

# **Participant Handout**

June 2024









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#### ABOUT THE STATEWIDE CODES AND STANDARDS PROGRAM

The Statewide Codes and Standards Program (C&S Program) is jointly managed by PG&E, SDG&E, and SCE. The C&S Program saves energy on behalf of ratepayers by directly influencing standards and code-setting bodies to strengthen energy efficiency regulations, by improving compliance with existing codes and standards, and working with local governments to develop ordinances that exceed statewide minimum requirements.

This class is one of many free courses, tools, and resources that the C&S Program offers.

Please visit <a href="http://energycodeace.com/">http://energycodeace.com/</a> or contact <a href="info@energycodeace.com">info@energycodeace.com</a> to find out more about all program offerings.

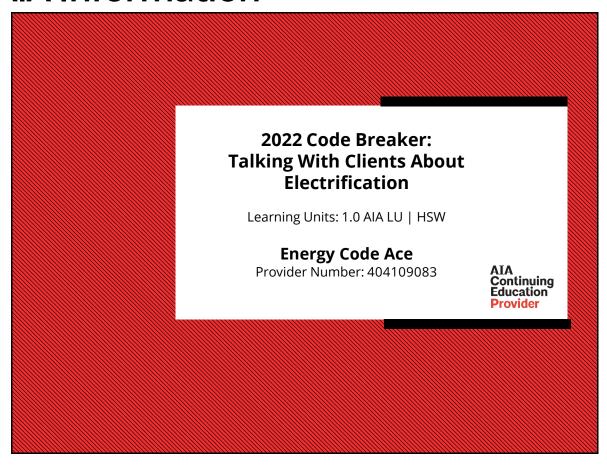






Code Breaker: 2022 Talking with Clients about Electrification

## **AIA Information**



#### **Course Description**

If you have been asked questions about electrification requirements in California and need support finding answers, then this presentation is for you. We will provide attendees with essential data to foster a deeper understanding of electric technologies, including Energy Code requirements; how electrification can promote health, safety, and comfort; how California utilities are preparing to meet increased loads from electrification; and which design features support the reliability and affordability of an all-electric home.

#### **Course Objectives**

- Summarize key facts regarding heat pump technology as well as other electric technologies — specific to their performance, affordability, and impact on California electric grid.
- Compare the Energy Code requirements for electric and gas appliances.
- Describe the differences between all-electric designs and mixed-fuel projects in terms of Energy Code compliance and likely impact on construction and operation costs.
- Identify sources of information and how to access them for guidance on incentive programs, tax credits, and rebates supporting the deployment of heat pumps, electric equipment upgrades, and energy efficient appliances.

AIA Continuing Education Provider

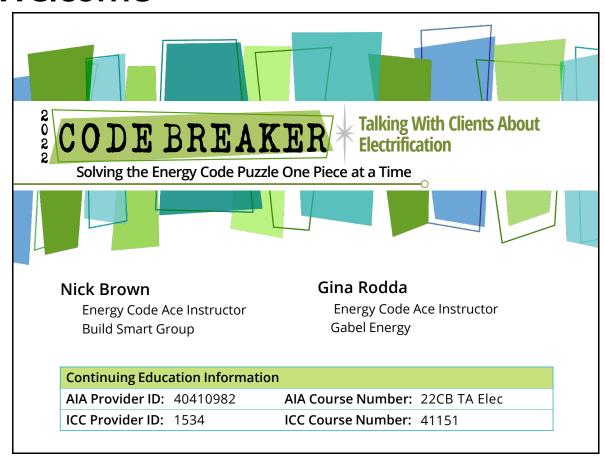
Credit(s) earned on completion of this course will be reported to AIA CES for AIA members. Certificates of Completion for both AIA members and non-AIA members are available upon request.

This course is registered with AIA CES for continuing professional education. As such, it does not include content that may be deemed or construed to be an approval or endorsement by the AIA of any material of construction or any method or manner of handling, using, distributing, or dealing in any material or product.

Questions related to specific materials, methods, and services will be addressed at the conclusion of this presentation.



## Welcome





#### This course will help you:

- → Summarize key facts regarding heat pump technology as well as other electric technologies specific to their performance, affordability, and impact on California electric grid.
- Compare the Energy Code requirements for electric and gas appliances.
- Describe the differences between all-electric designs and mixed-fuel projects in terms of Energy Code compliance and likely impact on construction and operation costs.
- Identify sources of information and how to access them for guidance on incentive programs, tax credits, and rebates supporting the deployment of heat pumps, electric equipment upgrades, and energy efficient appliances.

