

To: Chair and Senate Committee on Energy and Environment

From: Nellie deVries, deVries Strategies, Inc.

Date: February 7, 2022

Re: Please Oppose Senate Bill 1518

The Building Owners and Managers Association (BOMA) of Oregon is a commercial real estate organization representing over 40 million square feet of commercial real estate in Oregon.

BOMA supports the development of a fair and equitable Reach Code. Both the purpose and the design of a Reach Code is to be voluntary. A voluntary Reach Code drives greater innovation in energy efficiency because it sends a signal to the market what the next three-year baseline code will encompass. That time allows for greater technological innovation, as well as supply chain development and greater energy efficiency. The current Oregon Commercial Reach Code provides an additional choice for builders, consumers and contractors to increase energy efficiency for the construction of structures regulated by the Oregon Structural Specialty Code (OSSC).

BOMA opposes SB 1518, which will allow local government to adopt new and separate building codes above and beyond the state standards. Further permitting a municipality to adopt the Reach Code and require adherence to the code as a minimum construction standard and method within municipality's jurisdiction makes development and increasing affordable housing that much more unattainable. It is very challenging to have different rules depending in various municipality impacting operations, maintenance, and construction workers.

The bill is complicated and achieves very little Green House Gas reduction with significant cost. Oregon already has one of the most efficient building codes in the country, and Governor Brown's Executive Order 20-04, which directs BCD to get even more efficiency, has not been fully implemented yet.

Next, SB 1518 allows for reach codes to be "economically and technically feasible." This language could allow local government to mandate untested and uncertified products (plumbing, electrical, HVAC, and building materials) and is not currently defined in statute.

Finally, power is only as clean as the source that it comes from. In Oregon, though we are on a transition away from coal and other fossil fuels, our energy mix today is still dirty. This means electrifying a large share of Oregon natural gas customers would increase emissions and make energy bills higher for at least the next decade under current laws – the exact opposite result that

the bill aims to achieve. Therefore, we should not equate on site energy reduction with emissions reduction or cost savings in all cases.

Thank you for the opportunity to provide testimony, and BOMA again urges you maintain the existing, voluntary system.