	Chris Jacobs; John Minto; Ronn Hall; Laura Koval; Rob McNelis; Dustin Trotter
Cc:	Marlene Best; Karen Pearlman; Miriam Raftery
Subject:	Electrification - Item 13
Date:	Wednesday, December 8, 2021 11:00:37 AM

### Dear City of Santee,

Burning fossil fuels is responsible for the accelerating trend of extreme wildfires and floods and contributes to declining oxygen levels. Civilization will be increasingly disrupted without aggressive action to transition to clean electric power.

Cities that act now to avoid investments in stranded / obsolete assets will gain a competitive advantage over those who do not understand the future is electric.

"Human activities [ie., fossil fuel combustion] have caused **irreversible decline** of atmospheric O2...

O2 inventory is strongly threatened by humans' aggressive activities. Increasing amounts of O2 are being consumed by increasing fossil <u>fuel combustion...</u>the number of dead zones on Earth has doubled every decade since the 1960s [4]; these factors have limited the O2 production in oceans and caused waters to lose O2...the ocean O2 crisis are directly related to the O2 inventory on Earth...<u>cumulative effects</u> described above that limit the output of O2 are putting humanity's future at risk. It is foreseeable that life on Earth will inevitably suffer from hypoxia...

Thus, to save our earth, we must take more immediate actions to promote the output of O2 and reduce its consumption, such as by using more green energy instead of combusting more fossil fuels..."

https://www.sciencedirect.com/science/article/pii/S209592731830375X