Reach Codes 101

- What are they?
- Why should we implement them?
- What's the process?
- Who else has done it in our region?

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

Important Facts:

- Can be adopted at any time
- Improves economic and energy performance of buildings
- Reduces Greenhouse Gas (GHG) emissions, pollutants, and improves indoor air quality
- Helps to reduce energy use and improve grid resiliency
- Allows local governments to be leaders in climate solutions
- Helps to fulfill local Climate Action Plan, Energy Plan, or other policy goals





Building Electrification (New Construction & Existing Buildings)

• **Goal:** To reduce the use of methane gas, ensure buildings are operating efficiently, and to prepare the market for statewide electrification goals

There are two main pathways when amending the energy code:

- Prescriptive Codes: Require one or more specific energy efficiency or renewable energy measures
- Performance Codes: Require buildings to meet an energy budget/performance score through a custom design, allowing applicants flexibility

Electric Vehicle Infrastructure (EVI)

• **Goal:** To improve market readiness and increase equitable access to clean transportation EV charging stations

Reach Code Context in 2024





Building Electrification (New Construction & Existing Buildings)

Recent Context: 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)

Recent Context: The CALGreen EV code goes through triennial updates (2022, 2025, etc.) and intervening updates at the mid point between triennial updates. Currently, the CALGreen EV code has intervening updates to the 2022 code that will be in effect on July 1, 2024. Jurisdictions may want to update their reach code according to the new baselines.



What are the Main Benefits?







Reduce Greenhouse Gas

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

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Provide Financial Benefits related to lower-cost electric construction.



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



Mitigate Legal Risk by providing compliance pathways for allelectric and mixed-fuel buildings.





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 Ordinance prohibits, with some exceptions, natural gas infrastructure in newly constructed buildings.	Four months after the Ordinance was passed, the California Restaurant Association sued the City of Berkeley on the grounds that the Ordinance was preempted by the federal Energy Policy and Conservation Act (EPCA).	The District Court originally rejected the CRA challenge because the ordinance does not directly regulate either energy use or energy efficiency of covered appliances. The CRA appealed that decision.	The Ninth Circuit reversed the District Court decision. The appeals court concluded that EPCA preempted Berkeley's ban because it prohibited the onsite installation of natural gas infrastructure necessary to support covered natural gas appliances.	The City of Berkeley filed a petition for an En Banc rehearing.	The Ninth Circuit denied an En Banc rehearing. The last remaining option for the City of Berkeley is to raise the issue to the Supreme Court. Some jurisdictions are evaluating new building reach code approaches.

Next Steps: For jurisdictions looking for an alternative reach code that could mitigate legal risk, there are several approaches available.





2026	2027	2029	2045
CA State Energy Code Update Replacements of air conditioning systems in existing buildings will be heat pumps	BAAQMD Low NOx water heater requirements Tank-type gas water heaters no longer sold in Bay Area	BAAQMD Low NOx space heater requirements Gas furnaces no longer sold in Bay Area	California Achieves Carbon Neutrality Statewide gas piping projected decommissioning date
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Why We Need Reach Codes





Continuous Signal to the Market	 Avoid a progress gap for new construction from 2024-2026 Send clear, continuous message to market Avoid stranded asset cost of continued gas investment
Local Control	 Enables innovative approaches for cost-effective decarbonization policy Ability to design customized exemptions Jurisdictions with more progressive climate targets can pass more progressive reach codes
State and BAAQMD Codes are Limited	 Lacks specific existing building measures Cannot regulate remodels or other types of triggers for cost-effective building electrification Ignores many methane appliances
Local Reach Codes Influence the State	 Statewide electrification codes incorporate elements from local reach codes Statewide EV charging codes have been inspired by San Mateo's EV Reach Codes Smoother implementation of BAAQMD ruling if similar requirements are adopted before 2027
Allows More Action, Sooner	 Greenhouse gas emissions are cumulative, so earlier actions have exponential savings Existing building policy is needed immediately to meet 2030, 2035, and 2040 climate goals

Reach Code Options

- What choices are there for new construction?
- What choices are there for existing construction?
- What are the pros and cons?

