

HOUSE BILL REPORT

HB 1280

As Passed House:

January 21, 2022

Title: An act relating to greenhouse gas emissions reductions in the design of public facilities.

Brief Description: Concerning greenhouse gas emissions reductions in the design of public facilities.

Sponsors: Representatives Ramel, Duerr, Bateman, Fitzgibbon, Berry, Peterson, Goodman, Hackney, Frame, Macri, Pollet and Harris-Talley.

Brief History:

Committee Activity:

Environment & Energy: 1/29/21, 2/4/21 [DP];

Capital Budget: 2/17/21, 2/19/21 [DP].

Floor Activity:

Passed House: 3/9/21, 57-39.

Passed House: 1/21/22, 57-40.

Brief Summary of Bill

- Declares that it is the public policy of the state to ensure that greenhouse gas emissions reduction practices are included in the design of major publicly owned or leased facilities, and that the use of all-electric energy systems and at least one renewable energy or combined heat and power system is considered.
- Requires life-cycle cost analysis guidelines developed by the Department of Enterprise Services for public facilities to include provisions that identify all-electric energy systems as a system alternative.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass. Signed by 8 members: Representatives Fitzgibbon, Chair; Duerr, Vice Chair; Berry, Fey, Harris-Talley, Ramel, Shewmake and Slatter.

Minority Report: Do not pass. Signed by 5 members: Representatives Dye, Ranking Minority Member; Klicker, Assistant Ranking Minority Member; Abbarno, Boehnke and Goehner.

Staff: Megan McPhaden (786-7114).

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 12 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Bateman, Kloba, Leavitt, Peterson, Riccelli, Rule, Santos, Sells and Shewmake.

Minority Report: Do not pass. Signed by 11 members: Representatives Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Dye, Eslick, Gilday, Kraft, MacEwen, Maycumber, Mosbrucker and Volz.

Staff: Richelle Geiger (786-7139).

Background:

It is the public policy of the state to ensure that energy conservation practices and renewable energy systems are employed in the design of major publicly owned or leased facilities and that the use of at least one renewable energy or combined heat and power system is considered.

Whenever a public agency determines that any major facility or a critical governmental facility is to be constructed or renovated, the agency must include a life-cycle cost analysis in the design phase. The Department of Enterprise Services is responsible for developing guidelines to define a procedure and method for the performance of life-cycle cost analyses to promote the selection of low life-cycle cost alternatives. At a minimum, the guidelines must contain provisions that:

- address energy considerations during the planning phase of the project;
- identify energy components and system alternatives, including energy management systems, renewable energy systems, and combined heat and power, prior to commencing the energy consumption analysis;
- identify simplified methods to assure the lowest life-cycle cost alternatives for selected buildings with between 25,000 and 100,000 square feet of usable floor area;
- establish times during the design process for preparation, review, and approval or disapproval of the life-cycle cost analysis;
- specify the assumptions to be used for escalation and inflation rates, equipment

- service lives, economic building lives, and maintenance costs;
- determine life-cycle cost analysis format and submittal requirements; and
- provide for review and approval of life-cycle cost analysis.

"Energy-consumption analysis" means the evaluation of all energy systems and components by demand and type of energy, including the internal energy load imposed on a major facility or a critical governmental facility by its occupants, equipment, and components, and the external energy load imposed on a major facility or a critical governmental facility by the climatic conditions of its location.

An energy-consumption analysis must include certain elements, including the comparison of three or more system alternatives, at least one of which must include renewable energy systems, and one of which must comply at a minimum with the sustainable design guidelines of the Leadership in Energy and Environmental Design (LEED) silver standard.

Summary of Bill:

It is the public policy of the state to ensure that greenhouse gas emissions reduction practices are included in the design of major publicly owned or leased facilities, and that the use of all-electric energy systems and at least one renewable energy or combined heat and power system is considered.

The life-cycle cost analysis guidelines developed by the Department of Enterprise Services must include provisions that identify all-electric energy systems as a system alternative.

The definition of "energy-consumption analysis" is amended to remove and replace the reference to a system alternative that complies with the sustainable design guidelines of the LEED silver standard with a system alternative that includes all-electric energy systems.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony (Environment & Energy):

(In support) The increasingly clean electric grid gives the state a chance to reduce greenhouse gas emissions in the buildings sector by transitioning the building stock to all-electric energy systems. This bill takes one small step in building sector decarbonization. This bill does not add new requirements, but rather changes the alternatives that have to be considered under existing requirements. The LEED silver standard was an aspirational standard in the early 2000s, and is now considered among the default building standards.

This bill does not require public agencies to build one way or another. Better information can lead to better designs and better public facilities. Current statutory requirements do not directly address greenhouse gas emissions or the associated costs. This bill aligns with the work the State Efficiency and Environmental Performance program is doing by requiring the consideration of greenhouse gas emissions reductions in the design phase of constructing public facilities. This bill aligns with recommendations in the 2021 State Energy Strategy, which identifies public capital projects as an opportunity for the state to lead by example.

(Opposed) None.

Staff Summary of Public Testimony (Capital Budget):

(In support) The 2021 State Energy Strategy produced by the Department of Commerce identifies state capital investments as an opportunity to reduce greenhouse gas emissions. Aligning state building practices with energy laws is a smart step in that direction.

All-electric building systems do not burn gas inside of buildings, unlike systems that are reliant on fossil fuels. All-electric systems are available and cost effective. There are recent examples of large-scale public works projects that identified all-electric systems as the most cost-effective option. The bill does not create new building requirements. It encourages agencies to consider the costs and benefits of an all-electric system and determine if it makes economic sense for that particular project.

Currently, agencies are required to perform a life-cycle analysis for all major public works construction and renovation projects, and consider three system alternatives, including one that must meet Silver Leadership in Energy and Environmental Design (LEED) standards. Since 2001, many Silver LEED requirements have been adopted. This bill replaces the requirement that one alternative must meet Silver LEED standards with the requirement that one considered system is all-electric.

Architects for public works projects are tasked to build structures that last for a minimum of 50 years. If buildings are constructed or renovated with systems that use fossil fuel, they will require future retrofits.

This bill does not add new requirements or burdens to any entity and does not have a fiscal impact.

(Opposed) None.

Persons Testifying (Environment & Energy): Representative Ramel, prime sponsor; Hanna Waterstrat, Department of Commerce; Doug Kilpatrick, Department of Enterprise Services; Don Steinke, Climate Action of Southwest Washington; Rushyan Yen, LMN

Architects and the American Institute of Architects Washington Council; and Kelly Hall, Climate Solutions

Persons Testifying (Capital Budget): Representative Ramel, prime sponsor; Hanna Waterstrat, Department of Commerce, State Efficiency and Environmental Performance Office; Kelly Hall, Climate Solutions; Julie Blazek, Henry Klein Partnership Architects and American Institute of Architects Washington Council; and Doug Kilpatrick, Department of Enterprise Services.

Persons Signed In To Testify But Not Testifying (Environment & Energy): None.

Persons Signed In To Testify But Not Testifying (Capital Budget): None.