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August 23, 2022

The Honorable Judge James Chou
Marin County Superior Court
Post Office Box 4988
San Rafael, CA 94913-4988

Deborah Haase, Foreperson
Marin County Grand Jury
3501 Civic Center Drive, Room 275
San Rafael, CA 94903

Re: Response to Grand Jury Report dated June 6, 2022, "Electrifying Marin's
Buildings: A Countywide Approach"

Dear Honorable Judge Chou and Ms. Haase:

This letter explains in detail the Town of San Anselmo's response to the Grand Jury Report referenced above. The report directs the Town to respond to Findings F1-F6 and Recommendations R1-R3.

FINDINGS AND RESPONSES

F1. With the building sector accounting for approximately 34 percent of greenhouse gas emissions in Marin County, it will be necessary to substantially reduce emissions from that sector if the county and its cities and towns are to meet their 2030 greenhouse gas reduction goals.

Response: Agree.

Similar to the County, San Anselmo's building sector accounts for a substantial portion of its total emissions. The latest available 2019 GHG inventory report shows that 33% of San

Anselmo's emissions come from natural gas use in buildings compared to 6% of its emissions from electricity use in buildings. Emissions from electricity have decreased 71% since 2005 due to the lower carbon intensity of electricity as MCE and PG&E continue to utilize more renewables in their energy mix. In contrast, emissions from natural gas use have only decreased 8% since 2005, and increased 1% between 2018 and 2019. Therefore, substantial reductions in emissions from the building sector, particularly with natural gas use, are required for San Anselmo to meet its 2030 GHG reduction goal of 54% below 2005 emissions levels.

F2. Reducing or eliminating natural gas as a fuel source in buildings will dramatically reduce greenhouse gas emissions from Marin County's building sector.

Response: Agree.

F3. The use of natural gas in buildings gives rise to health and safety risks, including adverse health effects attributed to exposure to natural gas, and safety risks posed by pipeline leaks, ruptures, and explosions. These health and safety risks serve as additional reasons to eliminate natural gas as a fuel source in new and existing building.

Response: Agree.

F4. The timely reduction of greenhouse gas emissions from Marin County's building sector will require in-depth, comprehensive, and coordinated planning. A countywide planning process, coordinated by Marin Climate and Energy Partnership or the county's Sustainability Team, would be an effective and efficient means of sustaining focus and leveraging the resources needed for developing a Countywide Building Electrification Plan.

Response: Agree.

F5. Underserved communities and lower income households have greater vulnerability to rising energy costs and will likely require extra financial support to mitigate those costs and reduce household greenhouse gas emissions through measures that require significant up-front investment.

Response: Agree.

F6. The timely electrification of existing buildings will likely require one or more mandatory measures, supported where necessary by financial subsidies and rebates.

Response: Agree.

For San Anselmo to meet its 2030 GHG reduction goal, mandatory measures will be required to support building electrification with financial incentives provided to support this transition, particularly for low-income residents. San Anselmo has already begun this process through the adoption of Ordinance No. 1165 on June 28, 2022 that requires all newly constructed residential buildings to be all-electric starting July 28, 2022. The Town will continue to pursue such measures, as needed, to achieve its 2030 GHG reduction goal.

RECOMMENDATIONS AND RESPONSES

R1. On or before January 1, 2023, Marin County and each of its cities and towns that have not already done so should adopt a reach code banning natural gas connections in newly constructed buildings.

Response: This recommendation has been implemented.

On June 28, 2022, San Anselmo's Town Council adopted Ordinance No. 1165, which requires newly constructed residential buildings to be all-electric, meaning that no natural gas or propane plumbing can be installed in the building. This ordinance will take effect on July 28, 2022.

Additionally, Town staff and the Town Council will consider adopting the proposed model reach code discussed in the response to Recommendation R2, which will require all-electric appliances for new construction that applies to commercial buildings as well.

R2. On or before January 1, 2023, Marin County and each of its cities and towns that have not already done so should adopt a reach code requiring energy efficiency measures in connection with renovations of existing residential buildings. The reach code should specify the size of the renovation that will trigger the requirement and provide flexibility by allowing the applicant to choose from a list of energy efficiency measures, including electrification of gas appliances.

Response: This recommendation has not yet been implemented, but may be implemented in the future.

Town staff have been participating in the Green Building Steering Committee led by the County's Sustainability team along with other jurisdiction staff and MCE staff. The Steering Committee has been developing a model reach code since September 2021 with the goal of having all Marin jurisdictions adopt it this year, and go into effect on January 1, 2023. The model reach code will require all-electric appliances for new construction (including residential, multifamily, and commercial). In addition, for remodels of existing residential buildings, including single-family and low-rise multifamily buildings, it will require the use of a flexible measures compliance pathway tool as developed by the State. If adopted, this performance-based pathway will facilitate projects of a certain size to meet a target energy score using a point system that allows for a flexible range of electrification and energy efficiency measures (e.g., window and wall insulation, HVAC heat pumps, heat pump water heaters).

