

# Building Energy Code Working Group Meeting #1 Notes

Department of Public Service, GIGA Conference Room, 112 State Street, Montpelier

Virtual via Teams Meeting

August 20, 2024

1:00-3:30 pm

## Attendees:

Name	Organization
<b>Committee Members</b>	
Scott Campbell	VT House of Representatives
Christopher Bray	VT Senate
Keith Levenson	VT Department of Public Service (attending in place of Kelly Launder)
Craig Peltier	VT Housing and Conservation Board
Mike Desrochers	VT Department of Public Safety
Matt Sharpe	Efficiency Vermont
Karen Horne	Vermont Gas Systems (attending in place of Tim Perrin)
Jennifer Colin	Office of Professional Regulation
Richard Wobby	VT Association of General Contractors
Chris Burns	Burlington Electric Department
Chris Company	Vermont Association of Planning and Development Agencies
Peter Tucker	Vermont Association of Realtors
Ted Brady	Vermont League of Cities and Towns
Matt Bushey	American Institute of Architects - VT
Sandra Vitzthum	Vermont Builders and Remodelers Association (attending in place of Jim Bradley)
<b>Public/Other</b>	
Barry Murphy	VT Department of Public Service
Matt Musgrave	Associated Builders and Contractors of NH and VT
Ellen Czajkowski	Office of Legislative Council
William Nash	International Code Council
Michelle Farnham	Primmer Piper Eggleston & Cramer
<b>Consulting Team</b>	
Richard Faesy	Energy Futures Group
Zack Tyler	Energy Futures Group
Liz Bourguet	Energy Futures Group

## Meeting Agenda:

- Committee chair vote
- Approval of meeting minutes
- Update on Vermont Building Energy Code Administration project
- Review draft work plan for upcoming meetings
- Data and/or research requests/needs for Building Energy Code Working Group (BECWG)
- Stakeholder/Public Comments

## Key Takeaways:

- Vermont Building Energy Code Administration Project (through Energy Futures Group)
  - A \$1 million, 3-year Department of Energy (DOE)-funded project is underway to develop an energy code administration plan for Vermont, including a proposed funding mechanism to support code compliance efforts
  - The DOE project team is developing a plan with key elements like utilizing energy code professionals, conducting municipality outreach, creating a funding model, and hiring a "circuit rider" staff position
  - An advisory committee has been formed with diverse stakeholders including environmental/economic justice groups to provide input
- Review draft work plan
  - The working group reviewed the work plan for upcoming meetings, with the goal of producing a legislative report with recommendations by Nov 15, 2024, and another by Nov 15, 2025
- Other
  - Recent flooding highlighted the need to coordinate with flood hazard regulations and municipal floodplain administrators
  - There is an opportunity to leverage the Energy Efficiency Utilities' (EEU) programs and incentives to support code compliance efforts
  - Division of Fire Safety (DFS) confirmed that Vermont does not have a residential building code for residential dwellings with less than 3 units. Discussion of a residential building code will continue at the next meeting.

## Topics:

### **Vote on nominations for co-chair: Senator Chris Bray and Representative Scott Campbell**

- Richard Wobby moved to approve the nominated co-chairs
- Chris Campany seconded the motion
- Approved by voice vote

### **Vote on previous meeting minutes**

- Some corrections to introductory meeting minutes based on attendees.
- Motion to approve minutes from Richard Wobby, seconded by Chris Campany
- Approved

### **DOE Building Energy Code Administration Project Update – Richard Faesy, Energy Futures Group (EFG)**

- Vermont was awarded \$1 million from DOE's Resilient and Efficient Codes Implementation (RECI) funding opportunity
- The 3-year project began in January 2023 and runs through two 1.5-year budget periods, ending at the end of 2026
- Goal is to develop an energy code administration plan to improve code compliance and reduce energy use

- Key plan elements:
  - Defining role of "energy code professionals" like BPI certified contractors or Home Energy Rating System (HERS) to support compliance
  - Conducting outreach, training and support for designers, builders, the housing sector, and municipalities on energy code requirements
  - Working with OPR to develop an energy code certification for the Contractor Registry
  - Developing a funding model to cover administration and compliance costs
  - Hiring a full-time "circuit rider" staff to provide technical assistance and be the face of the energy code
  - Coordinating with project advisory committee of diverse stakeholders
- The advisory committee includes representatives from environmental/economic justice groups, energy efficiency organizations, state agencies, code officials and other subject matter experts
- A key task is developing a funding model by analyzing potential revenue sources, construction volumes, staffing needs, etc. to determine sustainable funding levels

### **Work Plan for Upcoming Meetings**

- Sept 10: Presentation from VT Division of Fire Safety (DFS) on potential adoption of a residential building code and integration with flood hazard regulations. EFG to contact Rebecca Pfeiffer and Stephanie Smith to invite them to the next meeting.
- Oct 11: Discuss other options besides DFS for comprehensive administration of energy codes; update on contractor certification development
- Oct 22: Continue discussion of potential findings and recommendations for legislative report
- Oct 28: PSD to provide draft legislative report to working group (note, this is not a meeting date)
- Nov 1: Review/vote on draft report with proposed recommendations
- Nov 15: Final report due to legislature
- Meetings will continue in 2025 after legislative session

### **Flood Hazard Regulations and Energy Codes**

- Recent flooding highlighted the need to coordinate energy code efforts with flood hazard regulations
- In many towns without zoning, the only permit required is for flood hazards
- Need to ensure flood hazard administrators inform homeowners of applicable energy codes when permitting work
- Potential for energy code requirements to trigger National Flood Insurance Program (NFIP) compliance thresholds for substantial damage/improvement
- Flood hazard administrators may need training on how energy codes interface with their regulations

### **Role of Energy Efficiency Utilities in Supporting Compliance**

- Discussions underway between PSD and energy efficiency utilities on allowing utilities to claim savings for supporting code compliance
- If utilities can get "credit" for increasing code compliance, it provides incentive to support the building community
- Utilities could offer incentives to reduce upfront cost premiums for code-compliant construction
- Leveraging utility programs seen as key to achieving increased code compliance

## Data and Research Needs Identified

- Cost-effectiveness data comparing incremental costs of code compliance vs. energy/operating savings
  - Cost effectiveness calculations are mandated as part of the energy code update process. The cost effectiveness calculation compares current code to updated code, but this increment is getting less cost effective as energy code becomes more stringent (diminishing returns on the remaining energy code updates).
  - **Responsible party** – EFG to share the cost-effectiveness data that was presented to LCAR for the most recent code cycle.
- Baseline data on current non-compliant construction practices vs. code-compliant building
  - **Responsible party** – EFG to coordinate with Efficiency VT (EVT) on what might be available for comparing baseline practices to code compliant buildings with respect to operational costs.
- Research on long-term costs borne by homeowners when buying a home that does not meet building code over the lifespan of the property
  - **Responsible party** – EFG to investigate long-term costs
- Framework for analyzing startup costs to establish new administrative system vs. ongoing operating costs
  - **Responsible party** – EFG and DFS to explore costs associated with energy code administration
- Potential to draw on data/experience from other states that have implemented similar programs
- Sandy Vizthum volunteered her services to help with any data research needs. Sandy also indicated she had started a funding model template and shared that with Richard at EFG.

## Next Steps

- DFS to present on residential code adoption process at the Sept 10 meeting
- Get update from PSD on discussions with energy efficiency utilities regarding code compliance programs
- Invite flood hazard program administrators to discuss integrating energy code requirements
- Continue developing funding model for energy code administration
- Refine work plan and prioritize data/research needs for legislative report