



PRESENTATION BY MALCOLM WOOLF, DIRECTOR, MARYLAND ENERGY ADMINISTRATION AND OF BEHALF OF THE NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS (NASEO) – APRIL 30, 2008

I AM MALCOLM WOOLF, DIRECTOR OF THE MARYLAND ENERGY ADMINISTRATION. I AM ALSO HERE REPRESENTING ALL THE OTHER STATE ENERGY DIRECTORS IN THE UNITED STATES THROUGH THE NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS (NASEO).

THIS IS A HOMECOMING OF SORTS FOR ME. I SERVED AS COUNSEL TO THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE. I ALSO WORKED AS THE STAFF DIRECTOR OF THE NATURAL RESOURCES COMMITTEE AT THE NATIONAL GOVERNORS ASSOCIATION BEFORE JOINING GOVERNOR O'MALLEY'S ADMINISTRATION.

IN MARYLAND, THE GENERAL ASSEMBLY RECENTLY PASSED THE GOVERNOR'S EXTENSIVE ENERGY PROPOSALS, REFOCUSING OUR STATE ON PROMOTING ENERGY EFFICIENCY AND RENEWABLE ENERGY. THE HALLMARK OF OUR EFFORTS IN MARYLAND IS TO BEGIN TO PROVIDE COMPREHENSIVE SOLUTIONS TO OUR PANOPLY OF ENERGY PROBLEMS. MY OFFICE WILL HAVE SIGNIFICANT NEW RESPONSIBILITIES IN

IMPLEMENTING THE GOVERNOR'S VISION OF AN ENERGY-EFFICIENT MARYLAND.

WHILE STATE AND LOCAL GOVERNMENTS ARE TAKING THE LEAD IN ADDRESSING OUR COMPLICATED ENERGY AND ENVIRONMENTAL CHALLENGES, WE NEED COOPERATION FROM THE FEDERAL GOVERNMENT. LAST YEAR, CONGRESS PASSED THE ENERGY INDEPENDENCE AND SECURITY ACT, WHICH HAS A NUMBER OF FORWARD-THINKING PROVISIONS. ONE PROVISION IT DID NOT INCLUDE WAS A MEASURE CALLING ON DOE TO PROMOTE A 30% UPGRADE IN BUILDING CODES. IT WAS IN THE HOUSE VERSION, NOT IN THE SENATE VERSION AND IT WAS DROPPED IN CONFERENCE. A VERSION OF THAT PROVISION IS INCLUDED IN THE LIEBERMAN-WARNER CLIMATE CHANGE BILL (S.2191).

BUILDING ENERGY USE IS SOMETHING WE CAN ADDRESS, AND WE MUST ADDRESS, QUICKLY. EVERY DAY WE WAIT TO INCREASE THE ENERGY EFFICIENCY OF OUR BUILDING CODES AND ENFORCE THOSE CODES AT THE LOCAL LEVEL IS ANOTHER DAY OF NEEDLESSLY WASTED ENERGY. IT IS NOT AN EASY TASK TO UPGRADE THE CODES AND IT IS CERTAINLY NOT AN EASY TASK TO TRAIN LOCAL CODE OFFICIALS, BUILDING INSPECTORS, BUILDERS, DEVELOPERS, ARCHITECTS, ETC., ON THE LATEST ADVANCES. THERE IS OPPOSITION FROM MANY HOME BUILDERS TO ADVANCING THESE CODES. HOWEVER, THE SIMPLE FACT IS THAT WE AS A NATION CANNOT WAIT TO IMPROVE OUR BUILDING STOCK.

SOME PEOPLE THINK IT IS NEVER THE RIGHT TIME TO INCREASE BUILDING ENERGY CODES – IN FACT THE OPPOSITE IS TRUE. IF WE BUILD AN ENERGY EFFICIENT HOME TODAY, IT WILL BE WITH US FOR 100 YEARS AND IT WILL SAVE THE HOMEOWNER MANY TIMES THE COSTS OF THE ENERGY EFFICIENCY IMPROVEMENTS. IN AN ERA OF EVER-ESCALATING ENERGY COSTS, INCREASING BUILDING ENERGY CODES ARE A LOW-COST AND IMPORTANT ELEMENT IN OUR EFFORT TO TACKLE OUR NATIONAL ENERGY PROBLEMS.

