



**AGENDA**  
**ENERGY / GREEN ISSUES**  
**STANDING COMMITTEE MEETING**

**Monday, January 23, 2023**  
**3:30 – 5:00 PM**

City Hall  
130 Cremona Drive, Suite B  
Goleta, California

**This Virtual Meeting is held pursuant to AB361.  
The meeting will be Virtual because meeting in person would present  
imminent risks to the health or safety of attendees.**

Kyle Richards, Mayor Pro Tempore  
Luz Reyes-Martín, Councilmember  
Robert Nisbet, City Manager  
Peter Imhof, Planning and Environmental Review Director  
Dana Murray, Sustainability Manager  
Angeline Foshay, Sustainability Management Assistant  
Stephanie Holmes, CivicSpark Climate Fellow

\*\*\*\*\*

**IMPORTANT NOTICE REGARDING DATE**  
**ENERGY / GREEN ISSUES STANDING COMMITTEE MEETING**

This Virtual Meeting is held pursuant to AB361. The meeting will be Virtual because meeting in person would present imminent risks to the health or safety of attendees.

\*\*\*\*\*

**Public Participation**

If you wish to make a general public comment or to comment on a specific agenda item, the following methods are available:

**Distribution to the Energy / Green Issues Standing Committee** - Submit your comment via email prior to 12:00 PM on the Sunday prior to the Energy / Green Issues Standing Committee meeting. Please submit your comment to Dana Murray at: dmurray@cityofgoleta.org. Your comment will be placed into the record and distributed appropriately.

Please register for the Energy / Green Issues Standing Committee Meeting on January 23, 2023, 3:30 PM PDT at:

**ELECTRONIC PARTICIPATION:**

**Zoom Registration Link:**

[https://us06web.zoom.us/webinar/register/WN\\_Q\\_2v90xASJeSZT2Mayj89w](https://us06web.zoom.us/webinar/register/WN_Q_2v90xASJeSZT2Mayj89w)

**Zoom Webinar ID:** 897 0648 1536

**For Audio Participation:**

**One tap mobile:** +1 408 638 0968,,89706481536#,,,,\*841563# US (San Jose)  
+1 669 444 9171,,89706481536#,,,,\*841563# US

**Or dial:** For higher quality, dial a number based on your current location.  
US: +1 408 638 0968 or +1 669 444 9171 or +1 669 900 6833 or  
+1 253 215 8782 or +1 346 248 7799 or +1 719 359 4580 or  
+1 564 217 2000 or +1 646 876 9923 or +1 646 931 3860 or  
+1 301 715 8592 or +1 309 205 3325 or +1 312 626 6799 or  
+1 386 347 5053

**Webinar ID:** 897 0648 1536

**Passcode:** 841563

After registering, you will receive a confirmation email containing information about joining the webinar.

You will be connected to audio using your computer's microphone and speakers (VoIP). A headset is recommended.

Oral comments during a meeting may be made by electronic participation only.

**AGENDA**

- I. Public Comment (5 minutes)
- II. City Hall EV Charger Project: Charger Rates (15 minutes)
  - a. Recommendation Request
- III. Sustainable Community Network Participation: (20 minutes)
  - Home Solar & Battery Storage

a. Recommendation Request

IV. Reach Code & Building Electrification Ordinance (40 minutes)

a. Recommendation Request

V. Program Updates / Next Regularly Scheduled Quarterly Energy / Green Issues Committee Meeting (10 minutes)

a. Plastic Free Goleta Outreach

b. Date TBD – Currently March 15, 2023; 2:30 PM – 4:00 PM

***Note: In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, (including assisted listening devices), please contact Deborah Lopez, City Clerk, at (805) 961-7505 at least 72 hours prior to the meeting. Notification helps to ensure that reasonable arrangements can be made to provide accessibility to the meeting.***



## MEMORANDUM

**DATE:** January 23, 2023

**TO:** Energy and Green Issues Standing Committee

**FROM:** Peter Imhof, Planning and Environmental Review Director  
 Dana Murray, Sustainability Manager  
 Angeline Foshay, Sustainability Management Assistant  
 Stephanie Holmes, CivicSpark Fellow

**SUBJECT:** Background Information for the January 23, 2023 Energy / Green Issues Standing Committee Meeting (please see attached agenda)

### ITEM I: PUBLIC COMMENT

### ITEM II: CITY HALL EV CHARGER PROJECT – RATES FOR CHARGERS

The purpose of this item is to provide an update to the Energy / Green Issues Standing Committee on the City Hall Electric Vehicle (EV) Charger Project and receive a recommendation from the Committee on what energy fees to charge the public and municipal staff at City Hall EV chargers.

#### Background:

Investing in the development and installation of EV charging infrastructure is identified in the City's budget priorities and Strategic Plan as a means of supporting environmental vitality and supporting the City's transition to a clean energy future. Additionally, 'Electrical Vehicle Readiness Planning' is a top priority in the City's adopted Planning & Environmental Review Department's Annual Work Program for FY 22/23. The City Council adopted an Electric Vehicle Charging Station Permit Streamlining Ordinance in April 2020.

In September 2020, Governor Newsom issued an executive order requiring sales of all new passenger vehicles to be zero-emission by 2035 and additional measures to eliminate harmful emissions from the transportation sector. Transportation accounts for just over half of the greenhouse gas (GHG) emissions in Santa Barbara County. One of

the key strategies to reducing emissions and meeting the ambitious climate goals of the State is encouraging the use of EVs and expanding EV charging infrastructure. The executive order directs the California Air Resources Board (CARB), California Energy Commission (CEC), California Public Utilities Commission, other State agencies, and local agencies to accelerate deployment of affordable fueling and charging options for zero-emission vehicles (ZEVs) in ways that serve all communities, and specifically in low-income and disadvantaged communities.

To help achieve EV goals and in acknowledgement of the existing gaps in local EV charging infrastructure, over the last year Sustainability Program staff has been pursuing various funding opportunities to offset the costs of installing EV charging stations at City facilities, including the SCE Charge Ready Program. At the December 6, 2022 City Council meeting, the City Council approved participation in the Southern California Edison (SCE) Charge Ready Program. The City of Goleta is now a participant in SCE's Charge Ready Program for the Goleta City Hall site, which will provide 'make ready' EV infrastructure and EV equipment rebate support for the installation of 17 EV chargers at City Hall.

### **Discussion:**

In order to finalize the EV charger contracts for the City Hall project with a vendor, the City will need to determine what (if any) fees will be charged at the EV chargers. The EV chargers to be installed at City Hall are Level 2 chargers.

Three categories of EV charger users are anticipated for the City Hall EV chargers. EV charger fees (if any) need to be decided for each of these categories. These include:

- Public- charging infrastructure for City Hall visitors and neighboring workers.
- Workplace/Employees- charging infrastructure intended for use by City Hall employees to charge their personal EVs, though they may also be available to visitors during specified periods.
- Municipal Fleet - charging infrastructure designated for City of Goleta fleet vehicles.

