

STATE BUILDING CODE COUNCIL

1500 Jefferson Street SE • P.O. Box 41449 • Olympia, Washington 98504 (360) 407-9277 • e-mail sbcc@des.wa.gov • www.sbcc.wa.gov

Friday, September 20, 2024 - Council Meeting

Agenda item 5. Hearing NWGA Petition Oral Testimony transcript

Kevin Duell with NW Natural and speaking on behalf of the Northwest Gas Association. Thank you, members of the Council and Staff, for this opportunity to speak. And just wanted to summarize the point of this petition, which is about commercial buildings and hybrid space heating. And I just wanted to highlight that most major manufacturers make commercial grade, hybrid package units, in particular. They've done this for many years. We're talking train carrier. Train, I think, even as a slogan feel the power of hybrid or something like that and compared to model code hybrids lower emissions quite dramatically. They eliminate the use of electric resistance when gas is at its best and they eliminate the use of gas when heat pumps are at their best, at the ambient temperature. Because of that, they lower operating costs especially in the eastern Washington regions in the winters compared to all electric heaters. They also reduce peak electricity demand in winter by avoiding, again, electric resistance. And this is serious, in the MLK weekend this year as other folks have indicated, we narrowly skirted some blackouts, and The Washington PUD Association, submitted a letter about this issue and I wanted you to know that these are exclusive electric utilities and to paraphrase what they say, they're basically saying, please don't mandate that our customers use more of our product in winter. It's a pretty strong statement. The other thing about reducing peak demand, for building owners, is if there is a blackout they don't need as large a generator they can run part of their energy on gas and part of their electricity and that reduces construction costs and operating costs. And I wanted to point out that the Washington Residential Energy Code, I hesitate to say, embraces, but it certainly allows and even encourages hybrids for space heating. The Commercial Energy Code allows hybrid heating for service hot water, without following the fossil fuel path. And just as a matter of procedure, the Commercial Energy TAG voted to allow hybrids without following the fossil path, in part to mitigate EPCA concerns and subsequent to that SBCC members of the MVPE Committee unanimously supported that TAG decision. So, I just wanted to say, please respect the TAG and the MVPE and vote for option 2. Thank you very much.



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Patrick Hanks with Building Industry Association of Washington. Thank you to the Council for the opportunity to talk on this. The Building Industry Association of Washington (BIAW) represents 8,000 member companies within the residential construction industry. We encourage the council to adopt Option 2 of WSR 24-16-146 which will provide more flexibility for multi-family residential dwellings across the state when it comes to space heating. This is especially important for multi-family buildings in regions of our state that experience cold winters where electric heat pumps will not perform as efficiently. Hybrid heating options are a good option for builders and allow buildings to maximize their energy efficiency, maintain consistent heating for their residents, while reducing their electric demand at peak times during the winter. This will help reduce operating costs for building owners and residents. The residential code recognizes these benefits and allows hybrid heating, the commercial code also allows for hybrid water heating, so it makes sense for the council to have the commercial code allow hybrid space heating as well. This is a simple and effective code change that will help reduce costs for some multi-family dwellings in our state and make the code more equitable for rural regions that deal with colder winters than urban areas of our state. Thank you for considering this rule proposal and we encourage you to vote in favor of adopting Option 2.

<u>Elizabeth Torske</u> with Cascade Natural Gas. I'd like to echo sentiments of previous commenters. This option to change would be very beneficial. It is more equitable, and it's a great option to use hybrid heat pumps to increase efficiency. We appreciate the Council's time and consideration on this. Thank you.



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Larry Andrews

I deal with a lot of industrial stuff, and this doesn't go anywhere near far enough for the industrial side of doing work like steel factories, flour mills, and manufacturing facilities. If you don't have a clean establishment, heat pumps become very hard to work with because of all the air running by them, filters are plugging up and the coils are getting dirty. So, this really doesn't cover us in the industrial side of things. I mean Option 2 would be a step forward, but it really doesn't solve the problem for industrial. We're in the battle right now trying to get a steel company here to get some radiant heat, so, they actually have some heat. They run around with propane salamander heaters at more than double the cost and carbon footprint. And we're having a heck of a time getting gas radiant heat into this building because nobody really knows. You've made it so complicated. And one thing fights one another and then the other thing fights one another. People don't want to make a decision anymore, and the contractors don't have an idea how to get it through. We know what the customer needs. We want to reduce the carbon factor. But we were having a hell of a time doing it. And so, what do they do? They go buy propane tanks, salamander heaters, and they heat the facility like that. And that's the wrong thing to do. That's discouraging what we're trying to do here. And we're running into these roadblocks left and right, right now. And I've been trying to go through this book to try to find the answers. And you just run into one roadblock and now the code officials, they're throwing their arms up because they don't have the answers. It's turning into a nightmare right now. And most of us didn't start working on this until April until we actually had a printed version of this thing. And now we're starting to see the ramifications out here in the field to try to move industrial. We've had 2 places that gave up. They just went to Idaho and opened up new facilities in Idaho. So, Washington lost the business. So, this isn't the answer, if we want to keep Washington viable. We've got to have steel structures and we've got to have flour that goes out the door for stuff. Thank you.