



Edison Electric
INSTITUTE

Impacts of New Codes, Laws, and Regulations on Designs / Buildings

Association of Energy Engineers – Utah

Steve Rosenstock, P.E.

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srosenstock@eei.org



Overview

- Energy Standards / Policy “You Need to Know”
- Federal / National Policy and Grants in 2024
 - IRS, DOE, EPA, and USTR
- Building Energy Codes / Standards Updates
- AI! AI! AI!
- State / City News
- Q&A

Question 1: How long have I been working on Codes and Standards?

- 1. 7 Years
- 2. 14 Years
- 3. 21 Years
- 4. Longer than summer interns have been alive

Question 1 Answer

- **Answer: 4. Longer than Interns have been alive!**



Federal / National Issues

IRS / Treasury Finalize Commercial & Industrial Tax Credit Regulations

- In June 2024, final regulations were published for prevailing wage and apprenticeships.
 - “By meeting prevailing wage and apprenticeship requirements under the Inflation Reduction Act of 2022, taxpayers can increase the base amounts of these incentives by 5 times.”
- Requirements apply to:
 - Alternative Fuel Refueling Property Credit (30C, form 8911)
 - Renewable Electricity Production Credit (48, 48E)
 - Qualifying Advanced Energy Project Credit (48C industrial)
 - Energy efficient commercial buildings deduction (179D)

IRS / Treasury Finalize Comm / Ind Tax Credit Regulations – Information Links

- Web site links with more information:
- <https://www.irs.gov/credits-deductions/prevaling-wage-and-apprenticeship-requirements>
- <https://www.govinfo.gov/content/pkg/FR-2024-06-25/pdf/2024-13331.pdf>
- <https://www.irs.gov/pub/irs-pdf/p5886.pdf>
- <https://www.irs.gov/credits-deductions/businesses>
- <https://www.irs.gov/credits-deductions/businesses/advanced-energy-project-credit>

IRS / Treasury Finalize Comm / Ind Tax Credit Regulations Update

- Status update (as of November 15, 2024):
- Congress is meeting in a “lame duck” session. Key issues are:
 - FY 2025 Government funding. The current continuing resolution (CR) lasts until December 20, 2024.
 - “Must Pass” National Defense Authorization Act (NDAA).
 - “Must Pass” Farm Bill.
 - Disaster Relief Supplemental Funds.

IRS / Treasury Finalize Comm / Ind Tax Credit Regulations Update (continued)

- They are not going to work on tax laws until 2025, when many of the 2017 federal tax cuts expire.
- Analysis: Projects that are “placed in service” by December 31, 2024, will most likely not lose their federal tax or funding incentives.
- Things could change significantly for projects starting or completing in 2025.

EPA Issues \$4.3 Billion in Climate Pollution Reduction Grants

- In July 2024, EPA announced the selections for these funds.
- The 25 selected applications came from states, local governments, Tribes, and coalitions of these entities.
- Selected applicants will use the \$4.3 billion in funding to implement local and regional climate pollution reduction measures to significantly reduce greenhouse gases (GHGs) by 2030 and beyond.
- *11/15/2024 note: funds that have been delivered with contracts are not likely to get “clawed back”.*

EPA Issues \$4.3 Billion in Climate Pollution Reduction Grants – By Sector

- Transportation: \$1.18 billion
- Buildings: \$1.06 billion
- Agriculture and Natural/Working Lands: \$931 million in CPRG funds.
- Industry: \$636 million
- Electric Power: \$372 million
- More information is available at:
<https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants-general-competition-selections>

EPA Awards \$27 Billion in Greenhouse Gas Reduction Fund Grants

- In August 2024, EPA announced the final selections.
<https://www.epa.gov/greenhouse-gas-reduction-fund/about-greenhouse-gas-reduction-fund>
- **\$14 Billion National Clean Investment Fund**
 - 3 recipients are to “establish national clean financing institutions that deliver accessible, affordable financing for clean technology projects nationwide.”
- **\$6 Billion Clean Communities Investment Accelerator**
 - 5 recipients are to “establish hubs that provide funding and technical assistance to community lenders working in low-income and disadvantaged communities.”
- **\$7 Billion Solar for All program**
 - 60 recipients to expand solar in disadvantaged areas.

EPA Issues Final Rule on RICE Units

- On August 30, 2024, EPA published the final rule for reciprocating internal combustion engines in the *Federal Register*.
 - <https://www.govinfo.gov/content/pkg/FR-2024-08-30/pdf/2024-18766.pdf>
- Diesel Emergency Generators over 75 kW (100 hp).
 - Regulations on existing and new generators.
 - Includes maintenance and reporting requirements starting in 2025.
- Only allows generators to operate for 50 hours per year for grid support.

EPA Issues Final Rule on HFC Equipment in New and Existing Buildings

- On September 23, 2024, EPA “pre-published” the final rule for management of HFC’s in HVAC, refrigeration, and fire suppression equipment. Here are key links:
- EPA Web site: <https://www.epa.gov/climate-hfcs-reduction/regulatory-actions-managing-hfc-use-and-reuse>
- EPA Fact Sheet with key dates: <https://www.epa.gov/system/files/documents/2024-09/err-fact-sheet.pdf>
- Many requirements start on January 1, 2026.

DOE Awards \$240 Million for Building Energy Codes and Standards Updates (8/27/2024)

- This is from the IRA law for “new and innovative codes”.
- Of the 19 awards:
 - 17 are for (existing) building performance standards.
 - 2 are for new building energy codes/standards.
- \$ 17.5 million (7.3%) is for new building codes / standards
- \$222.5 million (92.7%) is for existing building performance standards
 - Under the IRA law, DOE has \$1.0 Billion for building codes.