To recover costs or generate revenue, many EV charger owners charge a fee for use of their charging infrastructure. To incentivize EVs and/or provide benefits to employees, some jurisdictions do not charge fees at EV chargers. Public EV chargers can be free, pay-as-you-go, or subscription-based, with prices set by networks or property owners. Common EV pricing structures include by kWh by session, by length of time, or through a subscription. According to the California Air Resources Board, the EV charging industry is moving toward a fee structure based on kWh used, rather than by the time it takes to charge the car. EV drivers in California may expect to pay 30-40 cents per kWh to charge on Level 2. For example, at these rates, a Nissan LEAF with a 150-mile range and 40-kWh battery would cost about \$12.00 to fully charge (from empty to full) using a Level 2 charger.

According to the U.S. Department of Energy, while charging a fee for the use of charging infrastructure is becoming more common, more than 25% of public charging (including Level 1, Level 2, and DC fast chargers) is free to use.

As an EV charger owner, the City can set the price for the City Hall EV chargers. For the City Hall EV Charger project, the EV vendor's software can collect fees from the public. The EV vendor is requesting information on how much the City intends to charge as energy fees at the chargers.

Staff has reached out to other California jurisdictions to find out how local governments are managing fees at their public EV chargers. For example, cities of Sacramento and Los Angeles currently provide free charging at City facilities to incentivize and support EVs. In many cases, cities charge rates per kWh determined by the cost of the energy, operations and maintenance, and software licensing. For example, Santa Barbara County charges a fixed average energy cost recovery to the public, similar to the City of Carpinteria, which has a fixed rate of 32 cents per kWh. Although the City of Carpinteria charges the public, for their workforce the City is developing an employee benefits program where municipal chargers are free to City employees. The City of Santa Barbara charges 20-35 cents per kWh depending on the time of day, and \$1.50 for the first hour of charging. The Cities of Santa Monica, Santa Cruz, Palo Alto and Alameda County charge similar rates. Santa Monica and Palo Alto also implement an overstay charge when a vehicle exceeds the posted time limit at their charging stations.

Los Angeles County has a thoroughly researched method of determining optimal charging station user fees that could be applied to the City of Goleta's EV charging rate structure. L.A. County's Clean Transportation Team researched and analyzed data from the County's EV charging station network to propose a fee that meets the needs of the community while recouping operational expenses. They also developed a User Fee Calculator that can be adapted to other jurisdictions. Their extensive research highlights the importance of implementing a user fee structure that incentivizes charging and best serves the community.

If the Committee is interested in charging the public standard pricing at EV chargers, staff will work with the EV vendor to identify the nearby geographic market for cost of public EV charging in the area and incorporate that cost into the User Fee Calculator for the best fee for our community.

If the Committee is interested in providing City employees a workplace benefit of free EV charging, staff would work with Human Resources to develop the program. Such a program would strengthen EV infrastructure in the Goleta community and incentivize the City workforce and community to drive EVs.

## **Recommendation:**

Staff recommends that the Committee consider a fee structure for City-owned EV chargers for the three types of user-groups: public/visitors, City employees, and fleet. The main recommendation considerations include whether to charge fees at all, if there should be a time-of-use differentiation for fees, and whether there should be a set time where the chargers would be free, then transitioned to charging a fee.

Specific recommendations staff are seeking from Council include:

1. Should the public be charged fees to use the City's Level 2 EV chargers?
2. Should municipal staff be charged fees to use the City's Level 2 EV chargers for personal vehicles?
3. Should the EV chargers only have a fee charged during peak use hours (typically 4:00-9:00 PM when electricity is the most expensive)?
4. Should the EV chargers have fees that differ during off-peak and peak use hours?

Should the Committee recommend a fee for public use of City Hall EV chargers, staff recommends that the rate be set by kWh used, rather than by session or length of time, as well as charging fees associated with peak use, through the time-of-use structure utilized by electricity providers (Central Coast Community Energy and SCE). As various EVs and PHEVs charge at different speeds based on their design and battery capacity, this promotes an equitable pay structure for public users of the charging stations.

Specifically, the City needs to determine the base fees for the EV chargers utilizing this agreement structure:

**Base Fees.** The following shall be the base fee (the "Base Fees") charged to Project end-users, until such time that Client sends a written request with ten (10) days' notice for an adjustment to the Base Fees:

### **Option 1: [NO FEES TO USER – FREE CHARGING]**

During the Term, the City has elected to provide free charging to Project end-users and has directed Contractor not to collect any Base Fees during the Term. Should the Client elect to charge Project end-user fees in the future, this may require a change order to the Agreement and result in additional charges for associated additional services.

### **Option 2: [SINGLE RATE]**

During the Term, Client has directed Contractor to collect Base Fees from Project end-users via the app at a rate of \$[0.XX] per kWh.

### **Option 3: [TIME OF USE RATE]**

During the Term, Subscriber has directed Company to collect Base Fees from Project end-users via the app at a rate of:

\$[0.XX] per kWh from [4pm -9pm Prevailing Time], and  
 \$[0.XX] per kWh from [8pm -12pm Prevailing Time], and  
 \$[0.XX] per kWh all other times.

**Option 4: [ACCESS RATE – SPECIAL RATES FOR NAMED USERS]**

During the Term, Client has directed Contractor to collect Base Fees from Project end-users via the app at a rate of:

\$[0.XX] per kWh for Client usernames as defined by Client and/or a whitelist domain of  
 [insert domain name(s) or “NA”], and  
 \$[0.XX] per kWh for all other users.

Based on the L.A. County model, it is recommended that a time-of-use (TOU) fee (Option 3) be adopted with EV charging rates, with a super-off-peak price of 25 cents per kWh (8am-4pm), off-peak price of 30 cents per kWh (9pm-8am), and peak price of 45 cents per kWh (4pm-9pm). These recommendations are predicted to increase utilization, while helping to cover operation and maintenance costs. These rates are similar to those found in other jurisdictions. Staff has acquired L.A. County’s EVSE User Fee Calculator, and can use it to calculate utilization, electricity, networking, and maintenance costs, as well as projected revenue for 1 and 10 years.

**ITEM III: SUSTAINABLE COMMUNITY NETWORK PARTICIPATION – RESIDENTIAL HOME SOLAR AND BATTERY STORAGE PROGRAM**

The purpose of this item is to provide an overview of a new program recently launched in Santa Barbara County, the Sustainable Community Network (SCN) Home Solar & Battery Energy Storage Program, offered by Electriq Power, Inc., and seek a recommendation from the Committee on Goleta’s participation. The SCN program provides affordable, resilient and sustainable energy by providing residences with solar and battery storage systems (behind the meter), at a known and contracted rate. The program’s focus is providing access to clean energy technology at no upfront cost, and without the hurdles that often prevent disadvantaged or otherwise underserved community members from accessing the financing instruments (e.g., credit) typically required to acquire a solar microgrid.

