

June 16, 2015

The Honorable Fred Upton
Chairman
Committee on Energy & Commerce
U.S. House of Representatives

The Honorable Frank Pallone
Ranking Member
Committee on Energy & Commerce
U.S. House of Representatives

Dear Chairman Upton and Ranking Member Pallone,

Our organizations represent a broad sector of the residential and commercial construction and real estate industry, including builders, developers, Realtors®, property managers, contractors and product manufacturers. We support the *Architecture of Abundance Discussion Draft*, in particular Title IV: Energy Efficiency. Title IV includes language known as “Blackburn/Schrader,” that encourages meaningful energy savings for buildings by ensuring that new model building energy codes are achievable, technology-neutral and cost-effective. We strongly urge you to keep the “Blackburn/Schrader” language in the final bill.

Model building energy codes are used across the country to establish baseline standards for building energy efficiency. While the Department of Energy (DOE) does not write these codes, it can be an effective participant in their development by providing technical assistance to analyze energy savings. Over the last few years, however, DOE has increasingly advocated for a prescriptive approach that favors certain products and technologies and pursued aggressive and expensive requirements. This has led to a code that is inflexible, very costly and unusable for many states.

The “Blackburn/Schrader” language seeks to improve the process by which these codes are developed by:

- *Increasing Transparency*: Requires DOE to publish energy savings targets, code change proposals and all supporting analysis and methodology in the Federal Register and accept public comment;
- *Ensuring Product and Technology-Neutrality*: Strengthens DOE’s role as a neutral, technical advisor, but prohibits DOE from advocating for certain products/technologies; and
- *Promoting Cost-Effectiveness*: Requires any code or proposal supported by DOE to have a simple payback (increased compliance costs should be paid back through utility savings) of 10 years or less.

We strongly support these reforms and encourage you to keep the “Blackburn/Schrader” language in the final version of the *Architecture of Abundance*. Consumers deserve a reasonable return on their investment when it comes to required energy efficiency improvements. Failure to consider the true costs of energy-use reductions that would establish a reasonable payback period for these investments will exacerbate the shortage of affordable housing as well as increase compliance costs for commercial landlords and many of their tenants. The high cost of meeting the baseline standards may also serve as a disincentive for “green building” practices that encourage – and often require – investments above the baseline code.

Thank you for your consideration and we look forward to working with you and other Members of the Committee to advance this important legislation.

Sincerely,

American Gas Association

American Public Gas Association

American Wood Council

APA – the Engineered Wood Association

Building Owners and Managers Association

Hearth, Patio and Barbeque Association

International Council of Shopping Centers

Leading Builders of America

NAIOP, the Commercial Real Estate Development Association

National Apartment Association

National Association of Home Builders

National Association of Realtors®

National Electrical Contractors Association

National Lumber and Building Material Dealers Association

National Multi Housing Council

The Real Estate Roundtable

Window and Door Manufacturers Association

Coalition for Fair Energy Codes – Member Companies include:

- Boise Cascade
- Coastal Forest Products
- Eagle Plywood Specialties
- Georgia-Pacific Wood Products
- Hardel Mutual Plywood Corporation
- Hood Industries
- Huber Engineered Woods
- LP
- Murphy Company
- Natron Wood Products
- Norbord
- Olympic Panel Products
- Pacific Wood Laminates
- Plum Creek
- Potlatch
- Rosboro
- Roseburg Forest Products
- RoyOMartin
- S.D.S. Lumber Company
- Savona Specialty Plywood Company
- Scotch Plywood Company
- Swanson Group Manufacturing
- Timber Products Company
- Tolko Industries
- Westlam Industries
- Weyerhaeuser

Cc: Members of the House Committee on Energy & Commerce