

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

FILED 05/29/19 04:59 PM

Order Instituting Rulemaking Regarding Building Decarbonization.

Rulemaking 19-01-011 (Filed on January 31, 2019)

SOUTHERN CALIFORNIA GAS COMPANY'S (U 904 G) RESPONSE TO SIERRA CLUB'S MOTION TO DENY PARTY STATUS TO CALIFORNIANS FOR BALANCED ENERGY SOLUTIONS OR, IN THE ALTERNATIVE TO GRANT MOTION TO COMPEL DISCOVERY

CHRISTOPHER BISSONNETTE AVISHA A. PATEL

Attorneys for: SOUTHERN CALIFORNIA GAS COMPANY 555 West Fifth Street, Suite 1400 Los Angeles, California 90013 Telephone: (213) 244-2954 Facsimile: (213) 629-9620 Email: <u>CBissonnette@semprautilities.com</u> <u>APatel@semprautilities.com</u>

May 29, 2019

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Building Decarbonization.

Rulemaking 19-01-011 (Filed on January 31, 2019)

SOUTHERN CALIFORNIA GAS COMPANY'S (U 904 G) RESPONSE TO SIERRA CLUB'S MOTION TO DENY PARTY STATUS TO CALIFORNIANS FOR BALANCED ENERGY SOLUTIONS OR, IN THE ALTERNATIVE TO GRANT MOTION TO COMPEL DISCOVERY

Pursuant to Rule 11.1(e) of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission") and the May 17, 2019 email to the service list of Administrative Law Judge Colin Rizzo, Southern California Gas Company ("SoCalGas") hereby timely opposes Sierra Club's Motion to Deny Party Status to Californians for Balanced Energy Solutions or, in the Alternative to Grant Motion to Compel Discovery ("Motion").

I. INTRODUCTION

Sierra Club's Motion implores the Commission either to (a) deny party status to Californians for Balanced Energy Solutions ("C4BES") now or, alternatively, (b) allow Sierra Club to obtain information through discovery that is not relevant to this proceeding so Sierra Club may renew its request that the Commission deny party status to C4BES. Either way, the point of Sierra Club's Motion is to silence an opposing viewpoint in a proceeding that is intended broadly to address "*all* policy framework issues, including programs, rules, and rates, that will help accomplish building decarbonization, as part of the state's GHG reduction goals."¹

Sierra Club's intent is inconsistent with the very purpose of this proceeding and the Commission's overarching public policy mission to promote increased public participation in proceedings before the Commission. Moreover, the requested discovery does not meet the most basic criterion of Rule 10.1 of the Commission's Rules of Practice and Procedure, i.e., that it "is relevant."

¹ Assigned Commissioner's Scoping Memo and Ruling ("Scoping Memo") at 3-4 (emphasis added).

II. BACKGROUND

A. <u>The Commission Strives to Promote Public Participation in Proceedings.</u>

On the first page of every issue of the Commission's Daily Calendar is the statement, "The Commission encourages all Californians to participate in its meetings, hearings, workshops, and proceedings."² The Commission's commitment goes beyond lip service. A 2011 press release from the Commission entitled *CPUC Workshop Seeks Ways to Increase Public Participation* notes:

There are many opportunities to participate in the CPUC's processes, ranging from providing opinion by a phone call or in writing (email or letter) or through becoming an active participant in a formal process. *The CPUC values and welcomes public input in order to make better informed decisions.*³

Just a few months ago, on August 30, 2018, the Commission held a Workshop to Address the Accessibility of CPUC Proceedings. The three items for discussion were noted as follows:

- 1. How can the CPUC obtain more public comment in its proceedings?
- 2. How should the CPUC treat public comments in its decision-making?
- 3. How can the CPUC encourage more organizations across California to participate as practitioners in our proceedings?⁴

To facilitate the practical aspects of participation, the Commission's website provides helpful information to those wanting to become parties to a proceeding but who may not be (or be able to afford to hire) experienced practitioners before the Commission. The website clearly sets forth the applicable rules for becoming a party, specific instructions for filings in various types of proceedings, templates for use, and examples of filings.⁵

² See, e.g., <u>http://docs.cpuc.ca.gov/SearchRes.aspx?DocTypeID=9&Latest=1</u>.

³ California Public Utilities Commission Media Advisory, *CPUC Workshop Seeks Ways to Increase Public Participation*, September 9, 2011; available to the public at:

http://docs.cpuc.ca.gov/published/News_release/143055.htm (emphasis added).

⁴ See https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/ Workshop%20to%20Address%20the%20Accessibility%20of%20CPUC%20Proceedings%20-%207-30-18.pdf.

⁵ See <u>https://www.cpuc.ca.gov/party_to_a_proceeding/</u>.

