



DATE: July 28, 2021

TO: Demian Hardman-Saldana, Senior Planner, Contra Costa County Conservation & Development Dept.
Jason Crapo, Deputy Director, Building Division, Contra Costa County Conservation & Development Dept.

FROM: Lisa Vorderbrueggen, East Bay Executive Director for Governmental Affairs, BIA|Bay Area

RE: Proposed Contra Costa County All-Electric Ordinance

Dear Jason & Demian,

Thank you for the opportunity to participate in Contra Costa County's recent building electrification reach code outreach. As we discussed, I would like to summarize my comments in writing.

Broadly speaking, localized reach codes are problematic for builders. We prefer to see code changes enacted at the state level where they are rolled into the new requirements at predictable intervals that allow the industry adequate time to respond. Given the considerable discussions at the state level about banning the use of natural gas in new construction, it is highly likely that such a requirement will materialize in the state building code sooner rather than later.

The shift also raises a number of questions.

Will California's aging electric grid hold up under the increased demands associated with an all-electric design? The state is already anticipating major demand increases from electric vehicle charging needs.

Will the shift put more Californians at greater risk during public safety power shutdowns made necessary by extreme weather and fire danger? In order to cook during shut-downs, all-electric homeowners would need expensive battery storage devices or gas-powered generators.

Lastly, is a new all-electric home truly cost-effective, as state law requires? As justification for the all-electric reach code, Contra Costa County is citing a 2019 California Energy Codes and Standards study prepared for PG&E.

But further analysis commissioned by the California Building Industry Association (CBIA) found that homebuilders' real-world experiences fail to match the official study findings. For example, the study shows that an all-electric home is \$421 cheaper to build (including the cost of appliances) but estimates from homebuilders show increased costs of more than \$2,200 per home. The study also concluded that builders would save \$5,750 per home in avoided natural gas infrastructure but sample costs from builders put that figure at \$1,425 per home on average.

Thirdly, the CBIA analysis found that it an all-electric home will cost nearly \$300 more per household each year to operate than a mixed-fuel house. [PG&E customers already pay about 80 percent more per kilowatt-hour than the national average, according to a study by the energy institute at UC Berkeley's Haas Business School with the nonprofit think tank Next 10.](#) All this translates into higher costs to build, purchase and operate an all-electric home in California at a time when the state is already experiencing a major housing affordability and supply crisis.

That said, many Bay Area cities and counties have or will soon restrict the use of natural gas in new construction based on anticipated greenhouse gas emission reductions.

In order to mitigate the impacts of the anticipated all-electric mandate on much-needed housing currently in the development pipeline, we would ask that Contra Costa County grandfather existing projects. Converting a housing project already in the planning process to all-electric could add tens of thousands of dollars in unplanned costs associated with redesign, construction changes and delays.

Again, I thank you for the opportunity to participate in the county's all-electric outreach effort. Please don't hesitate to contact me if you have any questions.

Sincerely yours,



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