

BRIAN SANDOVAL
Governor

STATE OF NEVADA

ANGELA DYKEMA
Director



755 North Roop Street, Suite 202
Carson City, NV 89701
Office: (775) 687-1850
Fax: (775) 687-1869

GOVERNOR'S OFFICE OF ENERGY

May 25, 2018

Legislative Counsel Bureau
Attn: Brenda Erdoes
Legislative Building – Legal Division
401 S. Carson Street
Carson City, NV 89701

Re: LCB File No. R153-17

Dear Ms. Erdoes,

Please find the enclosed documents for submission to the Legislative Commission for the next meeting:

- Form for Filing Administrative Regulations
- Informational Statement
- Small Business Impact Statement
- Notice of Adoption of Regulation
- Proposed Regulation of the Director of the Governor's Office of Energy – Adopted on May 23, 2018

Please do not hesitate to call me should you have any questions, (775) 687-1850 ext. 7324

Sincerely,

A handwritten signature in black ink, appearing to read "Robin Isaacs".

Robin Isaacs
Energy Programs Manager

SECRETARY OF STATE
FILING DATA

**Form for Filing
Administrative Regulations**

FOR EMERGENCY
REGULATIONS ONLY

Effective date _____

Expiration date _____

Governor's signature

Agency:
Governor's Office of Energy

Classification: [] PROPOSED [X] ADOPTED BY AGENCY [] EMERGENCY

Brief description of action: Adoption of the most recent version of the International Energy Conservation Code (IECC).

Authority citation other than 233B: NRS 701.220

Notice date(s): Workshop – November 28, 2017

Hearing – April 10, 2018

Hearing date(s):

May 10, 2018 - Reno

May 17, 2018 - Las Vegas

May 23, 2018 - Elko



Angela Dykema, Director



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GOVERNOR'S OFFICE OF ENERGY

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066
Informational Statement
LCB File No. R153-17

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 701.

1. A clear and concise explanation of the need for the adopted regulation.

This regulation is necessary to update the regulations to comply with NRS 701.220(1) which directs the Governor's Office of Energy to adopt the most recently published version of the International Energy Conservation Code every three years. This will allow for the automatic adoption of the most recently published version mitigating administrative burdens to comply with statute.

2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

Copies of the proposed regulation, the notice of workshop and notice of intent to act upon the regulation were sent by email or fax to persons who were known to have an interest in the adoption of the proposed regulation as well as any person who had specifically requested such notice. These documents were also made available at the website of the Governor's Office of Energy (GOE), www.energy.nv.gov, the website of the Nevada Legislature at <http://leg.state.nv.us/app/Notice/A/>, the Nevada State official website at <https://notice.nv.gov>, faxed or emailed to all county libraries in Nevada and posted at the following locations:

Governor's Office of Energy
755 N. Roop Street, Suite 202
Carson City, NV

Carson City Library
900 N. Roop Street
Carson City, NV

State Library and Archives
100 N. Stewart Street
Carson City, NV

Nevada State Legislative Building
401 S. Carson Street
Carson City, NV

State of NV Dept. of Administration
209 E. Musser Street
Carson City, NV

Grant Sawyer Building
555 E. Washington Ave
Las Vegas, NV

A workshop was held on December 13, 2017. The Governor's Office of Energy took oral comments from the public and interested parties. Concerns were raised by Mike Moore of Newport Ventures regarding the adoption of the IRC at the local level and he would like the Office of Energy to adopt the IRC along with the IECC. Mark Meranda with the City of Sparks responded to Mr. Moores' concerns letting him know that the Northern Nevada Code Committee was aware of the concerns he brought up and have been addressed at that level. Amanda Hauss, with the Southern Nevada Home Builders Association (SNBHA) said that her organization supports the office in adopting the most current code automatically because it provides more structure across the state. However, SNBHA is asking to add one more step into the proposed regulation. Under section one (1), it states that the Director has to find the most recent code suitable before adoption and the SNBHA would like for a review to be conducted in addition to determine whether amendments are required to comply with the State law. They feel this will result in a statewide code that is more compatible. All comments were taken under consideration by the Governor's Office of Energy.