**Background:**

Participation in the new SCN program is closely aligned with the City’s Sustainability goals. Investing in the development and installation of clean energy infrastructure is identified in the City’s budget priorities and Strategic Plan as a means of promoting environmental vitality and supporting the City’s transition to a clean energy future. Identified as the Sustainability Program’s second priority for upcoming projects in the 2022-2023 Planning & Environmental Review Department’s Annual Work Program, developing and implementing a home solar and battery storage program would help expand community access to renewable energy and improve energy resilience. Additionally, participation in SCN supports the City’s Strategic Energy Plan (SEP), which



includes a goal of moving community-wide electricity supply to 100% renewable energy by 2030. Providing sustainable off-grid energy to a greater portion of the community not only contributes to Goleta's energy goals, but also its resilience goals. Of the goals identified during community outreach for the SEP, community resilience, improved reliance on local resource generation, and improving public safety were among the most important goals cited by stakeholders and residents. Enrollment in this program will continue to strengthen Goleta's clean energy resilience and infrastructure.

SCN provides a residential solar-microgrid (a behind-the-meter smart home battery and solar photovoltaic install) to participants through a Power Purchase Agreement (PPA). Unlike traditional PPA's, the SCN PPA has no FICO requirement, no property lien, and no deposit or other upfront cost, and is easy to buy out or transfer to a new property owner. SCN provides the program through a partnership with a local stakeholder (ideally, a city or county government) to ensure the PPA is validated and to support programmatic outreach into the local community.

An important goal of this program is to improve resilience and protect against the worst impacts of power outages. Planned and unexpected power outages can occur throughout Goleta and the local region at any time and for multiple reasons. Our region faces significant threats to reliability and resiliency due to its geographic location at the end of SCE's high-voltage transmission lines. The area is at risk of experiencing a prolonged electrical outage should the two transmission lines serving the area experience a simultaneous disruption, as was threatened during the Thomas Fire. An emergency such as wildfire, debris flow, earthquake or other catastrophic event is a risk to maintaining continued electrical service. When dangerous weather conditions create a high risk for wildfire, Southern California Edison (SCE) may proactively shut off power to customers to reduce the threat of wildfires. Such intentional power outages are called Public Safety Power Shutoffs. Whole communities can be left without power, and individual electricity consumers have no recourse unless they are able to provide their own resilient, backup source of electricity, such as through solar-microgrids provided by the SCN program.

Extremely hot weather drives up electricity use, which strains the grid, resulting in rolling blackouts to ensure the grid does not fail. These "heat events" and the associated stress on the grid usually peak towards the evening hours, when solar generation declines and consumers are returning home, increasing demand for electricity. When this occurs, Flex Alerts are issued and consumers are asked to adjust thermostats, unplug unused electronic devices, and turn off unnecessary lights. Every power outage creates hardships for customers and communities, especially with the recent increase in people working from home. Such power outages are particularly impactful for vulnerable members of the community, such as children and seniors.

In addition to reducing carbon emissions, residential solar microgrid (RSM) systems are designed to offer customers of all income levels more secure electrical power. The SCN provides RSM systems, ensuring access to these systems by anyone in the community. RSM systems can act as a backup power supply in the event of an outage but,

importantly, they also work together to reduce stress on the grid, making outages less likely in the first place and mitigating their impact when they happen.

Thus far, the City of Santa Barbara is the only other local jurisdiction in the County to have endorsed this program, but SCN is conducting outreach to other local government jurisdictions. Unlike the PACE solar financing programs that needed local government approval to operate, SCN can operate anywhere in the county, including Goleta, right now regardless of endorsements. However, SCN is seeking partnerships and endorsements from local governments to help promote the program so more people trust it and so there are more microgrids built, and thus more local energy resiliency. The City of Santa Barbara is the first jurisdiction to partner/endorse, and Goleta has the opportunity to be the second city. Currently, the revenue that is generated by projects in Goleta (and anywhere in the County) is going to just the City of Santa Barbara, until another jurisdiction signs on. Once another jurisdiction (like Goleta) partners, they would then receive revenue from projects in their city- Santa Barbara would no longer get the revenue from projects within the City of Goleta. In advance of bringing this program to Goleta residents, staff recommends that the Green Committee consider City participation.

### **Discussion:**

By enrolling in the program, Goleta would provide support for improving local equitable access to renewable and resilient energy, as laid out and prioritized in the City's Strategic Energy Plan. SCN aligns with this vision, enabling residents to access solar energy generation and battery storage systems in their homes, regardless of financial qualifications. SCN is designed to ensure everyone can participate in the clean energy transition, removing traditional financial barriers many face when pursuing solar and battery systems. Renters can also benefit; however, homeowner/landlord authorization and involvement would be required for rental homes.

If the City chooses to participate in the program, it would need to enter into a program participation agreement with SCN. Under this agreement, the City would not need to commit any funds to the program and would instead earn a share of revenue (typically 5%) from all PPAs under the program within the City, once a specified minimum threshold balance in the revenue sharing escrow account is reached and maintained. This escrow account threshold balance serves as a financial security against risk of customer late payment or default and allows the program to do away with any FICO requirement or property-specific lien. Use of this financial structure enables the PPA to be offered to the entire community, regardless of access to credit and traditional financial instruments, thereby unlocking participation in the clean energy transition to all.

The 5% revenue share begins to accrue into the escrow account as soon as the PPA payments begin and, although the exact timing is difficult to estimate precisely, SCN expects it will take about two years before it meets the minimum threshold and begins flowing to the City. This timing depends on the rates of default and the economics of the individual systems in the program. Even before the City begins to receive a revenue

share, SCN would also have contributed to local investment and jobs, climate change and ESG benefits, and community engagement opportunities.

Should the Green Committee recommend the City pursue participation in the SCN program, the City's legal team will review the standardized PPA entered into between SCN (as locally branded) and the local resident as well as the agreement (the Muni Resi Participation Agreement, "MRPPA") between the City and SCN.

### **Other Program Participation Agreement and Terms**

SCN is enabled in a community through a partnership with a local stakeholder, ideally, a city or county, but also in potential collaboration with local Community Benefit Organizations and nonprofits that serve local constituents. The City of Santa Barbara already participates as the first partner with SCN through its "Santa Barbara Home Power Program." Local government partners in SCN enter into a "Muni-Resi Program Participation Agreement" (MRPPA), which describes the stakeholder role in the SCN program. The City of Santa Barbara MRPPA is attached along with a model PPA. Note that the City would not be a direct party to the PPA between SCN and residential customers. A model PPA is attached to the MRPPA so participating residents can know whether the PPA they sign matches the one the City reviewed to ensure transparency and consistency.

The City of Goleta would agree to support the program through public outreach, marketing, town halls, newsletters, listing on the City website, etc. This outreach would direct interested residents to the programmatic/enrollment website that would be created with Goleta branding, and including Goleta's logo, similar to the one created for Santa Barbara.

### **Recommendation & Next Steps:**

Staff requests that the Green Committee consider recommending City participation in the SCN program. Should the Committee recommend moving forward with participation, the next step would be for the City Attorney's office to review and staff to negotiate the MRPPA, before bringing before the City Council for consideration of approval for City participation.

