

3CE Reach Codes Program

Advancing safer, healthier and more affordable buildings and vehicles

CentralCoastReachCodes.org







Reach Codes 101

- What are reach codes?
- Why should we implement reach codes?
- What's the process?

What are Reach Codes?



Local ordinances adopted by the local government that exceed and enhance the state's green building standards.

Types of Reach Codes:



Building Decarbonization New & Existing Buildings



Electric Vehicle Infrastructure (EVI)

Introduction to State Codes





Other names:

- Title 24, Part 6
- Building Energy Efficiency Standards

Scope:

- Energy efficiency
- Load flexibility (PV, battery)
- Single Family, Multifamily,
- and Nonresidential

Pathways to amend:

- Mandatory
- Prescriptive
- Performance

2022 CALGreen Code



Other names:

- Title 24, Part 11
- Green Building Standards

Scope:

- EVI, water use, waste, pollution, etc.
- Residential and Nonresidential

Pathways to amend:

- Mandatory
- Voluntary

Prescriptive: Think "checklist". Requires specific energy efficiency or renewable energy pathways.

Performance: Think "modeling". Requires buildings to meet an energy budget/performance score through a custom design, allowing applicants flexibility.

Reach Code Requirements





Must use no more energy than the Energy Code

Energy efficiency/conservation measures **must be cost-effective**

Local governments must make findings that the reach code is needed for local climatic, geological, or topographical reasons and must file with the California Building Standards Commission (CBSC)

Can't require equipment that exceeds federal standards (federal preemption)



Key Points of Cost-Effectiveness

- Something is cost-effective when the value of benefits exceeds the costs
- Must be approved by the California Energy Commission (CEC) (when cost-effectiveness required)
- Can be cost-effective on-bill or using the CEC's societal metric (TDV or LSC)
- Can be used to assess policy impacts as well as to document legal compliance
- Can mean different things to different stakeholders (developers, building owners, tenants, society)
- Studies available at Local Energy Codes and through the Cost-Effectiveness Explorer

What are the Main Benefits?





Reduce Greenhouse Gas

Emission in line with state/agency goals and Climate Action Plans.



Provide Financial Benefits related to lower-cost electric construction.



Support Public Health by improving indoor air quality and decreasing air pollution emissions.



Fulfill Local Goals by providing custom reach code options to meet goals that can be adopted at any time.

California Carbon Emissions by Economic Sector



- Emissions from Transportation and Commercial and Residential buildings account for 52% of the CA inventory in 2020
 - Mainly from the fossil fuel combustion
 - Nearly all gas appliances can be electrified, except some hightemperature industrial applications.



2022 California GHG Emission Inventory

California Buildings Gas Usage



The combined gas usage for cooking, water heating, and space heating accounts for 96% in residential and 91% in non-residential sectors.



Residential

Non-Residential

The Health Harms of Gas Stoves

Building Electrification



What is BE?

Building Electrification (BE) is the process of transitioning homes with "natural" gas lines to all-electric appliances.

Why BE?

Gas appliances = indoor air pollutants

Electric appliances = improved indoor air quality

Improved air quality = improved physical health and climate health



Gas stoves produce more air pollutants indoors than electric cooking appliances, often to levels exceeding indoor *and* outdoor guidelines.

GAS STOVES HARM HEALTH



How Gas Stoves Harm Health POOR AIR QUALITY = POORER HEALTH



Research shows that children living in a home with a gas stove have a <u>42% increased risk of having asthma symptoms.</u>



PHYSICIANS FOR SOCIAL RESPONSIBILITY SAN FRANCISCO BAY CHAPTER

Learn more: www.sfbaypsr.org/BE

The Health Harms of Gas Stoves





- Children are at greater risk of harm from gas stoves because they have:
- Higher breathing rates and higher levels of physical activity,
- Higher lung surface to body weight ratios and smaller bodies,
- ≽ Immature immune systems,
- ... leading to increased toxic exposure.

Compounded with health disparities, these risks contribute to overall higher rates of asthma in African-American and Hispanic children.

BE Must Center on Equity:

Gas stoves are more harmful to lower-income and communities of color.

- 3x more likely to live in an area with poor outdoor air quality
- At greater risk of <u>increased toxic exposure</u>: smaller unit size, more residents, and inadequate ventilation
- More often renters, vulnerable to <u>rent increase or eviction</u> as landlords transition homes to electric appliances

By prioritizing community voices, BE has the opportunity to improve the living conditions and overall health of marginalized communities.



Open A Window Use an Exhaust Hood

Cook on Back Burners





Use Electric Kettles, Insta-Pots, Air Fryers, Etc.

