



COMMITTEE REPORT

PRESENTED FOR COMMISSION MEETING DATE: 12/21/21

SUBMITTED BY: David Freedman

COMMITTEE NAME: Standing Committee on Solar and Green Building

SUBMITTED DATE: 12/14/21

COMMITTEE MEETING DATE: 12/07/21

NEXT COMMITTEE MEETING DATE: TBD

Committee Meeting Agenda:

- A. Climate Action Roadmap Presentation to City Council
 - 1. Existing Home Energy Sustainability Ordinance
 - 2. Clean Energy Requirements for Large Commercial Businesses
 - 3. Weatherization and Other Building / Energy-Related Elements
 - 4. Transportation and Other Elements
- B. Committee Workplan for January – June 2022
- C. EV Charger Expansion
- D. Home Energy Assessment Rebates
- E. Legislative and Regulatory Update
- F. DCE Issues/Updates
- G. Agenda Items for December Commission Meeting
- H. Adjournment

Summary:

Manager Tallarico and Program Coordinator Sheldon represented the Office of Sustainability. Chair Clark also attended.

- A. Climate Action Roadmap Presentation to City Council

Manager Tallarico presented the Climate Action Roadmap to Council at its November 18 meeting. Council direction from the discussion and follow-up action items are summarized below.

- 1. Existing Home Energy Sustainability Ordinance

Council expressed interest in the Existing Home Energy Sustainability Ordinance proposal prepared by Vice Chair Freedman that was included in the staff report and directed further work be done to bring the ordinance before Council for consideration. Vice Chair Freedman has drafted an ordinance based on the model ordinance prepared by the Codes and Standards Program Reach Codes Team.

Following the Reach Codes Team's technical review of the draft ordinance, Vice Chair Freedman will work with Planning Services Director Flinn Fagg on staff review of the draft and community outreach. PlaceWorks will assist in quantifying potential reductions in greenhouse gas (GHG) emissions that would result from the energy efficiency measures required by the ordinance.

2. Clean Energy Requirements for Large Commercial Businesses

Council also expressed interest in an ordinance that would require cannabis cultivation operations and other nonresidential buildings to purchase carbon-free energy for their electricity needs. Manager Tallarico is working with Department of Special Program Compliance Director Veronica Goedhart to retain a consultant to reinforce the energy and water use findings in the ordinance, prior to presenting it to stakeholders and then to Council. Vice Chair Freedman will work with Director Goedhart on this matter.

3. Weatherization and Other Building / Energy-Related Elements

Council expressed strong support for a weatherization program and indicated that the City may be able to provide financial support, particularly for former residents of Section 14 and low-income residents. Vice Chair Freedman will research what weatherization and energy efficiency programs are currently available from Southern California Edison (SCE) and SoCalGas. Council did not support electrification requirements.

Manager Tallarico said more conversations with Council are necessary on a potential climate resolution that could set a goal for carbon neutrality. Staff will work with PlaceWorks to explore what a carbon neutrality goal would be. In considering climate actions, Council will need to know what GHG reductions would result.

4. Transportation and Other Elements

Manager Tallarico reported that PlaceWorks will need to do an updated GHG inventory for City operations, then do some more analysis of measures such as bike lanes, walkability, and fleet electrification. Council asked for greater integration of sustainability into the General Plan update, such as increased housing density and locating new housing developments along SunLine bus corridors.

B. Committee Workplan for January – June 2022

The Committee will focus on the Climate Action Roadmap measures noted above for January – June 2022.

C. EV Charger Expansion

Manager Tallarico reported that construction on the Museum garage and City Hall EV charger locations will be wrapped up by the end of the year. It will then take a few weeks for Southern California Edison to (SCE) to energize the locations. There will be a ribbon cutting once the new locations are in operation.

Manager Tallarico also reported SCE is doing a site assessment on December 14 and 15 for new EV charger locations under its Charge Ready program. Four locations have been identified, plus three more potential locations, mostly at community centers. Manager Tallarico noted that City needs to pause after it completes the first round of EV charger installations and decide whether to continue with Carbon Solutions or go in different directions.

D. Home Energy Assessment Rebates

Manager Tallarico reported that no further rebate applications have been received. Vice Chair Freedman will work to promote the program via his new role at Desert Community Energy (DCE) noted below. Manager Tallarico noted that a residential energy efficiency project rebate program will be on the agenda for Commission's December 21 meeting.

E. Legislative and Regulatory Update

At its November 18 Voting Meeting, the California Public Utilities Commission (CPUC) approved the Inland Regional Energy Network (I-REN) sponsored by Coachella Valley Association of Governments (CVAG), Western Riverside Council of Governments, and San Bernardino Council of Governments. With a budget of \$65 million to be funded through years 2022 – 2027, I-REN will begin operations in 2022 and will focus on disadvantaged and underserved populations. Vice Chair Freedman will be joining the CVAG staff as of December 23 to serve as Program Manager for I-REN and DCE.