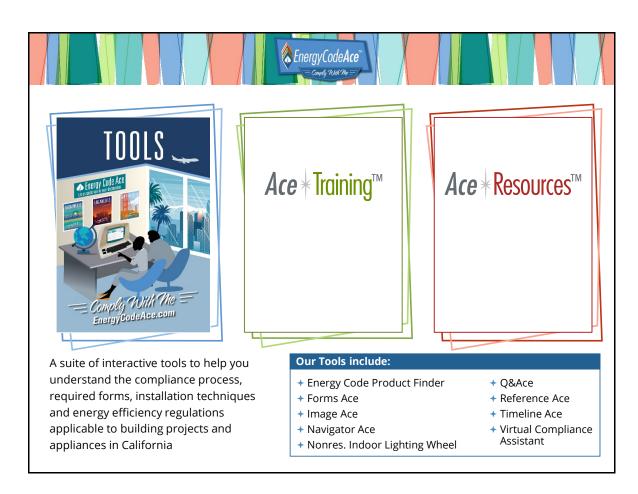


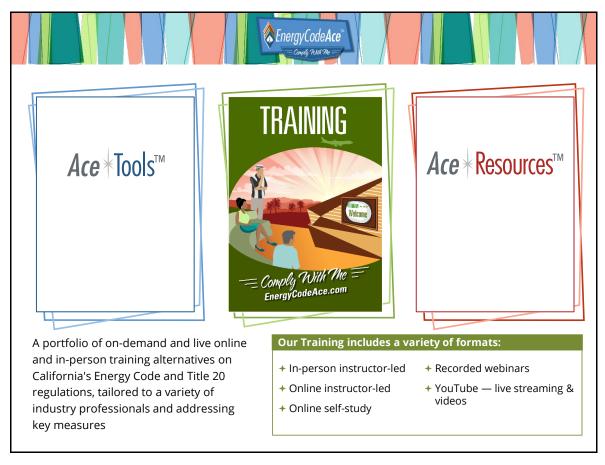


Your one-stop shop for no-cost tools, training and resources to help you comply with California's Title 24, Part 6 building energy code and Title 20 appliance standards.

We're powered by the California Statewide Codes & Standards Program and vetted by the California Energy Commission.





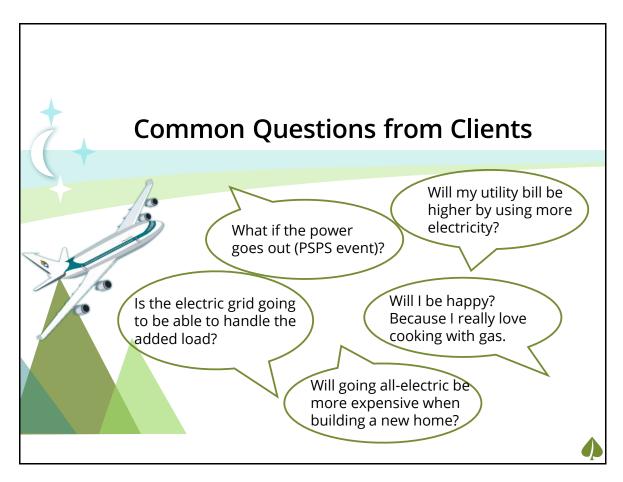


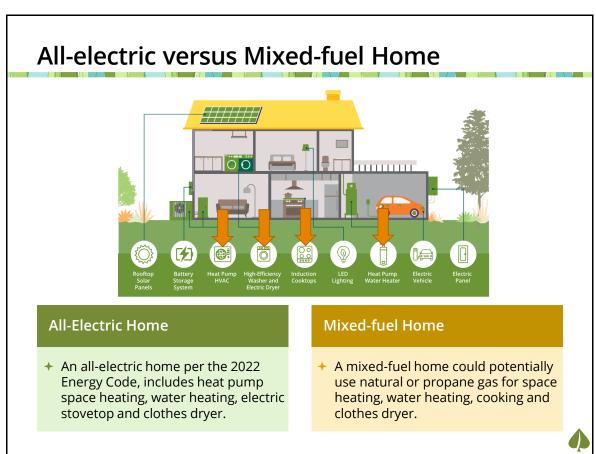




# **Key Policy Drivers**

# Code Breaker: Talking About Electrification 1. Key Drivers 2. How Do They Work? 3. Will They Work Reliably? 4. Can We Afford Them? 5. Case Study 6. Next Steps + Common Questions from Clients + Key Policy Drivers + Benefits of All-electric Designs + Health and safety advantages + Electric systems have lower emissions





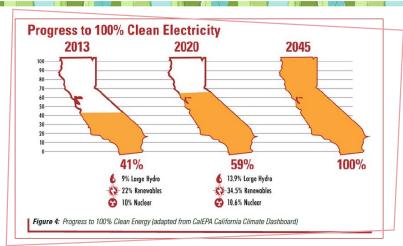
#### **Key Policy Drivers of Electrification**



- California Air Resources Board (CARB) 2022 <u>Scoping Plan</u> includes phase-out of gas appliances by 2030
- CPUC eliminated <u>electric line extension</u> <u>subsidies</u> for mixed-fuel new construction building (projects that use natural gas and/or propane in addition to electricity) beginning July 1, 2024
  - This is in addition to the CPUC eliminating natural gas line extension subsidies for all newly constructed mixed-fuel buildings beginning on July 1, 2023
- → 2022 Energy Code introduces heat pump HVAC and water heating requirements. Electricreadiness required for new homes and multifamily dwelling units if natural gas utilized for space heating, water heating, cooktops and dryers.



## California is Cleaning up the "Grid"



California is working to decarbonize the electricity generation and delivery even more, with the goal of achieving 100% low-carbon source energy for electricity by 2045.

