Email: allencollectables@yahoo.com

February 9, 2022

Dear members of the Washington State Building Code Council,

We are writing to express our opposition to the following proposed code changes for the state energy code:

- <u>21-GP1-136</u> Bans the use of natural gas for commercial water heating uses and requires the use of electric heat pump for water heating purposes.
- <u>21-GP1-103</u>- Requires electric heat pumps for all new commercial construction and retrofits and bans the use of natural gas for commercial space heating (HVACs).

We rely on natural gas to provide an efficient and reliable heating source for our single family and multifamily rental properties as well as our office and personal residence. This proposal will directly raise the costs associated with running our business. We are also concerned about the impact of power reliability. Natural gas provides us with an alternative energy source we can count on during serious weather conditions when the electrical grid may be disrupted.

Our more recent new construction multi-family units were designed and built with heat pumps and bypass mini split heating/cooling systems as their primary source of energy. Over the last five years these heat pump/ mini-split systems have required far too many repairs and operation maintenance issues. These extra costs must be passed on to the renters offsetting the savings in energy bills and making their housing less affordable, not only in the construction phase, but in the maintenance phase. Our current affordable housing crisis is not being helped by these proposals and the current market design and availability of heat pump energy systems are just not ready for this building code mandate.

For our other buildings, a heat pump is an expensive and insufficient alternative for our needs, which the code recognizes, by allowing backup resistance heaters in certain areas of the state. This requires us to pay for two separate heating solutions for our building at additional costs. The council has claimed these proposals will improve energy efficiency, but that case has not been made and without a cost benefit proposal, it's unclear as to what the gains will be vs the costs. As a small business, we are best placed to make the choice on which energy solution best suits our own and our customer's needs and interests. These policies remove that ability for us to choose.

Natural gas from buildings is responsible for less than 10% of the amount of the state's emissions. Policies like this will not move the needle enough to justify the added costs we will pay as a business owner for new and redundant equipment, added utility bills, and higher rent. The case has not been made that these policies will advance energy efficiency and the TAG Energy group violated the APA to advance these policies without the required cost benefit analysis, which would have explored these costs.

We urge a no vote on these two proposals. They will do little to advance the state's climate goals and will have a detrimental impact on my business.

Thank you,

Thomas and Pamela Allen, Allen Family Investments, LLC