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**Testimony on House Bill 2710
House Energy and Environment Committee**

Submitted by:

Co-Chairs, Oregon Business Leaders' Greenhouse Gas Emissions Reduction Task Force

Merritt Paulson

Owner and Chief Executive Officer,
Portland Timbers and Portland Thorns
Oregon Board of Trustees,
The Nature Conservancy

John Carter

Oregon Board of Trustees,
The Nature Conservancy

In January of 2016, we convened the Oregon Business Leaders' Greenhouse Gas Emissions Reduction Task Force to design a five-year strategy for significantly reducing greenhouse gas emissions while maintaining the viability and competitive health of Oregon businesses.

Task force members represented a wide range of business sectors from manufacturing and property development, to farming and forestry. Our goal was to identify practical solutions that would reduce greenhouse gas emissions while contributing to a prosperous future. **Specifically, the task force looked for cost effective strategies that had potential to significantly reduce greenhouse gas emissions while creating jobs and improving Oregon's economy.**

Adopting more progressive building codes was one of eight recommended strategies for achieving the task forces' goal described above. Oregon's built environment is the second largest contributor to the state's greenhouse gas emissions. Despite the success of Oregon's existing energy efficiency programs, there is still significant work to be done to reduce emissions in this sector. Oregon's energy efficiency commercial building codes have fallen behind federal codes and our residential codes have fallen behind codes adopted in Washington and California.

We can't speak to the feasibility of meeting the 2032 energy efficiency target proposed in the bill. We appreciate the need to consider the potential impacts more stringent energy efficiency codes may have on building costs – especially in a time when housing costs are rapidly increasing. However, investments in energy efficiency provide lifetime operating cost savings that should also be considered.

We support HB 2710's provision requiring continuous improvements in Oregon's energy efficiency codes – building continuous improvement is considered one of the important design criteria for performance standards policies.

Energy efficiency, conservation, and demand management are universally recognized as the most cost-effective ways to meet increasing energy needs and reduce greenhouse gas emissions.

Energy efficiency investments make a positive contribution to a region's economic growth potential. Improvements in energy efficiency allow businesses to produce goods and services at a lower cost, and allow households to save on their energy bills. The funds no longer spent on energy can be reinvested in other goods and services.

Over time, the reduced energy costs and the increased economic output resulting from efficiency measures can raise the overall productivity of the economy and result in higher incomes, more jobs and a better quality of life.

Thank you for your consideration of this testimony and for your attention to improving energy efficiency standards in Oregon's building codes.