Source: Energy Code Ace fact sheet "Designing Single Family Homes to Run on Clean Energy"



## A Cleaner "Grid" = Cleaner Buildings

Even accounting for how electricity is generated, all-electric homes have lower GHG emissions than mixed fuel because, as of 2020, 59% of California's electricity was already coming from zero-emission sources.

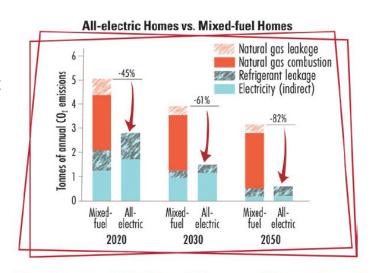
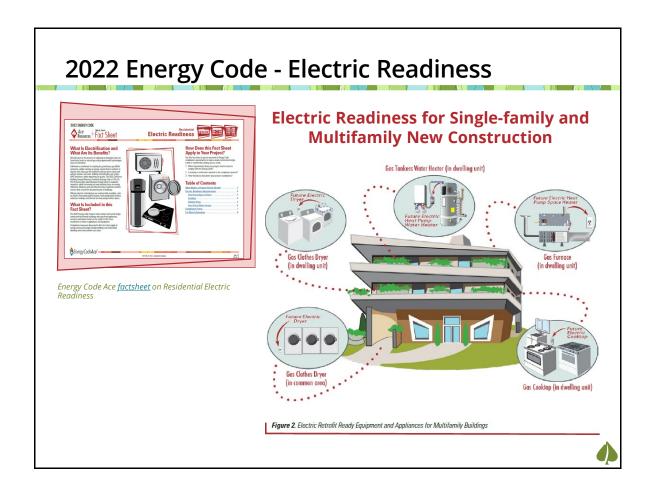


Figure 3: All-electric vs. Mixed-fuel: Annual GHG Emissions for a 1990s Vintage Single-family Home in Sacramento (from "Residential Building Electrification in California", E3, April 2019)





#### **Health Concerns of Gas Appliances**



- ◆ A <u>UCLA study</u> estimated that replacing gas with electric appliances in California homes would prevent about 350 premature deaths each year and produce \$3.5 billion in annual health benefits from cleaner air
- ♣ A research article by <u>Science Advances</u> concludes that long-term exposure (averaged over a year) to NO<sub>2</sub> associated with stoves has been linked to increased incidence and exacerbation of pediatric asthma, incidence and mortality from chronic obstructive pulmonary disease (COPD), incidences of lung cancer, preterm birth, and diabetes mellitus.

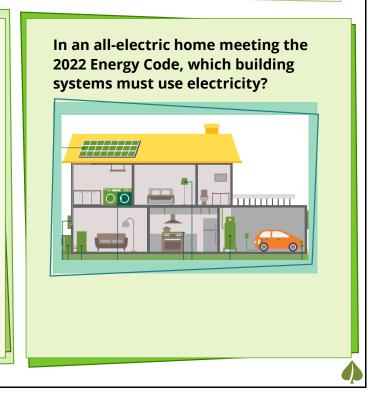




#### Check Your Understanding #1

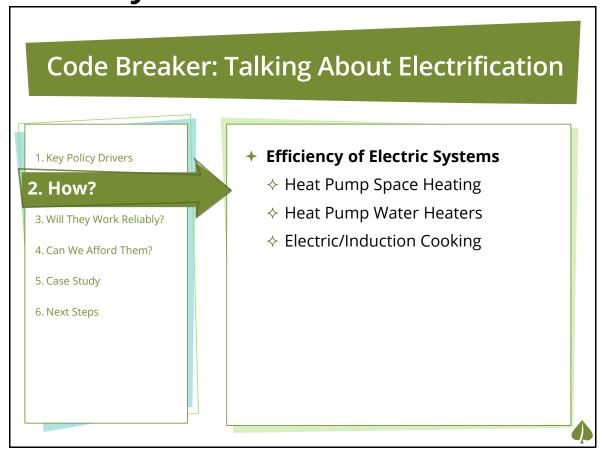
#### What do you think?

- a) Heat pump space heater
- b) Induction (or electric) stovetop
- c) Heat pump water heater
- d) Heat pump (or electric) clothes dryer
- e) All of the above



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# **Efficiency**



## **Heat Pumps are Efficient**

Will my utility bill be higher by using more electricity?

#### **Gas Appliances**

- → Minimum Federal indoor gas furnaces efficiency is 80% AFUE
  - Typical furnaces are single-stage and do not adjust according to the need

Heat pump technology takes heat from the air, rather than burning gas, to create heat.





## Heat Pumps and other electric appliances

- Heat pumps are reversible air conditioners. They are up to 300% efficient, since they move heat instead of generating it.
  - "Minisplit" heat pumps adjust speed up and down according to the need, providing a more consistent approach to comfort.



## **Heat Pumps are Efficient**

Gas Appliances

- → Gas storage water heaters are ~60% efficient.
  - ♦ Federal minimum UEF = 0.61 for 50gallon high draw
- **+ Gas tankless** water heaters are 80-95% efficient.
  - → Federal minimum UEF = 0.81

Heat pump water heaters can achieve **300% efficiency** and higher."