### **ITEM IV: REACH CODES & BUILDING ELECTRIFICATION UPDATE**

The purpose of this item is for the Energy & Green Issues Standing Committee to seek direction and recommendations on efforts to adopt enhancements to State Building Codes via an all-electric municipal health and safety Reach Code and on Goleta's draft ordinance. A description of the draft all-electric ordinance and potential exemptions for new construction building electrification are summarized below. If the Committee recommends that staff move forward with the draft ordinance, staff would then bring forward the ordinance to City Council in spring 2023 for adoption.

**Background:**

In order to further reduce the City's building emissions, City Council directed the Sustainability Program to prioritize developing a Reach Code to encourage building electrification during the Planning and Environmental Review Annual Work Program process. A Reach Code is a local building energy code that "reaches" beyond the state minimum requirements for energy use in building design and construction, creating opportunities for local governments to lead beyond State requirements. Reach Codes help encourage development of energy efficient and increasingly electrified, sustainable buildings.

Starting in May 2022, City staff began collaborating with the County of Santa Barbara and the City of Carpinteria to coordinate regional alignment for each jurisdiction's respective Reach Code, pooling staff resources to conduct public outreach, stakeholder engagement, and source technical assistance from industry experts. Technical assistance is being provided to the group by Tri-County Regional Energy Network (3C-REN), Franklin Energy, Colorado Energy Group, NegaWatt, Southern California Edison, Pacific Gas & Electric, and Central Coast Community Energy. Additional outreach was conducted to the Santa Barbara Chamber of Commerce, the Santa Barbara Association of Realtors and the Santa Barbara Regional Climate Collaborative Equity & Outreach Advisory Subcommittee. The regional Reach Code collaborative group has hosted three separate advisory group meetings with industry stakeholders and two public workshops. With over 63 jurisdictions in California already having adopted Reach Codes to decarbonize their buildings, the City has an opportunity to expand upon current state requirements in the Energy Code and eliminate and reduce future emissions sources by regulating new construction.

At the Energy & Green Issues Standing Committee meeting on October 12, 2022, the Committee recommended that staff proceed with developing a draft municipal health and safety reach code to encourage all-electric new construction in the City.

**Discussion:**

The proposed ordinance "Prohibition of Fuel Gas Plumbing Infrastructure in Newly Constructed Buildings" (Attachment 1) has taken best practices from Reach Codes adopted locally and across the state.

**Ordinance Elements**

The primary portion of the ordinance is the prohibition of fuel gas infrastructure in newly constructed buildings. This includes provisions that inactive fuel gas infrastructure shall not be activated, have a meter installed, or otherwise operated unless the applicant files and is approved for an exemption. The fuel gas infrastructure ban would not apply to the use of portable propane appliances for outdoor cooking or heating. This core element supports the advancement of building electrification in line with the state's advancing

policies, prevents future “lock-in” methane emissions in new buildings, and will result in improved indoor air quality for building occupants.<sup>123</sup>

An additional provision of the ordinance is a periodic review of the clauses by staff, set at an interval of every eighteen months. This provision allows for staff to assess any potential adjustments to the ordinance language, its internal implementation, and to potentially expand measures to better meet the changing building requirements and best practices across the state. This clause has also been commonly included in other Reach Codes, such as those adopted by the Cities of Santa Barbara, Santa Cruz, and Berkeley.

### *Newly Constructed Building Definition*

Different jurisdictions have taken varying approaches to defining what constitutes a Newly Constructed Building. Finalizing this definition will solidify the scope of the building electrification ordinance and assist developers and the public in navigating the thresholds that trigger electrification. The draft ordinance defines a Newly Constructed Building as:

*A building that has never before been used or occupied for any purpose, and for the purposes of the ordinance shall include:*

- a. *A construction project where an alteration includes replacement or addition of over 50 percent of the existing foundation for purposes other than a repair or reinforcement as defined in California Existing Building Code Section 202; or*
- b. *When over 50 percent of the existing framing above the sill plate is removed or replaced for purposes other than repair.*

*If either of these criteria are met within a three-year period, measured from the date of the most recent previously obtained permit final date, that structure is considered new construction and shall be subject to provisions of the ordinance. New construction in existing buildings, such as alterations, additions, and tenant improvements, shall not be considered new construction.*

This definition has been adopted by jurisdictions such as Burlingame, Los Gatos, Milpitas, and Pleasanton. While this definition is recommended by Central Coast Community Energy and Bay Area community choice energy programs, the City of Santa Barbara – which adopted a natural gas moratorium in 2021 using a similar approach to the one regional partners are currently taking – defines a Newly Constructed Building as:

*A new structure that has never before been used or occupied for any purpose or removal and replacement of an existing structure. An existing structure is removed and replaced for purposes of this definition when either: (1) it is completely demolished and replaced with a new structure; or (2) it is partially removed and replaced and the removal and replacement involves any two of the following:*

1. *More than 75% of the structural elements of the roof or roof framing are removed;*
2. *More than 75% of the structural exterior walls (or vertical supports such as posts or columns when a structure has no walls) of a structure are*

*removed or are no longer a necessary and integral structural component of the overall building;*

*3. More than 75% of the foundation system is removed, or is no longer a necessary and integral structural component of the overall structure, including, but not limited to: perimeter concrete foundation, retaining walls, post and pier foundations, or similar elements that connect a structure to the ground and transfer gravity loads from the structure to the ground. The calculation with respect to a wall will be based on a horizontal measurement of the affected portion of the perimeter exterior wall between the structure's footings and the structure's ceiling. The calculation with respect to a roof will be based on the overall square footage of the area affected. The calculation with respect to a foundation system will be based on the lineal feet of the affected foundation system, count of post and piers, and overall square footage of the affected elements in relationship to the system as a whole.*

Other jurisdictions have opted not to include significant remodels and define newly constructed buildings as a building that has never before been used or occupied for any purpose, such as in Berkeley's natural gas prohibition ordinance. Pinning down the definition for a Newly Constructed Building will assist in identifying the scope of the ordinance. The City of Carpinteria and the County of Santa Barbara are still developing their definitions of this term and researching what other local jurisdictions have incorporated.

***Staff recommends the 50% definition because it will capture a broader range of projects and facilitate the transition to all-electric buildings more quickly. A project that replaces 50% of a building's foundation or framing is a major project that involves substantial reconstruction of the building. This definition also effectively exempts minor remodels.***

#### *Termination of Fuel Gas Usage*

Another potential clause for inclusion in the ordinance that is supported by Central Coast Community Energy is the Termination of Fuel Gas Usage, as written below:

No later than January 1, 2045, all buildings within Goleta shall not be served by fuel gas infrastructure.