Thereafter, on April 10, 2018, the Director issued a Notice of Hearing and Notice of Intent to Act Upon a Regulation. The hearings were held in three locations pursuant to NRS 701.220(8), on May 10, 2018 at The Builders Association of Northern Nevada 5484 Reno Corporate Drive, Reno NV; on May 17, 2018 at The Southern Nevada Home Builders Association 4175 S. Riley Street, Ste 100, Las Vegas, NV; on May 23, 2018 at the Elko City Hall City Council Chambers 1753 College Ave., Elko, NV. The Governor's Office of Energy took oral comments from the public and interested parties. Andrew Samuelson provided comment at the Reno hearing regarding the adoption of a rating system within the most recent version of the LEED Green Building Standard which has nothing to do with the IECC. Melanie Larreau provided comment at the Elko hearing regarding the adoption of the entire family of I codes by both the GOE and the State Fire Marshall.

A copy of the minutes which provide comments made at each hearing are available for review at the Governor's Office of Energy, 755 N. Roop Street, Suite 202, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy.

3. **The number of persons who:**
 - (a) **Attended each hearing:** May 10, 2018 – 7; May 17, 2018 – 3; May 23, 2018 - 4
 - (b) **Testified at each hearing:** May 10, 2018 – 1; May 17, 2018 – 0; May 23, 2018 - 2
 - (c) **Submitted written comments:** December 13, 2017 – 4; May 10, 2018 - 1
4. **A list of name and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit A.**
5. **A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.**

See section 2 above.

A copy of the written comments and the minutes which provide a summary of the oral comments made at each workshop and hearing are available for review at the Governor's Office of Energy, 755 N. Roop Street, Suite 202, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy. You may request a copy of either by contacting Robin Isaacs risaacs@energy.nv.gov.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The permanent regulation was adopted on May 23, 2018. There was a requested change made to Section 2 to remove the reference to the cost for the materials that can be obtained from the ICC, so it refers to as available so that we do not have to revisit this every year going forward. The regulation was adopted with this additional amendment.

7. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:

(a) Both adverse and beneficial effects on businesses and the public: The GOE reviewed the 2018 IECC provisions, the responses received by the stakeholders, as well as other code comparison documents available on the web. Of the over 250 solicitations, 35 responses were received. The respondents generally stated that the changes would have positive impacts upon small businesses because the 2018 IECC standards improve upon standards established in the 2012 IECC standards. Small businesses will benefit from increased energy efficiency in their buildings through reduction in overall energy usage after implementing the new standards for new construction or retrofit applications.

Based on the GOE's review of the 2018 IECC provisions, the summary of responses from the stakeholders, along with other code comparison documents available on the web, the Director determines that the proposed regulation changes are not likely to impose a direct or significant economic burden on small businesses. Adoption of the most recent IECC will allow for the encouragement of the construction of energy efficient buildings as well as the installation of energy efficient upgrades in existing buildings in the State of Nevada.

(b) Both immediate and long-term effects on businesses and the public: The amended regulations are intended to effectuate the legislative intent and will not and are not intended to have any negative impact upon contractors.

8. The estimated cost to the agency for enforcement of the proposed regulation:

There is no added cost to the agency for this amended regulation.

9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or

overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other State or governmental regulations with which this regulation overlaps or duplicates.

- 10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

There are no provisions that duplicate or are more stringent than federal standards.

- 11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

There is no fee associated with this regulation.



Angela Dykema, Director – May 25, 2018
Governor's Office of Energy

Exhibit A

Governor's Office of Energy
IECC Adoption Hearing

The Builders Association of Northern Nevada
5484 Reno Corporate Drive, Reno, NV 89511
May 19, 2018

	Please Print Full Name	Business Representing	Telephone Number (please include area code)	Speak in g/y/n	E-Mail Address
16	Mark Meranda	City of Sparks	775-353-2313		meranda@cityofsparks.us
17	Kate Morra	NV Real Estate	775-689-1904	N	kmorra@red.nv.gov
18	Andrew Samuelsen	me	775 721 2242	Y	andrew_samuelsen@gmail.com
19	ROBERT ERNST	CSID	775 410-4286	N	ROBERT.ERNST@CSID.COM
20	Sam Ayala	NDOC	775 445-9712	N	Sam Sam Ayala 155@gnv.com
21	ANDREW DUMOND	ClearResult	775 741 8772	N	adumond@clearresult.com
22	Alex Samuelsen	Kiffine Company	7533067859	N	alexis@g3nv.com
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Governor's Office of Energy
IECC Adoption Hearing

Southern Nevada Home Builders Association
4175 S. Riley Street, Suite 100, Las Vegas, NV 89147
May 17, 2018