The Steering Committee has hosted several Technical Working Group meetings with

Marin jurisdictions' building officials to discuss challenges/concerns associated with building electrification and how to overcome them. Members of the building community (i.e., architects, contractors) have also been invited to these meetings to provide their input along with utility representatives. To gather input from the larger Marin community, the Steering Committee hosted a virtual community workshop on June 22 that included discussions about impacts of building electrification on affordable housing, the power grid, the environment, and public health.

The next steps in this process are to draft the model reach code (to be completed by August) and then solicit feedback from jurisdiction staff, sustainability/climate action committees, and advocacy groups. After incorporating this feedback, staff from each jurisdiction would draft an ordinance based on the model reach code and then work with their respective council or board of supervisors to adopt an ordinance by the end of the year. If adopted, it would go into effect on January 1, 2023. Details on the proposed model reach code can be found at www.marincountv.org/greenbuildingcodes.

Although the Town is supportive of this process, it also reserves the right to pursue more stringent reach codes for remodels such as requiring all-electric for substantial remodels in order to ensure it achieves its 2030 GHG reduction goal while also ensuring such requirements are not overly burdensome for residents and businesses. Any updates to the Town's building codes are also dependent on the approval of the Town Council.

R3. Marin County and each of its cities and towns, collaborating through the Marin Climate and Energy Partnership or otherwise, should develop a comprehensive Countywide Building Electrification Plan to be completed on or before January 1, 2024. The Plan should identify those strategies, programs, and concrete actions necessary to bring about an equitable, prompt, and material acceleration of building electrification throughout the county.

Response: This recommendation requires further analysis.

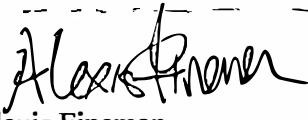
Town staff currently serve as a member of the Marin Climate and Energy Partnership (MCEP). While we can only respond on behalf of the Town of San Anselmo, we are supportive of having MCEP, the County Sustainability team, or another entity lead such an effort to develop a comprehensive Countywide Building Electrification Plan to be completed on or before January 1, 2024. With new construction and remodels addressed by the County's current model reach code development (discussed in the prior response to Recommendation R2), this Countywide Building Electrification Plan should focus on strategies, programs, and actions for electrifying the existing building stock in an equitable and timely fashion, and set a goal for complete electrification of all buildings in Marin as discussed in the Grand Jury report.

MCEP is well-positioned to develop a Countywide Building Electrification Plan as it has been working on a similar Countywide EV Acceleration Strategy that includes strategies for accelerating the adoption of EVs that can be utilized by Marin jurisdictions. The funding for this Strategy was provided by the Transportation Authority of Marin (TAM). MCEP members could seek out sources of local, regional, and state funding for the development of a Countywide Building Electrification Plan, if needed. If agreed upon by other MCEP members, the Countywide Building Electrification Plan could be added to its FY 2022-23 initiatives.

Additionally, the Town will need to evaluate the best use of its staff resources to maximize progress towards its Climate Action Plan goals. If staff time is devoted to the development of a Countywide Building Electrification Plan, then other projects and programs may have to be delayed. The Town will need to consider the costs and benefits of the potential Plan relative to these other measures to determine the best course of action. Once the 2022 Green Building Code update is complete by the end of 2022, the Town will consider the most effective next steps toward building electrification and will continue our collaboration with other Marin jurisdictions.

The Town of San Anselmo Town Council reviewed and approved this response on August 23, 2022, at a duly noticed and agendaized public meeting. If you have further questions on this matter, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Alexis Fineman", written over a horizontal dashed line.

Alexis Fineman

Mayor

Response to Grand Jury Report

Report Title: Electrifying Marin's Buildings: A Countywide Approach

Respondent/Agency Name: San Anselmo Town Council

FINDINGS

- I (we) agree with the findings numbered: F1-F6
- I (we) disagree *partially* with the findings numbered: N/A
- I (we) disagree *wholly* with the findings numbered: N/A

(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered R1 have been implemented. (Attach a summary describing the implemented actions.)
- Recommendations numbered R2 have not yet been implemented, but may be implemented in the future.

(Attach a timeframe for the implementation.)

- Recommendations numbered R3 require further analysis.

(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

(Attach an explanation.)

Date: 8/27/22 Signed: Alex Fineman
Alexis Fineman, Mayor, Town of San Anselmo

Number of pages attached: 5