

AGC Looks at Climate Bill H.R. 2454: Title II Energy Efficiency

The second installment of AGC's summary of the American Clean Energy and Security Act of 2009 (H.R. 2454) explains the major provisions of Title II (Energy Efficiency) of interest to the construction industry.

Subtitle A—Building Energy Efficiency Programs

The bill would establish national percentage targets for energy use reductions in new residential and commercial buildings as compared to baseline codes (i.e., 2006 IECC and ASHRAE 90.1-2004). The targets are as follows:

30 percent effective on the enactment of H.R. 2454;

50 percent effective in 2014 for residential buildings and 2015 for commercial buildings; and

5 percent additional effective 2017 for residential buildings and 2018 for commercial buildings, and every year after through 2029 and 2030, respectively.

The bill would direct the Energy Department to establish national energy efficiency building codes for residential and commercial buildings that meet these targets if the consensus code-setting organizations are unable to do so. Following the establishment of such codes, states and localities would be required to ensure their codes meet or exceed these targets or the national codes would become the applicable energy efficiency codes in those jurisdictions. If states are determined to be out of compliance, states would become ineligible to receive funding under the bill or allowance allocations. Funds would be provided to states to support the implementation and enforcement of the updated codes.

The bill would establish a Building Retrofit Program for residential and nonresidential buildings. The bill would direct EPA and the Energy Department to develop standards for national energy and environmental retrofitting policies to be implemented through programs collectively known as the Retrofit for Energy and Environmental Performance (REEP) program. Under the program, emission allowances would be provided to states that have adopted the relevant program standards, including certification and training requirements for auditors, inspectors, raters and contractors, and post-retrofit inspection standards for buildings. States could administer incentives of up to 50 percent of total retrofit costs to owners of residential and nonresidential buildings.

The bill would establish a Building Energy Performance Labeling Program under EPA to label new buildings for their energy performance characteristics. The program is designed to increase public knowledge of building energy performance.

Subtitle B—Lighting and Appliance Energy Efficiency Programs

The bill would establish new lighting efficiency standards and other appliance standards that states may include in their building codes if certain requirements are met.

Subtitle C—Transportation Efficiency

The bill would require EPA to establish greenhouse gas emission standards for new heavy-duty vehicles and engines and for nonroad vehicles and engines.

The bill would require EPA and the Transportation Department to issue regulations that establish national goals for reductions in transportation-related greenhouse gas emissions and related models and methodologies. The bill would also require states and metropolitan planning organizations (MPOs) to develop as part of their transportation planning processes reduction targets for surface transportation-related emissions and strategies to meet those targets. States and MPOs must also demonstrate progress towards stabilizing and reducing transportation-related greenhouse gas emissions. The targets and strategies must increase public transportation ridership and walking, biking, bicycling and other forms of nonmotorized transportation.

Subtitle D—Industrial Energy Efficiency Programs

The bill would require the Energy Department to establish standards for industrial energy efficiency that would be recognized by the American National Standards Institute (ANSI). The bill would also establish a Clean Energy Manufacturing Revolving Loan Fund program under which the federal government would provide grants to states to establish revolving loan fund programs to support manufacturers in their efforts to reduce the energy intensity or greenhouse gas emissions of a U.S. manufacturing facility. Funds would also be eligible to retool, expand or create manufacturing facilities that produce clean energy and energy efficient products.

Subtitle G—Miscellaneous

The bill would direct the EPA to conduct a study regarding the establishment of a national initiative “for measuring, reporting, publicly disclosing, and labeling products or materials sold in the United States for their carbon content....” The bill would direct the EPA then to establish a voluntary national product carbon disclosure program.

Subtitle H—Green Resources for Energy Efficient Neighborhoods

The bill includes provisions related to residential energy efficiency, including minimum energy efficiency standards for HUD-owned and assisted housing; promotion of location- and energy-efficient mortgages and solar leasing; energy efficiency demonstration projects for HUD-assisted multi-family housing projects; and a residential energy efficiency block grant program that would distribute grants for single-family or multi-family housing projects that are designed to improve the energy-efficiency of the housing.

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