New Construction Policy Comparison

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Approach	Description	Advantages	Challenges	Who's done it?
Air Quality	Regulates building or appliance emissions through CALGreen, Part 11.	 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 	Los Altos Hills New York City
Energy Performance	Requires a higher <i>Source</i> <i>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 	Santa Cruz San Jose San Luis Obispo

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	Description	Advantages	Challenges	Who's done it?
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.	 Monitors customized building stock for balance degree of impact and ease of implementation 	 Large administrative burden (cost/time) 	Cities: Denver, Reno, Chula Vista, St. Louis, etc. States: Oregon, Washington, Maryland, Colorado
Time of Permit	Require that applicants, when they are already pulling a permit for a renovation project, to abide by certain efficiency and/or electrification requirements. These policies avoid missed opportunities to electrify or incorporate electric-readiness at little-to-no additional cost.	 Electric/efficiency or Air Quality approach Customizable triggers balance degree of impact and ease of implementation 	 Some loopholes May result in some bypassing the permit process Low permit/renovation rates can increase time to make impact 	San Mateo, Portola Valley, Piedmont, Marin County
Time of Property Transfer	Leverage real estate transactions to disclose relevant information on, incentivize, or require, certain home improvements.	 Limited loopholes to bypass policy 	 Low transfer rates can increase time to make impact 	Piedmont, Berkeley, Davis

Air Quality Reach Code

- What is it?
- How do we implement Air Quality Codes?
- What are the benefits?





What is an Air Quality Reach Code?

- The Air Quality Approach focuses on regulating building or appliance emissions rather than the type of fuel used.
- Specifies the emissions limit of nitrogen oxides (NOx) or greenhouse gases (GHG).
- Air Quality codes are being pursued by:
 - California Air Resources Board (CARB)
 - Bay Area Air Quality Management District (BAAQMD)
 - South Coast Air Quality Management District (SCAQMD).
- Los Altos Hills and NYC implemented air quality-based policies.

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How Does an Air Quality Reach Code Work?

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- Takes effect through amendments to CALGreen Title 24, Part 11.
- Building applicants specify equipment that meets emissions criteria.
- Can select a low or zero emissions compliance margin.

Example Ordinance: Los Altos Hills

ZERO-NOX EMISSION BUILDING. A building with zero NOx emissions that utilizes zero NOx equipment or appliances.

ZERO-NOX EMITTING EQUIPMENT. Any equipment or appliance that emits no more than0.0 nanograms of nitrogen oxides (expressed as NOx) per joule of heat and/or light output. Equipment and appliance uses include, but are not limited to, space heating, water heating, cooking, clothes drying, and lighting.

(b) Chapter 4, **Residential Mandatory Measures**, is amended by amending the following sections to read:

DIVISION 4.1 PLANNING AND DESIGNSECTION

4.106 SITE DEVELOPMENT

4.106.5.1. New construction. All newly constructed buildings, newly constructed detached accessory dwelling units, and other newly constructed detached habitable structures shall be Zero-NOx Emission Buildings.

Exemptions:

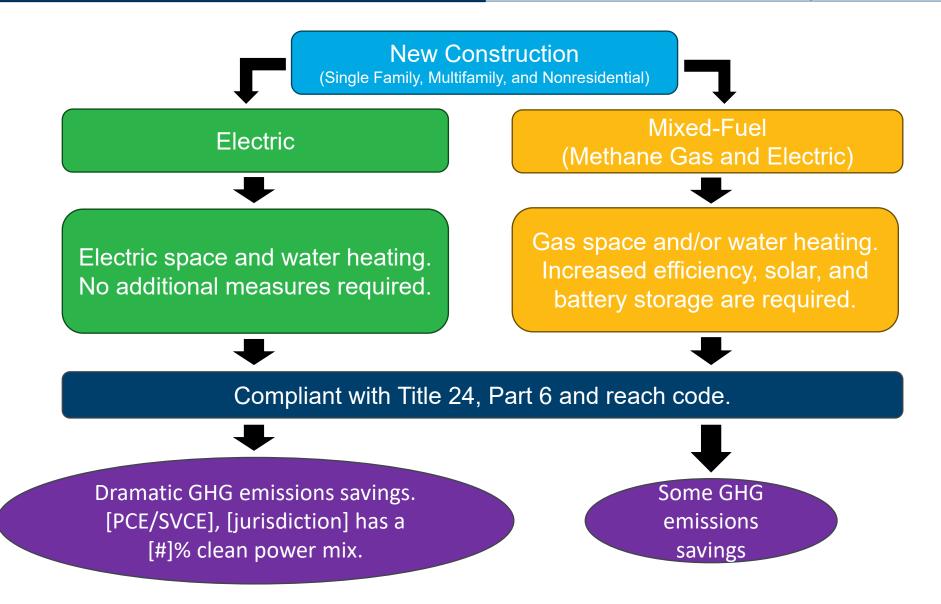
- 1. Outdoor cooking equipment, outdoor fireplaces, portable space heaters, generators, and pool/spa heaters for residential building projects are exempt from the requirements of 4.106.5.1, or
- 2. Indoor cooking equipment for residential building projects is exempt from the requirements of 4.106.5.1. The applicant shall comply with Section 4.106.5.3.