Please Print Full Name	Business Representing	Telephone Number (please include area code)	Speakin g Y/N	E-Mail Address
16 Fredric Zuery	Southwest Gas	(702) 588-7720	N	fredric.zuery@sasgas.com
17 Brandon Bartlett	Ei Engineering Energy Inspectors	(702) 333-4608	N	bbartlett@eicompanies.com
18 Amanda Moss	SNHBA	702 540 1881	N	Amanda.@snhba.com
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Governor's Office of Energy
IECC Adoption Hearing

Elko City Hall – City Council Chambers
1753 College Avenue, Elko, NV 89801
May 23, 2018

	Please Print Full Name	Business Representing	Telephone Number (please include area code)	Speak in g Y/N	E-Mail Address
1	Jane M. Schwanert	City of Elko	777-7220		jschwanert@elkocitynv.gov
2	Christa Tibbitts	City of Elko	777-7220		ctibbitts@elkocitynv.gov
3	Melbourne Lawrence	City of Elko	775-777-7220	N	mlawrence@elkocitynv.gov
4	Jeff S. Ford	City of Elko	777-7220	N	JFord@elkocitynv.gov
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GOVERNOR'S OFFICE OF ENERGY

Small Business Impact Statement

In October of 2017, the Governor's Office of Energy (GOE) solicited comments via e-mail from over 250 stakeholders relative to the adoption of the 2018 International Energy Conservation Code (IECC). Per NRS 701.220 Sec. (8), these stakeholders included "*Persons in the business of constructing and selling homes, Contractors, Public utilities, Local building officials; and the general public*". The stakeholders also included 125 attendees from the four 2015 IECC trainings held in June of 2017. Those trainings were conducted in order to educate participants about the 2015 IECC provisions. The e-mail posed the following question to the stakeholders:

1. What is the estimated economic effect of the proposed regulation, if any, on small businesses, which these changes will regulate, including, without limitation:
 - (a) Both adverse and beneficial effects; and
 - (b) Both direct and indirect effects.

The GOE reviewed the 2018 IECC provisions, the responses received by the stakeholders, as well as other code comparison documents available on the web. Of the over 250 solicitations, 35 responses were received. The respondents generally stated that the changes would have positive impacts upon small businesses because the 2018 IECC standards improve upon standards established in the 2012 IECC standards. Small businesses will benefit from increased energy efficiency in their buildings through reduction in overall energy usage after implementing the new standards for new construction or retrofit applications. Some concern was expressed regarding education and training needs, but the GOE currently offers a minimum of four (4) trainings per year to address the education and training needs associated with the adoption of a new energy code. The Northern Nevada ICC committee has also expressed their intent to adopt the 2018 IECC and provide training.

Based on the GOE's review of the 2018 IECC provisions, the summary of responses from the stakeholders, along with other code comparison documents available on the web, the Director determines that the proposed regulation changes are not likely to impose a direct or significant economic burden on small businesses. Adoption of the most recent IECC will allow for the encouragement of the construction of energy efficient buildings as well as the installation of energy efficient upgrades in existing buildings in the State of Nevada.

Sincerely,

Handwritten signature of Angela Dykema in cursive script.
Angela Dykema, Director

BRIAN SANDOVAL
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Director



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GOVERNOR'S OFFICE OF ENERGY

NOTICE OF ADOPTION OF REGULATION

The Governor's Office of Energy adopted regulation, assigned LCB File No. R153-17, which pertains to chapter 701 of the Nevada Administrative Code on May 23, 2018. A copy of the regulation as adopted is attached hereto.

A handwritten signature in cursive script, appearing to read "Angela Dykema", is written over a horizontal line.

Angela Dykema, Director

5-25-18

Date

PROPOSED REGULATION OF
THE DIRECTOR OF THE OFFICE OF ENERGY

LCB File No. R153-17

March 6, 2018

EXPLANATION – Matter in *italics* is new; matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §§1 and 2, NRS 701.220.

A REGULATION relating to energy conservation; revising provisions governing the adoption by reference of the *International Energy Conservation Code*; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Director of the Office of Energy to adopt regulations for the conservation of energy in buildings, including manufactured homes. The regulations must include the adoption of the most recent version of the *International Energy Conservation Code*, issued by the International Code Council, and any amendments to the *International Energy Conservation Code* that will not materially lessen the effective energy savings requirements of the *International Energy Conservation Code* and are deemed necessary to support effective compliance and enforcement of the *International Energy Conservation Code*. The regulations also must establish the minimum standards for: (1) The construction of floors, walls, ceilings and roofs; (2) The equipment and systems for heating, ventilation and air-conditioning; (3) Electrical equipment and systems; (4) Insulation; and (5) Other factors which affect the use of energy in a building. Finally, the regulations must provide for the adoption of the most recent version of the *International Energy Conservation Code*, and any amendments thereto, every third year. (NRS 701.220)

