



SIERRA CLUB

SAN FRANCISCO BAY



December 16, 2019

Dear Supervisors,

As you may know, Supervisor Mandelman’s proposed amendments to the Green Building Code (colloquially, the “reach code¹”) will be coming to a full Board vote on December 17. We are writing to request your support for this reach code as written, and to bring your attention to the fact that Supervisor Mandelman and the Land Use and Transportation Committee have duplicated the proposed ordinance in order to consider a critical amendment that will help mitigate, if not outright prevent, the construction of fossil fuel infrastructure in new buildings.

The December 17 reach code represents the culmination of a significant amount of work from the Department of Environment, Supervisor Mandelman’s office, the Mayor’s office, and a coalition of cities and counties across the Bay Area. The code requires developers of most new buildings featuring natural gas infrastructure to be 11-28% more efficient than the state code. Efficient fossil fuel buildings are better than the alternative, and therefore we support immediately passing this code.

However, efficiency measures alone are not going to halt greenhouse gas emissions from the building sector. In fact, many builders, engineers, architects, and energy consultants have pointed out that most new buildings already meet the new efficiency requirements contained in the proposed reach code. In other words, these efficiency measures will likely not result in significant reductions in new natural gas infrastructure. In light of the existential climate crisis, we need to pursue additional ways of electrifying all buildings as soon as possible.

Ultimately, the City of San Francisco needs to require all-electric construction in all new buildings. We appreciate that the Mayor and Board are in the process of developing such a comprehensive ordinance, but the City needs to take interim measures to more strongly incentivize new buildings, including buildings already in the pipeline, to be built all-electric.

¹ San José’s Proposed Building “reach Code,” Explained
Pierre Delforge-Maria Stamas - <https://www.nrdc.org/experts/pierre-delforge/san-joses-proposed-building-reach-code-explained>

To this end, following passage of the reach code, we encourage you to amend the duplicated code to include an “electric-readiness” provision. Such a provision would require developers opting for mixed-fuel construction to design and install sufficient electric capacity, wiring and conduits to facilitate future full-building electrification. It will more strongly incentivize all-electric design and is a fiscally prudent measure to mitigate the high cost of retrofitting gas buildings to electric in coming years. Fortunately, building new housing and protecting the climate can be a win-win.

In cases where electric-ready requirements and increased efficiency are not enough to compel all-electric design, up-front wiring for future electrification is significantly cheaper than retrofitting buildings to include the required electrical infrastructure after construction. A cost estimate done for San José indicated that this savings was between a factor of 3 and 50, depending on building type. On receiving this estimate, San José was compelled by the economic case to include an electric-ready requirement in its reach code. The memo is included as an attachment for your reference.

The electric-ready approach is consistent with cities across California and the Bay Area, such as San José, Menlo Park, San Luis Obispo and Berkeley². All have adopted electric-ready provisions in conjunction with other incentives. The electric-ready provision can be added without cost effectiveness studies and rests on a strong legal basis (San José received explicit approval from the California Energy Commission last week³).

Please find enclosed model code language from the California Energy Codes & Standards program⁴, on which the Berkeley readiness requirements are based, and which are similar to those adopted by San José, Menlo Park and San Luis Obispo.

Electric-readiness is important even though San Francisco has plans to introduce an all-electric requirement for new construction in the spring. According to the Planning Department’s latest pipeline housing report, there are over 72,000 housing units currently in the building pipeline⁵, not to mention numerous proposed commercial units. The vast majority of these will feature fossil fuel infrastructure in absence of a strong electric preference like electric-readiness, since an all-electric construction ordinance is unlikely to cover all of these units. As a result, those units will eventually need costly electrification retrofits, which would be on top of the 3% of the existing building stock we need to electrify per year to meet our climate goals⁶. Why approve obsolete new fossil fuel buildings if we know they need to be all-electric, if not electric-ready, today?

Moreover, as 75% of projected development through 2030 will occur in the Southeast corridor⁷, a strong electric-ready requirement also avoids exacerbating a persistent environmental equity

² **Forward-looking Cities Lead the Way To a Gas-free Future**

<https://www.sierraclub.org/articles/2019/11/forward-looking-cities-lead-way-gas-free-future>

³ **Cec Approves First Local Energy Efficiency Standards That Go Beyond 2019 Statewide Requirements**

California Energy Commission - <https://www.energy.ca.gov/news/2019-12/cec-approves-first-local-energy-efficiency-standards-go-beyond-2019-statewide>

⁴ **2019 Local Energy Ordinances**

<https://localenergycodes.com/content/2019-local-energy-ordinances/>

⁵ **Pipeline Report**

<https://sfplanning.org/project/pipeline-report#housing-development-snapshot>

⁶ **Focus 2030: A Pathway To Net Zero Emissions (climate Report, July 2019)**

<https://sfenvironment.org/download/focus-2030-a-pathway-to-net-zero-emissions-climate-report-july-2019>

⁷ **Southeast Framework**

<https://sfplanning.org/southeast-framework>

problem affecting those already facing tremendous health impacts from fossil fuel combustion and other environmental toxins. A just climate transition requires prioritizing the well-being of all residents, and we cannot continue to put the costs of our growth on historically marginalized communities.

As we look to an all-electric construction ordinance next year, we would love to be engaged with your office to help shape what that might look like. In addition to passing new building mandates, we would also like to encourage you to look at how you can help send a clear, strategic policy message that the climate crisis is a top priority for our city. Building decarbonization is not just a necessity, but an inevitability, and if we send strong signals that this is the case, we are confident our city will respond to the call.

One easy early step in this direction would be to **pass an ordinance that requires the disclosure of natural gas infrastructure** in all property transactions, and a signed attestation during the development phase that:

1. The mayor has set a target for carbon-free buildings by 2050
2. This means that all buildings which currently use natural gas will need to be retrofitted
3. Therefore, installing new natural gas appliances and distribution systems will result in future liabilities from stranded assets as well as higher fuel costs for those who remain on natural gas.

Other ways you can act include increasing funding and staffing for the Department of the Environment in the next budget cycle, as well as expanding their authority to direct, rather than merely recommend, the City's climate action.

We look forward to your support for passing: the reach code on December 17, a subsequent electric-ready amendment, and a comprehensive all-electric construction ordinance, as well as moving forward together towards tackling the climate emergency across all sectors of society.

Sincerely,

San Francisco Climate Emergency Coalition, together with:

350 Bay Area

350 San Francisco

California Climate Health Now

Citizens' Climate Lobby, San Francisco Chapter

Climate Reality Project Bay Area Chapter - San Francisco Policy Action Team

Earthjustice - Sasan Saadat, Research and Policy Analyst

Natural Resources Defense Council - Pierre Delforge, Senior Scientist

San Francisco Democratic Socialists of America - Ecosocialist Committee

San Francisco Tomorrow

Sierra Club, SF Bay Chapter

Sunrise Bay Area

Mothers Out Front San Francisco

Wildfires to Wildflowers