

June 14, 2022

Senator Lieber, Senator Findley, Representative Marsh, Representative Owens, and Members of the taskforce:

Thank you for this opportunity to provide these public comments on the work of the REBuilding Task Force.

The Northwest Energy Efficiency Council (NEEC) is a non-profit business association representing efficiency businesses in the Pacific Northwest. For over 25 years, NEEC members have worked to advance building efficiency and performance projects that have saved energy while also providing economic and workforce development for the region. The Pacific Northwest efficiency industry is one of the strongest in the nation and has long been a leader both in terms of the amount of efficiency delivered to the region as well as the program approaches and policies offered. Over the last few weeks, we have tracked the discussions of the Resilient and Efficient Buildings Taskforce with great interest. With the recent passage of the 100% Clean Electricity legislation, as well as state goals to reduce carbon emissions, we believe it is important to note some critical principles to consider as this taskforce develops recommendations for resilient and efficient buildings:

- Focus on Whole Building Performance at the Meter: As we bring increasing volumes of clean power to the electrical grid, we need to also shape building energy loads to better align with grid needs. Focusing on the energy performance of a building at the meter allows businesses and building owners to consider how best to align with grid needs and potential grid price signals through the mix of tools available to them: energy efficiency, demand response, onsite renewable generation, distributed battery storage etc. This also provides the opportunity to do away with the outdated "measure level cost effectiveness" requirements that are still in place in Oregon.
- <u>Develop Building Performance Standards</u>: While the state energy code will address newly constructed facilities, current building emissions come from existing buildings, and many of these have inefficient and antiquated operational approaches and equipment. Building performance standards provide guidance around minimum building performance and encourage building owners to examine operational and maintenance plans in a proactive manner. These policies are in place in Washington State as well as in several cities across the nation. We know they help bring buildings up to modern standards and will support Oregon in achieving its carbon reduction goals.
- Foster Market Development: Decarbonizing the built environment requires innovation. This is an opportunity to create local jobs and bring new concepts to reality, but legislators need to create frameworks that provide opportunities for private businesses to innovate new business models. In California, the State recently launched a program called "Market Access." This program targets a statewide peak period energy shortfall and encourages businesses to bring any non-emitting project that can save energy during that peak. The Commission streamlined the contracting process and removed red tape to speed-up the process for getting projects



approved. Performance for these projects is measured at the meter based on the actual results achieved; since this assures that ratepayers only pay for actual savings, cost-effectiveness was entirely waived. This is a great example of how to encourage market development and innovation in meeting the challenges of the clean energy transformation.

Thank you for considering these suggestions.

Best regards,

Kerry Meade

**Executive Director** 

NEEC