

MODERNIZE BUILDING ENERGY CODES

Saving Coloradans money on their energy bills and reducing climate emissions

All Coloradans deserve homes and buildings that are efficient, resilient, healthy, and ready for the future.

BACKGROUND

- With recent improvements in model energy codes as well as Colorado's targets for dramatically cutting climate emissions, it is timely and important to update the state's minimum energy code requirements.
- Twice previously, in 2007 (HB 07-1146) and 2019 (HB 19-1260), Colorado passed legislation establishing minimum requirements for building energy efficiency codes adopted by local governments. This legislation ensured that cities and counties with building codes adopt up-to-date energy codes.
- Energy codes save residents money on energy bills month after month, for the entire lifetime of a home or building. The latest code reduces average resident energy bills by 8-9%.

ABOUT THE BILL

- By Jan. 1, 2025, cities and counties with building codes must adopt at least the 2021 International Energy Conservation Code (IECC). This adoption must include electric and solar ready provisions in order to prepare new homes and buildings for electric vehicles, rooftop solar, and high efficiency electric appliances.
- By Jan. 1, 2030, cities and counties with building codes must adopt a low energy and carbon code based on a version of the IECC selected by the Colorado Energy Office (CEO). This code will include pathways for both all-electric and mixed fuel homes and buildings.
- The legislation directs CEO to promote a model Green Code that local governments may adopt if they so choose, in addition to the required energy code. The model Green Code addresses building attributes such as materials, water use, and indoor air quality.
- The bill includes \$3 million for code training and assistance, along with \$22 million to support decarbonization of public buildings and communities with a focus on incentives for lower income households and historically disadvantaged communities.
- CEO will continue to offer technical assistance and training for local governments, builders, and trades, as well as provide financial assistance to local governments for code adoption and enforcement efforts.
- The legislation does not affect those jurisdictions that have not adopted building codes and remain without such codes.



SAVES MONEY



SAVES ENERGY



CUTS CLIMATE EMISSIONS



PROTECTS HOMEBUYERS & RENTERS



PROTECTS HEALTH & SAFETY



EFFECT ON LOCAL GOVERNMENTS AND BUILDERS

- As was the case in the 2007 and 2019 laws, this legislation includes cities and counties that have adopted building codes. It also includes state agencies that set building codes (DOLA, the Dept. of Public Safety, and the state architect).
- The legislation leaves building energy code amendments and enforcement in the hands of local governments, as long as the minimum requirements are met.
- Local city and county agencies have the authority to exceed the minimum standards, and can also adopt compliant codes sooner.
- Most builders, architects, and design teams are already accustomed to building to the latest energy code, and having a more consistent minimum code streamlines the design and construction process.



EFFECT ON HOUSING AFFORDABILITY

- The bill improves total housing affordability since monthly utility bills are lower, more than offsetting upfront costs.
- Since efficient homes and buildings use less energy, they protect consumers against volatile energy price spikes.
- A quarter of households in Colorado are energy-burdened. The legislation will help limit the energy bills paid by lower income families as they migrate to new or renovated buildings in the future.
- "Building right the first time" by incorporating EV-ready, solar-ready, and electric-ready wiring saves homeowners and building owners thousands of dollars off the cost of retrofitting in these technologies.
- Studies show no correlation between energy codes and home prices, since home prices are determined by other location-based and aesthetic factors.
- The proposed bill does not require all-electric construction, but building an all-electric home is one compliance option. Our analysis shows that all-electric homes cost approximately \$2,000-\$3,000 less to build, and save about \$1,200 in energy bills (over 15 years) compared to a new home with gas appliances.
- Owners and occupants of existing homes and buildings are not affected until the home or building undergoes a major renovation or addition. (Generally, the energy code only applies to portions of the home or building that are being altered or added onto, not the portion that remains unaltered.)
- Existing gas appliances can be replaced with new gas appliances when needed.



ADDITIONAL BENEFITS

- The bill ensures residents in most of the Western slope, mountain communities, eastern plains, and other areas of the state have the same high-quality, energy-efficient construction as communities along the front range.
- The bill protects homebuyers and renters who often aren't in a position to demand better energy efficiency at the time of construction.
- New construction built to the latest energy code is more resilient and durable in the face of extreme weather or natural disasters.
- This legislation will reduce the carbon and other climate pollutants associated with new homes and buildings, helping Colorado meet its climate goals.
- The bill helps ensure Coloradans have clean, healthier air indoors and out.



FOR MORE INFO



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