



StopWaste is the Alameda County Waste Management Authority, the Alameda County Source Reduction and Recycling Board, and the Energy Council operating as one public agency.

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June 19, 2018

Sent via email only to LDBPcomments@ebce.org

Re: Local Development Business Plan, Opportunities for Natural Gas Fuel Switching Draft

Dear Mr. Chaset and the Board of Directors,

Thank you for the opportunity to comment on the draft LDBP Natural Gas Fuel Switching document. We value the time and effort it took to create the document. The Energy Council staff in consultation with the Technical Advisory Group (TAG) offer the following comments:

- The introduction to the paper frames the urgency for implementing electrification well while explaining the unique role CCAs play as leaders in beneficial electrification programs. The goal of reduced greenhouse gas emissions (GHGs) must be executed using multiple strategies, electrification being one of them.
- It would make sense to address roof-top solar with electrification measures for maximum reduction in GHGs for households. We recommend the proposed fuel-switching program include scenarios that incorporate EBCE's offerings for solar customers in combination with heat pump technology for water and space heaters.
- StopWaste has not offered rebates directly on high-efficiency appliances, but has partnered with other offerings (BayREN, PG&E). Downstream incentives to households have had little uptake, based on experience from Palo Alto and SMUD. Promoting new appliances with midstream/upstream incentives can more effectively increase uptake in the EBCE territory. This should be considered.
- Given the significant increase in SMUD rebates and incentives (May 2018) and the relatively low uptake before that increase, we question whether EBCE rebates as recommended will be sufficient to move customers to participate (\$700/HPWH plus PG&E's \$300, and \$1000/HP HVAC unit). If EBCE's program is implemented in conjunction with other programs, the rebates may be more effective.
- We recommend flexibility in the design of a fuel-switching program offered by EBCE for HPWH to allow for maximum integration with other evolving programs that will be implemented over the next two years (i.e., BayREN HPWH project below).
- The described program targets customers who are already "supportive of decarbonization and environmental protection," rather than the typical EBCE customer. What will EBCE do to include CARE customers and other low- and moderate-income customers who would benefit from reduced electricity costs from a high-efficiency appliance, but cannot afford to participate in the OFF Gas program?

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- Consider enrollment in the Demand Response program a condition for customers participating in the OFF Gas program, rather than just an option (with assumed 50% uptake). Sonoma Clean Power requires HPWH rebate customers to incorporate load-shifting controls for the benefit it brings to the CCA.
- StopWaste welcomes collaboration on contractor trainings, building on what we have provided and expect to host in the future.

The Energy Council applauds EBCE for taking a leadership role in promoting electrification and decarbonization in Alameda County. To meet state GHG reduction targets, every region and CCA will need to actively work toward less carbon intensive sources of energy, both in procurement and in end uses. Below are other efforts EBCE should consider incorporating into their program.

BayREN has been awarded a \$400,000 grant from BAAQMD to promote Heat Pump Water Heaters (HPWH) through a regional market transformation program using midstream and upstream incentives in collaboration with manufacturers and distributors of HPWHs. The program will also support regional workforce training efforts. StopWaste is the lead partner on this program, and we look forward to working with EBCE directly (along with other CCAs in the region) over the next two years. The City of Palo Alto Utilities, a key partner, brings direct experience, with disappointing results from downstream incentives.

East Bay Energy Watch (EBEW) has also been piloting a HPWH installation project in 2018 at 10 households in both EBCE and MCE territory. EBEW plans for five installations to be at income-qualified homes. The pilot project is evaluating the barriers to HPWH adoption and customer satisfaction with the product. Results will be available and shared with EBCE at the end of 2018.

We appreciate EBCE staff engaging with Alameda County jurisdictions' staff at our monthly Technical Advisory Group (TAG) meetings for the Energy Council. We hope that this collaboration will continue, and invite EBCE to also attend quarterly East Bay Energy Watch (EBEW) meetings of the Strategic Advisory Committee (SAC), which is under the Local Government Partnership with PG&E.

Thank you for providing a well-planned and collaborative roadmap. Our comments are provided in a supportive manner, as we want to ensure that EBCE has a successful start followed by many years of collaboration with local governments, businesses and residents to reduce GHG emissions through carbon-free energy procurement, electrification, and energy efficiency.

Sincerely,



Jennifer West
Program Manager
StopWaste

Cc: Wendy Sommer, Executive Director, StopWaste
Energy Council Technical Advisory Group (TAG)