

Model Resolution Supporting Balanced Energy Solutions and Maintaining Local Control of Energy Solutions

Whereas California's energy policies are critical to reducing greenhouse gas emissions and reducing the impact of climate change on our citizens; and

Whereas the state legislature and state agencies are increasingly proposing new legislation and regulations eliminating choice of energy by mandating technologies to power buildings and public and private fleets, including transit and long-haul trucking, as a strategy to achieve the state's climate goals; and

Whereas clean, affordable and reliable energy is crucial to the material health, safety and well-being of [CITY NAME] residents, particularly the most vulnerable, who live on fixed incomes, including the elderly and working families who are struggling financially; and

Whereas the need for clean, affordable and reliable energy to attract and retain local businesses, create jobs and spur economic development is vital to our city's success in a highly competitive and increasingly regional and global marketplace; and

Whereas [CITY NAME], its residents and businesses value local control and the right to choose the policies and investments that most affordably and efficiently enable them to comply with state requirements; and

Whereas building and vehicle technology mandates eliminate local control and customer choice, suppress innovation, reduce reliability and unnecessarily increase costs for [CITY NAME] residents and businesses; and

Whereas the City understands that relying on a single energy delivery system unnecessarily increases vulnerabilities to natural and man-made disasters, and that a diversity of energy delivery systems and resources contribute to greater reliability and community resilience; and

Whereas [CITY NAME] understands the need to mitigate the impacts of climate change and is committed to doing its part to help the state achieve its climate goals, but requires the flexibility to do so in a manner that best serves the needs of its residents and businesses. NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of [CITY NAME], as follows:

That the City supports balanced energy solutions that provide it with the decision-making authority and resources needed to achieve the state's climate goals and supports proposed state legislation and regulation that retains local control by allowing all technologies and energy resources that can power buildings and fuel vehicles, and also meet or exceed emissions reductions regulations.



Los Angeles/Ventura Chapter

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November 16, 2020

Board of Directors
South Bay Cities Council of Governments
2355 Crenshaw Blvd., #125
Torrance, CA 90501

Re: BIA-LAV Support Letter – Resolution Supporting Balanced Energy Solutions and Maintaining Local Control of Energy Solutions

Dear SBCCOG Board Members,

The Los Angeles/Ventura Chapter of the Building Industry Association of Southern California, Inc. (BIA-LAV), is a non-profit trade association focused on building housing for all. On behalf of our membership, we are submitting this letter in Support of the Resolution on Balanced Energy Solutions. We urge the South Bay Cities Council of Governments (SBCCOG) to adopt this Resolution in acknowledgement of the need to ensure energy choice, diversity and reliability.

BIA-LAV and our members have been ardent supporters of energy and sustainability goals. In fact, new construction has led the way in the adoption of natural resource resiliency, and energy efficiency. Particularly, California and Los Angeles County have some of the highest environmental standards in the Country; CALGreen is the first-in-the-nation mandatory green building standards code and the Building Energy Efficiency Standards, Title 24, Part 6 & Part 11 update (Energy Standards) include mandated solar for all new housing construction.

Additionally, according to the California Energy Commission, the Energy Standards are a unique California asset that have placed the State at the forefront of energy efficiency, sustainability, energy independence, and climate change issues, and have provided a template for national standards within the United States, as well as for other countries around the globe. LA County not only exceeds State standards, but we go far and above them. It is our goal to work with staff and City officials across Southern California in striking the right



Los Angeles/Ventura Chapter

balance of environmentally sustainable practices that also allows for the fair production of housing.

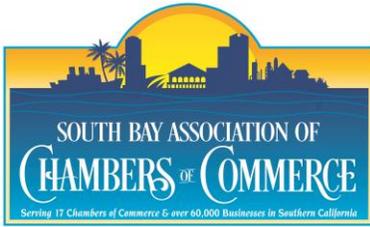
Currently, we depend on the availability of natural and renewable gas to provide Californians with energy affordability, choice, and reliability through diversified energy options. With our recent power outages, our energy reliability is not providing an example of confidence to consumers purchasing and renting homes with one energy source. We believe that we can meet the State and region's energy efficiency needs through diverse and incentive driven approaches.

For these reasons, we urge the SBCCOG to adopt the Resolution Supporting Balanced Energy Solutions and Maintaining Local Control of Energy Solutions. Addressing sustainability efforts should not negatively impact housing to achieve energy goals; this Resolution helps to better reach that outcome. Should you have any questions, please contact BIA-LAV Vice President, Diana Coronado, at dcoronado@bialav.org.

Sincerely,

Diana Victoria Coronado
Vice President
BIA - Los Angeles/Ventura

Sent via e-mail



November 17, 2020

Chairwoman Olivia Valentine and Board
South Bay Cities Council of Governments
2355 Crenshaw Blvd. #125
Torrance, CA 90501

Dear Chairwoman Valentine and Board,

The above organizations applaud the South Bay Cities Council of Governments (SBCCOG) in their consideration of a comprehensive energy strategy that allows South Bay cities to set its energy policies. As Californians, we are all working together to reach the state's carbon-neutral goal by 2045. Unfortunately, we have seen the California regulators pushing utility customers to one form of energy. As representatives of the region's business community, we feel it is critical to consider all energy solutions as a path towards total decarbonization.