THE STATES ARE INCREASING BUILDING ENERGY CODES BECAUSE IT IS THE RIGHT THING TO DO. IT IS PART OF A COMPREHENSIVE PROGRAM TO MEET OUR ENERGY, ENVIRONMENT AND CLIMATE GOALS.

STATE EXAMPLES

IN ADDITION TO OUR WORK IN MARYLAND, I WANT TO DISCUSS SOME OF THE INITIATIVES IN THE OTHER STATES.

CALIFORNIA THROUGH THEIR TITLE 24 HAS HAD A VERY AGGRESSIVE ENERGY CODE FOR A NUMBER OF YEARS, WITH SIGNIFICANT UPGRADES. THEY ALSO HAVE AN EXTENSIVE TRAINING REGIME.

IN IOWA, THE STATE ENERGY CODES STAYS UPDATED THROUGH A THREE-YEAR CODE REVIEW CYCLE. THE LATEST CODE UPDATE, THE 2006 INTERNATIONAL ENERGY CONSERVATION CODE (IECC), WAS ADOPTED ON JANUARY 1, 2007.

JUST LAST WEEK THE GOVERNOR OF MAINE SIGNED LEGISLATION TO ADOPT THE 2009 IECC. THIS UPDATE IS BEING DEVELOPED ON A REGULAR CYCLE AS WELL. PREVIOUSLY, MAINE DID NOT HAVE A STATEWIDE RESIDENTIAL ENERGY CODE. THEY ARE ALSO WORKING HARD TO TRAIN BUILDERS AND CODE OFFICIALS.

IN JUNE 2007, CONNECTICUT ADOPTED A LAW TO REQUIRE ALL BUILDINGS (EXCEPT RESIDENTIAL BUILDINGS WITH LESS THAN 5 UNITS AND THAT ARE PROJECTED TO COST MORE THAN \$5 MILLION) TO QUALIFY FOR SILVER LEED RATING. RENOVATION PROJECTS OF \$2 MILLION OR MORE HAVE THE SAME REQUIREMENTS.

FEDERAL SUPPORT

IN ADDITION TO THE FEDERAL LEGISLATIVE SUPPORT I HAVE ALREADY DISCUSSED, WE ARE SEEKING ADDITIONAL FEDERAL APPROPRIATIONS TO SUPPORT THESE INITIATIVES.

THE MAJOR FEDERAL/STATE ENERGY PARTNERSHIP PROGRAM IS THE STATE ENERGY PROGRAM. IT IS AUTHORIZED THROUGH THE 2007 ENERGY BILL AT \$125 MILLION/YEAR, BUT ONLY RECEIVED \$44 MILLION IN FY'08 AND OF THAT AMOUNT \$10 MILLION IS A COMPETITIVE PROGRAM BETWEEN THE STATES. A RECENT STUDY INDICATED THAT FOR EVERY FEDERAL DOLLAR INVESTED OVER \$7 IS RETURNED IN ENERGY SAVINGS (UTILIZED OLDER DATA WITH LOWER ENERGY COSTS) AND ALMOST \$11 IN NON-FEDERAL FUNDS IS LEVERAGED FOR ENERGY

PROJECTS. WE SUPPORT FUNDING AT \$125 MILLION UNDER THE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL FOR THE STATE ENERGY PROGRAM.

IN THE BUILDINGS AREA, FEDERAL SUPPORT FOR BUILDING CODE UPGRADES, TRAINING AND TECHNICAL ASSISTANCE IS LESS THAN \$4 MILLION. THE ADMINISTRATION HAS REQUESTED \$8 MILLION. LAST YEAR THE HOUSE APPROPRIATIONS SUBCOMMITTEE PROVIDED \$25 MILLION FOR BOTH RESIDENTIAL AND COMMERCIAL BUILDINGS, BUT IT WAS CUT IN CONFERENCE BACK TO THE LESS-THAN \$4 MILLION LEVEL. IF WE ARE REALLY TO MAKE A DIFFERENCE, FUNDING SHOULD START AT \$30 MILLION FOR BOTH RESIDENTIAL COMMERCIAL BUILDING CODE UPGRADE SUPPORT, TRAINING AND TECHNICAL ASSISTNCE, AND INCREASE FROM THERE.

CONCLUSION

THE STATES ARE READY TO BE AN ACTIVE PARTNER IN THIS IMPORTANT EFFORT.

I AM READY TO RESPOND TO ANY QUESTIONS.