## Senate Bill 79

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## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Directs State Department of Energy to adopt energy efficiency rating system to be implemented

for residential and nonresidential buildings by specified dates.

Directs Director of State Department of Energy to convene advisory group to assist in establishing energy performance scores for residential and nonresidential buildings.

Directs Director of Department of Consumer and Business Services to take certain actions to achieve increases in building energy efficiency. Directs director to adopt aspirational code related to building energy efficiency.

## A BILL FOR AN ACT

Relating to energy use of buildings.

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- 3 Be It Enacted by the People of the State of Oregon:
  - SECTION 1. (1) As used in this section:
    - (a) "Building" means a residential or a nonresidential building.
  - (b) "Energy Star program" means the program developed by the United States Environmental Protection Agency and the United States Department of Energy pursuant to 42 U.S.C. 6294a.
  - (2)(a) The State Department of Energy shall adopt an energy efficiency rating system for buildings that reflects the actual energy efficiency of buildings.
    - (b) The department may adopt a rating system for greenhouse gas emissions or integrate a greenhouse gas emissions rating system into the energy efficiency rating system adopted by the department under paragraph (a) of this subsection.
    - (3) The department may adopt a simplified energy efficiency rating system that can be used at the time a building is listed for sale or rent.
  - (4) The department shall base the energy efficiency rating system for nonresidential buildings required under subsection (2)(a) of this section upon the Energy Star program unless the department finds that the program is not appropriate for Oregon's needs.
  - (5) In developing the energy efficiency rating system required under subsection (2)(a) of this section, the department shall adopt rules that include, but are not limited to:
    - (a) Criteria for excluding buildings from the energy efficiency rating system;
    - (b) The method by which the rating is determined;
  - (c) Requirements for reporting the rating so that the rating is available to potential purchasers of a building; and
  - (d) Qualifications and other requirements for persons responsible for determining ratings and assigning ratings to buildings.
    - SECTION 2. The energy efficiency rating system adopted by the State Department of

Energy under section 1 of this 2009 Act shall be implemented by:

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- (1) January 1, 2011, for new and existing residential buildings.
- (2) January 1, 2012, for new and existing nonresidential buildings that have an aggregate floor area of at least 20,000 square feet.
- SECTION 3. (1) The State Department of Energy shall establish a system of energy performance scores for residential and nonresidential buildings.
- (2) The Director of the State Department of Energy shall appoint and convene an advisory group to make recommendations regarding the establishment of energy performance scores for residential and nonresidential buildings. The advisory group shall include, but not be limited to, members of the general public and individuals with experience in real estate and in energy efficiency.
- (3) In establishing an energy performance score, the department, working with the advisory group, shall consider, but not be limited to consideration of, the following:
  - (a) Estimated cost per building to establish energy performance scores;
- (b) Reliability of energy performance scores in helping to achieve overall energy efficiency goals;
  - (c) Simplicity and ease of understanding energy performance scores; and
- (d) The success of pilot programs for energy performance scores and similar energy efficiency rating tools in Oregon and other states.
  - SECTION 4. Section 5 of this 2009 Act is added to and made a part of ORS chapter 455.
- **SECTION 5.** (1) As used in this section:
- (a) "Carbon-neutral" means the use of energy conserving building design, energy generation and carbon offsets to counteract the effect of greenhouse gas emissions caused by building operation.
- (b) "Net zero emissions building" means a site for one or more buildings, that are owned by the same person, that:
  - (A) Have a net energy consumption of zero on a calendar year basis; or
  - (B) Are carbon-neutral on a calendar year basis.
  - (2) The Legislative Assembly finds that:
  - (a) Oregon should encourage the achievement of net zero emissions building construction in this state by January 1, 2030;
  - (b) It is appropriate for the state to adopt a set of uniform energy conservations standards designed to achieve, to the extent practicable, net zero emissions buildings by January 1, 2030; and
  - (c) Energy conservation standards should be updated periodically to reflect the effect of changing technology on the practicability of achieving net zero emissions buildings.
  - (3) The Director of the Department of Consumer and Business Services, in consultation with the State Department of Energy, shall amend the state building code or advisory codes and take any actions the director finds appropriate to adopt, implement, administer, enforce and amend economically and technically feasible standards for the purpose of achieving increases in building energy efficiency and reductions in commercial and residential energy consumption, with a goal of achieving net zero emissions by January 1, 2030.
  - (4) The director shall adopt and maintain an aspirational code separate from the state building code or advisory codes. The aspirational code shall contain any economically and technically feasible optional standards that might achieve higher energy efficiency than the

standards described in subsection (3) of this section. The director shall periodically review the standards described in subsection (3) of this section. The periodic review shall include, but need not be limited to, consideration of the aspirational code optional standards for adoption as amendments to the standards described in subsection (3) of this section.

- (5) In carrying out the duties imposed under subsections (3) and (4) of this section, the director is subject to ORS chapter 183 but, notwithstanding any provision of ORS 446.003 to 446.200, 446.395 to 446.420, 447.010 to 447.156, 460.005 to 460.175, 479.510 to 479.945 or 480.510 to 480.670 or this chapter or ORS chapter 693, is not subject to advisory board advice, approval, consultation, determinations, evaluations, recommendations or review. To the extent necessary to carry out subsections (3) and (4) of this section, the director may:
- (a) Amend, approve, modify, reconcile, reject, repeal or suspend any code, specification or standard of the department or an advisory board under the state building code or a specialty code;
- (b) Amend, approve, modify, reconcile, reject, repeal or suspend any policy, practice, program or rule of the department or of any advisory board; and
- (c) Approve, condition, limit, reject or suspend the use of any material, method or product for building construction.
- (6) Notwithstanding ORS 455.125, 455.450 or 455.895, if a standard adopted under this section conflicts with a standard imposed by an advisory board, a person complying with the standard adopted under this section is not subject to any sanction for violation of the conflicting standard of the advisory board.
- (7) This section does not limit any authority of the director under ORS 455.525, 455.570 or 455.575. The date described in subsections (2) and (3) of this section does not limit the authority of the director to adopt, maintain or amend standards under subsection (3) or (4) of this section, or act under subsection (5) of this section, after that date.
- <u>SECTION 6.</u> The Director of the Department of Consumer and Business Services shall design the amendments to the state building code and other actions taken by the director under section 5 (3) of this 2009 Act to ensure the achievement of:
- (1) An increase in nonresidential building energy efficiency of 30 percent by January 1, 2012, compared to the nonresidential building energy efficiency on the effective date of this 2009 Act; and
- (2) An increase in residential building energy efficiency of 15 percent by January 1, 2012, compared to the residential building energy efficiency on the effective date of this 2009 Act. SECTION 7. Section 6 of this 2009 Act is repealed January 2, 2012.