MINUTES of the NRS 701.220 Workshop of the

NEVADA STATE OFFICE OF ENERGY (NSOE) and the RENEWABLE ENERGY AND ENERGY EFFICIENCY AUTHORITY (REEEA)

May 26, 2011

The Nevada State Office of Energy and REEEA held a public workshop on May 26, 2011 beginning at 1:12 p.m. at the following locations:

State Capitol, The Guinn Room, 101 N. Carson Street, Carson City, Nevada 89701 and at the Governor's Office, Conference Room in the Grant Sawyer Building, 555 East Washington, Suite 5100, Las Vegas, Nevada 89101.

The workshop was also available by telephone conference call.

1. Call to order

The workshop was called to order by Stacey Crowley, Director and Acting Energy Commissioner (hereinafter referred to as *Director*). Present were Matthew Deal, Deputy Attorney General, Stephanie Brooks, Deputy Director, and Emily Nunez, Management Analyst.

Also present in Carson City: Richard Bartholet, UNR-BEP Ken Baker, Kenergy Mike Dillon, Builders Association of Northern Nevada Jess Traver, Builders Association of Northern Nevada

Members of the public were asked to sign in.

2. Director's Opening Statement

Director Crowley opened the first workshop to propose the adoption, amendment or repeal of regulations pertaining to Chapter 701 of the Nevada Administrative Code (NAC) and relating to the adoption of regulations for the conservation of energy in buildings, including manufactured homes; namely, adoption of the 2009 International Energy Conservation Code, pursuant to Nevada Revised Statutes (NRS) 701.220.

Director Crowley stated that the purpose of the workshop is to solicit comments from interested persons regarding the adoption of regulations for energy consumption in buildings, including manufactured homes; namely, adoption of the 2009 version of the International Energy Conservation Code issued by the International Code Council, and any amendments to the Code that will not materially lessen the effective energy savings

requirements of the Code and are deemed necessary to support effective compliance and enforcement of the Code.

Director Crowley then turned to Matthew Deal, Deputy Attorney General, representing the REEEA, to explain the logistics of the workshop and the rulemaking process.

3. Statement by the Deputy Attorney General representing the NSOE/REEEA

Mr. Deal stated that NRS Chapter 701.220 states that the Energy Commissioner must adopt the most recent version of the International Energy Conservation Code and as part of the rulemaking process; and before moving to the hearing phase, NRS 233B.061(2) mandates that the Authority must conduct at least one workshop to discuss the general topics addressed in the rule.

Mr. Deal also stated that this workshop is intended to provide interested persons an opportunity to meet informally with agency staff. He confirmed that the agency has provided written notice in advance of this workshop to inform the public of topics to be discussed and namely adoption of the 2009 International Code.

Mr. Deal said that the procedures for this workshop do specify that the workshop must be conducted in accordance with the Open Meeting Law NRS Chapter 241. He advised that the rules at this stage are more relaxed and that you [the public] can speak as long as needed, provided that you remain on topic, addressing the subject matter set forth in the Notice and Revised Notice.

Mr. Deal then turned back to Director Crowley to begin taking comments.

4. Public Comments and Discussions

Director Crowley started by reminding attendees that the appropriate materials are provided in the meeting locations, including:

- The Revised Notice of Workshop 1,
- A copy of the statute NRS 701.220,
- Draft Regulations dated May 26, 2011,
- The Director/Commissioner's Small Business Impact Statement,
- Notice of Request for Comments and Proposed Regulations, and
- Comments received between October 8 and November 8, 2010.

Director Crowley requested that visitors please sign-in as attendees to this workshop and stated that anyone interested in talking would be afforded the opportunity to do so. She asked that any written comments be provided on the form available at the workshop and online.

She proceeded to introduce Ken Baker with Kenergy, who was available to answer technical questions on the IECC, and said that Ken had been conducting training for the NSOE/REEEA for the past several months.

Director Crowley introduced additional partners - Richard Bartholet with UNR-BEP and Jess Traver and Mike Dillon with the Builders Association of Northern Nevada.

Director Crowley then opened for public comments and asked if anyone wanted to speak on the proposed regulations. No one responded. She then asked if there was anyone on the phone. There was no response. "Is there anyone in Las Vegas that has any comments at this time?" No response. "For those that are here in Carson City, do you have any questions?" Again, there was no response.

Seeing that no one had questions or comments to present, Director Crowley then stated that she would like to touch on topics in the draft regulations. She then referenced the draft regulations dated May 26, 2011. The area she would like feedback and get comments from interested parties who are in the industry, is in Section 6, second page of the draft regulations which talks about amendments and the ability of the state to adopt amendments. As she stated, right now what the NSOE/REEEA has done in section 6 subsections is put a placeholder on those categories to consider. If there are amendments, those are the potential categories under which those amendments would fit. Director Crowley also acknowledged that southern Nevada has adopted amendments to the 2009 IECC codes and stated that this may be a good place to put those amendments. She asked that everyone consider if this section should be amended with southern Nevada's amendments as a whole, or remain in the jurisdiction for each municipality. She asked if there were any thoughts on that.

Mike McCullogh with the Washoe County Building and Safety Department stated that northern Nevada is in the process of reviewing southern Nevada's amendments and their own amendments and will vote on the matter in June. He also stated that only some of those amendments will be adopted in northern Nevada, however, he advised Director Crowley that if the NSOE adopts the 2009 code statewide, that the NSOE/REEEA would need to incorporate some additional language into the IECC. He recommended language that is referred to other codes that are adopted statewide such as the sealing requirements that were taken out of the IECC. He stated that sealing and duct work should be incorporated verbatim into the IECC for commercial. As for residential requirements, the code refers to the International Residential Code (IRC). The sealing requirements have additional language and there could be some compatibility issues we may need to address. For statewide adoption, since many jurisdictions are still on the 2006 codes, there are omissions and compatibility issues, not many, but the IECC should be fixed to address those issues more specifically.

