# City of San Diego Climate Advisory Board

Date: September 10, 2024 Chair: Tanisha-Jean Martin

## Announcements



- The Current Bicycle Master Plan is over 10 yrs old
- There have been significant advances in bicycle facility planning and design
- The BMPU will promote and advance the goals of other related City plans, including our CAP mode share goal of 10% daily trips made by bike by 2035
- The BMPU will have a focus on Equity and All Ages and Abilities

Please visit <u>www.sandiego.gov/bmpu</u>



## Climate Advisory Board High-Performance Reach Code for Building Decarbonization

Josh Dean Jeff Hoyos

9/10/2024



## Agenda



#### Net Zero by 2050: A roadmap for the global energy system

stm Greentech Media

C Electrek

California's Big 2021 Decision on Grid Reliability: Expand Supply or Manage Demand?

Right now, the California Public Utilities Commission is moving more ... sources of load flexibility to participate in California's power markets, ... Jan 5, 2021

Home » Policy » Economics » It's Hard to Quantify the Value of Resilience Accurately, but California is Trying

#### It's Hard to Quantify the Value of Resilience Accurately, but California is Trying

#### O Utility Dive

Buildings," outlines the DOE's goal for the nation to triple the energy ...

#### Biden decarbonization focus shifts to buildings, with goal to ...

DOE's GEB goals include tripling the energy efficiency and demand flexibility of the buildings sector by 2030, relative to 2020 levels. 6 days ago

The World Economic Forum

#### Why the US Inflation Reduction Act is an important step in the transition to clean energy | World Economic Forum

On August 16, 2022, American President Joe Biden signed the Inflation Reduction Act (IRA) into law. The IRA is the most meaningful climate...



#### CALIFORNIA ENERGY COMMISSION

California Energy Commission DRAFT STAFF REPORT

#### California Building Decarbonization Assessment

EGEB: California governor earmarks \$3.2B to boost EV adoption

California governor Gavin Newsom's new proposal devotes \$3.2 billion to boost EV adoption goals. John Kerry says technology to reduce ... 1 week ago



Environment + Energy Leader







DOE Issues Roadmap for Grid-Interactive Efficient Buildings The guidance, titled "A National Roadmap for Grid Interactive Efficient

#### California Building Standards Commission



The 2022 edition of Title 24

https://www.dgs.ca.gov/BSC/Resources/Page-Content/Building-Standards-Commission-Resources-List-Folder/Guidebooks---Title-24

### What does the State Require?

| California State Code Update: | 2022 Building Energy Code and | CALGreen (effective 1/1/2023) |
|-------------------------------|-------------------------------|-------------------------------|
|-------------------------------|-------------------------------|-------------------------------|

| Building Type                               | Single-Family (SF)      | Multi-Family (MF) | Non-Residential      |
|---|-------------------------|-------------------|----------------------|
| EV Capable                                  | X                       | X                 | X                    |
| EV Ready                                    | X                       | X                 | X                    |
| Electric Vehicle Supply<br>Equipment (EVSE) | X                       | X                 | X                    |
| Electric Space Heating                      | Standard has shifted to |                   | Heat Pump Technology |
| Electric Water Heating                      | Baseline Case           |                   |                      |
| Cooking/Appliances                          | Electric Hoo            |                   |                      |



A combination of federal, state and local actions are necessary to achieve Net Zero Emissions Goals

## Strategy 1:

## **Decarbonization of the Built Environment**

| 2030 Target   | 2035 Target                               |  |  |  |
|---|---|--|--|--|
| Phase out <b>45%</b> of natural gas usage   | Phase out <b>90%</b> of natural gas usage |  |  |  |
| from existing buildings   | from existing buildings                   |  |  |  |
| All-electric reach code starting 2023 at new residential and commercial development |   |  |  |  |
| Phase out <b>50%</b> of natural gas usage   | Phase out <b>100%</b> natural gas usage   |  |  |  |
| in municipal facilities   | in municipal facilities                   |  |  |  |

## Why a San Diego "Reach Code"?



Figure 1: 2024 CAP Annual Report Draft

#### What is a Reach Code?

Local building code that goes beyond the minimum requirements set by the state for **energy efficiency and energy performance** of <u>New</u> <u>Construction</u> buildings.

Reach codes can also indirectly **support reduction of GHG emissions** through requirements related to EV and electric readiness.



## Why adopt a Reach Code?

- Step towards meeting city's net zero goals
- Reduce GHG emissions from buildings
- Provide water and energy savings
- Improve indoor air quality



## All Electric Construction: Cost Savings

- All-electric homes are less expensive to build
- Save \$7,500–\$8,200 on construction costs
- All-electric medium office buildings in the study area were only slightly more expensive
- Avoided cost of not installing fossil-fuel infrastructure
- More cost effective to electrify upfront

## **Reach Code Legal Challenges**

**CRA v. Berkeley**: In April 2023, a threejudge panel from the Ninth Circuit Court of Appeals wrote that the City of Berkeley's reach code ordinance, which prohibited the installation of natural gas plumbing in new construction, was preempted by the Energy Policy and Conservation Act (EPCA).



## Implications of CRA v. Berkeley

As a result of the court striking down Berkeley's ordinance, cities cannot require all electric construction.

- January 2024 Ninth Circuit upheld its opinion
- Reach codes can incentivize, but not require, all electric new construction when cost effective.



