Dear Director Bailey,

The Polyisocyanurate Insulation Manufacturers Association (PIMA) is writing in support of proposed rules 14.7.6 NMAC, the 2018 New Mexico Residential Energy Conservation Code, and 14.7.9 NMAC, the 2018 New Mexico Commercial Energy Conservation Code. These updated energy codes are an important and cost-effective policy for addressing the negative economic and environmental impacts caused by building energy waste – a sector that is responsible for 40% of U.S. energy use. Updated building energy codes will help New Mexico to cost-effectively achieve a range of benefits, including:

- Reduced air pollution and climate change impacts;
- Consumer and business cost savings;
- Increased flexibility and reliability of our energy system and grid;
- Reduced peak energy demand; and
- Improved energy productivity and a stronger economy.

These rules would update New Mexico’s building energy code by adopting the model 2018 International Energy Conservation Code (IECC) with amendments. Although PIMA believes homeowners would greatly benefit from the adoption of the model code without weakening amendments, these proposed rules represent a significant step in the right direction and will set New Mexico on a path to fulfilling the climate goals set out under Governor Michelle Lujan Grisham’s Executive Order 2019-003 and the Senate resolution (SM 86) passed 36-0 in 2019 supporting the development of an updated energy code, as well as “a way for all building codes to be updated in a timely manner.” PIMA urges your Department to put in place a process for regularly updating the Energy Conservation Code every three years in step with updates to the model IECC.

2018 IECC is Cost-Effective

Building energy codes are the most important policy mechanisms that states and local jurisdictions have for reducing their greenhouse gas emission. According to the Pacific Northwest National Laboratory (PNNL), moving from New Mexico’s current code (the 2009 IECC) to the 2018 IECC would decrease energy use in new buildings by 31% for commercial buildings and 25% for new residential buildings.\(^1\) For commercial buildings, the average simple payback on efficiency improvements for the last three codes

cycles since the 2009 IECC has been in the range of 0 to 6 years.\textsuperscript{2} For Residential buildings, the analysis of moving from the 2009 IECC to the 2015 IECC shows that the simple payback would be 4.4 years and the net annual energy savings for the homeowner would be $294 starting in the first year.\textsuperscript{3} No analysis has been completed for the 2018 IECC by PNNL, but the changes between the 2015 and 2018 IECC for residential buildings were relatively minor.

A Popular Policy that Produces Local Jobs

Most of the country now views strong building energy codes as an effective policy that benefits the economy and the environment. In fact, at least 74% of the U.S. population now reside in areas of the country that have adopted either the 2015 or 2018 IECC for commercial buildings and 69% for residential,\textsuperscript{4} clearly demonstrating that strong energy codes are a popular and a cost effective energy policy. One reason for this is the positive impact energy codes have on jobs and the local economy. An analysis from 2013 by the PNNL found that updating building energy codes in just the four states considered for this study increased employment by 5,370 jobs within the residential construction sector when moving from one IECC edition to the next, more stringent edition.\textsuperscript{5}

Information about the Polyisocyanurate Insulation Manufacturers Association

PIMA is the trade association for North American manufacturers of rigid polyiso foam insulation – a product that is used in most low-slope commercial roofs as well as in commercial and residential walls. Polyiso insulation products and the raw materials used to manufacture polyiso are produced in over 50 manufacturing facilities across North America.

Thank you for the opportunity to submit these comments.

Sincerely,

\[\text{Signature}\]

Justin Koscher
President


\textsuperscript{5} MJ Scott and JM Niemeyer, Potential Job Creation in Nevada as a Result of Adopting New Residential Building Energy Codes, Pacific Northwest National Laboratory, September 2013. Same authors and dates for the reports for Minnesota, Rhode Island, and Tennessee. The study looked at the effect of moving from the 2009 IECC to the 2012 IECC for residential buildings. \texttt{https://www.energycodes.gov/potential-job-creation-result-adopting-new-residential-building-energy-codes}