This clause would eliminate natural gas use in new construction and in existing buildings, which account for a significant portion of current and future methane emissions. Modeled after Half Moon Bay's Reach Code adopted in February 2022, this provision addressing the emissions of existing buildings is essential to meeting the state's goals to achieve carbon neutrality by 2045.<sup>4</sup> This provision would not affect mobile home parks that fall under State of California jurisdiction. Further, the City cannot preclude the conveyance of natural gas to areas outside of the City limits. Developing a sound implementation plan would take careful research and interdepartmental collaboration by staff.

***Given the nascent adoption of clauses addressing existing gas infrastructure, staff recommends that we do not include this clause at this time but revisit later for its potential to address emissions from existing buildings.***

#### *Electric Readiness for Qualifying Exemptions*

An additional clause that was included in Central Coast Community Energy's model code supports electric readiness for newly constructed buildings that are granted exemptions for natural gas infrastructure. For applicants granted exemptions as determined by the ordinance, newly constructed buildings shall be required to have sufficient electrical capacity, including reserved circuit breakers, electrical conduit, subpanels, panels, switchboards, and transformers, to facilitate future full building electrification in accordance with the California Electrical Code and manufacturer specifications. The 2022 California Building Energy Efficiency Standards included electric readiness provisions for newly constructed homes. Including this clause would support the electric readiness of non-residential buildings, which is anticipated to be included in future California Building Codes to meet the state's advancing emissions reduction goals. This clause is included in anticipation of these future requirements and would help prepare new buildings and applicants who may be granted exemptions the ability to convert to all electric in an efficient manner at a later date.

***As the state continues to push for electrification, staff recommends that this clause be included to prepare new buildings with granted exemptions the electrical capacity to convert to all electric at a later date.***

#### **Exemption Considerations**

There are several exemptions that the City can consider including in the adoption of an all-electric new construction ordinance that can help ease the transition into building electrification. Listed below are commonly included exemptions in all-electric Reach Code ordinances and a list of some of the jurisdictions which have adopted them.

#### *Physical Infeasibility*

For purposes of this exemption, "feasible to construct the building" means either an all-electric prescriptive compliance approach is available for a building under the Energy Code or the building is able to achieve the performance compliance standards under the Energy Code using commercially available technology and a calculation method approved by the City.

***Staff recommends that this standard clause be included in the ordinance.***

#### *Public Interest*

Minimally necessary and specifically tailored natural gas infrastructure may be allowed in a newly constructed building provided that the use serves the public interest. Public interest considerations should focus on the availability of alternative technologies or systems, which do not use natural gas, and any other impacts on the health, safety, or welfare of the public. However, newly constructed buildings under this exemption will be

required at the minimum to have sufficient electric capacity, wiring and conduit to facilitate future full building electrification.

***To allow for some flexibility, staff recommends that this exemption be included in the ordinance.***

#### *Commercial Cooking Equipment*

Commercial cooking for the purpose of this ordinance is defined as equipment used in a food establishment for heat-processing food or utensils and that produces grease vapors, steam, fumes, smoke, or odors that are required to be removed through a local exhaust ventilation system, as defined in the California Mechanical Code. Commercial cooking exemptions are the most included in all-electric Reach Codes across California, including the ordinances adopted by City of Santa Barbara, Santa Cruz, and Encinitas. Exemptions for cooking equipment most commonly apply to non-residential new construction, with occasional residential exemptions being included. With advancements in electric residential cooking equipment, such as induction stovetops, staff recommend that new residential construction not be exempt from the electrification policy. For commercial kitchens, there have been similar advancements that allow for full electrification, though there has been pushback on regulations by the California Restaurant Association and chambers of commerce across California. Of the 49 all-electric Reach Codes adopted in California, 31 have restaurant, commercial, or public kitchen exemptions.

Similar to the exemption adopted by the City of San Luis Obispo, ***staff recommends that we exempt commercial kitchens for a set amount of time, possibly for 2-4 years after ordinance adoption, and under the condition that the applicants pre-wire for electric appliances.*** In the rare instance that a new residential home is built with the intent to include a commercial-use home kitchen, the applicant may apply with for an exemption in the time frame that this exemption is allowed.

#### *Emergency Generators*

Emergency standby generators that utilize natural gas have been an included exemption in neighboring jurisdictions, such as the City of San Luis Obispo and County of Ventura (residential and nonresidential). Corte Madera also includes this provision for essential services and multifamily buildings. San Luis Obispo's ordinance specifies an exemption for back-up power for critical facilities necessary to protect public health or safety in the event of an electric grid outage. Alternative generators that utilize diesel, propane and even small battery backup systems are available on the market. Should a new essential service facility be developed and require a natural gas emergency generator, an applicant may apply under the public interest exemption.

For that reason, ***staff recommends that an emergency generator exemption not be included in the ordinance.***

#### *ADUs & JADUs*

Accessory Dwelling Units (ADUs) and Junior ADUs (JADUs) have been exempted in about 25% of existing all-electric Reach Codes in California. Some jurisdictions, such as



Oakland, San Luis Obispo, and Santa Monica, specified that the exemption applies only to attached ADUs or JADUs where water heating and space heating equipment in the existing building is serving the attached ADU. Additionally, the exemptions typically include an end date about two to three years out from ordinance implementation. Another option could be that instead of an exemption for attached ADUs, the City could consider an opt-out approach to encourage best practices, while at the same time providing an exemption for hardship or infeasibility for attached ADUs.

***Staff recommends that an exemption for all ADUs or JADUs not be included in the ordinance; however, staff also recommends that the Committee discuss and consider a specific exemption application for water and space heating in attached JADUs, where the existing building serves the JADU.***

#### *Pool & Spa Equipment*

This exemption pertains to the natural gas water heating processes commonly utilized by pool and spa equipment. This exemption has on occasion been included for new residential development, and less commonly for public pools and commercial development. Jurisdictions that incorporated this exemption included Ventura County (residential and nonresidential), San Luis Obispo (public), San Bruno (residential), and Los Altos Hills (residential).

***As electric pool heaters are available on the market, staff recommends that this exemption not be included in the ordinance.***

#### *Fire Pits & Fireplaces*

This inclusion refers to indoor heating from natural gas fireplaces and outdoor heating from fuel gas fire pits. Jurisdictions that include this exemption are Ventura County (residential and non-residential), San Carlos (residential), Millbrae and Los Altos Hills. For indoor space heating, electric fireplaces are an available alternative that reduce the indoor air quality impacts that their natural gas counterpart would produce. For outdoor firepits, there are propane alternatives available that would reduce the expansion of natural gas piping.

***Due to the emissions impacts of these aesthetic features and existing alternatives being available, staff recommend that the City do not exempt fuel gas fire pits and indoor fireplaces.***

#### *Commercial Clothes Drying*

An exemption inclusion that was previously more common is commercial clothes drying for hotels and motels with over eighty or more guestrooms that utilize fuel gas infrastructure for on-site commercial clothes drying equipment. The jurisdictions that included this exemption in their Reach Codes are Daly City, Atherton, and Cupertino.