B. <u>The Purpose of This Proceeding Is to Explore "Any Alternatives" to Reduce</u> <u>Greenhouse Gas Emissions in Buildings.</u>

The Commission commenced this proceeding by issuing the *Order Instituting Rulemaking Regarding Building Decarbonization* ("OIR") on February 8, 2019. The OIR states:

The initial scope of this proceeding is designed to be inclusive of *any alternatives* that could lead to the reduction of greenhouse gas (GHG) emissions associated with energy use in buildings. These issues are, in turn, related to the State's goals of reducing economy-wide GHG emissions 40% below 1990 levels by 2030 and achieving carbon neutrality by 2045 or sooner.⁶

The OIR also helpfully defines the shorthand term *building decarbonization*: "...we use the term herein to include both actions to reduce the emissions and impacts from natural gas use in buildings, as well as to electrify certain building end uses."⁷

The Assigned Commissioner's Scoping Memo and Ruling dated May 17, 2019 ("Scoping Memo") also notes that "the scope shall consider all policy framework issues, including programs, rules, and rates, that will help accomplish building decarbonization, as part of the state's GHG reduction goals."⁸ Undoubtedly, the scope of the proceeding is to consider all means to achieve carbon neutrality in buildings—a broad proposition that will affect every single person and business in California.

C. <u>C4BES's Motion for Party Status and Reply Comments</u>.

C4BES filed a Motion for Party Status⁹ on March 13, 2019 indicating it "is a coalition of natural and renewable natural gas users" and its "goal is to educate Californians about the importance of natural gas and renewable gas for improving the environment and providing a strong economy."¹⁰ While C4BES's motion does not specifically list each of the thirty (30)

⁶ Order Instituting Rulemaking Regarding Building Decarbonization ("OIR") at 2 (emphasis added). ⁷ OIR at 4.

⁸ Assigned Commissioner's Scoping Memo and Ruling ("Scoping Memo") at 3-4.

⁹ Sierra Club's Motion is procedurally defective to the extent Sierra Club has brought a standalone motion to deny party status to C4BES rather than timely opposing C4BES's Motion for Party Status. Indeed, no party opposed C4BES's Motion for Party Status. This basis alone is sufficient to deny Sierra Club's Motion in its entirety.

¹⁰ Motion for Party Status of Californians for Balanced Energy Solutions ("C4BES Motion") at 2.

members¹¹ of its board, that information is prominently displayed on C4BES's publicly accessible website.¹² This is the same approach taken by the Geothermal Exchange Organization, which notes broadly in its motion for party status that the organization is "the national trade association representing the Geothermal Heat Pump (GHP) industry in the United States,"¹³ and specifically identifies member manufacturers on its website.¹⁴

C4BES also filed reply comments on March 25, 2019 expressing, *inter alia*, disagreement with a statement in Sierra Club's opening comments.¹⁵ C4BES's filings do not suggest it is represented in this proceeding by an attorney.

D. The Workshop in This Proceeding Emphasized One Viewpoint.

The first workshop in this proceeding was held on April 8, 2019. The occasion for the workshop was stated to the service list as follows:

The purpose of this workshop is to develop a shared understanding of key policy issues related to building decarbonization, learn from actions taken by local agencies, and consider possible approaches for implementing the programs required by SB 1477.¹⁶

The workshop was comprised of three panels totaling ten (10) organizations. Among the panelists was the Building Decarbonization Coalition ("BDC"). BDC's members¹⁷ include

¹¹ The members of C4BES's board, in addition to SoCalGas, are as follows: Environmental Leadership Institute/CSU San Marcos; Inland Empire Economic Partnership; Desert Valleys Builders Association; Utility Workers Union of America; Western Propone Gas Association; Agriculture Energy Consumers Association; Utility Workers of America, Local 483; Coalition for Renewable Natural Gas; MCA Clay Roof Tile; Mitchell Frieder (restaurant entrepreneur); California Association of Realtors; California Steel Industries; Southern California Partnership for Jobs; California Business Properties Association; Faith and Community Empowerment; San Gabriel Valley Economic Partnership; California Small Business Alliance; California Natural Gas Vehicle Coalition; UC Riverside – Center for Sustainable Suburban Development; Southeast Churches Service Center; California League of Food Producers; Spreckels Sugar Company; Pacific Die Casting; Congress of California Seniors; Pechanga Resort and Casino; Latino Food Industry Association; California Chamber of Commerce; California Pipe Trades Council and Coalition of California Utility Employees; and Tulare County Board of Supervisors. *See <u>https://c4bes.org/about-us/</u>.*

¹³ See Motion for Party Status of the Geothermal Exchange Organization at 2.

¹⁴ See <u>https://www.geoexchange.org/geo-manufacturers/</u>.

¹⁵ Reply Comments of Californians for Balanced Energy Solutions about the OIR Regarding Building Decarbonization ("C4BES Reply Comments") at 2.

¹⁶ See Attachment 1.

¹⁷ Other members of BDC, including Sierra Club, are parties to this proceeding. The comments of six parties in this proceeding reference BDC's *Building Decarbonization Coalition Roadmap*.

