



RE: Mayor's Commission on Climate Change

From: Mitchell Heller, Owner of Custom Fireside Shops, Inc.

Dear Commission Members:

I own a business headquartered in Sacramento serving the Sacramento and West Sacramento markets.

My staff and I applaud the goals of the commission and agree that concrete action needs to be taken now to address climate change. However, we specifically take issue with some of the proposed solutions concerning building electrification for new construction and transitioning 25% of existing residential buildings with natural gas to electric only buildings by 2030.

First, our high efficiency gas inserts and fireplaces are zone heaters that typically save 20% on fuel costs when compared with gas furnaces. Heat is delivered directly to the area being heated, eliminating the need to heat the entire house to the same temperature.

Secondly, eliminating natural gas should not occur while a majority of the energy being produced by SMUD (54% per their website), is being produced with natural gas. Eliminating natural gas as a choice for new construction now and removing it from existing homes by 2030 is not a reasonable time table. According to the US Energy Information Administration (EIA), the average efficiency of a natural gas power plant is 43% and there is a 5% loss rate in transmission. Our gas fireplaces directly produce heat at the source of consumption and are thus far more efficient. Carbon free energy production should come before elimination of natural gas in homes.

Third, our customers are currently being subsidized to convert their wood burning fireplaces to high efficiency, clean burning natural gas inserts. This wood fireplace and stove change out program cleans up the air, protects the health of the public, and overall helps the environment. The Yolo Air Quality Management District covering the city of West Sacramento is offering \$1000-\$3500 rebates putting, "Cap-and-Trade dollars to work." The Sacramento Air Quality Management District has a wood to gas change out program that, "reduc(es) the emissions of particulate, NOx and hydrocarbons." A concern for us and the Air Districts is, by eliminating natural gas as an option, more people will burn wood instead of clean burning natural gas because they will chose not to convert. While there are electric inserts, they are primarily decorative and will not heat a home like a gas insert will.

The public loves the option to heat or cook with gas and the beauty and comfort of our gas fireplaces. We have been in this community for 52 years, employ 20 people, and have sold tens of thousands of gas fireplaces over the years. Yet, we were not invited to the table, nor were our appliances even listed in the draft report or supplemental report as items affected by this proposed legislation.

Despite assurances that electricity is cheaper, our customers have direct experience how their gas inserts have saved them money, operate during power outages thereby providing them back up heat when they need it most, and overall have made their lives better. We support climate change provisions and would like to work together to find common ground including potential restrictions on decorative gas appliance or open, inefficient gas logs. The City of Sacramento and West Sacramento represent our largest number of customers, we are the biggest company serving the market in this area, and we are proud to contribute to the local community and tax base.

We look forward to working with you to address climate concerns while maintaining sensible choices.

Sincerely,

A handwritten signature in blue ink that reads "Mitchell Heller". The signature is written in a cursive style with a large initial "M".

Mitchell Heller, Owner

Custom Fireside Shops, Inc.