***As commercial electric dryers are widely available and more efficient, staff recommends that this exemption not be included in Goleta's ordinance.***

## **Implementation & Timeline**

If adopted, the anticipated and intended implementation date of the City’s building electrification ordinance would be July 1, 2023. This timeline would give staff and regional partners time to prepare implementation materials and conduct additional community education and outreach. This implementation date is also the tentative target date of our neighboring jurisdictions. Following this Committee meeting, staff will continue to collaborate with regional partners to host additional public workshops and Reach Code advisory group meetings in the first quarter of 2023 to further refine input from industry leaders and community members. The next Reach Code Advisory Group Meeting is tentatively scheduled for Thursday, January 26, 2023, at 11:00 AM.

### **Recommendation:**

Staff recommends that the Green Committee consider recommending the draft ordinance for City Council discussion and approval and provide direction and recommendations to staff on ordinance elements, including potential exemptions, definitions, and any other aspects of the draft ordinance that should be changed.

## **ITEM V: PROGRAM UPDATES - PLASTIC FREE GOLETA OUTREACH**

The purpose of this item is to provide an update to the Energy / Green Issues Standing Committee on an outreach plan intended to inform and prepare the Goleta community for the implementation of the Single-Use Plastic Reduction Regulations through “Plastic-free Goleta,” effective June 2023. A description of the outreach plan is summarized below.

### **Background:**

Identified as the third priority in the City’s Planning & Environmental Review Department’s 2021-2022 Annual Work Program, the regulation of polystyrene and single-use plastics in the community to reduce plastic waste and pollution is a primary focus for the Sustainability Program. On September 7, 2022, City Council adopted a comprehensive ordinance that regulates single-use foodware accessories and balloons, and prohibits the sale, distribution, and use of polystyrene products. The plastic pollution reduction regulations outlined in the ordinance go into effect in June 2023. In advance of the ordinance going into effect, sustainability staff has developed an education initiative called “Plastic-free Goleta.” Through this initiative, the City is distributing reusable outreach materials and implementing community outreach strategies to inform and educate the public on the City’s new plastic pollution reduction regulations, while providing resources to potentially affected businesses.

### **Discussion:**

#### **Outreach to ensure compliance**

The first priority of “Plastic-free Goleta” is to convey the significance of reducing single-use plastics in the Goleta community. This approach will inform the public of the impacts of single-use plastics, balloons, and polystyrene on wildlife and the environment, and educate the public on the parameters of the ordinance which were developed to reduce Goleta’s impact on our waterways and wildlife. The greater the success of Plastic-free Goleta outreach in advance of the ordinance effective date, the greater compliance will be moving forward. Enforcement of the ordinance will be complaint driven, so an understanding of the intention of the regulations to protect the environment from the hazards of single-use plastic is essential. The Sustainability Program page of the City of Goleta website has been updated with information about the ordinance and the solutions it offers, as well as resources for compliance. Staff will update the website throughout implementation and direct community members there for information. Staff will also continue relationships with community groups and businesses developed throughout this process to promote the ordinance and foster more sustainable practices in Goleta.

In summary, the core goals of the Plastic-free Goleta outreach initiative are:

- Promoting the significance of adopted plastic pollution reduction regulations through “Plastic-free Goleta” and empowering the public to go plastic-free as environmental stewards.
- Effectively educating Goleta community members through multiple mediums, including virtual and in-person touch points, on Plastic-free Goleta.
- Partnering with local community groups, businesses, and residents to increase the scope and effectiveness of outreach.
- Ensuring policy compliance through building community awareness of Plastic-free Goleta.

## **Education and Community Outreach**

Staff is implementing several strategies to circulate information about Plastic-free Goleta as effectively as possible. It is the priority of the Sustainability Program to convey to the public the scope of the plastic problem, and the significance of plastic pollution reduction regulations in preserving a healthy natural environment. Prepared education materials contain information on the current problems that single-use plastics, including foodware, polystyrene, and balloons, cause in the community. These issues include, but are not limited to, litter, health hazards to wildlife, and polluted waterways. The education materials also identify the intent of the plastic pollution reduction policy to address those problems by preventing single-use plastic from entering the environment. Staff intends to empower the community with the knowledge that their choices and the regulations of Plastic-free Goleta are solutions to reducing local plastic waste problems. Building stewardship and community empowerment will contribute to greater compliance and inspire sustainable practices in other areas.

To achieve widespread community understanding and empowerment, staff is taking a multi-faceted approach to outreach. Staff is collaborating with the Public Information office

to publish timely Monarch Press articles revisiting the requirements of the plastics ordinance, and how each section is a solution to a particular plastic problem. Social media outreach will continue to be used to inform the public on Goleta's Plastic Free efforts. Much of the social media messaging in the coming months leading up to June 2023 will direct community members to the Sustainability website where they can find a Plastic-free Goleta guide, lists of allowable materials, explanations of hazards posed by regulated items, and links to the ordinance and related documents and FAQ section.

Staff has been meeting with local organizations including Community Environmental Council and Santa Barbara ChannelKeeper (CEC and SBCK), to coordinate and develop in-person outreach. With their help, several community events have been identified as opportunities to conduct in-person outreach. Identified events taking place before the regulation's effective date include Underwater Parks Day, Goleta's State of the City, Earth Day festivities, Beautify Goleta clean up days, Community Cleanups, and World Ocean Day. Both organizations have offered the support of their volunteers to help spread the word about Plastic-free Goleta at community events. These in-person tabling opportunities will provide the community with accurate information about the importance of plastic pollution reduction.

In advance of June 2023, staff will mail notification letters to potentially affected businesses in the City, outlining the regulations of the ordinance. Schools will also receive letters regarding the prohibition of balloon releases ahead of graduation and end-of-school year celebrations. These letters will be mailed out with the Plastic-free Goleta guide within 90 days of the June 1, 2023 effective date, to give business owners and schools time to prepare. In addition to information on applying for potential time extensions, the letter and guides include information on allowable and recommended alternative products for businesses to consider using rather than single-use disposable plastics. Staff will be available to provide one-on-one assistance to local businesses, when requested, on alternative products to help businesses reach compliance.

Staff also plans to host a virtual workshop detailing Plastic-free Goleta's regulations, highlighting allowable and recommended reusable materials, and reiterating the importance of this initiative to the health of the environment and wildlife.

Sustainability staff plans to leverage relationships with the community to effectively promote Plastic-free Goleta, leading to greater compliance with the City's new plastic regulations. Part of this will be to identify sustainability "champions" to highlight as examples of plastic-free business practices, potentially in conjunction with the Green Business Program. Interviews and photos of these champions will be circulated on Goleta's social media and the website. Staff is scheduling talks with local groups in the community (such as food vendors, property management companies, and the Chamber of Commerce) to answer questions about Plastic-free Goleta. These talks will also be used to build an understanding of the initiative for individuals and groups to pass along information to their networks. Goleta has many community groups with which staff hopes to leverage collaborations for wide-spread communication and compliance with Plastic-free Goleta.

