

October 8, 2020

City Manager Jaime M. Fontes
City of East Palo Alto
2415 University Avenue, First Floor
East Palo Alto, CA 94303



RE: Opposition to All-Electric Reach Code

Dear City Manager Fontes:

I am submitting these comments in Opposition to the All-Electric Reach Code being considered by the East Palo Alto City Council, and yet to be scheduled for the next regular meeting on October 20, 2020.

My name is John A. Norwood. I am the Chief of Government Relations for the California Pool & Spa Association (CPSA). CPSA is a statewide trade association that represents all segments of the swimming pool and hot tub industry in California. This includes manufacturers of equipment to operate swimming pools, hot tubs, ancillary equipment, testing and safety products, outdoor kitchens and recreation areas, swimming pool and spa builders, subcontractors, and the swimming pool maintenance and service industry.

The swimming pool and hot tub industry is an exceptional contributor to the California economy. In 2014, PK Data, Inc. opined that the swimming pool & spa industry contributed roughly \$5 billion annually to the California economy. This number did not include costs associated with the pool remodeling industry or the hot tub industry. In fact, California is the biggest market in the world for swimming pools and hot tubs. Moreover, the industry provides good-paying jobs in communities throughout California, supports numerous individuals and firms that are in the construction subcontracting business, and employs tens of thousands of people in the pool and hot tub maintenance and service business. Swimming pool contractors purchase their construction materials, i.e., steel, cement, tile, sand, lumber, electrical, plumbing, and drainage materials locally, thus supporting other local businesses. The economic effect of this industry is multiplied by the demand for pool/hot tub chemicals, toys, backyard furniture, barbeques, outdoor kitchens, fire pits, fireplaces, and lighting desired by both commercial and residential owners of swimming pools and hot tubs.

The “California Dream,” so to speak, is still a home in the suburbs with a big backyard and a swimming pool. This fact is supported by the last five years of record-breaking pool construction since the nation emerged from the 2009 economic meltdown. This trend is destined to continue as in numerous areas of the state, 50% of new home buyers are millennials, many of which desire a home with a backyard swimming pool, hot tub, or exercise pool.

The goal of eliminating the use of natural gas in California, providing incentives for home builders to construct new housing tracts without natural gas lines or hookups, or otherwise phasing out the use of natural gas, will undermine the swimming pool and hot tub business in California, resulting in a significant economic blow to the state, as well as depriving millions of Californians of a backyard place for staycations that they so desire.

In the swimming pool and spa industry, pool heaters, fire pits, fireplaces, decorative fire features, pizza ovens, barbeques, outdoor ranges, and outdoor space heating all operate on natural gas. Together these elements produce spaces in backyards that provide families a place for recreation, exercise, entertainment, and relaxation. The pool and spa industry do utilize solar heating and electric heating where possible, especially for hot tubs, but there are no current alternatives to heating swimming pools in numerous commercial settings, in coastal and mountain residential areas of the state, or at night for homeowners. The same is true for outdoor kitchens and recreational areas relative to fire pits, fireplaces, outdoor space heating, and outdoor cooking equipment.

In addition to reducing greenhouse gas emissions, one of California's major goals in this proceeding is to improve energy and housing affordability. We do not believe the elimination of natural gas in California will accomplish either. Energy costs in California are extremely high as compared to other Western states. The cost of electricity from both traditional and renewable sources is significantly higher than natural gas and not as efficient. As such, even if there were practical alternatives to natural gas for the equipment installed by the swimming pool and hot tub industry, a change would result in a higher-priced and less efficient product, thus making it more difficult for homeowners, schools, recreational and commercial facilities to be able to afford it.

Swimming pools and hot tubs use only an estimated 4% of the natural gas demand in California. This industry should not be the target of these efforts and could be exempted from efforts to reduce the carbon footprint from the way we heat residential building and water systems. However, without natural gas hookups in new residential and commercial construction, citizens of this state that reside in these areas will be deprived of all the benefits associated with access to swimming pools and hot tubs.

For all of the above reasons, we would urge the city to oppose this proposed ordinance.

Sincerely,

JOHN A. NORWOOD
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916-447-5053

Cc: Regina Wallace-Jones, Mayor
Carlos Romero, Vice-Mayor
Ruben Abrica, Councilor
Lisa Gauthier, Councilor
Larry Moody, Councilor