Energy Performance Approach Reach Code

- What is it?
- How do we implement Energy Performance Reach Codes?
- What are the benefits?







Which Appliances are Regulated?





What's included?

- Space heating/cooling
- Water heating



What's not included?

- Stoves
- Laundry
- Pools
- Fireplace/pit













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			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	r ³ : PASS				
Efficiency EDR includes improvements like	a better building envelope a	and more efficient equipm	ent				
Total EDR includes efficiency and demand	resp <mark>onse</mark> measures such as	photovoltaic (PV) system a	and batteries				

• EDR2efficiency & EDR2total must achieve a score of "0" or higher to pass (per 2022 Title 24, Part 6).

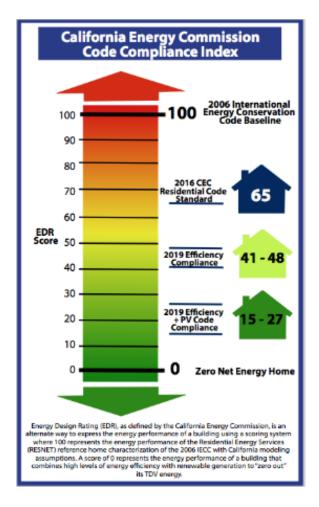
What is Source Energy?





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

		Energy Design Ratings			Compliance Margins	ance 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 b ² Total EDR includes efficiency and demand res ³ Building complies when source energy, efficie	ponse measures such as p	hotovoltaic (PV) system a	and batteries	net load hour limits are r	not exceeded	



Package Definitions





All-Electric Standard:	All-Electric Efficient:	All-Electric Eff w/ PV:	Mixed-Fuel Eff w/ PV:	Mixed-Fuel Eff w/ PV & Battery:
All-Electric	All-Electric	All-Electric	Mixed Fuel	Mixed Fuel
Minimal efficiency	Expanded efficiency	Expanded efficiency	Expanded efficiency	Expanded efficiency
Minimal solar	Minimal solar	Optimal solar	Optimal solar	Optimal solar
No battery	No battery	No battery	No battery	Battery

Package Details





	Mixed-Fuel Home	All-Electric Efficient		
Space Heating/Cooling:	🗲 Heat F	High-Efficiency Heat Pump 🗲		
Water Heating:	Natural Gas Tankless 🔥	NEEA HPWH 🗲		
Cooking:	Natural Gas 🔥	Natural Gas 🌜 🔶 Electric Res		
Ceiling / Window Insulation:	R-30 /	R-49 / U=0.24		
Ductwork Pressure:	Standard (Low (0.30 W/CFM)		
PV System:	2.91	5.7 kW		

Energy Performance Approach Impacts: CZ3





	All-Electric Standard:	<section-header></section-header>	All-Electric Eff w/ PV:	Mixed-Fuel Eff w/ PV:	Mixed-Fuel Eff w/ PV & Battery:
Construction Cost: (compared to mixed-fuel baseline)	\$5,100 savings	\$3,500 savings	\$2,200 cost	\$3,500 cost	\$7,700 cost
EDR1	8	11	13	3	14
% CO2 Savings:					

