



**May 3, 2023**

**Senate File 3035: Residential & Commercial Energy Code Modifications**

Dear Conference Committee Members,

Our organizations represent tens of thousands of employers, builders, housing providers, homebuyers, and workplaces across the state of Minnesota. Safe, affordable, and reliable energy is critical for our businesses, workers, customers, residents, and occupants.

We write to express our opposition to the energy code modifications in the House version of SF 3035 (2<sup>nd</sup> Unoff. Eng., Art. 11, Sec. 25).

This section: (i) radically alters the purpose of the residential and commercial energy codes for both existing and new buildings and (ii) directs the Minnesota Department of Labor to achieve an 80% reduction in net energy use for new commercial buildings within 13 years, using the 2004 edition of ASHRAE 90.1 as a baseline.

The inclusion of ambiguous and undefined terms like “improving resiliency” and “optimizing energy efficiency” open the door to controversial and impractical rules that are at odds with the needs and best interests of Minnesotans.

The term “energy resiliency” is often regarded as synonymous with building electrification and could allow regulators to ban gas and liquid fuel equipment for space heating, hot water, cooking, and other appliances in new and renovated homes and commercial space. We believe rulemaking is an inappropriate tool for making such a drastic change to the living and working conditions of every person in this state.

While our businesses strive to be more efficient every day, the energy code modifications in this bill present serious challenges for builders, owners, operators, residents, and occupants of new and existing residential and commercial buildings in our state.

We encourage you to adopt the Senate version of this provision (3<sup>rd</sup> Eng., Art. 10, Sec. 26). Whereas the House version contains no guardrails, the Senate language carefully protects energy consumers, tenants, residents, builders, and building owners and operators from unintended consequences and unforeseen challenges.