February 15, 2021

Chair Marsh and Committee Members House Energy and Environment Committee RE: Support for HB 2398

Dear Chair Marsh and Committee Members:

New Buildings Institute (NBI) is national non-profit headquartered in Portland, Oregon. We work to catalyze the transition to healthy, energy efficient, and carbon-neutral buildings. We do this through technical research on buildings, a comprehensive understanding of residential and commercial building markets, promotion of best practices in sustainable, high performance buildings, and development of energy codes and policies at the local, state and national level.

NBI was the co-developer of the nation's first reach (stretch) code based on a national model code. This effort in Massachusetts has been tremendously successful as over 200 of its communities, and over 75% of the population base, has adopted the Stretch code as mandatory. Likewise in California, dozens and dozens of cities have adopted the Reach Code as mandatory, with significant assistance from California's utilities to help California lead the country in energy code effectiveness.

In 2009, SB 79 set in motion the intentions of the State of Oregon to attain its statutory greenhouse gas goals with the progression of smart and expected regular improvements in energy codes, led by Reach Codes preparing the path for the next base code. SB 79 carefully laid out a framework for Oregon to achieve energy efficient buildings that are effective in reducing energy use, provide predictability in the long and short run, and set forth a path to meet the greenhouse goals of the Oregon Legislature. But SB 79 lacked that key option of granting local authority to adopt the Reach Code as mandatory.

Unfortunately, the intent of SB 79 not been realized in over a decade because it lacks local adoption authority. In states with mandatory adoptions it has been demonstrated that reach codes lay a foundation for market transformation, establish a continuous code advancement cycle, and increase awareness for owners and trades. Reach Codes are often paired with financial incentives which further market progress until the Reach Code requirements transition to base code after three years. This can both save energy and drive down the costs of the next base energy code and support the path set forth in SB 79.

After a lull of several years, in the past 18 months NBI has experienced a flurry of national interest in Reach Codes as states make progress on climate policy. In this recent period, NBI has provided assistance on Reach Code implementation, or on developing authority for local adoption, in Minnesota, Illinois, Connecticut, New York, and Maryland.

Thus, NBI believes that it is the right time in Oregon for HB 2398 to enable the Reach Code, developed by the Oregon Building Code Division (BCD) and its boards, to be adopted by cities with energy and carbon emission reduction goals. Knowing that the Reach Code will update every three years, that it will be significantly more efficient than the base code, and that it can be paired with incentives like those from the Energy Trust of Oregon (as in the -4 amendment) are all critical elements that should be included in an effective reach code.

NBI's research has demonstrated that very energy efficient buildings are possible, even today. The Reach Code as outlined in HB 2398, with the -4 amendment, provides a path for cities to chart a more sustainable future and avoid costly retrofits down the line.

Sincerely, Jim Edelson New Buildings Institute