Will my utility bill be higher by using more electricity?

Heat Pumps and other electric appliances

- Heat pump water heaters take heat from the air around them rather than burning fossil fuels to create heat.
  - They are programmable, allowing the tank to be utilized as a "energy storage" device when charged by onsite PV during the day.



#### **Induction Cooktop Efficiency**

Will I be happy? Because I really love cooking with gas.

#### **Gas Appliances**

- →Gas cooktops are approximately 40% efficient
  - ♦The rest of the energy is lost as heat not delivered to the food

Induction cooking is faster, easier to clean, provides superior control, and is safer, particularly in homes with children.



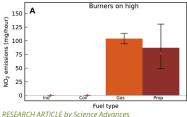
Heat pumps and other electric appliances

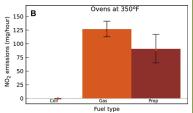
- Electric resistance cooktops are about 74% efficient
- Induction cooktops are up to 90% efficient

## **Electric Appliances and IAQ**

Burning gas in buildings adds Nitrogen Oxides, which are linked to childhood asthma and other respiratory conditions.\*

#### Mean and median NO<sub>2</sub> emissions by fuel type





Nitrogen dioxide exposure, health outcomes, and associated demographic disparities due to gas and propane combustion by U.S. stoves

Emissions reported in milligrams of  $NO_2$  per hour by fuel type (electric induction, electric coil/radiant, gas, and propane) for burners on high (A) and for ovens set to 350°F (175°C) (B). The red points are median values, the bar heights are mean values, and the black error bars are the 95% CIs of the mean.

 $\star$  Source: "Population Attributable Fraction of Gas Stoves and Childhood Asthma in the United States", International Journal of Environmental Research and Public Health, December 2022

#### **Heat Pumps and other** electric appliances

Heat pump and electric appliances improve indoor air quality (IAQ) by eliminating combustion gases



#### **Electric Cars are Efficient**



\*Source: Department of Energy, www.fueleconomy.gov

#### **Electric Vehicles**

- Our buildings will increasingly support EVs as an important part of electrification in California as dictated by CALGreen (Title 24 Part 11)
- EVs are more efficient than gas cars\*
  - EVs transmit 65% of energy to the wheels
  - They add 22% through regenerative braking
  - EVs convert 87% of the energy we put into them to road miles
- Gas cars convert 16-25% of energy to the wheels
  - The rest is lost mostly as heat

Source: https://www.fueleconomy.gov/feg/atv.shtml



#### Check Your Understanding #2

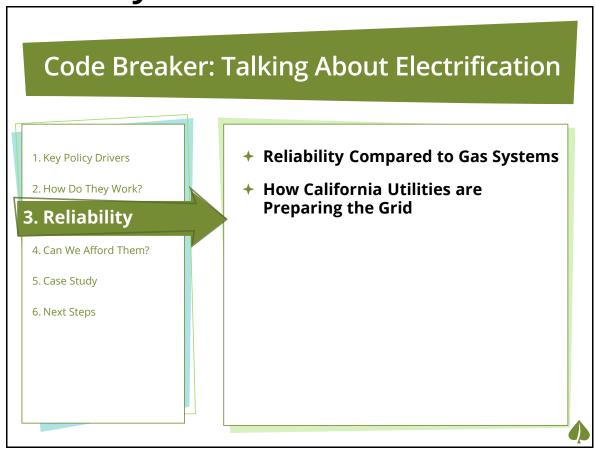
#### What do you think?

What are YOUR favorite benefits of heat pump and electric appliances?

- a) They are efficient
- b) When combined with onsite PV, they reduce utility cost
- Indoor air quality is improved with electric appliances within the home
- d) ?? Care to share **YOUR** favorite benefit



# Reliability



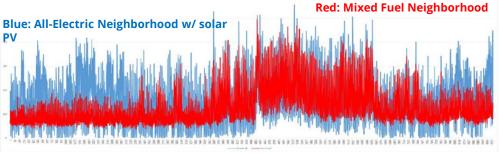
#### **Electric Grid and Peak Demand**

Is the electric grid going to be able to handle the added load?

Reliability of the Grid

The electric grid is designed to accommodate "peak, demand," plus a margin

- +All-electric neighborhoods do not have a significantly higher peak compared to mixed-fuel
  - All-electric homes do consume more electricity, but this additional consumption mostly occurs during offpeak hours when there is abundant capacity on the grid



Transformer-Level Peak Energy Demand over the Course of a Year

Source: Southern California Edison, Fontana ZNE Homes Case Study



#### **Electric Grid Reliability**

What if the power goes out (PSPS event)?

Reliability of the Grid

Significant progress has been made to reduce the frequency and duration of customer outages through significant investments in grid-hardening and will continue as we cope with the increasing extreme weather events.



