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Ginger Scoggins 2023-2024 ASHRAE President

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February 8, 2024

The Honorable Donovan Dela Cruz The Honorable Sharon Moriwaki Senate Committee on Ways and Means Hawai'i State Capitol 415 South Beretania St. Honolulu, HI 96813

Letter sent via email to: <u>sendelacruz@capitol.hawaii.gov</u> senmoriwaki@capitol.hawaii.gov

Re: Senate Bill 2335 "Relating to the State Building Code Council"

Dear Chair Dela Cruz and Vice Chair Moriwaki:

I am writing on behalf of ASHRAE, the American Society of Heating Refrigerating, and Air Conditioning Engineers, to **oppose Hawai'i Senate Bill 2335**, titled "Relating to the State Building Code Council" that sits before you in the Senate Committee on Ways and Means. ASHRAE, founded in 1894, is a global professional society of more than 53,000 members, including more than 250 in Hawai'i, that focuses on building systems, energy efficiency, indoor air quality, resiliency, and sustainability. Through our research, standards writing, publishing, certification, and continuing education, ASHRAE shapes tomorrow's built environment today.

ANSI/ASHRAE/IES Standard 90.1, *Energy Standard for Buildings Except Low-Rise Residential Buildings*, has been the benchmark for commercial building energy codes in the United States and a key basis for codes and standards around the world for more than 35 years. It is an indispensable reference for engineers and other professionals involved in design of buildings and building systems. Hawai'i adopts and enforces the 2016 edition of this standard. Updating to the 2019 edition would save Hawai'i's residents over half a million dollars in reduced energy bills and mitigate 1,848 metric tons of emissions in the first year after adoption and would save over \$280,000,000 and mitigate 1,330,000 tons of emissions in the state over a 30-year period.¹

While well intentioned, as we certainly sympathize with the stated goal of bringing down housing costs in Hawai'i, we believe that this legislation will weaken any future attempts to update the energy codes and standards without actually bringing down housing costs. This will in turn cause energy efficiency gains to be left on the table in Hawai'i, burden business owners, homeowners and tenants with higher utility bills, and result in thousands of tons of needlessly unmitigated greenhouse gas emissions. There are two separate but complementary reasons why we believe this to be the case.

¹ https://www.energycodes.gov/sites/default/files/2021-07/Cost-effectiveness of ASHRAE Standard 90-1-2019-Hawaii.pdf

Firstly, the Hawai'i Building Codes Council is under resourced. They currently struggle to fulfil their duties and they lack the administrative and financial support that they are empowered by statute to receive. Adding additional administrative requirements – such as conducting and reviewing cost/benefit analysis for **any** amendments or updates to the code, no matter how trivial or well understood – to the Council's workload will discourage adopting updated codes and standards. Devolving power to the counties would also create confusion and inconsistency in an already difficult process, and could result in the counties unilaterally weakening their energy codes.

Secondly, giving additional seats on the Council to developers, landowners, and contractors is a departure from the current more balanced composition. Privileging the voices of one coalition in this complex process could throw future energy standard updates into jeopardy. An amendment requiring additional seats for energy efficiency advocates and building engineering and science organizations such as ASHRAE would help the Council remain balanced.

We also wish to inform you that rigorous studies on the financial and environmental impact of energy code and standard adoption are already produced by the United States Department of Energy and the Pacific Northwest National Laboratory. These reports are an unbiased, science-based analysis of the costs and benefits of updating Hawai'i's energy codes and standards. The two most relevant reports for your attention are:

- <u>Cost-Effectiveness of ANSI/ASHRAE/IES Standard 90.1-2019 for Hawaii</u>: this study shows the costs and benefits of updating the state's commercial building energy code. In summary, no increase in construction costs are expected.
- <u>Cost-Effectiveness of the 2021 IECC for Residential Buildings for Hawaii</u>: this study shows the costs and benefits of updating the state's residential building energy code. In summary, homeowners can expect to be cashflow positive inside the first year.

Timely updates to energy efficiency codes and standards create massive cost savings for business owners, homeowners, and tenants, while also mitigating greenhouse gas emissions and creating jobs. Building energy efficiency is also an important component of Hawai'i's 2030 and 2045 climate goals. If, as we expect, this legislation would result in fewer updates to Hawai'i's energy codes and more weakening amendments, this legislation is not in the best interests of the state's economy, environment, or residents.

On behalf of our more than 250 members in Hawai'i, thank you for your consideration of ASHRAE's comments in opposition to HI SB 2335.

Sincerely,

Ginger Scoggins ASHRAE President

Justin Choriki

ASHRAE Hawai'i Chapter President

Kevin Luoma

ASHRAE Hawai'i Chapter Government Affairs Chair