On December 13, the CPUC issued a Proposed Decision in its Net Energy Metering (NEM) proceeding shortly. The new NEM rules if adopted by the CPUC would substantially reduce the credits new solar PV system owners receive for the electricity they generate, and residential customers would also pay a monthly grid participation charge of \$8 per kilowatt of solar power per month. Existing residential customers would be required to transition to the new tariff 15 years after the interconnection to the SCE grid, instead of 20 years under the current NEM rules.

The California Energy Commission (CEC) held workshops on December 2 on its Clean Transportation Program. The \$1.4 billion plan for the 2021 – 2023 period will help California achieve its 2025 electric vehicle charging and hydrogen refueling goals. Vice Chair Freedman will continue to monitor the program for funding opportunities for Palm Springs.

The CEC is finishing its series of workshops for the 2021 Integrated Energy Policy Report (IEPR) with sessions on December 2, 3 and 16 on electricity supply and demand issues. The CEC issued three of the four draft 2021 IEPR volumes for public comment on December 7. Volume 1 focuses on energy efficiency and building, industrial, and agricultural decarbonization.

The CEC also held a workshop on December 6 on the draft guidelines for its \$80 million BUILD program, which will launch in early 2022 and provide technical assistance and funding for all-electric affordable housing. The DAP Health, Agave and Monarch projects approved by Council should be eligible for assistance and funding. Vice Chair Freedman shared information about the Build program with Commissioner Baker for the DAP and Agave projects and the Monarch project developer, and a representative of the developer of the Monarch project attended the workshop.

Manager Tallarico noted there may be some concerns for the Monarch project being subject to public safety power shutoffs since it is in the northern part of the City subject to high winds. Vice Chair Freedman confirmed that the draft BUILD Program guidelines provide kicker incentives for on-site battery energy storage systems and so informed the Monarch project developer.

On December 13, the California Air Resources Board (CARB) held a workshop on building decarbonization as part of its 2022 Scoping Plan Update. CEC and CPUC representatives presented the building decarbonization initiatives of their respective agencies.

In connection with the workshop, CARB held a listening session on December 10 with a small group of local government agencies and consultants active in GHG reduction efforts. Vice Chair Freedman attended, as did Eli Krispi of PlaceWorks, who has worked on the Palm Springs GHG inventories. At the listening session, CARB demonstrated its new Local Government Climate Action Sensitivity Tool (CAST). Local governments can use CAST to determine which combinations of strategies, and level of implementation, are necessary to meet their own local targets and support the state's climate goals.

F.	<p>DCE Issues/Updates</p> <p>CVAG and DCE Executive Director Tom Kirk provided an update on DCE at the November 18 Council meeting. The DCE Board received an update on DCE's financial outlook at its November 29 meeting.</p> <p>Because of changes in market conditions and SCE's rates, there is no need to change DCE's current premium above SCE's base rate for 100% carbon-free energy at this time. DCE staff has also concluded there is no need to change the Desert Saver product charge, which continues to offer a modest cost savings over SCE's base rate and is the least cost choice for electricity in Palm Springs. Though DCE's rate premium for the Carbon Free product will remain unchanged, changes in the SCE rates will result in higher customer energy bills in 2022.</p> <p>The Palm Springs Working Group (PSWG) of the DCE Community Advisory Committee (CAC) met on December 13. Agenda items included DCE's outreach plan, OhmConnect's smart thermostat program, DCE's request for offers for renewable energy and storage procurement, its request for proposals on distributed energy resources, its 2022 financial outlook as noted above and I-REN. Commissioner Barrett will replace Vice Chair Freedman on the CAC and PSWG.</p>
G.	<p>Agenda Items for December Commission Meeting</p> <p>Vice Chair Freedman will report on the energy-related matters discussed above at the December 21 Commission meeting. Francisco Jaime of Engineering Services will report on the EV charger program and pedestrian safety.</p>
H.	<p>Adjournment</p> <p>The Committee meeting adjourned to a meeting date to be determined.</p>

Recommendation/Request:

Continuing working on energy and transportation-related GHG reduction measures to further City and State goals.

<p>ACTION ITEMS REQUEST TO COMMISSION</p>	<ul style="list-style-type: none"> • Approve Climate Action Roadmap action items when they are presented, including proposed renewable energy and home energy efficiency ordinance proposals. • Approve rebate program for home energy efficiency projects.
<p>ACTION ITEMS REQUEST TO OFFICE OF SUSTAINABILITY</p>	<ul style="list-style-type: none"> • Work with City Manager, City Attorney and Building and Planning Divisions on Climate Action Roadmap and related ordinance proposals. • Work with the Department of Special Program Compliance to retain cannabis consultant and schedule cannabis industry seminar. • Implement EV charger deployment, including sustainability scholarships for private-sector EV chargers. • Process home energy assessment and efficiency project rebate program applications.

POTENTIAL FISCAL IMPACT/REQUEST IF ANY	<ul style="list-style-type: none">• The City will not incur any costs for the Level III stations but will incur a cost of \$4,500 for each Level II charging station. The City will receive leasing revenues totaling about \$18,900 per year. Both the costs and the revenues are in the Sustainability budget.• The home energy assessment rebate program has a \$5,000 budget allocation in FY 21-22. An additional \$50,000 will be allocated for rebates on home energy efficiency projects carried out.
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