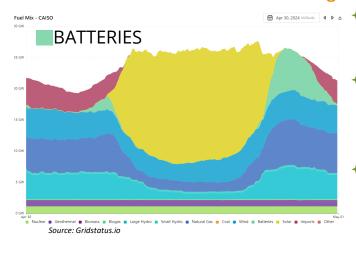


#### Reliability of the Grid

**Utility Impacts** 

As California is moving towards an all-electric future, so is the grid. Utilities will continue to manage their portfolios to better support a cleaner future.

#### Batteries can assist with the evening ramp on a daily basis



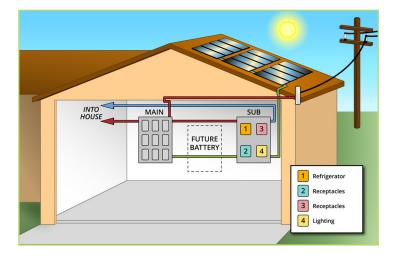
- On April 30<sup>th</sup> 2024, battery dispatch set a record of 7.04 GW of power supplied to the grid in California
- Just two weeks prior on April 16<sup>th</sup>, batteries had peaked over 6 GW for the first time (and were the predominant source of electricity on the grid for a two-hour period!)
- Battery capacity will continue to grow, and will play an increasingly crucial role in mitigating curtailment and helping address the evening ramp, the "neck of the duck"



#### **Batteries are Resiliency Assets**

**On-Site Renewables** 

Per the Energy Code, new homes in California are required to install onsite photovoltaics (PV) and are encouraged to include battery storage energy systems. Consider installing a system that can be disconnected from the grid during a power outage.





## **Batteries are Resiliency Assets**

**EV** = Resiliency Asset

Vehicle to Building (V2B) technology, also called twoway charging, promises to revolutionize resiliency and the potential use of EVs as grid assets

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A contractor posted in 2022 about using his F150 Lightning with extension cords to power two houses worth of refrigerators & deep freezers, an exotic fish aquarium, an internet router, and electronic devices.

♦After six hours, his EV battery was down only 5% from where it started.

518

Source: Aaron Smith, Energy Environmental Building Alliance (EEBA) via LinkedIn

https://www.pgecurrents.com/articles/3882-pg-e-ford-accelerating-vehicle-home-technology-california



#### **Gas Reliability - Modern Appliances**

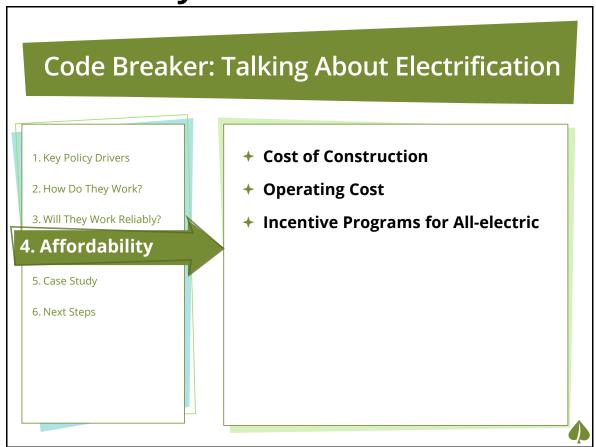
**Gas Appliances** 

Nearly all modern gas appliances (water heaters, furnaces, stovetops, etc.) have electronic ignition or controls that will prevent the use of those appliances when there is a power outage.



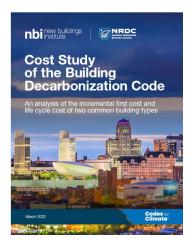


# **Affordability**



#### All-Electric in Residential New Construction

- ◆ The 2022 "Cost Study of the Building Decarbonization Code" found upfront savings of between \$7,500 to \$8,200 to build an all-electric home.
  - ♦The greatest savings were from the avoidance of gas line infrastructure and piping
- → Subsequent policies in California further enhance the economic benefits:
  - ♦ Electric readiness in the 2022 Energy Code
  - ◆CPUC's elimination of gas line extension allowances



Source: New Buildings Institute (NBI) and Natural Resources Defense Council (NRDC)

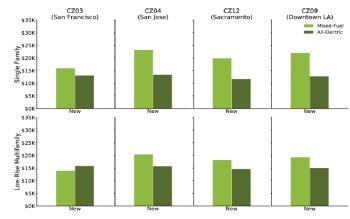


Source: https://newbuildings.org/resource/cost-study-of-the-building-decarbonization-code/

## Comparison of Cost

Will going all-electric be more expensive when building a new home?

## All-Electric Homes <u>Typically</u> <u>Cost Less to Build</u> Figure 3-8 Capital costs per unit of all appliances (HVAC, water heater, stove, and clothes dryer) and infrastructure (including gas connection costs) for new construction



Source: Energy & Environmental Economics Inc., "Residential Building Electrification in California," 2019

An E3 study done in 2019 compares capital costs per unit of all appliances and infrastructure (including gas connection costs) for new construction considering the following:

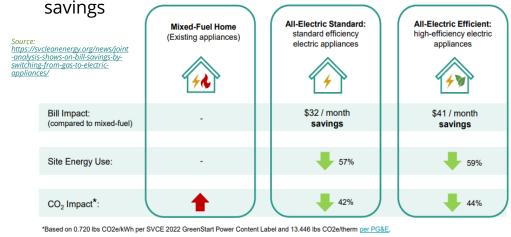
- → HVAC
- Water Heater
- + Stove
- + Clothes Dryer



