

THE VOICE OF THE INSULATION INDUSTRY™

Sent via email

September 28, 2023

Joint Committee for Review of Administrative Rules State Capitol, Room 10 South PO Box 7882 Madison, WI 53707

RE: Please Support Adoption of Wisconsin Commercial Building Energy Code

Dear Senator Stephen Nass, Representative Adam Neylon, and JCRAR Members:

The National Insulation Association (NIA) would like to add our support and encourage you to support and approve <u>SPS 363, the Commercial Building Energy Code, as proposed by the Department under CR23-007</u>. Updating to the 2021 IECC will improve Wisconsin's construction practices, will reduce commercial building owners' energy burdens (including energy costs paid by taxpayers for state-operated buildings), and will have a positive impact on Wisconsin's economy, employment, and environment and is cost effective. Improving building energy efficiency also increases the reliability of the State's electric and energy grid.

1. It is Cost-Effective for Wisconsin

The Pacific Northwest National Laboratory (PNNL) has determined that adopting the 2021 IECC (or the ASHRAE 90.1-2019 Standard) is cost effective for Wisconsin with the simple payback periods for the required investments being "immediate" for nearly all building types studied. However, adopting the 2021 IECC will result in even more significant energy savings because Wisconsin has not adopted a new energy code since the 2015 IECC (which included amendments that weakened the requirements). As an example of these potential savings, according to PNNL, commercial buildings constructed to the 2021 IECC on average use 9% less energy than buildings built to Wisconsin's current energy code with very short payback periods to recoup the modest investments in improved performance.²

2. Information Available from Other National Laboratories

These cost-effectiveness analyses demonstrate that more stringent standards for the building thermal envelope required under the 2021 IECC enable buildings to experience upfront cost savings like installing smaller, more efficient HVAC equipment. This upfront investment typically results in little or no net increase in construction costs and yet generates years of positive financial returns in the form of lower utility bills. Should the Joint Committee require additional information on the proposed building energy code beyond the currently available PNNL reports, we would urge you to use this time to request such information from the U.S. Department of Energy's Building

Representing the mechanical and specialty insulation industry

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Energy Codes Program.³ Additional, state-specific analyses are available from the experts at our national laboratories.

3. Wisconsin's Economy Enjoys the Benefit

Improving building energy efficiency is good for Wisconsin's economy and the modeled reductions in energy use will mean additional resources for local investments. For example, 76% of Wisconsin's electricity and 100% of its on-site fossil fuel use is from coal and natural gas produced in other states, according to statistics from the U.S. Energy Information Administration. Buildings constructed under the current State code waste energy and, as a result, send Wisconsin dollars to out-of-state coal and natural gas producers. By adopting the 2021 IECC, Wisconsin can significantly reduce energy waste and redirect today's high energy bills toward other investments that benefit Wisconsinites.

As described above, the money saved by businesses and homeowners from lower utility bills puts more money into the local economy. A portion of this increased economic activity is directly related to energy-efficient construction products manufactured and used in Wisconsin, such as insulation manufactured by Holcim Building Envelope in DeForest, Wisconsin. In total, Wisconsin has over 55,000 jobs related to energy efficiency⁵ that includes nearly 11,000 jobs related to manufacturing, distribution, and installation of insulation.⁶

Another example of enabling local investments through improved energy efficiency is schools. The 2021 IECC includes provisions for existing buildings. Under these requirements, roof replacements on a typical existing commercial building will include adding insulation. For primary school buildings located in Climate Zone 6, replacing the school's roof to comply with the 2021 IECC can reduce whole building energy use by 11%. That translates into money that can be reinvested in educating Wisconsin's youngest residents.

4. Approve the Proposed Rule Under CR23-007

Again, we urge the Joint Committee to approve SPS 363, the Commercial Building Energy Code, as proposed by the Department under CR23-007.

Thank you for the opportunity to submit these comments. Please contact me should additional information be necessary mjones@insulation.org; (703) 464-6422.

Sincerely,

Michele M Jones

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Executive Vice President/CEO

About NIA: NIA is the trade association for Industrial and Commercial Mechanical Insulation Contractors, Distributors and Manufacturers. Our members produce, distribute, and install mechanical insulation on mechanical equipment throughout all 50 states in North America, including several companies doing business in Appleton, Columbus, Green Bay, Milwaukee, Oconomowoc, and Wauwatosa, Wisconsin.

- ¹ DOE's Building Energy Codes Program, National & State Analysis, available at https://www.energycodes.gov/national-and-state-analysis.
- ² DOE's Building Energy Codes Program, State Portal, available at https://www.energycodes.gov/state-portal. For this analysis,
- U.S. Department of Energy (DOE) compares the latest version of ASHRAE Standard 90.1 to Wisconsin's current code (including amendments). The IECC and ASHRAE 90.1 Standard are roughly equivalent for purposes of this analysis and are complementary compliance pathways under the IECC. The analysis is part of the State-Level Commercial Codes EUI Index spreadsheet located at the bottom of DOE's State Portal page.
- ³ State and local governments may request additional technical assistance regarding building energy code adoption and implementation by submit their request through the Building Technology Office's technical assistance Help Desk, available at https://www.energycodes.gov/technical-assistance/help-desk.
- ⁴U.S. Energy Information Administration, State Profiles, available at https://www.eia.gov/state/?sid=WI
- ⁵ Department of Energy, 2023 US Energy & Employment Report, https://www.energy.gov/policy/us-energy-employment-jobs-report-useer
- ⁶ American Chemistry Council, August 2021, <u>file:///C:/Users/3918m/AppData/Local/Temp/MicrosoftEdgeDownloads/e0f8cb4e- 9642-464f-bf6e-</u>62138c74a5c4/contributions-of-insulation-to-US-2020.pdf

https://www.polyiso.org/page/EnergyCarbonSavingsAnalysis