'23MAR01 AM 11:40 CITY CLERK OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI MAYOR

February 27, 2023

The Honorable Matt Weyer, Chair and Members Committee on Housing, Sustainability and Health Honolulu City Council 530 South King Street, Room 202 Honolulu, Hawai'i 96813

Dear Chair Weyer and Councilmembers:

SUBJECT: Bill 4 (2023), Relating to the Adoption of the State Energy Conservation Code

The Office of Climate Change, Sustainability and Resiliency (CCSR) strongly supports Bill 4 (2023), which adopts the State Energy Conservation Code (2018 International Energy Conservation Code [IECC] with state amendments) with local amendments as the City and County of Honolulu's ("City") Building Energy Conservation Code ("Energy Code"). CCSR additionally supports Committee Chair Weyer's Proposed CD1 to Bill 4.

Both new and existing buildings play a large role in our ability to address long-term affordability for residents and the impacts of climate change. The City supports efficiency in existing buildings with building benchmarking requirements for City facilities and large commercial buildings^{1,2}, which help building owners identify opportunities to maximize building performance and lower energy costs for occupants. These efforts can now be complemented with once-in-a-generation financial resources made available to housing developers, building owners, and the City from the federal Inflation Reduction Act (2022) to retrofit (and build new) buildings to be more energy efficient³.

As a building's operational performance is largely determined by upfront decisions, energy codes present a unique opportunity to assure occupant savings through efficient design and construction. In addition to cost savings, the City's Council-adopted Climate Action Plan⁴ states that regularly updating our energy codes to the highest standards is the most important long-term measure we can take to enable energy efficiency across O'ahu, toward reducing carbon pollution as required by City and state law.

¹ Ordinance 20-47: https://hnldoc.ehawaii.gov/hnldoc/document-download?id=9213#page=5.

² Ordinance 22-17: https://hnldoc.ehawaii.gov/hnldoc/document-download?id=14729.

³ The Inflation Reduction Act (2022): https://www.resilientoahu.org/ira.

⁴ One Climate One O'ahu, City and County of Honolulu Climate Action Plan 2020-2025, Strategy 5: Reduce Energy Demand by Increasing Energy Efficiency: <u>https://www.resilientoahu.org/s/2020-2025-Climate-Action-Plan.pdf#page=74</u>.

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In December of 2020, the Hawai'i State Building Code Council unanimously approved the 2018 IECC, with state amendments, as the Hawai'i State Energy Code. Per state law, the City is now required to update its own Energy Code to the state code with any local amendments applicable to O'ahu's unique development context. Although widely understood as a modest update from the previous code, the U.S. Department of Energy reviewed the 2018 IECC and determined the updated edition would improve energy efficiency in new buildings subject to the code compared to the previous 2015 edition (the City's current code)⁵.

The Energy Code update proposed in Bill 4 additionally includes local amendments intended to incentivize market leadership and simplify code requirements where possible to balance increasing efficiency with up-front costs to assure that new buildings remain affordable and comfortable to live in. These proposed local amendments were developed through an inclusive and transparent process with input from over 40 different organizations in the construction, development, union, and other relevant industries. We look forward to continued engagement beyond this code update to further explore incentives in support of market innovation and materialize the wealth of federal resources for the City, private developers, building owners, and tenants to advance our affordability and climate action goals.

Energy codes protect life and safety while assuring reductions in carbon pollution, energy use, and resulting utility costs for occupants over the life of the building. It is essential to regularly keep our Energy Code up-to-date and localized to ensure these early investments in efficiency continue to pay dividends to owners and occupants for years into the future, and as such, ask for this Committee's favorable consideration of Bill 4 (2023). Thank you for the opportunity to provide these comments in support of Bill 4 (2023). Should you have any questions, please feel free to contact me at (808) 768-2277 or via e-mail at resilientoahu@honolulu.gov.

Sincerely,

Digitally signed by Gonser, Matthew

Date: 2023.02.27 10:08:45 -10'00'

Matthew Gonser Executive Director and Chief Resilience Officer

APPROVED:

Michael D. Formby Managing Director

⁵ Determination Regarding Energy Efficiency Improvements in the 2018 International Energy Conservation Code (IECC). Department of Energy, Energy Efficiency and Renewable Energy Office: https://www.regulations.gov/docket/EERE-2018-BT-DET-0014.