

AMERICAN PUBLIC GAS ASSOCIATION

February 12th, 2020

The Honorable Bobby Rush Chairman, House Energy and Commerce Committee Subcommittee on Energy 2188 Rayburn House Office Building Washington, DC 20515

The Honorable Fred Upton Ranking Member, House Energy and Commerce Committee Subcommittee on Energy 2183 Rayburn House Office Building Washington, DC 20515

Re: Energy and Commerce Committee Subcommittee on Energy Hearing on "Saving Energy: Legislation to Improve Energy Efficiency and Storage"

Dear Chairman Rush and Ranking Member Upton,

On behalf of the American Public Gas Association (APGA), we appreciate the opportunity to submit comments on this important hearing to improve energy efficiency. We specifically have input on HR 3962, the "Energy Savings and Industrial Competitiveness Act." We are grateful for the Subcommittee's work towards protecting the environment through efficient use of energy and hope you will consider this feedback, as you progress legislation. APGA is the national association of municipally and publicly-owned local distribution systems.

There are about 1,000 public gas systems serving more than 6 million customers. These public gas utilities are not-for-profit retail distribution entities that are owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

At the most basic level, APGA represents the views of American consumers and wants to help public natural gas utilities meet their needs in an environmental and energy efficient way, through supplying sustainable and affordable natural gas to heat homes and water, cook meals, and dry clothes. As the debate on our energy future continues, it is clear that energy efficiency will be one of the foundations on which we build. It is critical that energy efficiency measures be based on sound science, transparent data, and achieve substantial energy savings for the cost incurred. APGA members support comprehensive policies achieving this goal, since they desire to be good stewards of the environment. However, any policy must not jeopardize the affordability and reliability of the nation's energy matrix.

APGA Supports Appropriate Involvement of the Department of Energy (DOE) in Codes and Standards Development

Building and energy efficiency codes are developed through an established, proven, and effective process managed by standards development organizations, such as the International Code Council (ICC) and the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE). Hundreds of stakeholders, including those from the government sector, participate in the development of these codes, whether initially or when they need to be revised. Both ICC and ASHRAE have spent decades verifying that their standards development processes are credible and trustworthy for convening necessary stakeholders and building consensus.

Following the development, DOE's Building Energy Codes Program works hard to ensure entities around the US are engaged in adopting and complying with model codes. This legislation, however, without justification, interjects DOE into the standards development process by establishing energy targets and forcing entities to comply, denying the ICC and ASHRAE consensus bodies the capability to determine the appropriate energy efficiency methodologies. This is an unprecedented exercise of power by the federal government in code development. It should be the role of standards development organizations, through a consensus process, to both establish performance objectives and develop the means to meet them.

APGA Maintains Current Model Code Implementation is Sufficient

HR 3962 correctly affirms that the states are not bound by the requirements of the nationally-recognized model building codes. However, the bill overreaches in requiring the states to demonstrate compliance and complete repeat certifications until full compliance is achieved. The methods described for compliance and enforcement will impose an unreasonable burden on the jurisdictions. Plus, as written, they could be misconstrued. For instance, an "alternative method that yields an accurate measure of compliance" is given as a way to certify compliance. The term "accurate measure" allows for ambiguity. As well, no basis has been provided to show that the current process to achieve model code compliance is inadequate.

Of specific concern is the use of independent inspections to measure compliance. This is undefined in the legislation. Also, buildings are currently subject to multiple inspections by code officials and other parties. One more inspection, without just cause, will be burdensome.

Conclusion

APGA appreciates the opportunity to submit testimony before the Subcommittee on this critical issue. We hope the balance of environmental impact, consumer choice, and affordability will be considered, while any policy is developed. Natural gas direct use in residential buildings is critical to achieving our country's environmental objectives, and its use will not jeopardize reliability, affordability, and resiliency of the energy systems serving all Americans. We stand ready to work with the Committee and Subcommittee on this and other issues.