# Retrofitting All-electric Can Reduce Total Energy

→ 2022 Study by Peninsula Clean Energy & Silicon Valley Clean Energy demonstrated savings with both standard and premium efficiency appliances

♦ Even though site energy use was reduced by 60%, the relatively high unit cost of electricity limited total bill



Source: https://svcleanenergy.org/wp-content/uploads/SVCE-PCE-Single-Family-On-Bill-Impacts-Results-2023.pdf

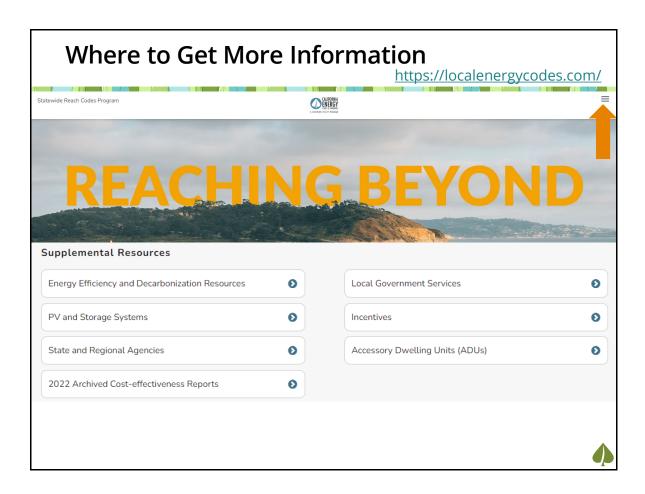
## **Retrofits - Strategies to Keep Costs Low**

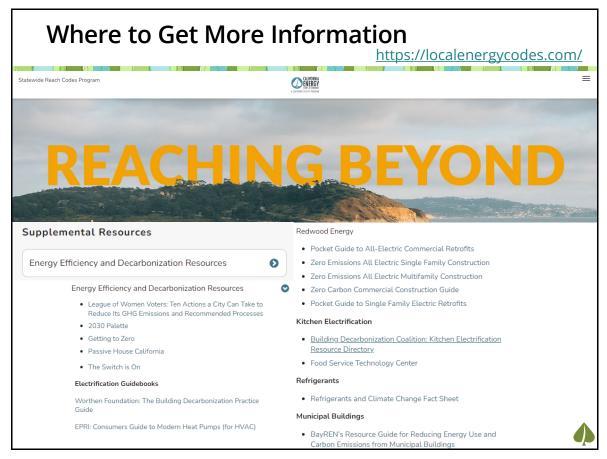


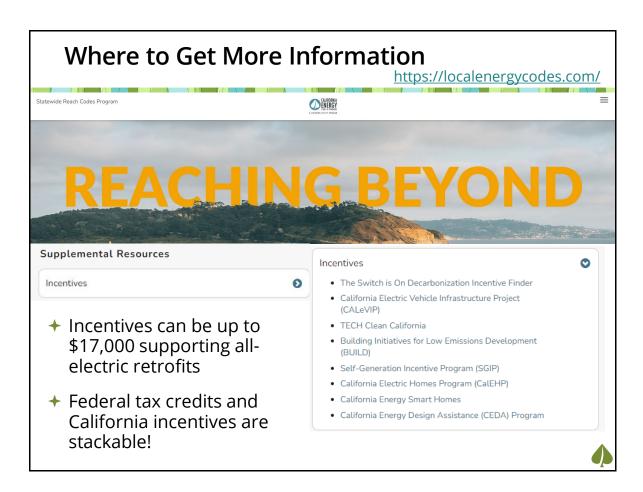
# Things to consider to avoid expensive electrical service upgrades

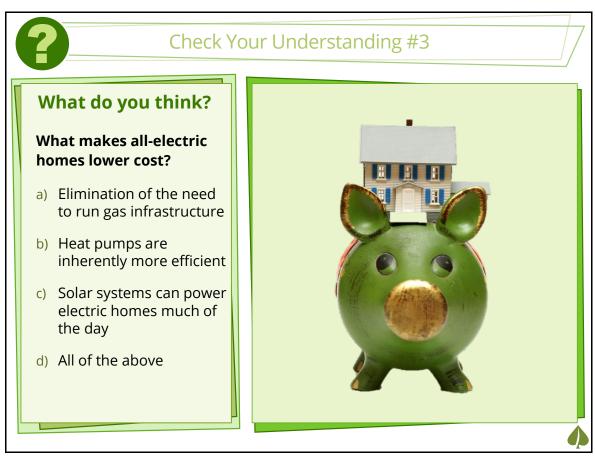
- Load-sharing devices
- ♦ 120v Heat Pump Water Heaters
- ♦ Combination condensing washer/dryer
- Improved envelope efficiency to reduce needed HVAC size
- ♦ Meter collars for direct PV tie-in
- ♦ Midsized EV charger
- ♦ The Watt Diet Calculator