Switch to an allelectric stove



PHYSICIANS FOR SOCIAL RESPONSIBILITY san francisco bay chapter

Learn more: www.sfbaypsr.org/BE

Why Establish Reach Codes?



Air Quality Regulations Aren't Certain	 California Air Resource Board (CARB) is considering proposals for zero NOx emissions limits for water heating and space heating, starting as early as 2027, but they aren't adopted yet
Local Reach Codes Influence the State	 Statewide electrification codes incorporate elements from local reach codes Smoother implementation of state-wide requirements
Allows More Action, Sooner	 Earlier actions have exponential greenhouse gas emissions savings Existing building policy is needed immediately to meet 2030, 2035, and 2040 climate goals
Continuous Signal to the Market	 Avoid a progress gap for new construction from 2024-2027 Send clear, continuous message to market Avoid stranded asset cost of continued gas investment
Local Control	 Ability to design customized exception and language Jurisdictions with more progressive climate targets can pass more progressive reach codes

Reach Code Context in 2024



Buildings Due to the <u>latest decision for the CRA v Berkeley Ruling</u>, some jurisdictions are re-assessing their approach to building electrification reach codes to mitigate the risk of litigation.

Electric Vehicle Infrastructure (EVI)

The CALGreen code goes through triennial updates (2022, 2025, etc.) and intervening updates at the mid point between triennial updates. The CALGreen code has intervening updates to the 2022 code that went into effect on July 1, 2024.



California's Upcoming Electrification Changes





-Text in blue is proposed. -Text in black is adopted. California Restaurant Association v. City of Berkeley



July 2019	Nov 2019	July 2021	April 2023	May 2023	January 2024
The City of Berkeley adopts a municipal gas ban/all-electric Ordinance.	The California Restaurant Association sued the City of Berkeley…	The District Court originally rejected the CRA challenge	The Ninth Circuit reversed the District Court decision, concluding that EPCA	The City of Berkeley filed a petition for an En Banc rehearing.	The Ninth Circuit denied an En Banc rehearing. Berkeley has
The Ordinance prohibits, with some exceptions, natural gas infrastructure in newly constructed buildings.	on the grounds that the Ordinance was preempted by the federal Energy Policy and Conservation Act (EPCA).	 because the ordinance does not directly regulate either energy use or energy efficiency of covered appliances. The CRA appealed that 	preempted Berkeley's ban because it prohibited the onsite installation of natural gas infrastructure necessary to		Some jurisdictions are evaluating new building reach code approaches.

Ruling Takeaway: Natural gas appliances can't be directly prohibited from use based on the Energy Policy and Conservation Act (EPCA).



Collaboration & Services

- What services are available to you?
- Who else is working on a reach code?

Key Support



Templates and Tools	Customization	Adoption Support		
 Model ordinances and adoption resources developed through years of municipal support and stakeholder engagement Resource library, tools, templates, and presentations 	 Diverse needs ≠ one size fits all Provide local research and specific tools to support municipal staff Interpret statewide CA code cost-effectiveness studies related to climate zones and goals 	 Technical assistance Present at City Council meetings Facilitate public workshops Regional Collaboration 		
 Streamlined delivery models based on lessons learned 	 Integrate feedback regarding unique building stock and community feedback 			

Who is Working on a Reach Code?



Post-

Berkeley

3CE Member Agencies

	New Construction Buildings			Existing Buildings			EV
Jurisdiction	Single Family	Multifamily	Nonresidential	Single Family	Multifamily	Nonresidential	Infrastructure
Santa Cruz	X	X	Х	Х	X		
San Luis Obispo	Х	X	Х	Х	X		
Goleta	Х	X	Х				Х
County of Monterey							Х

Other Cities

	New Construction Buildings		Existing Buildings			EV	
Jurisdiction	Single Family	Multifamily	Nonresidential	Single Family	Multifamily	Nonresidential	Infrastructure
Brisbane	Х	X	X				Х
East Palo Alto	Х	Х	Х				
Mountain View	Х	X	Х	Х	Х	Х	
Palo Alto	Х	Х	Х				
County of San Mateo	Х	Х	Х				
Santa Monica	Х	Х	Х	Х	Х	Х	Х
West Hollywood				Х	Х		17

Source: Adopted Ordinances (localenergycodes.com)



Existing Buildings

- What are the choices for existing buildings?
- What are the pros and cons?
- What is the FlexPath approach?
- What is an electric readiness approach?

