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May 23, 2023

The Honorable Charles Schwertner Chair Senate Business & Commerce Committee Texas Senate 1100 Congress Ave, Austin, TX 78701

Letter sent via email to: charles.schwertner@senate.texas.gov

Re: TX SB 674

Dear Chair Schwertner,

I am writing on behalf of ASHRAE, the American Society of Heating Refrigerating, and Air Conditioning Engineers, in support of updates to the state's commercial building energy code included in TX SB 674. ASHRAE, founded in 1894, is a technical and professional society of more than 53,000 members, including more than 2,600 in Texas. Our members devote their careers to a focus on building systems, energy efficiency, indoor air quality, refrigeration, and sustainability. Through research, standards writing, publishing, certification, and education, ASHRAE shapes today's and tomorrow's built environment.

ASHRAE supports the provision in SB 674 that would ensure that the most recent edition of ASHRAE Standard 90.1, *Energy Efficiency in Buildings Except Low-Rise Residential Buildings*, is adopted in Texas. ASHRAE 90.1 is the benchmark and backbone of building energy codes in the United States, such as the International Energy Conservation Code, referenced in this legislation. ASHRAE 90.1 is an indispensable reference for engineers and other professionals involved in design of buildings and building systems when they are working to build to code. The latest edition of 90.1 includes significant updates and clarifications to previous editions.

An update to the Texan building energy code will confer substantial benefits. Firstly, the energy savings in newly constructed buildings will directly translate to lower month-to-month costs for building owners, operators, tenants, and landlords. Secondly, buildings constructed in accordance with the most up-to-date energy code will confer greater community resilience; energy efficient buildings pull less power from the grid during inclement weather, keeping the lights on not just in new and efficient buildings, but on the entire block. Finally, the increase in upfront costs for

new construction using this more up to date standard are marginal – building owners quickly become cashflow positive. Additionally, adoption of an up-to-date energy code will confer the following benefits:

- A single-family home built to the 2021 International Energy Conservation Code will save \$174 annually on energy cost compared to the current outdated code that Texas uses.<sup>1</sup>
- The update to Standard 90.1-2019 will result in expected total energy cost savings of over two million dollars in the first year and over a billion dollars over 30 years.<sup>2</sup>
- Multifamily housing projects built to the updated code will enable both residents and housing authorities to realize substantial average cost savings.
- Updated energy codes inherently create more resilience by requiring less energy to operate core systems, thus decreasing stress on the electrical grid. It is much less costly to decrease demand than to increase grid capacity.
- Updated codes ensure better indoor air quality through reduced emissions, protecting occupant health.
- Adoption and use of the most up to date energy codes creates jobs, makes homes more affordable over time, and increases property values.

Again, we support SB 674's proposed adoption of the current edition of the International Energy Conservation Code, and by extension ASHRAE Standard 90.1. This will benefit the people of Texas and result in a more valuable, resilient, and affordable built environment. If you have any questions or need additional information, please feel free to contact <u>govaffairs@ashrae.org</u>. Thank you for all that you do for the state of Texas and your work to improve the Texan built environment.

Sincerely,

hand

Farooq Mehboob 2022-2023 ASHRAE President

<sup>&</sup>lt;sup>1</sup> <u>https://www.energycodes.gov/sites/default/files/2021-07/TexasResidentialCostEffectiveness\_2021\_0.pdf</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.energycodes.gov/sites/default/files/2021-07/Cost-effectiveness\_of\_ASHRAE\_Standard\_90-1-2019-</u> Texas.pdf