More than 110 local governments across Southern California, representing approximately 8 million people, have passed resolutions to support affordable and balanced strategies to reduce greenhouse gas emissions. Such a resolution urges policymakers to safeguard consumers' ability to choose the energy for their homes and businesses.

The vast majority of homes and businesses in Southern California rely upon a combination of electricity, wind, solar, and natural gas in meeting their energy need. The South Bay has long served as a leader in climate change and sustainability, and we believe that a comprehensive approach is the best way of getting to carbon-neutral by 2045.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Heffernan".

John Heffernan, Chair
South Bay Association of
Chambers of Commerce

A handwritten signature in blue ink, appearing to read "David Juarez".

David Juarez
Director of Local Government Affairs
California Restaurant Association



NOTE: This is against the Resolution

Building Decarbonization: Fact vs. Fiction

The California Public Utilities Commission (CPUC) is in the process of implementing Senate Bill (SB) 1477 (Stern, 2018), which directs the Commission to create two new programs to promote the use of highly efficient building appliances. The first program, the Building Initiative for Low Emissions Development (BUILD) program, will offer up to \$20 million per year for four years to promote the construction of new residential housing that utilizes near-zero-emission building technologies. The second program, the Technology and Equipment for Clean Heating (TECH) program, will offer up to \$30 million per year for four years to promote purchases of low-emission space and water heating equipment.

Recent false and misleading claims made by groups advocating for the continued use of natural gas have caused confusion among elected officials, the media, and the general public regarding what actions the CPUC and other state agencies are currently taking to help decarbonize California's buildings.

Myth #1: The CPUC is mandating that all buildings stop using natural gas

Reality: There is no such mandate. The BUILD and TECH programs create incentives for utility customers to invest in new low carbon-emitting building technologies. The programs will be created in accordance with state statute and do not include any mandate to dismantle or diminish California's existing natural gas pipeline infrastructure. The tens of millions of natural gas appliances currently operating in homes and businesses across California represent a significant source of greenhouse gas (GHG) emissions and indoor air pollution. Collectively, buildings are responsible for approximately 12 percent of the state's overall emissions, and most of those emissions come from natural gas space and water heating. Meanwhile, electricity in California is becoming increasingly cleaner thanks to laws like the Renewables Portfolio Standard, which requires the state's utilities to buy at least 60 percent of their electricity from clean, renewable sources by 2030, and for the state's electricity grid to be completely carbon-free by 2045. In California, electricity is increasingly a cleaner alternative to natural gas. BUILD and TECH are intended to increase the use of highly efficient electric appliances, thus resulting in an overall decrease in GHG emissions over time.

Myth #2: Californians will be forced to retrofit their homes

Reality: Nobody will be forced to convert any of their appliances. Both BUILD and TECH are entirely voluntary programs. If a homebuilder does not want to construct new residential housing that utilizes near-zero-emission building technologies, they do not have to. Similarly, a consumer planning to retrofit her home with a new appliance will have no obligation to purchase electric appliances instead of natural gas appliances. Consumers will continue to be free to purchase whatever appliance best meets their needs.

Myth #3: Consumers will see dramatically higher bills

Reality: Neither BUILD nor TECH is anticipated to increase the average cost of service. The bill impacts for individual consumers participating in the programs will depend on a variety of factors, but the highly efficient buildings promoted by BUILD should result in significantly lower energy bills. According to an April 2019 study conducted by Energy and Environmental Economics, Inc., “building electrification... can lead to consumer capital cost savings, bills savings, and lifecycle savings in many circumstances.”¹ The study adds, “The most promising near-term opportunities for consumer cost savings among low-rise residential building electrification options can be found in all-electric new construction, and high efficiency air source heat pumps in homes where air conditioning can be replaced with heat pumps.”

Myth #4: Renewable natural gas will not be a future option

Reality: The CPUC is actively working to make renewable natural gas available in greater quantity. Six dairy biomethane pilot projects were recently authorized by the CPUC, and the Commission is currently considering applications from both Southern California Gas Company and San Diego Gas & Electric to introduce a special tariff allowing customers to opt into purchasing renewable natural gas. On August 20, 2019, the CPUC hosted a workshop at its San Francisco headquarters to begin developing a process to determine whether “off specification” gas can be injected into the pipeline system and blended in the system itself. The CPUC is considering multiple ways to quickly, effectively, and efficiently decarbonize California’s energy mix, and renewable natural gas is anticipated to play a role in that process. More information related to the CPUC’s efforts to promote renewable gas can be found at https://www.cpuc.ca.gov/renewable_natural_gas/.

Myth #5: Action is not needed at this time

Reality: BUILD and TECH represent an important next step in helping California meet its climate-related goals by reducing emissions from buildings. The two programs are anticipated to play a similar role to that of the California Solar Initiative, which brought cost-effective rooftop solar to California. Early action on market transformation programs will ensure that low- and zero-emission space and water heating technologies continue to improve in effectiveness and lower both installed costs and operating costs alike. To the extent that BUILD and TECH help incentivize the use of highly efficient electrically powered technologies for space and water heating, the two programs will help California reduce its overall emissions more and more each passing year. Timely action is necessary for California to continue to be a leader in the fight against climate change, and both BUILD and TECH will contribute to the state’s overall emissions reduction effort.

¹ https://www.ethree.com/wp-content/uploads/2019/04/E3_Residential_Building_Electrification_in_California_April_2019.pdf