January 9, 2020

New Jersey Board of Public Utilities
44 South Clinton Ave.
Trenton, NJ 08625
Attn: Aida Camacho-Welch
EnergyEfficiency@bpu.nj.gov

Re: New Jersey’s Energy Efficiency and Peak Demand Program Administration Straw Proposal

Dear Aida Camacho-Welch,

The Polyisocyanurate Insulation Manufacturers Association1 would like to take this opportunity to comment on the Energy Efficiency and Peak Demand Program Administration Straw Proposal developed by the Board of Public Utilities. Energy efficiency programs and policies have a direct impact not only on New Jersey’s environment, but also on its employment and economy. According to the most recent U.S. Energy and Employment Report, there were 36,206 workers directly employed in energy-efficiency jobs in New Jersey in 2018. This is a 7.1% increase over 2017, the largest increase among all of the State’s energy related job sectors.2 With the right policies, New Jersey can grow this segment of its economy and energy-efficiency can become a key contributor to the Governor’s goal of achieving 100% clean energy by mid-century.

While we applaud the recent adoption of the 2018 International Energy Conservation Code (IECC) and the ASHRAE Standard 90.1-2016 by the Department of Community Affairs (as noted in the Straw Proposal), we would also like to point out that provisions related alterations in existing buildings have been modified under the State’s adoption of these codes and are significantly weaker compared to model code provisions. New Jersey could do much more to extend the energy conservation requirements to alterations in existing buildings and, we believe, the Board could help facilitate this effort. **We recommend that the Board work with the Department of Community Affairs to evaluate the potential energy-efficiency benefits of strengthening the State’s Energy Subcode and Rehabilitation Subcode to be more in-line with the model codes adopted in neighboring states and determine what changes are necessary to achieve these benefits.**

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1 PIMA is the voice of the rigid polyiso industry and a proactive advocate for safe, cost-effective, sustainable, and energy-efficient construction. PIMA’s membership includes the manufacturers of polyiso insulation and suppliers to the industry. The products of PIMA’s members comprise the majority of the polyiso produced in North America. More information is available at: [www.polyiso.org](http://www.polyiso.org).

The purpose of including existing buildings under the energy code is to leverage the natural cycle of building upgrades and component replacement in order to improve energy efficiency. In particular, commercial buildings offer a significant opportunity to reduce overall energy use and peak demand energy use. More than half of existing commercial buildings were built before state and local governments started to adopt building energy codes, so these older buildings offer a huge opportunity for energy savings and the most cost-effective time to improve a building’s energy performance is when it is renovated and/or when components and systems are replaced. This process is particularly important for envelope improvements, which reduce building heating and cooling loads, thus creating the potential for even greater improvement in HVAC equipment efficiencies in the future. As one example, more than 2.5 billion square feet of commercial, low-slope roofs are replaced or re-covered each year on existing buildings in the United States. Replacing a typical existing roof with an energy code-compliant roof reduces whole building energy use by an average of 5.7% and could result in a ten-year cumulative energy cost savings of more than $12 billion and a cumulative CO2 emission reduction of more than 100 million metric tons\(^3\) (equal to the annual emissions of 24.8 coal-fired power plants or 21.4 million cars).\(^4\)

This connection between building energy codes and potential energy savings in existing buildings was recently noted in the New Jersey draft 2019 Energy Master Plan. This draft plan explains the large energy efficiency potential presented by existing buildings and recommended that “the state must consider mechanisms and opportunities to address building and energy codes in existing buildings when they are being rehabilitated or retrofitted with the aim of promoting increased energy efficiency and thermal comfort, in addition to health and safety.”\(^5\)

Thank you for the opportunity to submit these comments. Please contact myself (jkoscher@pima.org) and Jeff Mang (jeff.mang@hoganlovells.com) should additional information be necessary.

Sincerely,

Justin Koscher
President