Sierra Club and five of the other nine panelists at the workshop: City of Berkeley, Southern California Edison, Redwood Energy, Natural Resources Defense Council, and Sacramento Municipal Utility District ("SMUD").¹⁸ One panelist at the workshop did not directly address energy sources;¹⁹ of the remaining nine, all but one advocated for either full electrification of buildings or full electrification of end uses in buildings, i.e., eliminating gas altogether. SoCalGas—the only panelist selected with a divergent viewpoint—advocated for a balanced approach that includes reducing carbon emissions from both gas (through renewable natural gas or hydrogen) and electricity rather than eliminating one delivery system in favor of the other.

E. <u>Sierra Club's Discovery Does Not Probe Any Matter Identified in the Scoping</u> <u>Memo</u>.

Sierra Club's First Set of Data Requests ("Data Requests") served on SoCalGas seeks to probe the relationship between SoCalGas and C4BES, including whether SoCalGas has provided funding to C4BES. Data request 1(a) asks whether SoCalGas is a member of C4BES, even though that is clearly confirmed on C4BES's publicly available website. Data request 4(a) asks for the title of a particular employee, even though that title is stated as part of the question in data request 2(c).

III. DISCUSSION

A. If the Commission Denies Sierra Club's Motion to Deny Party Status to C4BES, <u>It Follows that the Motion to Compel Should Be Denied on the Same Basis</u>.

Sierra Club's Motion fails to articulate any legal standard for denying party status to an entity seeking to participate in a proceeding before the Commission, and it seems likely there is none because it would be contrary to long-standing public policy to increase public participation and promote the presentation of diverse viewpoints so the Commission may make well-informed decisions.²⁰ As such, the Commission must default to its tenet of viewing broad and diverse public participation as a paramount value, particularly in this quasi-legislative proceeding that

¹⁸ <u>http://www.buildingdecarb.org/members.html</u>

¹⁹ VEIC presented information regarding supply chains. VEIC's website indicates it is "a sustainable energy company with a mission to enhance the economic, environmental, and societal benefits of clean and efficient energy use for all people." *See <u>https://www.veic.org/</u>*.

²⁰ Generally, party status is denied if it is sought too late in a proceeding (*see, e.g.*, D.05-10-046, D.03-08-075, and D.16-07-006) or is revoked if a party is not actively participating in a proceeding (*see, e.g.*, D.16-12-046 and D.17-01-022).

serves to develop policy and a framework for achieving carbon neutrality in buildings and therefore will affect *all* Californians. Each of the following benefits conferred by C4BES's participation in this proceeding as a party equally supports denying Sierra Club's motion to compel responses to the Data Requests, which even Sierra Club concedes are not related to any item within the scope of this proceeding, but rather are aimed at allowing Sierra Club to renew its motion to deny party status to C4BES.²¹

1. C4BES's Singular Consolidated Participation on Behalf of a Broad Range of Constituents and Numerous Individual Entities Is an Efficient Means of Informing the Commission.

The 30 members of C4BES's board represent various industries and constituencies across California, including four (4) organizations in the union/labor arena; three (3) community groups, including one advocating on behalf of seniors; four (4) pro-business/economic groups; three (3) organizations from the building/real estate sector; two (2) institutions of higher education; three (3) entities from the renewable energy sector; two (2) entities from the agriculture sector; five (5) individual businesses; and one (1) individual and one (1) association in the food service/restaurant industry.²² Many of its members, too, are coalitions and organizations of similarly situated individuals and entities with common goals.

The members of C4BES may not have the means—either time, requisite knowledge and skills, or funds—to participate in this proceeding on an individual basis. Even if they did, that would mean the introduction of twenty-nine additional parties to this proceeding, which already has thirty-two parties. It is far more efficient for C4BES to represent the common interests of these twenty-nine parties (and likely thousands of constituents) with a single unified voice in filings. Moreover, even if some of the members can separately oversee filings on their own behalf, individuals may not have the same impact as the collective power of a coalition which can educate the Commission and advocate in its forum. Sierra Club has offered no reason for usurping the ability to organize and associate in this manner from the members of C4BES.

²¹ Sierra Club seeks responses to its Data Requests only if its motion to deny party status to C4BES is denied.

²² See <u>https://c4bes.org/about-us/</u>.

2. C4BES Represents Legitimate Interests.

In a misguided attempt to characterize routine business activities as sinister, Sierra Club selectively offers tidbits about SoCalGas's connections to C4BES. To be clear, there is nothing new in Sierra Club's Motion. SoCalGas stated in its response to Sierra Club's Data Requests:

[W]e are a founding member of the non-profit Californians for Balanced Energy Solutions (C4BES), along with a diverse coalition of interested and affected members including labor, industry, communities of faith, and educators. This coalition grew out of the Commission's proposal in 2017 for a gas moratorium in Los Angeles County.²³

This fact does not mean much given there are twenty-nine (29) *other* members of C4BES. Sierra Club's characterization of these other individuals and entities as supporting a "utility-created front group"²⁴ or an "astroturf group"²⁵ insults the integrity of each of C4BES's individual members and tarnishes their reputations.

