FRONTRUNNER: CITY OF SAN LUIS OBISPO

CLEAN ENERGY CHOICE PROGRAM FOR NEW BUILDINGS ENCOMPASSES NEW REACH CODES AND INCENTIVES FOR CITY OF SAN LUIS OBISPO

OVERVIEW

San Luis Obispo, home to just under 50,000 and halfway between San Francisco and Los Angeles, is part of the state's Central Coast region famous for vineyards and picturesque Spanish missions. The City is also home to California Polytechnic State University with an enrollment of 22,000 students.

The City has a long history of environmental protection and climate action. In 2017, the community identified climate action as a Major City Goal, with the intent to achieve carbon neutrality by 2035.

DEVELOPING A HOLISTIC APPROACH FOR ELECTRIFICATION

The City began exploring electrification reach codes in late 2018 together with incentives and other mechanisms intended to both encourage and simplify implementation of all-electric requirements for new construction. The City was committed to developing a holistic approach to reach code adoption, one that provided information, technical support, and financial incentives in concert with new building standards. To this end, City staff developed a measure that provided for both all-electric and mixed-fuel pathways, together with a range of elements designed to educate and support stakeholders in the transition phase.



View of San Luis Obispo and Madonna Mountain. Photo by Ken Ohyama on Unsplash

Notes Chris Read, Sustainability Manager for the City of San Luis Obispo, “The Clean Energy Choice Program for New Buildings is a critical program for achieving our climate action goals. The flexibility in the 2019 code cycle, paired with technical assistance and financial incentives, has led to a substantial number of all-electric new building permits in our community.”

In July 2020, City Council adopted the Clean Energy Choice program. The program consists of four major aspects:

1. Reach code focused on new construction as follows:

    - Single Family and Low-rise Multifamily: All-electric OR Mixed Fuel with enhanced building performance (i.e., EDR margin of 9 for single-family or 9.5 for low-rise multi-family) PLUS pre-wire for electric-ready status at retrofit
    - High-rise Multifamily: All-electric OR Hotel/HRR > 9% compliance margin; AND electric-ready
    - Non-Residential: All-electric OR Office/Retail 15% compliance margin, Others 5% compliance margin AND electric ready

2. A complementary measure providing additional regulatory flexibility to address design challenges that might arise during the initial transition period to all-electric buildings. This regulatory flexibility runs from September 1, 2020, to December 31, 2022.

3. Financial incentives: The City's CCA, Central Coast Community Energy (formerly Monterey Bay Community Power, or MBCP), has developed a multi-year direct incentive program for affordable housing projects.

4. Technical support: on-call professional design and consulting services with ID360 and 4LEAF, Inc. to answer technical questions about the Clean Energy Choice Program for New Buildings.

Read notes that the City also adopted a companion measure to the reach code ordinance providing setback flexibility for certain types of mechanical equipment.

Implementation and Lessons Learned

The City is now a full year post-adoption. Two large residential developments appear to be on track in terms of compliance with the new measures. An estimated three-quarters of the permits since adoption have selected the all-electric pathway.

The City maintains a full suite of resources, including the technical support help desk mentioned above. This assists applicants with understanding the code's applicability to new construction projects and other assistance.

The City looks to expand its building decarbonization work with updates to the program as part of the 2022 California Building Code update cycle, a building retrofit for affordable housing pilot program, and initiating retrofits in its municipal building stock.



Downtown San Luis Obispo. Photo by Sixteen Miles Out on Unsplash.

RESOURCES

The City maintains comprehensive resources on its website, including:

General information about the Clean Energy Choice Program (fact sheets, cost-effectiveness studies, incentive information, etc.)

Compliance resources for the Clean Energy Choice Program (training video, scoping forms, checklists, etc.)

Information on the financial incentives available.

The Lead by Example program.

CEC Docket Log:

San Luis Obispo Local Ordinance No. 1684

San Luis Obispo July 7, 2020 Staff Report

San Luis Obispo June 16, 2020 Staff Report

OTHER FRONTRUNNERS

City of San Rafael Pursues Collaboration in its Development and Adoption of a Flex Path Residential Reach Code City of Cotati City of Piedmont
Archives