## **Post Effective-Date Outreach**

After the June 1, 2023 effective date, staff will continue to promote Plastic-free Goleta through educational events where reusable products will be distributed, as well as Plastic-free Goleta guides and a website FAQ page. In addition, staff will promote the education initiative via social media, local newspapers, the City's website, and via press releases and email listservs. Staff will continue to coordinate outreach efforts with CEC and SBCK on supporting public education, including in-person outreach events. Staff intends to have a presence at summer events, CEC summer workshops, the local Pride festival in August, the Dam Dinner, Coastal Cleanup Day, and the Goleta Lemon Festival. Staff will continue to coordinate with stakeholders, and educate City staff on the initiative. The contributions of the Public Information Office, Environmental Services Department, and the Spanish Engagement Specialist are invaluable to this project and will continue to be vital for its success. Staff will continue to conduct in-person meetings with food vendors, business groups, and property management companies as recommended. In addition, staff will physically mail a second letter to all potentially affected businesses in June 2023. Outreach conducted after the effective date is expected to continue to June 2024 as needed.

## **Budget**

City Council approved a \$14,000 budget appropriation from the General Fund for outreach on this project. This budget is funding printing, advertising, mailing, and production of outreach materials. Of the \$8,100 supplies budget, \$3,908 has been utilized to purchase branded "Plastic-free Goleta" reusable utensil kits are being distributed to the community for outreach. As of January 2023, the program has a remaining budget of \$10,092, which is divided into printing (\$1,800), advertising (\$4,700), mailing (\$500), and supplies (\$4,192). Staff intends on printing and mailing Plastic-free Goleta guides and letters to potentially affected businesses and promoting the education initiative through social media and newspaper ads. With the remaining funds, staff plans to purchase materials for in-person outreach and tabling including reusable straws and utensil sets to distribute to the public at in-person events to promote Plastic-free Goleta.

## **Recommendation:**

Staff requests that the Green Committee receive an update on the outreach plan and Plastic-free Goleta implementation and recommend any additional aspects of the outreach associated with implementation of Plastic-free Goleta.

## **ATTACHMENTS**

1. Draft All-Electric Municipal Ordinance

**ORDINANCE NO. 23-XX****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA,  
ADDING CHAPTER 8.19 TO TITLE 8 OF THE GOLETA MUNICIPAL CODE  
ENTITLED PROHIBITION OF FUEL GAS PLUMBING INFRASTRUCTURE IN NEWLY  
CONSTRUCTED BUILDINGS**

**WHEREAS** scientific evidence has established that natural gas combustion, procurement and transportation produce significant greenhouse gas emissions that contribute to global warming and climate change; and

**WHEREAS** the Intergovernmental Panel on Climate Change estimates that global emissions need to be reduced by 45 percent from 2010 levels by 2030, and 100 percent by 2050 to prevent global catastrophe; and

**WHEREAS** the State of California enacted Senate Bill (SB) 32 to require greenhouse gas emissions to be reduced to 40 percent below 1990 levels by 2030 and Governor Brown issued Executive Order B-55-18 establishing a statewide target of carbon neutrality by 2045; and

**WHEREAS** Goleta is situated along a wildland-urban interface and is extremely vulnerable to wildfires and firestorms, and human activities releasing greenhouse gases into the atmosphere cause increases in worldwide average temperature, drought conditions, vegetative fuel, and length of fire seasons; and

**WHEREAS** the inventoried greenhouse gas emissions in the City of Goleta come from a variety of sources, primarily transportation and energy use in buildings and facilities; and

**WHEREAS** this chapter is also reasonably necessary due to health and safety concerns as City residents suffer from asthma and other health conditions associated with poor indoor and outdoor air quality exacerbated by the combustion of natural gas; and

**WHEREAS** the City Council has adopted a Climate Action Plan and Strategic Energy Plan, which recognizes that rapid, far-reaching, and unprecedented changes in all aspects of society are required to limit global warming and the resulting environmental threat posed by climate change, including the prompt phasing out of natural gas as a fuel for heating and cooling infrastructure in new buildings; and

**WHEREAS** using electric heating and cooling infrastructure in new buildings fueled by less greenhouse gas intensive electricity is linked to significantly lower greenhouse gas emissions and is cost competitive due to the cost savings associated with all-electric designs that avoid new gas infrastructure; and

**WHEREAS** all-electric building design benefits the health, welfare, and resiliency of Goleta and its residents; and

**WHEREAS** the most cost-effective time to integrate electrical infrastructure is in the design phase of a building project because building systems and spaces can be designed to optimize the performance of electrical systems and the project can take full advantage of avoided costs and space requirements from the elimination of natural gas piping and venting for combustion air safety; and

**WHEREAS** it is the intent of the City Council to eliminate obsolete natural gas infrastructure and associated greenhouse gas emissions in new buildings where all-electric infrastructure can be most practicably integrated, thereby reducing the environmental and health hazards produced by the consumption and transportation of natural gas;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GOLETA DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1. Code Amendment.** Title 8 of the Goleta Municipal Code, Health and Safety is amended to add Chapter 8.19 entitled “Prohibition of Fuel Gas Plumbing Infrastructure in Newly Constructed Buildings,” to read in its entirety:

**Chapter 8.19 Prohibition of Fuel Gas Plumbing Infrastructure in Newly Constructed Buildings**

- 8.19.010 Title**
- 8.19.020 Applicability**
- 8.19.030 Definitions**
- 8.19.040 Prohibited Fuel Gas Infrastructure in Newly Constructed Buildings**
- 8.19.050 Periodic Review of Ordinance**
- 8.19.060 Termination of Fuel Gas Usage**
- 8.19.070 Qualifying Exemption**
- 8.19.080 Electric Readiness for Qualifying Exemptions**
- 8.19.090 Revocation of Qualifying Exemption**

**8.19.010 Title**

This Chapter shall be known as “Prohibition of Fuel Gas Plumbing Infrastructure in Newly Constructed Buildings” and may be so cited.

**8.19.020 Applicability**

A. The requirements of this Chapter shall apply to the building permits for all newly constructed buildings proposed to be located in whole or in part within the City.

B. The prohibition of fuel gas infrastructure shall apply to permit applications on or after the effective date of this Chapter, and in perpetuity.

C. The requirements of this Chapter shall not apply to the use of portable propane appliances for outdoor cooking or heating.

D. This chapter shall in no way be construed as amending California Energy Code requirements under California Code of Regulations, Title 24, Part 6, nor as requiring the use or installation of any specific appliance or system as a condition of approval.

E. The requirements of this Chapter shall be incorporated into conditions of approval for building permits under Municipal Code Chapter 16.10.010.

### **8.19.030 Definitions**

“Applicant” shall be defined as an any person, firm, partnership, association, joint venture, corporation, or any other entity or combination of entities, or State or local government agency applying for a permit for a newly constructed building.

“Commercial food heat-processing equipment” shall be defined as equipment used in a food establishment for heat-processing food or utensils and that produces grease vapors, steam, fumes, smoke, or odors that are required to be removed through a local exhaust ventilation system, as defined in the California Mechanical Code.