Among those disparaged by Sierra Club is the Environmental Leadership Institute at Cal State San Marcos at Temecula ("ELI"). Sierra Club states "SoCalGas is financially compensating at least some organizations that agree to join the C4BES Board," and depicts a photo from the Twitter account of a SoCalGas employee giving a check to a member of ELI.²⁶ This ignores that SoCalGas is a founding member and long-time supporter of ELI, pre-dating C4BES's existence by many years. To add additional perspective to Sierra Club's ill-advised conclusions, it should be noted that, according to ELI's website, "Southern California Edison provided initial funding for the ELI."²⁷ It seems unlikely that either SoCalGas or Southern California Edison, both board members of ELI, are steering ELI.

That these activities are not improper is further supported by the fact that they are conducted in the open. SoCalGas' publicly available website notes: "We are also dedicated to improving the quality of life in the communities we serve. We give our energy, time, financial support and focus our efforts in areas where we can make a difference."²⁸ Information about

²³ Sierra Club's Motion, Attachment 3, Exhibit 3 at 1.

²⁴ Sierra Club's Motion at 2.

²⁵ *Id*. at 3.

²⁶ Sierra Club's Motion at 7-8.

²⁷ See <u>https://www.csusm.edu/temecula/certificateprograms/eli/index.html</u>.

²⁸ See https://www.socalgas.com/our-community.

SoCalGas' corporate giving is also prominently noted.²⁹ ELI's website discloses that employees of SoCalGas and Southern California Edison are on its board.³⁰ SoCalGas published the photo memorializing its donation to ELI along with a statement that it is proud of ELI's work to educate the community and elected and appointed officials.³¹ C4BES's website clearly states SoCalGas is a member.³² It belies credulity that these above-board routine community-based activities conducted in the open have an illicit purpose.

Sierra Club cites no authority for a prohibition on party status for entities that include utilities as members, and we are not aware of any. In *Application of Southern California Gas Company for Adoption of Its Energy Efficiency Rolling Portfolio Business Plan*, A.17-01-016, Pacific Gas and Electric Company ("PG&E") is a party, as is East Bay Energy Watch, "a local government partnership between PG&E and Alameda and Contra Costa County jurisdictions."³³ Both PG&E and East Bay Energy Watch filed separate comments on the proposed decision in the proceeding.³⁴ In the same proceeding, BlueGreen Alliance, Sierra Club, and Natural Resources Defense Council ("NRDC") are active parties who filed comments,³⁵ even though BlueGreen Alliance's Board of Directors includes both Sierra Club and NRDC.³⁶ California Efficiency + Demand Management Council ("CEDM"), CLEAResult, and Nest Labs, Inc. ("Nest") have also filed comments in that proceeding,³⁷ and CLEAResult and Nest are on the board of CEDM.³⁸

All this begs the question: how far should the probing be permitted to go? Is it relevant that NRDC's board includes numerous white-shoe law firm attorneys and institutional and other investors whose advocacy may be predicated on pecuniary gains?³⁹ Should we care if Sierra Club receives pro bono or discounted legal services from Earthjustice if Earthjustice's board

²⁹ Id.

³⁰ See <u>https://www.csusm.edu/temecula/certificateprograms/ELI/advisoryboard.html</u>.

³¹ Sierra Club's Motion at 8.

³² See <u>https://c4bes.org/about-us/</u>.

³³ See <u>http://www.ebew.org/</u>.

³⁴ A.17-01-016; <u>https://apps.cpuc.ca.gov/apex/f?p=401:57:0::NO</u>.

³⁵ Id.

³⁶ <u>https://www.bluegreenalliance.org/about/board-of-directors/</u>.

³⁷ A.17-01-016; <u>https://apps.cpuc.ca.gov/apex/f?p=401:57:0::NO</u>.

³⁸ See <u>https://cedmc.org/become-a-member/our-members/</u>.

³⁹ See <u>https://www.nrdc.org/board-trustees</u>.

includes "the leading manufacturer of industrial and commercial outdoor solar lighting systems which are sold in over 60 countries?"⁴⁰ Should this affect claims for intervenor compensation?

3. This Proceeding Can Benefit from the Diverse Viewpoints of Affected Persons and Industries.

If Sierra Club's Motion is granted in any part, the lasting damage will be to the people of California, both those who cannot participate in this proceeding as well as those who seek to participate in this proceeding but are denied the ability to do so. This proceeding is in desperate need of diverse viewpoints to inform the Commission of the extensive impacts its decisions will have on the daily lives of Californians and California businesses. The panels at the workshop in this proceeding were heavily one-sided, even though the explicit scope of this proceeding is "to be inclusive of any alternatives that could lead to the reduction of greenhouse gas (GHG) emissions associated with energy use in buildings."⁴¹ Equally troubling is the appearance that the Commission may have predetermined the outcome of this proceeding.⁴²

C4BES represents legitimate entities with legitimate interests in this proceeding, and there is no reason to believe otherwise. In seeking to take away their voice, Sierra Club's Motion minimizes what those entities perceive as a real threat to their businesses and livelihood, the impact of which the Commission must consider if it is to make informed decisions that are in the best interests of the people of California. Quashing their voice does not make the issue any less real; it merely homogenizes and limits the impacts the Commission considers in rendering decisions in this proceeding of paramount importance. Unless SoCalGas' positions in this

⁴⁰ See <u>https://earthjustice.org/about/board_of_trustees</u>.