Existing Building Approaches



	Description	Advantages	Challenges	Who's done it?
Time of Replacement	Require that property owners at the time of equipment replacement (upgrades or burnouts) abide by zero-NOx requirements and/or electric readiness requirements.	 Simple policy Replacements occur more frequently than major renovations 	 Emergency replacements May result in some bypassing the permit process 	San Mateo, Portola Valley, Marin County, Palo Alto
Time of Renovation	Require applicants that are already pulling a permit for a renovation project to abide by certain energy efficiency measures and/or electric readiness requirements.	 Customizable triggers Unlikely to impact small or low-cost renovation projects Unlikely to bypass the permit process 	 More complex policy Clarity of permit data Low permit/renovation rates can increase time to make impact 	San Mateo, Portola Valley, Piedmont, Marin County, San Luis Obispo
BPS	Require property owners to regularly report energy- or emissions- use intensity (EUI). In addition, the policies require incremental reductions in EUI over a set time horizon.	 Monitor building stock Customizable triggers Regular enforcement cycles 	 Large administrative burden (cost/time) 	Cities: Denver, Reno, Chula Vista, St. Louis, etc. States: Oregon, Washington, Maryland, Colorado
Time of Property Transfer	Leverage real estate transactions to disclose relevant information on, incentivize, or require, certain home improvements. We do not recommend policies which inhibit or delay the sale of a property.	 Leverages major financial transaction Allows responsibility to be shared between buyer and seller 	 Limited precedence for jurisdictional authority Jurisdiction regulation of property transfer process Low transfer rates can increase time to make impact 	Piedmont, Berkeley, Davis



What is it?



Major residential addition and alteration projects must include energy efficiency and/or electrification measures.



Typically takes effect through amendments to the Energy Code, Title 24, Part 6.

How does it work?

What support is available?



Technical Assistance



Existing buildings are a huge opportunity for emissions reduction as they are the majority of the housing stock.



Flexible compliance options are available through a menu of measures.



Model Code Language



Staff Report Templates



The goal is to reduce emissions while improving the quality, comfort and health of buildings and residents.



Some measures may be included as mandatory, such as LED lighting and prewiring.



Council Meeting Support

FlexPath – Example



Requirements for <u>major residential addition and/or alteration</u> projects to include energy efficiency or electrification measures.

What is a "major" addition or alteration as proposed?

- An addition of 300 or more square feet of floor area.
- Any addition and alteration combination with an impacted area of 300 or greater square feet.

What would a project applicant have to do?

• Pick from a menu of energy efficiency measures and in some cases provide outlets for future zero emission appliances.

Would this apply to small projects, appliance replacements, window projects, roof projects, cosmetic changes, work that doesn't require a permit, kitchen appliances, or gas stoves?

• No, no, no, no, no and no.

The ordinance is projected to impact 200 permits a year with a median project valuation of \$150k

FlexPath – Measures Menu Example

Requirements:

- 1. Install any number of the measures from the table that add up to a total score of 9 or greater. Many combinations possible
- 2. Complete all mandatory requirements.

There are at least 5 cost effective combinations.

Example:	Climate Zone 3 data
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	CLEAN ENERGY. LOCAL
Measures	Points
Water Heating Package	1
Induction Cooktop	1
Heat Pump Clothes Dryer	1
Air Sealing	2
Duct Sealing	3
R-49 Attic Insulation	4
Windows	4
R-13 Wall Insulation	5
New Ducts + Duct Sealing	6
R-19 Floor Insulation	9
R-30 Floor Insulation	10
Heat Pump Water Heater (HPWH)	12
Solar PV + Electric Ready Pre-Wire	13
Heat Pump Space Heater	18
LED lamps and Exterior Photocells	Mandatory
Panel-related Pre-wiring	Mandatory
Mechanical, Kitchen & Laundry Room Electric Ready Pre-Wire	Mandatory

Source: Single Family Residential Retrofits Cost-Effectiveness Reports

Central Coast

Energy

Community

CONTROL.

Electric-Readiness Reach Code



	Retrofit Category	Details
Pump Space Heater	Heating, Ventilation and Air Conditioning	For alterations and additions that include an HVAC system, the jurisdiction could require an outlet for a future electric heat pump.
Future El certe Heat Pump Water Heater	Water heating	For alterations and additions that include a water heating system, the jurisdiction could require an outlet for a future water heater heat pump.
	Pool and Spas	For alterations and additions that include pool or spa equipment, the jurisdiction could require an outlet for a future electric pool heater.
(O)	Installing 240V outlet when renovating the following areas:	Laundry room (an outlet for a future electric clothes dryer) Kitchen (an outlet for future electric oven/stove)
	Panel	When planning an electrical panel replacement and electrical panel upgrade, the jurisdiction could require the electrical panel to include panel capacity and breaker space for future electrification of building systems.

