



April 20, 2009

The Honorable Henry Waxman
Chairman
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Edward Markey
Chairman
Subcommittee on Energy and the Environment
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairmen Waxman and Markey:

The American Institute of Architects commends you for recognizing the importance of the built environment in the energy independence and climate change debate in your American Clean Energy and Security Act (ACESA) draft.

According to the Energy Information Agency, buildings and their use account for nearly 40 percent of greenhouse gas emissions in the United States and more than 70 percent of electricity use. As our 2008 President, Marshall E. Purnell, FAIA, testified before the Energy Subcommittee last year, “if we in the United States want to be serious about improving energy efficiency and reducing our nation’s greenhouse gas emissions, buildings *must* be a significant part of the discussion.”

The AIA and its more than 85,000 members have made sustainable design a priority for more than three decades. In 2005, the AIA adopted a policy calling for the reduction of fossil fuel use in buildings over the next twenty years with a goal of carbon neutral buildings by 2030. Recognizing the important role that architects play in making buildings greener, this year the AIA has instituted a requirement that its licensed architect members must complete at least four hours of sustainable design continuing education each year in order to remain members in good standing.

Promoting sustainable buildings not only improves our energy independence and protects the environment; it creates jobs. According to the National Association of Industrial Office Properties, every \$1 million spent on design and construction creates 28.5 full-time jobs. That means that an investment of \$3 billion in energy efficiency retrofits of buildings could create as many as 85,000 new jobs in this country.

The ACESA's provisions on building energy efficiency are a much-needed first step towards making buildings a part of the energy and climate change solution. In particular, the AIA strongly supports the REEP program outlined in Sec. 202 of the draft as a way to promote the energy efficient retrofit of commercial and residential buildings. As the Subcommittee and Committee work to advance this legislation over the coming weeks, we respectfully offer the following recommendations to strengthen this title.

Increase the Level of Incentives for Retrofits in Section 202

We are concerned that the allowable amounts for the REEP program in (i)(2) are not large enough to have a significant impact, as they will not offset the often-substantial first costs of energy saving measures to a level significant enough to provide a real incentive. Although the draft does allow for the adjustment of the amounts in subsequent years, we are concerned that setting the initial level too low would doom the program to failure at the outset.

Make Reduction in Fossil Fuel Usage an Allowable Criterion for Retrofit Incentives

Because the built environment accounts for nearly 40 percent of GHG emissions, we believe that reducing the fossil fuel-generated energy use of buildings – through a combination of energy efficiency and on-site renewable power generation – is a vital and worthy policy goal, particularly in the context of legislation that seeks to reduce GHG emissions. The Energy Independence and Security Act of 2007 requires federal agencies to reduce fossil-fuel use compared to the Department of Energy's Commercial Building Energy Consumption Survey (CBECS) and Residential Energy Consumption Survey (RECS) baselines for new construction and major renovations (P.L. 110-140, §433). This principle should be carried over into this legislation. Therefore, we support making fossil-fuel reductions, using a CBECS and RBECS baseline (year determined by DOE), an allowable alternative metric for REEP incentives in (f)(8).

Encourage the Distribution of Awards to Non-Profit Groups and Consortia

In many situations, particularly during economic downturns when capital is less available, non-profit groups cannot take full advantage of existing tax credits for energy efficiency, particularly in the case of affordable housing. Encouraging states to ensure that non-profit organizations or consortia can access the retrofit funding in this section will go a long way to helping ensure that retrofits can be broadly used, particularly in lower income communities.

Eliminate Prescriptive Provisions for Roofs (Sec. (f)(15))

The AIA believes that prescriptive code requirements should not be legislated by Congress; rather, the legislation should direct DOE to encourage the code development bodies to mandate such requirements through the consensus process.

Provide Additional Incentives for Retrofits of Location Efficient Buildings

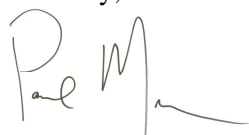
Studies have shown that compact, smart growth linked to public transportation can have major impacts on GHG emissions by reducing vehicle-miles traveled (VMT). The AIA supports providing extra incentives, along the lines of those provided in the draft for historic buildings, for the retrofit of structures that are location efficient, generally defined as within one-half mile of a mass transit facility. Such a provision would accomplish several goals: it will create further incentives for developers and homebuyers to modernize the building stock in denser communities, reducing VMT. It will help revitalize older urban and inner suburban areas, promoting economic development while reducing VMT. And it will ensure that finite funds under this program flow towards buildings that are not only energy efficient within their footprint, but are sited in sustainable and GHG-reducing ways.

Direct DOE To Develop and Publicize Life-Cycle Cost Analysis Tools for Building Retrofits

Two of the major impediments to innovation and significant reductions in energy consumption in the pursuit of sustainable design, in both the public and private (commercial and residential) building sectors, are a lack of understanding of the overall environmental impact of a building, and associating the energy and sustainable design goals of the project with the up-front costs. This means that for many owners, any investment in green design features and innovation that increases first costs while substantially reducing intermediate and long term costs is not considered. This fundamental dichotomy creates a misalignment between setting the goals for a high-performance building and achieving those goals. Directing DOE to develop a robust and usable life-cycle assessment (LCA) and related life-cycle cost analysis (LCCA) tool for private sector owners and others will help further greater understanding and knowledge of the true benefits of green retrofits.

We welcome the opportunity to discuss these recommendations in more detail with you and your staff. Thank you for providing us the opportunity to comment on this groundbreaking legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul M." with a long horizontal flourish extending to the right.

Paul T. Mendelsohn
Vice President, Government and Community Relations

cc: Members of the House Energy and Commerce Committee