



Cheryl Davila
Councilmember
District 2

CONSENT CALENDAR
November 27, 2018

To: Honorable Mayor and Members of the City Council

From: Councilmembers Cheryl Davila and Kate Harrison

Subject: Resolution and letter of request to PG&E to offer rebates and other incentives for residential customers to encourage a transition from gas to electrical appliances and heating systems, as well as, subsidies for electrical upgrades required.

RECOMMENDATION

Approve a resolution to send the attached letter to PG&E requesting that they offer rebates and other incentives for residential customers to encourage a transition from gas to electrical appliances and heating systems as well as subsidies for electrical upgrades required.

Some of the appliances that could be electrified include:

1. Electric and electric heat pump HVAC systems
2. Electric cooktops and ovens
3. Electric vehicle charging stations
4. Electric washers and dryers
5. Electric heat pump water heaters (they already offer a rebate right now)

Older homes usually require an expensive electric service upgrade before transitioning away from gas to electric. For example, a new electric stove draws a significant amount of amperage and also typically requires a 200 volt outlet. Therefore the recommendation is to request that PG&E offer rebates to those residential customers transitioning from gas to electric.

FISCAL IMPACTS OF RECOMMENDATION

No fiscal impacts.

ENVIRONMENTAL SUSTAINABILITY

Incentives for conversion of residential properties from gas to electric can reduce fossil fuel emissions in Berkeley by 20%. This will get us closer to our goal of zero emissions and in turn support a safer climate, cleaner air and water, and greater public health.¹ PG&E providing incentives and subsidies to residents will assist Berkeley in achieving it's Climate Emergency Declaration and Fossil Fuel Free resolution goals.

BACKGROUND

Twenty-percent of fossil fuel emissions in Berkeley are the result of natural gas used in residences. Incentivizing transitions from gas to electrical appliances through rebates and subsidizing electrical upgrades can contribute to the goal of zero emissions in Berkeley as quickly as possible.

This builds upon the work that the City of Berkeley has already done to convert municipal building and encourage commercial development to transition from natural gas to electric or develop new buildings with only electrical appliances and heating.

PG&E currently provides rebates for three electrical appliances: both manual and programmable Energy Star Smart Thermostats and an Energy Star High Efficiency Electric Heat Pump Storage Water Heater. Through this resolution we seek to expand this to additional electrical appliances and include subsidies for electrical upgrades.

CONTACT PERSON

Cheryl Davila, Councilmember District 2 510.981.7120

ATTACHMENT:

- 1: Resolution
- 2: Letter to PG&E
- 3: PG&E Rebate Program

¹ City of Berkeley Climate Action Plan, June 2009

RESOLUTION NO. ##,###-N.S.

RESOLUTION TO REQUEST THAT PG&E PROVIDE REBATES FOR A GREATER NUMBER OF ELECTRICAL APPLIANCES AND SUBSIDIES FOR THE ELECTRICAL UPGRADES REQUIRED TO OPERATE THEM.

WHEREAS, twenty-percent of fossil fuel emissions in Berkeley are the result of natural gas used in residences; and

WHEREAS, incentivizing transitions from gas to electrical appliances through rebates and subsidizing electrical upgrades can contribute to the goal of zero emissions in Berkeley as quickly as possible.; and

WHEREAS, PG&E only provides rebates for three products, including two thermostats, while many more electrical appliances are available to residential customers and could also be rebated; and

WHEREAS, older homes usually require an expensive electric service upgrade before transitioning away from gas to electric.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley to encourage PG&E to expand the electrical appliances for which it provides rebates and subsidizes electrical upgrades required to operate them.



Berkeley City Council

November 27, 2018

Pacific Gas & Electric (PG&E) Corporation
77 Beale Street
San Francisco, California 94105

Dear Board of PG&E Corporation:

Berkeley City Council appreciates the work that PG&E has done to incentivize a reduction in fossil fuel emissions by supporting residential customers in transitioning from appliances that use gas to those that operate on electric.

Currently your rebate program is offered for customers installing Energy Star Smart Thermostats and an Energy Star High Efficiency Electric Heat Pump Storage Water Heater.

We are writing to encourage PG&E to expand this to include rebates for the following additional electrical appliances as well as a greater diversity of brands per electrical appliances, including:

1. Electric and electric heat pump HVAC systems
2. Electric cooktops and ovens
3. Electric vehicle charging stations
4. Electric washers and dryers
5. Additional electric heat pump water heaters

In addition we encourage PG&E to offer subsidies for electric service upgrade for residential customers looking to transition to electrical heat and appliances but who first need to increase electrical capacity, particularly for older homes.

Thank you for considering this request. We look forward to continued partnership in our shared commitment to the reduction of fossil fuel emissions.