Photos: Energy Code Ace

An **exception** can be offered if, as a result of these requirements, an increase in any of the following is needed (that is not part of the appliance upgrade scope):

- · Capacity upgrade for an electrical panel
- Feeder upgrade
- Transformer upgrade
- Electrical service upgrade



EVI Reach Code

- What EVI code terminology do I need to know?
- What are the CALGreen requirements?
- What is the new construction model code?
- What is the alterations & additions model code?

What is Electric Vehicle Infrastructure (EVI)?

- The integral equipment and materials necessary to support Electric Vehicle (EV) charging.
- This includes:
 - Electrical capacity (utility service, transformers, and feeders)
 - Panel space for EV dedicated breaker
 - Conduit/Raceway/Pathways for circuits
 - Wiring (circuits) for EV charger
 - EV dedicated receptacles or charging equipment
 - EV charging plug and cord
 - Energy management software





EVI Code Terminology









Source: Cleanenergy.org EV Readiness 26

L2 EVCS

Single Family Homes and Two-Family Townhomes



Takeaway: The proposed code modifies the L2 EV Capable requirement to be a L2 EV Ready circuit and adds 1 L1 EV Ready circuit (if there is a second parking space).

Multifamily



Takeaway: The proposed reach code increases the amount of LP L2 EV Ready (for resident spaces). The proposed reach code aligns with proposed 2025 CALGreen code.

Hotels/Motels



Non-residential



Takeaway: The reach code splits nonres into two categories with distinct requirements based on the proposed 2025 CALGreen code, but converting the EV Capable requirement to a Level 2 EV Ready requirement. Both of these requirements are increased from previous code cycles.

EVI Requirements for Alterations & Additions





EVI Requirements for Alterations & Additions



2022 CALGreen When new parking facilities are added, or electrical systems or lighting of existing parking facilities are added/altered and the work requires a permit:

- 1. 10% of the total number of parking spaces added or altered shall be L2 EV Capable.
- 2. Identify reserved panel space for overcurrent device as "EV Capable"

Meet the new construction EVI requirements under the following situations:

- 1. Increasing power supply as part of a parking facility addition or alteration.
- 2. Adding new PV added over existing parking.
- 3. Triggered pursuant to Code Section 301.3 & Increasing power supply to an electric service panel.

New construction EVI requirements:

- Increases percentages compared to CALGreen minimum
- Requires EV Ready instead of EV Capable



ΜULTIFAMILY

Reach Code

EVI Requirements for Alterations & Additions



Meet the new construction EVI requirements under the following situations:

- 1. Increasing power supply as part of a parking facility addition or alteration.
- 2. Adding new PV added over existing parking.
- 3. Triggered pursuant to Code Section 301.3 & Increasing power supply to an electric service panel.

Increase new construction EVI requirements compared to CALGreen minimum.

Adds a trigger for breaking ground (like trenching).

Amends exception 1(c) to include a maximum utility service cost of \$4,500/space.



2022 CALGreen

Reach Code

EVI Exceptions

1. Infeasibility: No local utility power supply.

- **2. Timeline:** Where there is no local utility power supply or local utility is unable to supply adequate power.
- 3. Utility Infrastructure Cost: Where evidence suitable to the local enforcing agency shows that requirements may increase construction cost associated with utility-owned infrastructure by an <u>average of \$4,500 per parking space</u>. EV infrastructure shall be provided up to the level that would not exceed this cost for utility service.







- **1. Remote parking facilities** that do not have access to the building service panel.
- **2. Parking area lighting upgrades** where no trenching is part of the scope of work.
- **3. Emergency repairs**, including but not limited to water line break in parking facilities, natural disaster repairs, etc.
- **4. Where demonstrated as impracticable** excluding local utility service or utility infrastructure issues.

Added with Reach Code:

5. <u>Alterations that solely add Level 1 EV charging receptacles</u> or Level 1 EV chargers, and no other addition or alteration is performed within the parking facility.





New Construction Reach Code Options

- What are the choices for new construction?
- What are the pros and cons?
- What is the Energy Performance approach?



