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Ian Finlayson Deputy Director, Energy Efficiency Division Department of Energy Resources 100 Cambridge Street, Suite 1020 Boston, MA 02114

April 3rd, 2024

RE: A Better City's Comments on the Stretch Energy Code and Specialized Stretch Code

Deputy Director Finlayson:

On behalf of A Better City's nearly 130 member businesses and institutions, thank you for your efforts to understand the impact to users of the recently updated Stretch Energy Code and Specialized Stretch Code through a public listening session and a public comment period. We appreciate your effort to improve the codes based on feedback received and are grateful to be part of this Stretch Energy Code and Specialized Stretch Code review process.

A Better City's comments begin with members' general experience using the codes, including: on-site solar; building project locations; building improvement setbacks; industrial buildings' inability to procure heating-only equipment for all-electric buildings; and existing building facades. These are followed by three recommendations to: convene practicing professionals to improve the codes; onboard additional staff at the Department of Energy Resources (DOER) to keep pace with the bottleneck of questions from code users; and develop a State-managed relief pathway for the Stretch Energy Code and Specialized Stretch Code.

Thank you for your consideration, for your leadership, and for your commitment to code improvement to ensure that they are implementable, while also moving us towards our shared climate goals. Please reach out to Yve Torrie (<u>ytorrie@abettercity.org</u>) with any comments or questions.

Thank you,

J. I. Jonnie

Yve Torrie Director of Climate, Energy & Resilience A Better City

Cc: Elizabeth Mahony, Commissioner, DOER Paul Ormond, Energy Engineer, DOER



A Better City Members' Experience as Users of the Stretch Energy Code and Specialized Stretch Code

- **On-Site Solar**: A Better City members expressed concern with the on-site solar "where feasible" requirement in the Specialized Stretch Energy Code. They said there can be building and/or utility issues that can prevent onsite solar from being implemented. In Boston, on-site solar installation usually means PV roof panels rather than use of ground level open space, which cannot be used in most cases. PV panel products exist in glass for facades, but it is mostly not feasible today (i.e. 90-degree vertical, limited sun exposure, and expensive installation costs). Roof space generally doesn't have enough space for a quantity of solar panels that result in energy potential or value with current efficiencies and costs. Mechanical space, elevator and stair overheads, and window washing clearances all reduce available space, as does equipment relocation for resiliency/adaptation. Roof decks are also amenities that make buildings more competitive to potential tenants and can impact the success of leasing contracts.
- **Building Project Locations**: The inconsistency in adoption of the updated Stretch Energy Code, and particularly the Specialized Stretch Code, is impacting the location of building development and the choices made by owners and tenants alike. Owners are looking at which municipalities have adopted each of the codes, and which have not, as a strong determinant of where they buy and update buildings. Tenants are choosing their tenant space locations in the same way, as the increased cost of new and retrofitted buildings can be passed on to tenants. We also heard some owners and tenants are moving to Southern NH to avoid the new code requirements, which directly impacts municipalities in Massachusetts that rely on real estate taxes.
- **Building Improvement Setbacks**: As owners look to make energy efficiency upgrades to their buildings, they are required to bring the buildings up to the current code if more than 30% of the asset's value is spent on improvements. Industrial buildings, built more than 20 years ago, were built cheaply, and require upgrades. The 30% threshold, however, is limiting these renovations. Some A Better City members have discussed whether that threshold could be adjusted to ensure the renovations can be made and climate goals fulfilled.
- Industrial Buildings' Inability to Procure Equipment for All-Electric Buildings: Many industrial buildings and warehouses require minimal heat in winter and no air conditioning in summer. However, some A Better City members are unable to find equipment for an all-electric building that just provides heat. Most of today's equipment involves heat pumps that provide both heating and cooling, the latter of which is unnecessary in many cases. These types of buildings are being sought after by the climate tech and bio manufacturing industries that also have a lot of mechanical equipment on the roof in conflict with solar arrays.
- **Existing Building Facades:** The way the code is currently written does a lot of derating of existing facades that cannot always be overcome simply by slapping insulation on the inside of the facades. As buildings age, they will need renovations, which may become impossible if they cannot meet code without stripping the facades from existing buildings. This outcome does not seem to meet the intent of the code; new facades will be expensive and costly in their impact on embodied carbon.

A Better City's Recommendations

1) *Convening Practicing Professionals to Improve Codes*: We have heard from members, practicing professionals, and inspectors alike, that working with DOER on code language clarification, technical guidance, compliance documentation, and a clear process for DOER support will be very useful to improve the Stretch Energy Code and Specialized Stretch Code's implementation. They also suggest training for design contractors and owners to help overcome challenges experienced in the last year.

A Better City recommends DOER improve the codes by convening practicing professionals to clarify code language, technical guidance, compliance documentation, a clear process for DOER support, as well as training for design contractors and owners.



2) Onboard Additional Staff to Keep Pace with the Bottleneck of Questions from Code Users: A Better City members and their teams said they have encountered bottlenecks in getting answers from DOER on code questions. However, everyone is asking similar questions. They have suggested onboarding more staff to keep pace with the questions received, providing answers through a dedicated hotline, similar to California, so that building projects are not delayed.

A Better City recommends additional staff be onboarded and a dedicated hotline developed to answer questions from users on the new codes.

3) Develop a State-Managed Relief Pathway for the Stretch Energy Code and Specialized Stretch Code: For the base building code, project proponents have an opportunity to seek relief from its provisions (780 CMR) in the form of a variance or interpretation of the applicability of a particular code section. Appeals Board members are not allowed to waive code requirements in their entirety but may consider alternative methods of complying with the intent of the code. However, there is no such relief pathway for the stretch and specialized energy codes. By allowing for additional flexibility for project proponents to comply with the updated stretch and specialized stretch energy codes, projects can move forward that increase project construction and renovation, and still meet critical climate goals.

A Better City recommends a State-managed relief pathway be developed for the Stretch Energy Code and Specialized Stretch Code.