Sincerely,

Berkeley City Council

Cc: Board of Directors

Geisha J. Williams, Chief Executive Officer and President of PG&E Corporation

Richard C. Kelly, Chair of the Board of PG&E Corporation

Forrest E. Miller, Chair of the Board of PG&E Company

Rosendo (Ro) G. Parra

Anne Shen Smith

Barbara L. Rambo

Lewis Chew,

Fred J. Fowler

Roger H. Kimmel

Richard A. Meserve

Benito (Ben) Minicucci

Eric D. Mullins



2018 Residential Rebates Catalog



Together, Building
a Better California

Apply online for fast rebates at pge.com/myhome/erebates

Pacific Gas and Electric Company (PG&E) offers rebates on qualified energy-efficient products and improvements for your home. When you purchase and install these products, you can save energy and money while reducing your impact on the environment. Learn more at pge.com/rebates.

How to apply

- 1. Read** the Terms and Conditions at pge.com/terms to determine if you are eligible for a rebate.
- 2. Locate** the item(s) that you are applying for in this catalog. Be sure to review the important qualification information.
- 3. Purchase and install** the qualifying product(s) in your home between January 1, 2018 and December 31, 2018, unless otherwise noted.
- 4. Complete and submit** your application online through pge.com/myhome/erebates. All rebate applications must be received within 60 days from date of purchase.
- 5.** Rebate eligibility and amounts are subject to change at any time.

If you are not able to complete the PG&E erebates process, please call the Smarter Energy Line at [1-800-933-9555](tel:1-800-933-9555).

Rebates at a glance

Rebate Code	Description	Rebate
HV359	ENERGY STAR® Smart Thermostat replacing manually operated thermostat	\$50/ household
HV360	ENERGY STAR Smart Thermostat replacing programmable thermostat	\$50/ household
BW031	ENERGY STAR High-Efficiency Electric Heat Pump Storage Water Heater Uniform Energy Factor (UEF) of 3.11 or greater and/or Energy Factor (EF) of 3.24 or greater	\$300/unit

DEFINITIONS:



A **manually operated thermostat** allows user to adjust temperature setting up or down as desired by manually turning a dial or moving a lever.

Please note: manually operated thermostats contain mercury which need to be disposed of carefully and properly. To find a safe and free collection site near you, visit recyclehomethermostats.org/california.



A **programmable thermostat** uses a built-in calendar and clock for temperature adjustment by day and time.



A **smart thermostat**, in addition to doing everything a programmable thermostat does, is Wi-Fi enabled and automatically adjusts heating and cooling temperature settings in your home for optimal performance.

Uniform Energy Factor (UEF) and Energy Factor (EF) are measures of a water heater's efficiency. UEF and EF are based on recovery efficiency, standby losses and cycling losses. A higher UEF or EF indicates a more efficient water heater.

ENERGY STAR® Smart Thermostat



\$50

REBATE PER HOUSEHOLD

REBATE CODE: HV359

\$50

REBATE PER HOUSEHOLD

REBATE CODE: HV360

REQUIREMENTS:

- To see the full list of qualifying products, visit the [ENERGY STAR website](#).
- Smart thermostat must be new, replacing an existing manual or programmable thermostat.
- Installation address must have an electric and/or gas account with PG&E.* Only one rebate is available per account.
- Smart thermostat must be installed and connected to Wi-Fi.
- Residence must have a central heating and/or cooling system.
- Rebate application requires that you include a picture of your existing thermostat prior to installation of smart thermostat.

*Customers who are part of a third party program such as Community Choice Aggregation (CCA), Core Gas Aggregation Service (CGAS) or Direct Access (DA) also qualify as long as all other eligibility requirements are met.



ENERGY STAR® High-Efficiency Electric Heat Pump Storage Water Heater

\$300

REBATE PER UNIT

REBATE CODE: BW031

REQUIREMENTS:

- Electric heat pump water heater must be ENERGY STAR certified at time of purchase and have a Uniform Energy Factor (UEF) of 3.11 or greater and/or Energy Factor (EF) of 3.24 or greater
 - Must have a capacity greater than 40 gallons and less than or equal to 55 gallons
 - Must be new and meet or exceed all applicable local, state and federal standards.
- Visit marketplace.pge.com for qualifying models.
- New electric heat pump water heater must replace an existing electric-powered water heater.
- Check with your contractor for installation requirements as regulations vary across California.
- Installation address must have an electric account with PG&E.*

EXCLUSIONS:

- Instantaneous or tankless water heaters do not qualify.
- New construction (residential development projects, e.g. subdivisions) installations do not qualify.
- Thermal efficiency (TE)-rated households do not qualify; only UEF- or EF-rated households are eligible for rebates.

*Customers who are part of a Community Choice Aggregation (CCA) or Direct Access (DA) program also qualify as long as all other eligibility requirements are met.

More ways to save

- Visit marketplace.pge.com to compare and purchase products for your next energy-efficient upgrade.
- In addition to rebates, PG&E offers a wide range of ways to conserve energy, save money and help the environment. Visit PG&E's Home Energy Checkup at pge.com/checkup to see where your energy goes, pinpoint problem areas and start on the path to an energy-efficient home.
- PG&E also offers several financial assistance programs for customers in need. Visit pge.com/financialassistance to see if you are eligible.

Contact us

- Email us at smarter-energy@pge.com.
- Call the Smarter Energy Line at **1-800-933-9555**.
- Por favor llamar al **1-800-660-6789** para información en español.
- 請致電 **1-800-893-9555** 中文信息。