⁴¹ Scoping Memo at 1.

⁴² For example, in the press release announcing the commencement of this proceeding, CPUC President Michael Picker is quoted as supporting building electrification ("Modeling tells us that 100 percent renewable electricity alone isn't enough to help us meet our 2030 greenhouse gas reduction goals; we also need to electrify our homes and buildings to reduce the use of fossil fuels in California."). *CPUC Acts to Reduce Greenhouse Gas Emissions from Buildings*, California Public Utilities Commission Press Release, January 31, 2019; available at: <u>http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M263/K440/</u> <u>263440694.PDF</u>. Similar statements supporting full electrification, without any regard to renewable natural gas or other alternatives to render buildings carbon neutral, frequently appear in tweets (<u>https://twitter.com/pickercpuc?lang=en</u>) and have been presented orally to the public (e.g., May 15, 2019 oral presentation by President Picker to Energy, Environment and Natural Resources Committee and Public Works Technical Advisory Committee of San Gabriel Valley Council of Governments; see Agenda appended hereto as Attachment 2 (without attachments)).

proceeding are given the weight of the 21.8 million customers we serve in 500 communities, our individual customers who rely on our service should be permitted to have their voices heard.

4. *The Commission Should Prefer to Have Statements and Positions on the Record in this Proceeding.*

It is well-established that the Commission seeks to promote public participation in its proceedings in order to best inform its decision-making. It follows that the Commission should want these statements and positions to be on the record in the proceeding. A statement on the record is less likely to be misinterpreted, is publicly available to all interested persons, and, to the extent required, can be refuted by other interested parties. Statements that are not made on the record are less susceptible to being analyzed and vetted. This issue has already come up in this proceeding: at the workshop, BDC and other panelists made misleading statements regarding cooking with natural gas and the costs of electric versus gas appliances which could be refuted if the opportunity were provided. The Commission should want reliable information to inform its decision-making, and having statements made formally within a proceeding promotes accuracy.

B. Sierra Club's Data Requests Bear No Relation to the Scope of This Proceeding.

Rule 10.1 of the Commission's Rules of Practice and Procedure provides that:

[A]ny party may obtain discovery from any other party regarding any matter, not privileged, that is relevant to the subject matter involved in the pending proceeding, if the matter either is itself admissible in evidence or appears reasonably calculated to lead to the discovery of admissible evidence....⁴³

The scope of this proceeding is broad, to be certain: "the scope shall consider all policy framework issues, including programs, rules, and rates, that will accomplish building decarbonization, as part of the state's GHG reduction goals."⁴⁴ Even with this broad scope, Sierra Club's Data Requests fall short. Information about SoCalGas' relationship with C4BES will not be admissible in this proceeding—it does not in any way pertain to accomplishing building decarbonization or reducing greenhouse gas emissions. Sierra Club implicitly acknowledges this

⁴³ California Public Utilities Commission's Rules of Practice and Procedure, Rule 10.1.

⁴⁴ Scoping Memo at 3-4.

by seeking a response to the Data Requests *only if* its motion to deny party status to C4BES is denied. In other words, Sierra Club does not need responses to the Data Requests to facilitate discussion of the issues in this proceeding. Sierra Club's motion to compel responses to the Data Requests therefore should be denied.

IV. CONCLUSION

For the foregoing reasons, Sierra Club's Motion should be denied in its entirety.

Respectfully submitted on behalf of SoCalGas,

By:

/s/ Avisha A. Patel Avisha A. Patel

CHRISTOPHER BISSONNETTE AVISHA A. PATEL

Attorneys for: SOUTHERN CALIFORNIA GAS COMPANY 555 West Fifth Street, Suite 1400 Los Angeles, California 90013 Telephone: (213) 244-2954 Facsimile: (213) 629-9620 Email: <u>CBissonnette@semprautilities.com</u> <u>APatel@semprautilities.com</u>

May 29, 2019

ATTACHMENT 1

Patel, Avisha A

- Letter and the state of th

.......

÷.