Director Crowley asked Mr. McCullogh to summarize the issue with adoption of other codes so that the attendees in Las Vegas could hear.

Mr. McCullogh stated that the main issues are with duct sealing and vapor retarders and definitions in the code. Northern Nevada does not want to adopt all the southern Nevada amendments. For statewide adoption, a lot of jurisdictions are in the 2006 codes, so there are some compatibility issues and the IECC should be fixed to address that. The residential sealing requirements have been moved from the IECC to the IRC. The

commercial sealing requirements were moved to the International Mechanical Code (IMC). Most jurisdictions have adopted the Uniform Mechanical Code but some are not the same, so if the NSOE/REEEA wants the same code, it will need to be added to the IECC. The residential IECC was referenced in the IRC and there are duct sealing requirements in the IRC verbatim until they get to the exceptions. The NSOE/REEEA should add those exceptions to the IECC to give builders exceptions for duct sealing and vapor retardants. Then it would be a complete code for the suite of codes in the rest of the building codes. He stated that we would need to add this to the IECC in order to give exceptions and add the definition of class 1 vapor retarder.

Director Crowley asked if there are any comments based on those points. There was no response.

Director Crowley then stated that the NSOE/REEEA was going to allow interested parties to provide written comments after this workshop. She said the NSOE/REEEA will keep the comment period open for three weeks and then draft regulations will be sent based on this public workshop and comments submitted to the Legislative Counsel Bureau, where they will review it and respond to the NSOE/REEEA in approximately 30 days or so; so that we can formally start the hearing process. The NSOE/REEEA staff will then properly post for a formal hearing to start the adoption hearing process. She stated that the NSOE/REEEA will be holding three hearings, one in Carson City, Las Vegas, and Elko. The NSOE will provide proper notice for those meetings. At that point, the NSOE/REEEA will also have the ability for the public to comment on the next version of the draft.

Director Crowley also stated that consideration would have to be made about the ability for the State to enforce these regulations. There has been talk during meetings and trainings about the code adoption and type of enforcement ability the State would have once the code is adopted. What type of enforcement will the State have while working with the municipalities once the code is adopted? There may be some need to put language to include enforcement and she asked if anyone had questions, comments or concerns. There was no response.

Ms. Crowley then talked about the proposed scheduling in terms of adoption so that folks would know what the NSOE/REEEA plan is. She stated that this is the first and potentially only workshop on the draft regulations. If we were to deem another workshop is necessary – another one is tentatively scheduled for June 16. Based on the number of attendees today and depending on comments received, the second workshop may not take place. June 16 is also the three week mark when Ms. Crowley would like to have all written comments submitted. She said she will have the information posted on the website as well to make sure people understand.

She proceeded to say that between September and November 2011, the NSOE/REEEA will post and hold three hearings as required. The NSOE/REEEA will let people know the dates and locations as soon as that information is available. She hopes to finalize the regulations by December 2011, with an effective date of July 1, 2012. Ms. Crowley said

that this is intended to give the State and municipalities approximately six months to get the new code in the works and underway by July 1, 2012. She then asked if there were any questions regarding the schedule, and there was no response.

Ms. Crowley then stated for the record that updates to the rulemaking process and schedules can be found on the NSOE website at <u>www.renewable.state.nv.us</u> and link on the NSOE website at <u>www.energy.nv.gov</u>. She also said that people can find contact information at this website and if they need to email any questions, they should direct them to Emily Nunez, management analyst, running the program for the State - at enunez@renewable.nv.gov - phone number is 775-687-1850.

Monica Brett, Southwest Energy Efficiency Project (SWEEP) inquired about the status of Senate Bill 426 – which consolidated the NSOE/REEEA. Specifically, Ms. Brett asked "if the bill does pass, what impact if any will it have on this process?" Good question, stated Ms. Crowley as she directed people to the PowerPoint slides handout provided at the meeting locations. Ms. Crowley stated (about the 2009 IECC rulemaking process) that currently the Energy Office and REEEA are being merged into one body again and it will have no impact on this process. The duties and assignments of the energy commissioner and REEEA would be absorbed by the NSOE and the director.

Ms. Brett asked if "they will come together?"

Director Crowley responded "yes." Things would be titled under the heading of the NSOE. If passed, starting July 1, 2011, the process would begin to rename things under the Nevada State Office of Energy and statute would match-up with titles - and depending on how soon the IT guys can update the websites. It may be just a link or push-back to the NSOE website but the same information will be available to you online.

Ms. Crowley added that the bill is currently in the Senate Finance Committee – that it was heard once without a vote, however, it needs to move quickly in order to move forward. She said that both budgets have been approved as amended by the Assembly and Senate Finance Committee and those budgets take into consideration the merger of the two. The hope is to have it heard within the next week.

Ms. Brett then asked what would happen if the bill doesn't pass – as for acting commissioner at the moment, "would they hire someone else for commissioner?"

Ms. Crowley stated that she would probably continue as acting commissioner until the matter is figured out and resolved.

5. Adjournment

Director Crowley asked if there were any other general comments, questions, or concerns. She then thanked everyone for coming and again, advised that if any one has any concerns or questions, to please refer to our website or contact Emily Nunez.

Director Crowley closed the workshop at 1:38 p.m.