Energy Performance Approach Impacts: CZ4





	All-Electric Standard:	<section-header></section-header>	All-Electric Eff w/ PV:	Mixed-Fuel Eff w/ PV:	Mixed-Fuel Eff w/ PV & Battery:
Construction Cost: (compared to mixed-fuel baseline)	\$5,100 savings	\$3,400 savings	\$1,600 cost	\$3,400 cost	\$8,100 cost
EDR1	8	11	12	3	13
% CO2 Savings:					

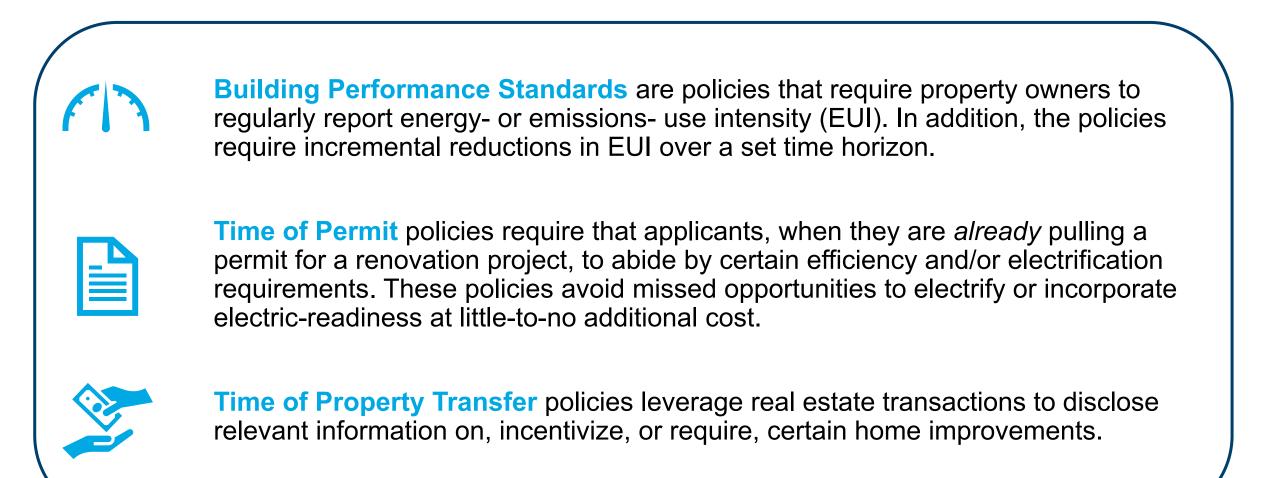
Existing Buildings

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- What are the options?
- What are the benefits?
- What are the challenges?







Existing Building 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 crele 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.	

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

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

What Changed for EVI in the 2022 Intervening CALGreen Code?







Code Context

- The <u>2022 Intervening CALGreen Code</u> was adopted in January. It will be effective on 7/1/2024.
- There will also be a 2025 CALGreen Triennial Cycle Update in 2025 (effective Jan. 1, 2026), which has proposed language (subject to change).



Increased Percentage Requirements

- Multifamily
- Hotel & Motel



Technical Requirement Changes

- "Direct Billing" in Multifamily projects requires EV charging circuits to be tied directly to each dwelling unit's meter
- "Power Allocation Method" in non-residential projects adds flexibility for different levels of charging stations
 installed
- New requirements for medium/heavy duty charging capacity in Manufacturing and Office buildings
- New requirements for specific Nonresidential Alterations and Additions (LP L2 Receptacle)
- Receptacle type updates
- Other minor clarifications

EVI Model Code

- What EV code terminology do I need to know?
- For each building type, what are the CALGreen new construction requirements?
- For each building type, what is the new construction model code?
- What is the alterations & additions model code?