From:	Cox, Rory <rory.cox@cpuc.ca.gov></rory.cox@cpuc.ca.gov>
Sent:	Wednesday, April 3, 2019 9:08 AM
То:	mvespa@earthjustice.org; RKoss@AdamsBroadwell.com; SComeau@VEIC.org;
	Carla.Kolebuck@SWgas.com; van der Leeden, Ronald; MSLe@ISD.LAcounty.gov;
	Gary.Stern@sce.com; CSong@mceCleanEnergy.org; sephra.ninow@energycenter.org;
	Faber, Clay; EWagner@CaliforniaHydrogen.org; JWaen@PeninsulaCleanEnergy.com;
	Hilary.Staver@SVCleanEnergy.org; Yip-Kikugawa, Amy C.; Hayley@turn.org;
	ariel@utilityadvocates.org; MBorgeson@nrdc.org; SSampath@CHPC.net;
	jberg@bayareametro.gov; TOConnor@edf.org; JSqueri@GoodinMacBride.com;
	JArmstrong@GoodinMacBride.com; SSMyers@att.net; PGETariffs@pge.com;
	april@wildtree.org; SCampbell@GridAlternatives.org; policy@cedmc.org;
	CESA_Regulatory@StorageAlliance.org; NReardon@SonomaCleanPower.org;
	JB@nfcrc.uci.edu; iles@BraunLegal.com; fharris@cmua.org; Sam@RNGCoalition.com;
	aluna@earthjustice.org; aricklefs@energycoalition.org; RegRelCPUCCases@pge.com;
	christine.tam@cityofpaloalto.org; Summers, Chris A; don arambula; E1KD@pge.com;
	hlarson@stopwaste.org; Subscriptions@HerterEnergy.com; Peniche, Kathy B;
	Kavya@NewsData.com; mcosta@energycoalition.org; M3PU@pge.com;
	nthorpe@earthjustice.org; Golding@CommunityChoicePartners.com;
	Stephen.Gunther@EnergyCenter.org; tolsen@energycoalition.org;
	MRW@mrwAssoc.com; ELevin@VEIC.org; katrina@kmfritz.com;
	tashia.garry@swgas.com; Valerie.Ontiveroz@swgas.com; Patel, Avisha A; Bissonnette,
	Christopher; Sierzant, Corinne M; Mock, Joseph; Arazi, Shirley; JSwitalski@C4BES.org;
	Douglass@EnergyAttorney.com; case.admin@sce.com; cody.taylor@sce.com;
	olivia.samad@sce.com; Liddell@EnergyAttorney.com; john.leslie@dentons.com; Central
	Files; Martin, Erica L; James.J.Hirsch@gmail.com; Mona.Tierney-Lloyd@Enel.com;
	RThomas@pesc.com; dkarpa@peninsulacleanenergy.com; Sue.Mara@RTOadvisors.com;
	MMaurino@AdamsBroadwell.com; RNakasone@SFwater.org; Clay, Christopher; Rizzo,
	Colin; Buch, Daniel; Fox, Elizabeth; Kaser, Forest; Kane, Hal; Burton, Henry; Perez-Green,
	Joanna; Fitch, Julie A.; Gruendling, Paula; Sarah Lerhaupt; Casazza, Suzanne;
	william.sanders@sfcityatty.org; ivan@utilityadvocates.org; James@UtilityAdvocates.org;
	pdelforge@nrdc.org; SWang@CHPC.net; Jessie.Knapstein@pge.com; MColvin@edf.org;
	Molly.Zimney@pge.com; Brian@ohmConnect.com; Lillian@OhmConnect.com;
	Andrew@ARC-Alternatives.com; Buck.Endemann@KLGates.com;
	a.mejiacunningham@gmail.com; MeganMMyers@yahoo.com;
	Deborah.Behles@gmail.com; sberelson@nestlabs.com; service@spurr.org;
	regulatory@ebce.org; jross@ebce.org; SWeaver@EBCE.org; Bruce@Ardenna-
	Energy.com; Alison.Seel@sierraclub.org; bbarnacle@energy-solution.com;
	jwest@stopwaste.org; RBird@BorregoSolar.com; TLindl@KeyesFox.com;
	rmccann@umich.edu; ahartmann@swmconsult.com; regulatory@braunlegal.com;
	brad@calssa.org; Peffer@BraunLegal.com; RRaymer@CBIA.org;
	Blaising@BraunLegal.com; Tiffany.Mateo@energy.ca.gov; LMH@ESLawFirm.com;
	atrowbridge@daycartermurphy.com
Subject:	[EXTERNAL] CPUC and CEC Joint Agency Workshop on Building Decarbonization (with
	correction)

1

California Public Utilities Commission and California Energy Commission Joint Agency Workshop on



Building Decarbonization

April 8, 2019, 9:30 AM - 3:00 PM

La Kretz Innovation Center Auditorium Los Angeles Clean Tech Incubator 525 S. Hewitt St Los Angeles, California 90013

WebEx

Event Title: Public Workshop: Building Decarbonization Event Link: <u>https://energy.webex.com/energy/onstage/g.php?MTID=ec494bc64d130005b37e00f8ac428ad0e</u> Number: 926 852 886 Event Password: meeting@930

Phone

Call-in toll-free number: 1-866-469-3239 Call-in toll number: 1-650-429-3300 Access code: 926 852 886

Contact Rory Cox, 415-703-1093, <u>rory.cox@cpuc.ca.gov</u>

Purpose

The purpose of this workshop is to develop a shared understanding of key policy issues related to building decarbonization, learn from actions taken by local agencies, and consider possible approaches for implementing the programs required by SB 1477.

