

## Meeting Notes: Building Efficiency Workgroup

Date: March 4, 2020

### Attendees:

|                            |                                                   |
|----------------------------|---------------------------------------------------|
| Commissioner Steve Kelley  | Department of Commerce                            |
| Commissioner Nancy Leppink | Department of Labor and Industry                  |
| Rachel Robinson            | Minnesota Housing Finance Agency                  |
| Jessica Looman             | MN State Building and Construction Trades Council |
| Andy Snope                 | IBEW Local 292                                    |
| Gary Thaden                | MN Mechanical Contractors Assn                    |
| Gerhard Guth               | HGA Architects and Engineers                      |
| Rick Carter                | LHB Corp                                          |
| Kurt Schultz               | City of St. Paul                                  |
| Ben Rabe                   | Fresh Energy                                      |
| Barry Greive               | Target Properties                                 |
| Richard Graves             | U of M Center for Sustainable Building Research   |
| Representative Jamie Long  | MN House                                          |

Commissioner Kelley convened the meeting at 10:05 am. He thanked work group participants, and shared that their input was extremely informative to the Departments and greatly influenced the draft report on ways to improve energy efficiency in commercial and large multifamily buildings.

Commissioner Kelley previewed the agenda for the meeting, which included a short presentation from the Departments recapping topline recommendations and the thinking behind it, followed by time for questions. Then the bulk of the meeting was dedicated to discussion and workgroup member feedback on the draft report.

Commissioner Leppink thanked work group participants for their contributions, and noted that as policy and technology evolve, definitions have to evolve too and that there may be a need to clarify definitions. Commissioner Leppink then provided a brief overview of the topline recommendations of the draft report.

- The Departments concluded that improving building energy efficiency would have a greater energy savings impact if code improvements were adopted and enforced statewide in the base energy code.

- Therefore, the Departments recommend the current statewide commercial energy code be advanced and accelerated such that it achieves net zero by 2036. We would undergo a three-year code adoption cycle.
- The departments also recommend a dual path that includes improvements to the base energy code as well as a single voluntary advanced energy building standard for municipalities. A single option minimizes complexity. We provided two potential pathways for that single voluntary option.

Commissioner Leppink introduced Professor Richard Graves and Scott McLellan, DLI Building Official, who shared information on the definitions of “net zero”, and details on the two options for the single voluntary stretch code – “step ahead” and a variation of SB2030. Work group members discussed a scenario where the “step ahead” path could be implemented such that DLI would adopt two codes: an enhanced based code and the step-ahead option that municipalities would be allowed to opt into. Professor Graves shared that this process is typically established through a governance framework.

Representatives from the cities shared that they view the “step ahead” option as the preferable option, and asked that the SB2030-variation option be removed from the report. Workgroup members were asked if this is acceptable and, while the workgroup didn’t formally vote, the general consensus was this was acceptable. A building industry representative noted the “step ahead” approach is useful in that it provides certainty that the building industry is spending resources towards capacity that is known to be needed. A labor representative suggested that SB2030 could be included in the report in as a separate tool that cities could use, as St. Paul has done, for projects with city funds. Various members of the workgroup weighed in on different aspects of governance for the “step ahead” option including which code – ASHRE or the IECC – would be considered as the model code for future code adoption; the need to connect the stretch option with the statewide base code, in process and governance; and the importance of DLI reviewing the national model code (for conflicts with other codes, for example) prior to adoption. DLI staff said that review would be possible and that the commercial energy code functions fairly independently from other codes.

Several workgroup members agreed that the future rulemaking processes should be more expedited than they are now but that there is value in the process and that should not be lost. City representatives stated it is key to cities that the timeline for progress is accelerated from status quo. DLI staff shared that the first step on the proposed pathway is known and will soon

be available for adoption– the ASHRE 90.1 2021 code. A labor representative suggested there be more detail on the current code process, its value and limitations, as well as on uniformity and potential impact of other codes. Commissioner Leppink noted the next step of working with her staff to lay out the pathway and refine details.

Commissioner Kelley thanked participants and shared that the Departments would take this feedback into consideration. He concluded the meeting at 11:30 am.