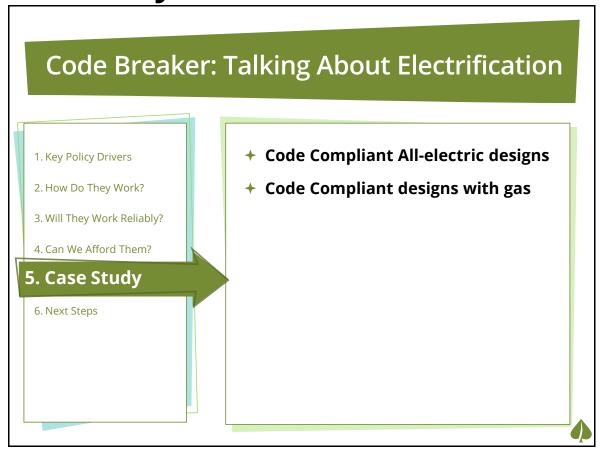






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# **Case Study**





**Case Study Project: Dominguez Residence** 

Cost effective compliance options for a 3bed 2-bath, 1,410 ft<sup>2</sup> new home in Sacramento area (CZ 12)

→ Mixed fuel vs. all-electric



## Case Study Project: Climate Zone 12



#### **Showing Compliance to the 2022 Energy Code**

Energy Fea	tures	Option 1 – Gas/Gas			Option 4 – All Electric			
Compliance Margins Both PASS		Source EDR1	Eff. EDR2	Total EDR2	Source EDR1	Eff. EDR2	Total EDR2	
		0.6	6.5	8.7	8.8	0.3	0.1	
Building Envelope								
Wall Insulation		R-21+R-5			R-21			
Attic	Roof	R-19 below roof deck			Same			
Insulation	Ceiling	R-38			Same			
Fenestration		NFRC U=0.30/SHGC=0.23			Same			
HERS verified QII*		Required			Not Required			
Solar PV		Min. Required			Same			
Battery Storage		≥5 kWh Battery			None			
Mechanical System								
Heating Central		95% AFUE Furnace			7.5 HSPF2 (min. efficiency)			
Cooling Split AC		15 SEER2/12.5 EER2			14.3 SEER2 (min. efficiency)			
Ducts		R-8 Ducts in Attic			R-6 Ducts in Attic (min.)			
Ventilation Cooling		Default whole house fan			Same			
IAQ Fan		Default Exhaust IAQ			Same			
Hot Water (HW) Heater		0.95 UEF Tankless Gas			Tier 3 HPWH			
HW Distribution		Standard pipe insulation Same						

**RED** = More expensive than the Prescriptive Design feature **GREEN** = Less expensive than the Prescriptive Design feature \*Quality Insulation Installation

- The gas design requires extensive upgrades
- The all-electric design requires no feature upgrades



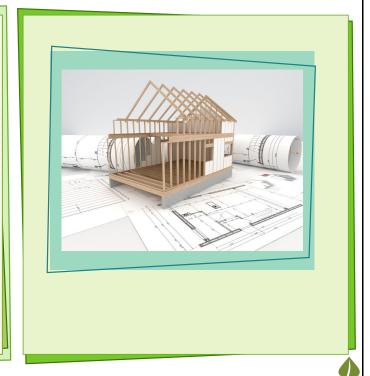


## Check Your Understanding #4

#### What do you think?

The California energy code now favors all-electric designs over gas. What does it require to build with gas today?

- a) Homes must be built electricready
- b) Gas systems require flues to vent combustion gases
- c) Additional feature upgrades will be needed for mixed fuel designs to meet Title 24
- d) All of the above



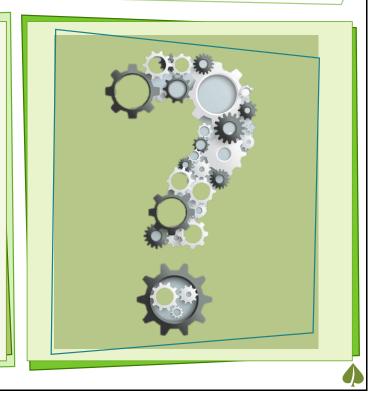


#### Check Your Understanding #5

#### What do you think?

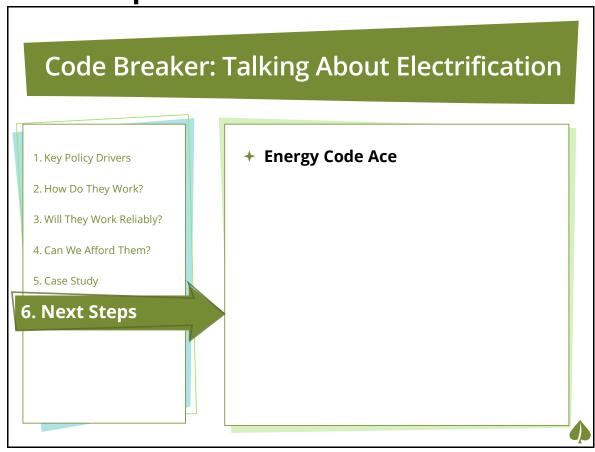
Do you feel more comfortable talking with clients about electrification?