Existing regulations provide that: (1) The Director has adopted by reference the 2012 *International Energy Conservation Code*; (2) On or before July 1, 2015, and every third year thereafter, the Director will review the most recent version of the *International Energy Conservation Code*, including any amendments thereto, and will adopt by reference the most recent version of the *International Energy Conservation Code* and prescribe by regulation such amendments to the most recent version of the *International Energy Conservation Code* as the Director deems necessary to support effective compliance with and enforcement of the *International Energy Conservation Code* in this State; and (3) The Director will post on an

Internet website maintained by the Office of Energy the notice of adoption of the most recent version of the *International Energy Conservation Code*, the date of adoption and any amendments to the *International Energy Conservation Code* adopted by the Director by regulation. (NAC 701.185)

Section 1 of this regulation: (1) Provides that the Director adopts by reference the most recently published form of the *International Energy Conservation Code* unless the Director gives notice that the most recently published form is not suitable for this State; (2) Adds provisions currently contained in NAC 701.187 concerning the availability of the *International Energy Conservation Code*; and (3) Sets forth the process by which the Director may determine that a particular revision of the *International Energy Conservation Code* is not suitable for this State. **Section 2** of this regulation repeals NAC 701.187, the provisions of which are added to subsection 2 of NAC 701.185 by **section 1** of this regulation.

Section 1. NAC 701.185 is hereby amended to read as follows:

701.185 1. The ~~{2012}~~ *Director hereby adopts by reference the International Energy Conservation Code [is hereby adopted by reference.] in the form most recently published by the International Code Council, unless the Director gives notice that the most recent publication is not suitable for this State pursuant to subsection 3.*

2. ~~{On or before July 1, 2015, and on or before July 1 of every third year thereafter, the Director will review the most recent version of the International Energy Conservation Code, including any amendments thereto, and will adopt by reference the most recent version of the International Energy Conservation Code and prescribe by regulation such amendments to the most recent version of the International Energy Conservation Code as the Director deems necessary to support effective compliance with and enforcement of the International Energy Conservation Code in this State.} *The International Energy Conservation Code and any amendments thereto, including, without limitation, any errata, published by the International Code Council may be obtained from the International Code Council, 25442 Network Place,*~~

Chicago, Illinois 60673-1254, by telephone at (800) 786-4452 or at the Internet address <https://www.iccsafe.org>, ~~for the price of \$31 for members and \$41 for nonmembers.~~ The combined International Energy Conservation Code and ANSI/ASHRAE/IESNA Standard 90.1: Energy Standard for Buildings Except Low-Rise Residential Buildings may be obtained from the International Code Council ~~for the price of \$132 for members and \$147 for nonmembers.~~ Supplemental materials to the International Energy Conservation Code may also be obtained from the International Code Council.

3. The Director will ~~post on an Internet website maintained by the Office the notice of adoption of the most recent version of the International Energy Conservation Code, the date of adoption and any amendments to the International Energy Conservation Code adopted by the Director by regulation.~~ *review each revision of the publication adopted by reference pursuant to subsection 1 to determine its suitability for this State. If the Director determines that the revision is not suitable for this State, the Director will hold a public hearing to review his or her determination and give notice of that hearing within 6 months after the date of the publication of the revision. If, after the hearing, the Director does not revise his or her determination, the Director will give notice that the revision is not suitable for this State within 30 days after the hearing. If the Director does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.*

Sec. 2. NAC 701.187 is hereby repealed.

TEXT OF REPEALED SECTION

701.187 International Energy Conservation Code: Availability. (NRS 701.220) The 2012 International Energy Conservation Code and any amendments thereto published by the International Code Council may be obtained from the International Code Council, 25442 Network Place, Chicago, Illinois 60673-1254, by telephone at (800) 786-4452 or at the Internet address <http://www.iccsafe.org>, for the price of \$31 for members and \$41 for nonmembers. The combined 2012 International Energy Conservation Code and ANSI/ASHRAE/IESNA Standard 90.1-2010: Energy Standard for Buildings Except Low-Rise Residential Buildings may be obtained from the International Code Council for the price of \$132 for members and \$147 for nonmembers. Supplemental materials to the 2012 International Energy Conservation Code may also be obtained from the International Code Council.