## **A Path Forward**

- A single requirement
  - Applies to all-electric and mixed-fuel buildings alike
- Requirement is based on energy
  - Total Source Energy
- Same mechanism as CALGreen Tiers
- Must be cost effective



High Performanc e Approach

- Requires higher energy performance for new single family, low-rise multifamily buildings, and ADUs
- Provides a strong metric for encouraging electrification AND providing grid/emissions benefits in projects with gas appliances
- Avoids potential for backsliding of efficient building envelope features
- Does not prohibit or penalize gas technologies
- Includes option to encourage use of Certified Energy Analysts to document compliance

# How to meet high-performance compliance:

- All-Electric Construction: Few or no additional efficiency measures
- Mixed-Fuel Construction: More significant measures
- Different margins for each building type in Climate
  7 and Climate 10

#### **Cost-effectiveness:**

- Compliance margins are cost-effective
- All-electric is most economical option



## **Base Code: Minimum Prescriptive Margin**



\* Market Standard is higher than federal minimum efficiency but is standard for units that are actually available in the marketplace.

#### All-Electric 2



PV to offset 80% electric usage + High efficiency HPWH (NEEA Tier 4) + High efficiency HP HVAC (16 SEER2)



#### **All-Electric 3**



R-49 attic insulation with buried ducts + Compact Water Heating Distribution + High efficiency HPWH (NEEA Tier 4) + High efficiency HP HVAC (16 SEER2)



#### **Mixed-Fuel**



PV to offset 100% electricity use + R-49 attic insulation with buried ducts + Efficient air distribution + Compact Water Heating Distribution + High efficiency HPWH (NEEA Tier 4) + High efficiency HVAC (18 SEER2) EDR Margin: 4.8

#### **CEC 2025 Energy Code Strategies**

- Heat pump baselines
- Promote demand flexibility, solar PV generation, and energy storage
- Covered process loads
- Equity & affordable new housing program integration
- Additional, alterations, and smaller homes. (e.g., ADUs)
- Electric vehicle readiness support
- Interagency coordination



Feedback and Q&A



Parking & Transportation Services



# San Diego Measure G

Transportation, Infrastructure & Safety Projects Initiative

State law prohibits the CSU or any campus from engaging in political advocacy efforts to influence a vote.

California law requires that the CSU remain:

"Entirely independent of all political and sectarian influence."

(Cal. Educ. Code §66607.)

## San Diego GHG Emissions by Sector



#### What is Measure G?

#### Measure G would place a one-half cent sales tax on the 2024 ballot for transportation, infrastructure & safety projects

- Highway improvements on 56, 76, 78, 94, 125, 67 and I-5, I8, I-15, I-805
- Blue Line Express from South County to Downtown
- Moving Rail Line off the Del Mar Bluffs
- Airport Transit Connector
- More frequent service and extended hours on bus and trolley routes
- Habitat preservation, stormwater upgrades, active transportation
- Keeping fares affordable and/or free for seniors, youth, disabled, veterans
- Road improvements including fixing potholes.

#### What its included on Measure G

- Investment in San Diego's transportation and stormwater systems
- Potential reduced commute times and congestion
- Improved fire evacuation routes
- Additional dedicated funding stream for expanded transit operations, affordable fares
- Local jobs increase and career training for San Diego County residents
- Leverage State and Federal Infrastructure





#### What does 1/2 cent additional sales tax look like?

- \$4 coffee: \$.02
- \$50 in groceries: \$0.25
- New \$400 TV: \$2



- 1 Cent= \$0.01
- <sup>1</sup>/<sub>2</sub> Cent=\$0.5\*\$0.01
- =  $\frac{1}{2}$  cent is equal to \$0.005



#### Where Would The Money GO

- Transit & Capital Projects
- Highway Capital Projects
- Streets, Sidewalks, Bike
- Transit Fares, Frequency & Safety
- Rail Transit Repair
- Administration



## Workplan Ad Hoc Committee Report



Workplan Survey Results

|                        | S1 | S2 | S3 | S4 | S5 | S6 |
|------------------------|----|----|----|----|----|----|
| Madi<br>Swayne         |    | 3  | 5  | 5  | 5  |    |
| Amy Ly                 | 5  | 1  | 5  | 3  | 5  | 3  |
| Whitney<br>Pearce      | 5  |    | 3  |    |    | 3  |
| JD Weidman             | 3  | 1  | 5  | 3  | 3  | 3  |
| Kelly Lyndon           | 5  | 1  | 1  | 1  | 1  | 1  |
| Jason<br>Anderson      | 3  | 5  | 3  | 1  | 3  | 5  |
| Tanisha-Jean<br>Martin | 5  | 5  | 5  | 5  | 5  | 5  |
| Mahayla<br>Slackerelli | 3  | 5  | 3  | 5  | 3  | 5  |
| Josh Dean              | 5  | 5  | 3  | 3  | 5  | 5  |
|                        | 34 | 26 | 33 | 26 | 30 | 30 |
|                        |    |    |    |    |    |    |
| Rank                   | 1  | 3  | 2  | 5  | 4  | 4  |
| # Verys                | 5  | 4  | 4  | 4  | 4  | 4  |

Workplan Committee S1-2 Decarb of the Built Env + Access to Clean & Renewable Energy : Whitney, Kelly, Josh,
Workplan Committee S3 Mobility & Land Use: JD , Tanisha-Jean,
Workplan Committee S4: Circular Economy & Clean Communities Mahayla, Amy
Workplan Committee S5: Resilient Infrastructure & Healthy Ecosystems Madi, Amy
Workplan Committee S6: Emerging Climate Actions Jason

#### Tentative meeting dates and locations

- 10/1/24 D2
- 11/5/24 D3
- 12/3/24 D4
- 1/7/25 D5
- 2/4/25 D6
- 3/4/25 D7
- 4/1/25 D8
- 5/6/25 D9
- 6/1/25 D1
- 7/1/25 (or move to 7/8/25?) D2
- 8/5/25 D3