



March 20, 2017

Representative Ken Helm, Chair
House Energy and Environment Committee
Oregon State Capitol
Salem, OR 97301

Re: House Bill 2710, -2 amendments

Chair Helm and Members of the Committee,

Climate Solutions writes to express strong support for HB 2710 and the – 2 amendments as a major climate action that can cut energy bills dramatically, reduce carbon emissions and improve indoor air quality in Oregon’s homes and buildings. From both a climate and economic standpoint, there are compelling reasons to pass this bill.

The -2 amendment to HB 2710 calls for the Department of Consumer and Business Services to develop and adopt policies regarding energy efficiency standards that ensure reductions in energy use in newly constructed buildings. The bill sets a clear goal for advisory boards and stakeholders, but does not change the process for updating Oregon’s building codes or mandate energy efficiency increases by a specific amount each code cycle. Setting this pathway to “net zero” energy buildings entails decreasing energy use (and energy costs) in new buildings and homes by 65% over the next 15 years – and typically increasing on site solar energy. The bill also ensures that all new houses and 20% of parking spaces for commercial and multi-family developments will be ready to charge electric vehicles.

Significant energy and climate benefits.

Urgent action is needed to address the ongoing risks to public safety, our environment, our climate, and local economy posed by climate change. State-level action to reduce greenhouse gases is needed now more than ever. The energy we save in our homes and business is our most abundant, cleanest resource of all.

HB 2710 and the -2 amendments will increase the energy efficiency in our homes and buildings, thereby reducing both utility bills and fossil fuel demand. According to analysis by New Buildings Institute and Earth Advantage, the efficiency updates incorporated into our building code through passage of this bill would result in **6.3 million metric tons of carbon pollution reductions by 2050**. In other words, the energy savings locked in through passage of this bill are equivalent to **eliminating the energy use of 665,000 homes for a year**. Buildings are responsible for **40% of our climate-changing pollution**. Oregon has committed to science-based

greenhouse gas reduction goals, to cut pollution 75% below 1990 levels by 2050. We support this significant step toward meeting our goals.

The EV-ready requirements also offer significant benefits. Accelerating adoption of electric vehicles in Oregon results in reduced pollution and keeping more of the dollars we spend on transportation close to home. Protecting our health and environment by meeting Oregon's greenhouse goals will require dramatic acceleration of the transition to electric vehicles. We believe this EV-ready component will help broaden the opportunity for more residents in our state to own clean and affordable electric vehicles by removing the need for costly construction in the future to accommodate increasing adoption of EVs.

Big savings and benefits of energy efficient buildings.

Oregon is currently undergoing an historic building boom. An estimated **700,000 new homes and apartments and 800 million new square feet of commercial building space are expected to be built in Oregon by 2050.** We should be locking in energy and cost savings now, as these buildings are being constructed, rather than relying on costly retrofits later. By gradually increasing the energy efficiency of Oregon buildings, HB 2710 will produce huge benefits for owners and renters. Earth Advantage estimates that **owners and renters will save over a billion dollars per year** on energy bills by 2050.¹

In addition to saving energy costs, improved ventilation results in cleaner indoor air and consistent, comfortable temperatures. Sealing out moisture that causes mold also protects our health. All of this can be achieved while adding only a small cost to new construction. A 20% increase in energy efficiency only adds approximately 2% to the cost of a new home, according to Earth Advantage.² This is less than the added financing costs of a typical 30-year mortgage.

Reestablishes Oregon's efficiency leadership and legacy.

Our state has historically been a national and international leader in energy efficient green building, such as LEED certification. While Washington and California have developed a pathway for new buildings to reach net zero energy over the next 15 years, Oregon has fallen behind and is struggling to keep up with federal standards. As a result, we are losing our competitive edge.

Pioneers in energy efficiency, renewable energy, and sustainable fuels call Oregon home for a reason. We can succeed economically by innovating, commercializing and marketing energy strategies that reduce fossil fuel dependence, promote clean development, and deliver real climate solutions. HB 2710 with the -2 amendments will provide consistent standards and

¹ Based on Earth Advantage analysis that 40% of Oregon's building and housing stock will be new construction by 2050.

² "Cost Analysis of Potential Energy Code Improvements", Earth Advantage, December 2016.

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accelerate progress to reestablish our leadership and economic advantage in the energy efficiency building space.

HB 2710 with the -2 amendments will enable Oregon to take meaningful climate action and the transition to a clean energy economy. We urge you to vote for this bill.

Thank you for your consideration of these comments.

Sincerely,

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