“Energy Code” shall mean the [California Building Energy Efficiency Standards](#), California Code of Regulations, Title 24, Part 6, as adopted in Municipal Code [Chapter 15.15.010](#).

“Fuel gas” shall be defined as natural, manufactured, liquefied petroleum, or a mixture of these, as defined in the California Mechanical Code.

“Fuel gas infrastructure” shall be defined as fuel gas piping, other than service pipe, in or in connection with a building, structure or within the property lines of premises, extending from the point of delivery at the gas meter, service meter assembly, outlet of the service regulator, service shutoff valve, or final pressure regulator, whichever is applicable, as defined in the California Mechanical Code.

“Electric heating appliance” shall mean a device that produces heat energy to create a warm environment by the application of electric power to resistance elements, refrigerant compressors, or dissimilar material junctions, as specified in the California Mechanical Code.

*“Junior Accessory Dwelling Unit (JADU)” shall mean a residential unit that: is no more than 500 square feet in size; is contained entirely within an existing or proposed single-unit dwelling structure; includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed single-unit dwelling structure; and includes an efficiency kitchen.*



“Mechanical Code” shall be defined as the California Mechanical Code published by the California Building Standards Commission as adopted by reference to [Chapter 15.05.010](#) and any local amendments thereto.

“Newly constructed building” shall be defined as a building that has never before been used or occupied for any purpose, and for the purposes of this Chapter shall include a construction project where an alteration includes replacement or addition of over 50 percent of the existing foundation for purposes other than a repair or reinforcement as defined in California Existing Building Code Section 202; or when over 50 percent of the existing framing above the sill plate is removed or replaced for purposes other than repair. If either of these criteria are met within a three-year period, measured from the date of the most recent previously obtained permit final date, that structure is considered new construction and shall be subject to provisions of this Chapter. New construction in existing buildings, such as alterations, additions, and tenant improvements, shall not be considered new construction.

#### **8.19.040 Prohibited Fuel Gas Infrastructure in Newly Constructed Buildings**

Existing fuel gas infrastructure shall not be extended to any system or device within a building unless an exemption applies pursuant to the provisions of this chapter. Inactive fuel gas infrastructure shall not be activated, have a meter installed, or otherwise operated unless the exemptions specified in this chapter have been confirmed as part of the issuance of a building permit.

#### **8.19.050 Periodic Review of Ordinance**

The City shall review the requirements of this ordinance every 18 months for consistency with the California Energy Code and the Energy Commission’s mid-cycle amendments and triennial code adoption cycle as applicable.

#### **8.19.070 Qualifying Exemptions**

A. Minimally necessary and specifically tailored fuel gas infrastructure shall be allowed in a newly constructed building on a revocable basis limited to the duration of time during which one of the conditions set forth below is satisfied, and the building continues occupancy as the specified in the original construction drawings permitted by the city as a newly constructed building.

1. Compliance Pathway. If the Applicant establishes that it is not feasible to construct the building without fuel gas infrastructure. For purposes of this exemption, “feasible to construct the building” means either an all-electric prescriptive compliance approach is available for the building under the Energy Code or the building is able to achieve the performance compliance standards under the Energy Code using commercially available technology and a calculation method approved by the City.

2. Public Interest. If the Applicant establishes that the use serves the public interest and possible alternative technologies or systems use fuel gas. In determining whether fuel gas infrastructure is in the public interest, the city will consider impacts on the health, safety, or welfare of the public.

3. Commercial Cooking. On or before January 1, 202X, an Applicant may request an exemption for utilizing fuel gas infrastructure for commercial food heat-processing equipment.

4. Junior Accessible Dwelling Units. An Applicant may apply for an exemption for utilizing fuel gas infrastructure in a JADU if the existing building already has fuel gas service.

#### **8.19.080 Electric Readiness for Qualifying Exemptions**

A. Where fuel gas infrastructure is permitted due to any qualifying or limited exemptions, newly constructed buildings shall be required to have sufficient electrical capacity, including reserved circuit breakers, electrical conduit, subpanels, panels, switchboards, and transformers, to facilitate future full building electrification in accordance with the California Electrical Code and manufacturer specifications, in addition to all other code requirements, as certified by affidavit of either a registered design professional or a licensed electrical contractor.

B. Physical space for future electric heating appliances, including equipment footprint and any associated ducting, shall be depicted on the construction drawings. The footprint necessary for future electric heating appliances may overlap with non-structural partitions and with the location of currently designed combustion equipment.

#### **8.19.090 Revocation of Qualifying Exemption**

At such time as the conditions of the applicable revocable building and infrastructure exemption of this Chapter cease to be satisfied, the fuel gas infrastructure shall either be capped, otherwise terminated, or removed by the entity previously entitled to the exemption, in a manner pursuant to all applicable codes.

**SECTION 2. No Conflict with Federal or State Law.** Nothing in this Chapter is intended to create any requirement, power, or duty that is in conflict with any federal or state law.

**SECTION 3. CEQA.** The City of Goleta has determined that the adoption of this Ordinance was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA) and CEQA Guidelines and is found to be exempt from CEQA under the general rule, CEQA Guidelines Section 15061(b)(3), because it can be seen with certainty that the provisions contained herein would not have the potential for causing a significant effect on the environment. Further, this ordinance is

also exempt from CEQA under the categorical exemptions in Sections 15307 and 15308 of the CEQA Guidelines in that the proposed Ordinance would institute regulatory requirements intended to protect the environment and natural resources, as the Ordinance will require the installation of less natural gas infrastructure and reduce the amount GHG gas emissions in the City that are produced from buildings, and reduce the risk of catastrophic infrastructure failure, including explosions and fires caused by breaks and leaks in the natural gas distribution system as a result of upset conditions due to deferred maintenance or following an earthquake.

**SECTION 4. Severability.** If any word, phrase, sentence, part, section, subsection, or other portion of this Chapter, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this Chapter, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect.

The City Council hereby declares that it would have passed this title, and each section, subsection, sentence, clause, and phrase of this Chapter, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases is declared invalid or unconstitutional.

**SECTION 5. Certification.** The City Clerk shall certify to the adoption of this ordinance and, within 15 days after its adoption, shall cause it to be published in accord with California Law.

**SECTION 6. Effective Date.** This ordinance shall take effect on January 1, 2024.

**INTRODUCED ON** the \_\_\_\_ day of \_\_\_\_\_, 2022.

**PASSED, APPROVED, AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
PAULA PEROTTE  
MAYOR

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
DEBORAH S. LOPEZ  
CITY CLERK

\_\_\_\_\_  
MEGAN GARIBALDI  
CITY ATTORNEY

STATE OF CALIFORNIA            )  
COUNTY OF SANTA BARBARA    ) ss.  
CITY OF GOLETA                    )

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, do hereby certify that the foregoing Ordinance No. 22-\_\_ was introduced on \_\_\_\_\_, and adopted at a regular meeting of the City Council of the City of Goleta, California, held on the \_\_\_\_\_, by the following roll-call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

(SEAL)

DEBORAH S. LOPEZ  
CITY CLERK