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EVI Code Terminology





Readiness Number Percent of Parking Spaces **EV** Capable 000 -(4) EV Ready **kVA** Calculation **kVA** = Voltage * Amperage / 1000 **EV Charging Station** Installed Total kVA = L2 EV Capable + LP L2 EV Ready +

Speed

Level 1 3-4 miles per charging hour

Level 2 10-20 miles per charging hour



Level 3 150+ miles per charging hour





L2 EV Ready + L2 EVCS





2022 CALGreen	2022 CALGreen Intervening (July 1st 2024)	Model Code		
Mandatory	Mandatory			
(1) Level 2 EV Capable for one parking space per dwelling unit		2 EV spaces total: ELECTRIC VEHICLE OUTLET • 1 Level 2 EV Ready circuit		
@		 1 Level 1 EV Ready circuit Image: Second secon		
Takeaway: The model 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





2022 CALGreen	2022 CALGreen Intervening (July 1 st 2024)	Model Code (<i>Proposed</i> 2025 CALGreen)	
Mandatory	Mandatory		
10%	40%	100%	25%
10% Level 2 EV Capable 25% Level 2 EV Ready (low-power)	40% Level 2 EV Ready (low-power) + Direct Wiring	100% Level 2 (low-power) EV Ready + Direct Metering	25% Level 2 EVCS 75% Level 2 (low-power)
5% Level 2 EVCS 10% Level 2 EVCS % of Parking Spaces		% of Spaces for Residents	% of Spaces for Common Use Parking

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

Hotels & Motels





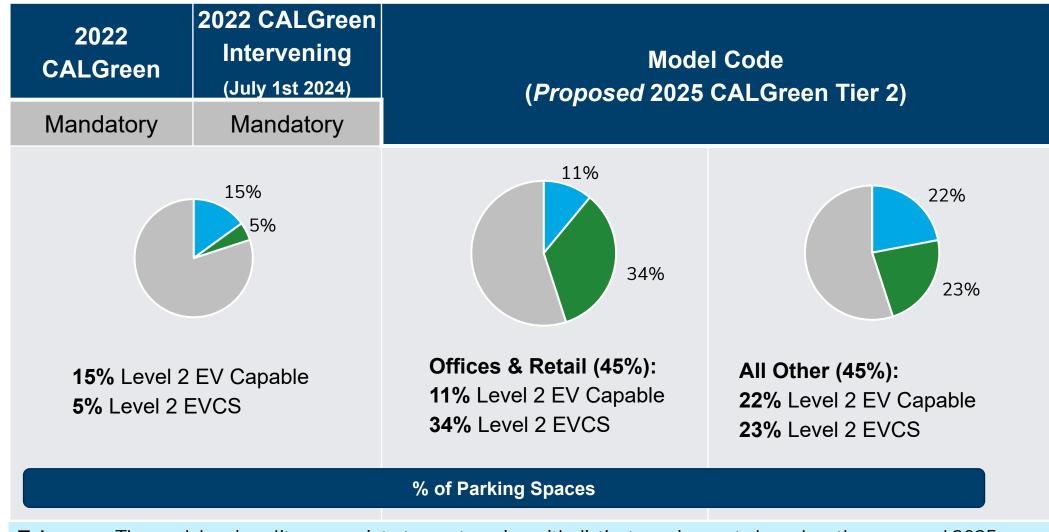
2022 CALGreen	2022 CALGreen Intervening (July 1 st 2024)	Model Code (<i>Proposed</i> 2025 CALGreen)		
Mandatory	Mandatory			
10%	40%			
10% Level 2 EV Capable	40% Level 2 EV	40% Level 2 EV		
25% Level 2 EV Ready	Ready (low-power)	Ready (low-power)		
(low-power) 5% Level 2 EVCS	10% Level 2 EVCS	25% Level 2 EVCS		
% of Parkir	ng Spaces	% of Parking Spaces		
Takeaway: The model code increases the amount of EVCS, in alignment with the proposed 2025 CALGreen Mandatory code.				

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Non-residential







Takeaway: The model code splits nonres into two categories with distinct requirements based on the proposed 2025 CALGreen code, Tier 2. Both of these categories reflect increases compared to the 2022 CALGreen Intervening code.

Alterations & Additions





- Add New Requirement for Multifamily and Hotel & Motel
 - Mimics Nonresidential Alterations/Additions that are in Section 5.106.5.4.
 - Requires each added or altered space to have at least a low power Level 2 EV receptacle.
 - Specifies treatment for buildings with and without existing EV capable spaces.
- Existing buildings or parking facilities being modified by one of the following shall comply with Section 4.106.4.3.
 - Increase/alteration to parking facility power supply or panel
 - Addition of PV solar system over parking
 - Increase in building's conditioned area, volume, or size
 - Breaking ground on existing parking surfaces (does not include resurfacing)

