

Final Report Executive Summary

A Long-Term Strategy for Energy Code Support in the Northwest

prepared by

Heschong Mahone Group

report #E98-009

April 1998



NORTHWEST ENERGY EFFICIENCY ALLIANCE

www.nwalliance.org

529 SW Third Avenue, Suite 600
Portland, Oregon 97204
telephone: 503.827.8416 • 800.411.0834
fax: 503.827.8437

A Long-Term Strategy

for Energy Code Support in the Northwest

April, 1998

***Submitted to:
Jeff Harris, Project Manager
Northwest Efficiency Alliance
522 SW Fifth Ave, Ste. 410
Portland, OR 97204
(800) 411-0834***

***Submitted by:
HESCHONG MAHONE GROUP
11622 Fair Oaks Blvd. #111
Fair Oaks, CA 95628
(916) 962-7001
e-mail: info@h-m-g.com
web site: <http://h-m-g.com>***

ACKNOWLEDGMENTS

This report was prepared by the HESCHONG MAHONE GROUP under contract to the Northwest Energy Efficiency Alliance. The HMG Project Manager was Douglas Mahone, who also was the principal author of this report. Other HMG personnel were also active participants in the project: Lisa Heschong, Catherine Chappell, and Jacqueline Burton.

The HMG project team was ably supported by the following subcontractors:

Eley Associates, with Charles Eley and Eric Kolderup

McKeever-Morris, Inc., with Michael McKeever and Greg Chew

James Nybo

The project was managed for the Alliance by Jeff Harris, who was an active and invaluable contributor throughout.

Important guidance and leadership was also provided by the Energy Code Policy Committee of the Alliance Board of Directors: Carol Brown, Charlie Grist, Jake Fey, Dave Houser, Ken Keating, Liz Klump, Deb Young, Dave Ryan. The other members of the Alliance Board also contributed insights and suggestions which helped to clarify and strengthen the recommendations and outcome of this project.

ABSTRACT

This report describes the project to develop a *Long-Term Strategic Plan for Energy Code Support in the Northwest*, which was conducted for the Northwest Energy Efficiency Alliance. It contains information about energy codes collected through literature reviews, interviews, workshops and surveys. It also describes the policy foundation of the Alliance's energy code support program and the projects recommended for Alliance investment.

1. EXECUTIVE SUMMARY

Energy codes have played an important role in improving building energy efficiency in the Northwest for nearly twenty years. The efficient design standards embodied in the region's energy codes are some of the most advanced in the nation. Historically, energy codes in the northwest have received a great deal of financial and technical support from the region's utilities.

With the prospect of utility restructuring and the rise of the market transformation paradigm, the Northwest Energy Efficiency Alliance was created to pursue regional initiatives for energy efficiency, including energy codes. The Alliance decided to conduct a thorough review of energy codes and to develop a thoughtful response to the question of future support by utilities for energy codes. The resulting project, to develop the *Long-Term Strategic Plan for Energy Code Support in the Northwest*, is the subject of this report. The project began in August, 1997.

The project began with a review of the extensive literature on energy codes in the Northwest - their implementation, successes and failures. Next, a series of workshops, meetings and interviews were conducted to gather the knowledge and insights of the people who have been most actively involved in developing, implementing and enforcing energy codes in the four states, with both residential and commercial buildings. An analysis of energy code costs and savings was done, using existing impact study data, in an attempt to quantify the past and potential energy benefits of energy codes. Market barriers and implementation problems, which prevent achievement of the full efficiency potentials of energy codes, were identified. At the same time, the market transformation effects of energy codes were also identified.

Finally, all of this data was reviewed with the Energy Code Policy Subcommittee of the Alliance Board of Directors, and a set of recommendations was developed for Alliance action. These recommendations were based on the Alliance's mission and objectives for market transformation, and were developed within the context of a long term strategy for improving energy codes in the states and the region. They were approved by the Alliance Board on February 27th, 1998.

The projects and budgets (three year total) approved by the Alliance Board were:

1. Regional Public Information Program	\$ 3,000,000
2. New Construction Baseline	\$ 650,000
3. Seed Funding Program for Code Support	\$ 700,000
4. Regional Energy Code Coordination Program	\$ 225,000
5. State Special Projects Program	\$ 675,000
6. Transition Funding for Existing Infrastructure	\$ 100,000
7. On-Going Funding for Code Development Infrastructure	\$ 525,000
Program Total	\$ 5,875,000

The projects, taken together, are designed to encourage the development of a self-sustaining energy code support system for the region, and to transform new construction practices toward greater energy efficiency.