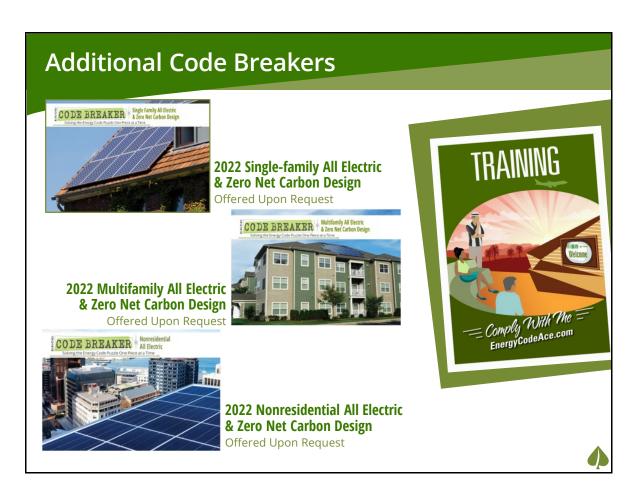
Do you have any additional questions?

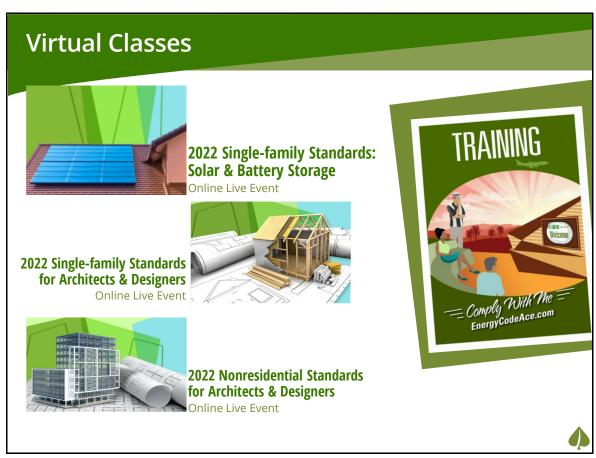


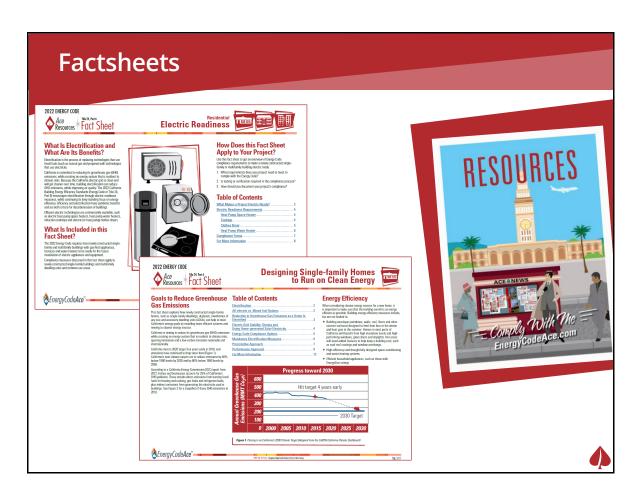
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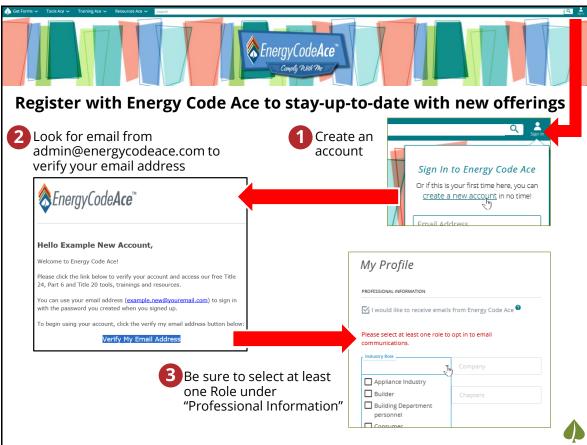
# **Next Steps**





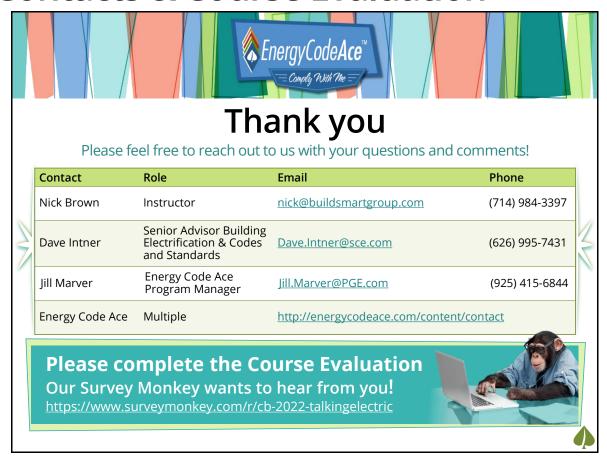






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## **Contacts & Course Evaluation**



Please take our course evaluation: <a href="https://www.surveymonkey.com/r/cb-2022-talkingelectric">https://www.surveymonkey.com/r/cb-2022-talkingelectric</a>









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> This concludes the American Institute of **Architects Continuing Education Systems** Course



