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Sent via Electronic Mail

December 17, 2019

Theresa L. Newman, Hearing Officer Office of the Secretary Delaware Department of Natural Resources and Environmental Control 89 Kings Highway Dover, DE 19901 <u>DNRECHearingComments@delaware.gov</u>

## Re: Support for the Proposed Adoption of the 2018 International Energy Conservation Code

Dear Ms. Newman,

The Polyisocyanurate Insulation Manufacturers Association (PIMA) is writing in support of the proposed rule for adopting the 2018 IECC for residential and commercial buildings, without weakening amendments. Keeping the State's energy code updated to the current version of the IECC is an important and cost-effective policy for addressing the negative economic and environmental consequences of building energy waste – a sector that is responsible for 40% of total U.S. energy use. This practice will help Delaware achieve a range of benefits, including:

- Reduced air pollution;
- Consumer and business cost savings;
- Increased flexibility and reliability of our energy system and grid;
- Improved resiliency;
- Reduced peak energy demand; and
- Improved energy productivity and a stronger economy.

Staying current with the model energy code ensures that Delaware will benefit from the regular improvements in construction practices and component technologies. This is especially true in the area of commercial buildings where the relative fast pace of innovation has resulted in significant energy savings over the last three code cycles (e.g., 8% in the last cycle alone!).

Moving from Delaware's current energy code, which is based on the 2012 IECC and ASHRAE Standard 90.1-2010, to the 2018 IECC will lower Delaware's energy costs by approximately 16% for commercial buildings and about 2.8% for residential buildings.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> U.S. Department of Energy, See <u>https://www.energycodes.gov/development/determinations</u>

Also, this significant jump in energy efficiency could not be more cost effective. For residential buildings, the life-cycle cost saving for Delaware in moving from the 2012 IECC to the 2015 IECC would be \$131 with a simple payback of six months.<sup>2</sup> The national average life-cycle cost savings of moving from the 2015 IECC to the 2018 IECC is predicted to be \$480 with a simple payback of 1.1 years.<sup>3</sup> For commercial buildings, the simple payback period for Delaware for moving from the 2012 IECC (AHRAE 90.1-2010) to the 2015 IECC (ASHRAE 90.1-2013) is immediate<sup>4</sup>. DOE's cost-effectiveness analysis of the 2018 IECC commercial provisions (ASHRAE 90.1-2016) is not available yet, but is expected to show similar benefits.

Most of the country now views stronger building energy codes as an effective policy that benefits the economy and the environment. In fact, at least 65% of the U.S. population resides in areas of the country that have adopted either the 2015 or 2018 IECC, clearly demonstrating that strong energy codes are a popular and a cost effective energy policy. An important reason for this is the positive impact energy codes have on jobs and the local economy, and it is easy to see why. Buildings are responsible for 74% of U.S. electricity consumption and for Delaware most of this electricity is produced by burning out-of-state natural gas and coal. In 2018, natural gas and coal accounted for 92% of the state's net electricity generation and all of this natural gas and coal came from out-of-state.<sup>5</sup> Also, 44% of Delaware households rely on natural gas for home heating, which, again, is all imported from out-of-state. Because of this, weak building energy codes result in more money leaving Delaware to pay for natural gas and coal that is produced in other states, whereas investments in energy efficiency benefit the local economy.

## About PIMA

PIMA is the trade association for North American manufacturers of rigid polyiso foam insulation – a product that is used in most low-slope commercial roofs as well as in commercial and residential walls. Polyiso insulation products and the raw materials used to manufacture polyiso are produced in over 50 manufacturing facilities across North America. The insulation industry overall employs over 1,600 workers in the Delaware.

Thank you for the opportunity to submit these comments. Please contact me should additional information be necessary (<u>ikoscher@pima.org;</u> (703) 224-2289).

Sincerely,

4

Justin Koscher President

<sup>&</sup>lt;sup>2</sup> Pacific Northwest National Laboratory, <u>Cost-Effectiveness Analysis of the Residential Provisions of the 2015 IECC for Delaware</u>, February 2016, <u>https://www.energycodes.gov/sites/default/files/documents/DelawareResidentialCostEffectiveness\_2015.pdf</u>

<sup>&</sup>lt;sup>3</sup> DOE Final Determination from December 10, 2019: <u>https://www.regulations.gov/document?D=EERE-2018-BT-DET-0014-0007</u>.

<sup>&</sup>lt;sup>4</sup> R. Hart, et al., Cost-Effectiveness of ASHRAE Standard 90.1-2013 for the State of Delaware, Pacific Northwest National Laboratory,

November, 2013, https://www.energycodes.gov/sites/default/files/documents/Cost-effectiveness of ASHRAE Standard 90-1-2013-Delaware.pdf.

<sup>&</sup>lt;sup>5</sup> U.S. Energy Information Administration, <u>https://www.eia.gov/state/?sid=DE</u>