Approach	Description	Advantages	Challenges	Who's done it?
Energy Performance	Requires a higher <i>Source Energy</i> compliance margin than what the state requires through the performance path of the Energy Code, Part 6.	 Mitigates legal risk by allowing methane gas pathways Can provide an all-electric cost- effective pathway Enforcement process is already in place, the compliance margin is increased 	 Limited to regulating space heating/cooling and water heating Likely lower carbon savings compared to all-electric only pathways 	East Palo Alto Encinitas Palo Alto Santa Cruz San Jose San Luis Obispo
Other Strategies				
Air Quality	Regulates building or appliance emissions through CALGreen, Part 11. Typically applies to areas that are in non-attainment for criteria air pollutants.	 Uses Clean Air Act authority rather than Energy Policy and Conservation Act Regulates all emitting equipment (cooking, fireplaces, dryers, etc.) Likely to result in all-electric construction, which includes construction cost savings Direct benefit to air quality / health High impact on emissions reduction 	 Legally untested Potentially new enforcement approach Concerns adopting this approach could negatively impact the on- going work with the AQMDs and CARB 	Los Altos Hills New York City

How Does an Energy Performance Approach Work?





What is Source Energy?



- A rating system within the performance path that is used to regulate energy performance.
- Based on hourly source energy which establishes a carbonbased performance metric.
- For single family homes, Source Energy is 1 of 3 Energy Design Rating (EDR) metrics.

		Energy Design Ratings			Compliance Margins		
	Source Energy (EDR1)	Efficiency ¹ EDR (EDR2efficiency)	Total ² EDR (EDR2total)	Source Energy (EDR1)	Efficiency ¹ EDR (EDR2efficiency)	Total ² EDR (EDR2total)	
Standard Design	35.6	45.8	31.3				
Proposed Design	26.5	39.6	28.4	9.1	6.2	2.9	
RESULT ³ : PASS							
¹ Efficiency EDR includes improvements like a better building envelope and more efficient equipment ² Total EDR includes efficiency and demand response measures such as photovoltaic (PV) system and batteries ³ Building complies when source energy, efficiency and total compliance margins are greater than or equal to zero and unmet load hour limits are not exceeded							
 Standard Design PV Capacity: 3.46 kWdc PV System resized to 3.46 kWdc (a factor of the second s	of 3.459) to achieve 'Stan	dard Design PV' PV scalir		lin e			



How does this approach meet the Energy Policy and Conservation Act?



EPCA Exemption and the 7-Factor Test

Permit a builder to [...] select items whose combined energy efficiency meet an overall building energy target.

Not specifically require any EPCAcovered appliance to exceed federal standards.

Offer options for compliance, on a 1for-1 equivalent energy use or equivalent cost basis.

Energy Performance Approach Technical Considerations

Instead of regulating appliance fuel infrastructure, the Energy Performance Approach sets a target energy score using the EDR1/Source Energy margin (used in modeling software for CA building permits).

This approach sets the target energy score assuming federally required minimum equipment efficiencies.

This approach sets a common target energy margin for both mixed-fuel and all-electric buildings.

What is the Energy Performance Approach?





Which Appliances are Relevant?



What's included?

- Space heating/cooling
- Water heating ullet



What's not included?

- Stoves ullet
- Laundry •
- Pools •
- Fireplace/pit •









How Does Compliance Work?



A compliance margin of "x" or higher is required for Single Family, Multifamily (low & high rise) and Nonresidential buildings.

Single Family Example:

ENERGY DESIGN RATINGS								
		Energy Design Ratings			Compliance Margins			
	Source Energy (EDR1)	Efficiency ¹ EDR (EDR2efficiency)	Total ² EDR (EDR2total)	Source Energy (EDR1)	Efficiency ¹ EDR (EDR2efficiency)	Total ² EDR (EDR2total)		
Standard Design	35.6	45.8	31.3					
Proposed Design	26.5	39.6	28.4	(×)	6.2	2.9		
		RESULT	⁻³ : PASS					
¹ Efficiency EDR includes improvements like a better building envelope and more efficient equipment ² Total EDR includes efficiency and demand response measures such as photovoltaic (PV) system and batteries ³ Building complies when source energy, efficiency and total compliance margins are greater than or equal to zero and unmet load hour limits are not exceeded								
EDR2efficiency & EDR2	2total must ac	hieve a score	of "0" or high	ner to pass (p	er 2022 Title 2	24, Part 6).		

Is Electric Readiness Included?



In addition to the state code, the following electric readiness requirements are added through this reach code:

Multifamily Residential:

- Centralized water-heating systems
- Individual dwelling unit waterheating systems

Nonresidential:

- Systems using gas or propane
- HVAC hot water temperature design temperature
- Commercial kitchens



Typical requirements:

- **Dedicated wiring** installed within 3 ft of the gas-fired appliance.
- **Reserved electrical breaker space** provided for the future installation of these systems and appliances.
- A heat pump water heater also requires:
 - Space large enough to install it
 - **Plumbing** for a condensate drain and hot and cold water.



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Contact Us

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