Background

On June 14, 2018, the Energy Commission held a workshop on building decarbonization. The Energy Commission's 2018 Integrated Energy Policy Report (IEPR) Update included a chapter on the need to decarbonize buildings, found that greenhouse gas emissions from buildings are second only to transportation, and recommended developing a plan to assess the feasibility of significantly reducing greenhouse gas emissions from buildings.

In September 2018, Governor Brown signed two bills into law related to reducing greenhouse gas emissions from buildings, SB 1477 (Stern) and AB 3232 (Friedman). SB 1477 calls on the California Public Utilities Commission (CPUC) to develop, in consultation with the California Energy Commission (Energy Commission), two programs (BUILD and TECH) aimed at reducing greenhouse gas emissions associated with buildings. AB 3232 calls on the Energy Commission to, by 2021, develop an assessment of the feasibility of reducing the greenhouse gas emissions of California's buildings 40 percent below 1990 levels by 2030, working in consultation with the CPUC and other state agencies.

In January 2019, the CPUC instituted a new rulemaking on building decarbonization. The proposed scope of the rulemaking includes: 1) implementing SB 1477; 2) potential pilot programs to address new construction in areas damaged by wildfires; 3) coordinating CPUC policies with Title 24 Building Energy Efficiency Standards and Title 20

Appliance Efficiency Standards developed at the Energy Commission; and 4) establishing a building decarbonization policy framework.

This workshop is intended to continue the process of developing and refining a shared understanding of the opportunities for decarbonizing buildings as state agencies turn their focus to implementing SB 1477 and AB 3232 in order to achieve the state's climate policy goals.

Workshop Agenda

Monday, April 8, 2019, 9:30AM – 3:00PM

(1) Construction (Construction) defined

9:30 – 9:40 Welcome – Matt Petersen, CEO, Los Angeles Cleantech Incubator (LACI)

9:40 – 10:00 Introduction – President Michael Picker, California Public Utilities Commission (CPUC) and Commissioner Andrew McAllister, California Energy Commission (CEC)

10:00 – 10:15 Keynote – Senator Henry Stern

10:15 – 11:15 **The Big Picture** *Moderator- Amber Mahone, E3*

- Eddie Rosales, Energy Specialist, California Energy Commission
- Panama Bartholomy, Director, Building Decarbonization Coalition
- George Minter, Regional VP of External Affairs and Environmental Strategy, SoCalGas

11:15 – 12:30 Local Leadership in Building Decarbonization

Moderator- Lauren Faber, Chief Sustainability Officer, Los Angeles Mayor's Office (invited)

- Kathryn Harrison, Councilmember, City of Berkeley
- Obadiah Bartholomy, EE R&D and Climate Change Program Manager, SMUD
- Rachel Kuykendall, Senior Program Manager, Sonoma Clean Power

12:30 – 1:30 LUNCH

1:30 – 3:00 Proposed Approaches to Implementing SB 1477

Moderator- Rory Cox, CPUC Energy Division

- Merrian Borgeson, Senior Scientist, Natural Resources Defense Council
- Howard Merson, Consulting -Supply Chain Specialist, VEIC
- Sean Armstrong, Managing Principal, Redwood Energy
- Kevin Wood, Principal Manager, Engineering Services, Southern California Edison

* All panels will be workshop style and include a panel discussion followed by audience Q&A. As a result, all opportunity for public comment will occur at the end of each panel.

Presentations will be posted at <u>www.cpuc.ca.gov/buildingdecarb</u> after the workshop.

Rory Cox | Energy Efficiency, Energy Division California Public Utilities Commission 505 Van Ness Avenue, San Francisco, CA 94102 Telephone: 415.703.1093 | http://www.cpuc.ca.gov/energyefficiency This email originated outside of Sempra Energy. Be cautious of attachments, web links, or requests for information.

1.

4

ATTACHMENT 2



EENR Committee

Chair Denis Bertone City of San Dimas

Vice Chair Liz Reilly City of Duarte

Members Claremont Covina Duarte Rosemead San Dimas San Gabriel Sierra Madre West Covina Los Angeles County District #1

Ex-Officio Member Jeffrey Lee City of Temple City's Planning Commission

Public Works TAC

Chair **Rene Guerrero** City of Pomona

Vice Chair **David Liu** City of Diamond Bar

Immediate Past Chair Phil Doudar Los Angeles County DPW

Members Arcadia Azusa Claremon Diamond Bar El Monte Glendora Irwindale Industry La Verne Monrovia Pomona San Dimas San Gabriel San Marina South El Monte South Pasadena Temple Citv West Covina Los Angeles County DPW San Gabriel Valley Council of Governments AGENDA AND NOTICE OF THE SPECIAL JOINT MEETING OF THE ENERGY, ENVIRONMENT AND NATURAL RESOURCES COMMITTEE AND THE PUBLIC WORKS TECHNICAL ADIVOSRY COMMITTEE Wednesday, May 15, 2019 – 12:30 PM Glendora Public Library: Bidwell Forum 140 Glendora Avenue, Glendora, CA 91741

Thank you for participating in today's meeting. The San Gabriel Valley Council of Governments encourages public participation and invites you to share your views on agenda items.

MEETINGS: Regular Meetings of the EENR Committee are held on the third Wednesday of each month at 12:30 PM at the Monrovia Community Center, 119 W. Palm Avenue, Monrovia, CA 91016. Additionally, regular Meetings of the Public Works Technical Advisory Committee are held on the third Monday of each month at 12:00 PM at the Monrovia Community Center, 119 W. Palm Avenue, Monrovia, CA 91016. Agenda packets for EENR Committee and Public Works Technical Advisory Committee meetings are available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, <u>www.sgvcog.org</u>. Copies are available via email upon request (<u>sgv@sgvcog.org</u>). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

CITIZEN PARTICIPATION: Your participation is welcomed and invited at all EENR and Public Works Technical Advisory Committee meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the EENR Committee and Public Works Technical Advisory Committee refrain from making personal, slanderous, profane or disruptive remarks.

TO ADDRESS THE COMMITTEE: At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. The EENR Committee and the Public Works Technical Advisory Committee may not discuss or vote on items not listed on the agenda.

AGENDA ITEMS: The Agenda contains the regular order of business of the EENR Committee and the Public Works Technical Advisory Committee. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the EENR Committee and the Public Works Technical Advisory Committee can be fully informed about a matter before making its decision.

CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Committee.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



PRELIMINARY BUSINESS

- 1. Call to Order
- 2. Roll Call
- 3. Public Comment (If necessary, the Chair may place reasonable time limits on all comments)
- 4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting

PRESENTATIONS (*It is anticipated that the EENR Committee and the Public Works Technical Advisory Committee may take action on the following matters*)

5. California Public Utilities Commission (CPUC) Proceedings on Reducing Greenhouse Gas Emissions from Buildings – Michael Picker, CPUC President (Page 1) *Recommended Action: For information.*

ACTION ITEMS (*It is anticipated that the EENR Committee and the Public Works Technical Advisory Committee may take action on the following matters*)

UPDATE ITEMS (*It is anticipated that the EENR Committee and the Public Works Technical Advisory Committee may take action on the following matters*)

COMMITTEE MEMBER ITEMS

STAFF ANNOUNCEMENTS

ANNOUNCEMENTS

ADJOURN

REPORT

RE:	CALIFORNIA PUBLIC UTILITIES COMMISSION PROCEEDINGS ON REDUCING GREENHOUSE GAS EMISSIONS FROM BUILDINGS
FROM:	Marisa Creter, Executive Director
TO:	EENR Committee and Public Works Technical Advisory Committee
DATE:	May 15, 2019

RECOMMENDED ACTION

For information only.

ABOUT THE CPUC

The California Public Utilities Commission (CPUC) strives to empower California through access to safe, clean, and affordable utility services and infrastructure. The Commission regulates privately-owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies, in addition to authorizing video franchisees. The five commissioners of the CPUC are appointed by the Governor for six-year terms. Currently, Michael Picker serves as the Commission's President. CPUC commissioners and staff are dedicated to ensuring that residents are protected against fraud and that consumers have safe and reliable utility services at reasonable rates. For more information on the Commission, please visit www.cpuc.ca.gov.

BACKGROUND

In September 2018, former Governor Brown established a new statewide goal of achieving carbon neutrality by 2045 or sooner through signing Executive Order B-55-18. To achieve statewide greenhouse gas emissions reduction goals, the California Air Resources Board created and regularly updates a statewide plan for reducing greenhouse gas emissions across all sectors of the economy.

To support the State's targets, the CPUC is addressing decarbonization through reducing greenhouse gas emissions associated with energy use in buildings and structures. A proceeding process was opened to evaluate proposed methodologies related to the development of rules, policies, and procedures that are aimed to reduce greenhouse gas emissions from buildings. The CPUC aims to identify effective ways to support decarbonization in buildings through this proceeding.

Four key issues will be addressed in this proceeding process:

- 1. Implementation of Senate Bill 1477, which requires the CPUC to oversee the development of two new building decarbonization programs;
- 2. Potential pilot programs for electrification and decarbonization of new construction areas damaged by wildfires;



REPORT

- 3. Coordinating with the California Energy Commission on Title 24 building codes and Title 20 appliance standards; and,
- 4. Establishing a building decarbonization policy framework.

The proposal voted by the CPUC to establish this proceeding process can be found in Attachment A and the bill language of Senate Bill 1477 can be found in Attachment B.

CPUC President Michael Picker will provide a brief presentation regarding the proceeding process at this meeting. President Picker will also be soliciting feedback from the EENR Committee and Public Works Technical Advisory Committee members regarding proposed methodologies related to the development of rules, policies, and procedures that are aimed to reduce greenhouse gas emissions from buildings.

Prepared by:

Alexander P. Fung Management Analyst

Approved by:

rotor

Marida Creter Executive Director

ATTACHMENTS

Attachment A – CPUC's Order to Institute Rulemaking Regarding Building Decarbonization Attachment B – Bill Language of Senate Bill 1477