Question 2 on Building Performance Standards

- Currently, 4 states and 9 cities/counties have enacted BPS laws. What will the DOE awards increase these numbers to?
- 1. 5 states and 12 cities/counties
- 2. 6 states and 18 cities/counties
- 3. 6 states and 23 cities/counties
- 4. 10 states and 35 cities/counties

Question 2 on Building Performance Standards

- Answer: **3. 6 states and 23 cities/counties**

DOE Awards \$90 Million for Building Energy Codes and Standards Updates (9/16/2024)

- This funding is from the IIJA/BIL law for “resilient and efficient building codes”.
- There were 25 awards granted, across multiple states and regions of the US.
 - In July 2023, 27 awards were granted for a total of \$90 Million in the first round of funding.
 - Under IIJA / BIL, DOE has \$225 Million to spend on this activity.
- More project information can be accessed at:
 - <https://www.energy.gov/eere/buildings/articles/meet-btos-2024-cohort-projects-support-more-resilient-and-efficient>

DOE Awards \$90 Million for Building Energy Codes and Standards Updates (9/16/2024)

- DOE is authorized by IRA and IIJA/BIL (combined) to eventually spend up to \$1.225 Billion on these activities.
- DOE has already spent \$1.11 Billion on building energy codes activities as of November 2024.

US Trade Representative Proposes New/Updated Tariffs on Chinese Products

- May 28, 2024, proposal to increase tariffs on:
 - August 1, 2024, for steel, aluminum, solar cells, solar modules, critical materials, EV's, and Lithium-Ion EV batteries;
 - January 1, 2025, for semiconductors;
 - January 1, 2026, for lithium-ion non-EV batteries and natural graphite.
- On July 30, USTR said it was still reviewing over 1,100 comments and delaying a final determination.
- On August 30, USTR said it was still deciding.
 - USTR said the 2024 tariffs will take effect approximately two weeks after it makes the final determination public.

USTR Finalizes New/Updated Tariffs on Chinese Products

- On Sept. 13, 2024, the USTR announced increases:
 - Battery parts: from 7.5% to 25% on September 27, 2024.
 - Electric Vehicles (EVs): from 25% to 100% on 9/27/2024
 - Lithium-Ion EV batteries: from 7.5% to 25% on 9/27/2024.
 - Steel and Aluminum: from 0 – 7.5% to 25% on 9/27/2024.
 - Solar Cells/Modules: from 25% to 50% on 9/27/2024.
 - Semiconductors: from 25% to 50% on January 1, 2025.
 - Graphite: from 0% to 25% on January 1, 2026.
 - Lithium-Ion non-EV batteries: from 7.5% to 25% on 1/1/2026.
 - Permanent magnets: from 0% to 25% on January 1, 2026.

Question 3 on Tariffs and China

- Question #3: For items with tariffs going into effect in 2024 (except EV's), what is China's global market share (as of 2022-2023)?
 - 1. 5% to 14%
 - 2. 15% to 29%
 - 3. 30% to 53%
 - 4. 54% to 97%

Question 3 Answer

- Answer: **4. 54% to 97%**
- (for EV's, China only had a 35% market share worldwide in 2023)
- Will US manufacturers be able to get new supply chains and ramp up production?

Building Energy Codes & Standards News

International Code Council Publishes IECC 2024

- In August 2024, the ICC published the official version of the IECC 2024 (Residential and Commercial).
 - DOE now has 1 year to make a determination whether IECC 2024 saves more energy than IECC 2021.
 - Once DOE makes their determination, states will have 2 years to update their residential building energy codes to meet or exceed IECC 2024.

ICC Board of Directors Decisions on Final Version of IECC 2024

On March 20, 2024, the ICC Board of Directors published their final decisions on the appeals and the final version of IECC 2024.

The ICC Board upheld all appeals. They moved the following from the main “normative” section to voluntary appendices:

- Heat pump buildings energy credits
- Demand response equipment / controls
- Electric vehicle charging infrastructure
- Electric energy storage system readiness
- Residential solar readiness (but not commercial)
- Residential electric readiness

ICC Board of Directors Decisions on Final Version of IECC 2024 (cont'd)

The ICC Board of Directors also decided:

Appendix CG (all-electric commercial) and Appendix RE (all-electric residential)

Moved to a new “resource” section “due to significant risk of preemption based on case law”.

Appendix CD Section CD101.1 and Table CD101.1 (prescriptive glide path to net zero):

Also moved to the “resource” section due to “significant risk of preemption based on an inability to comply with minimum efficiency equipment”.

Appendix RG (glide path to net zero)

Retained as an appendix along with a “cautionary note regarding the limited compliance options for minimum efficiency equipment in specific climate zones”.

ICC Starts Work on IECC 2027

- Over the past several months, the ICC:
 - Asked for input to improve the process for creating the IECC 2027.
 - Issued a call for Energy Code Committee members.
 - Asked for feedback on the draft Scope and Intent of the IECC 2027 (along with Board of Directors commentary).
- Comments / Applications were due August 19, 2024.
- Did your company submit any comments?
- Did you apply for committee membership?
 - The 2027 process has started.

ICC Publishes Final Scope and Intent for IECC 2027

- In September, the ICC published the final version of the 2027 Energy Code Scope & Intent, along with Board of Directors Commentary.
- These are the “rules of the road” for what can be in the main part of the code and what goes into appendices.
- Proposed changes due to ICC by December 9, 2024.
- Links for more information:
 - <https://www.iccsafe.org/content/2027-iecc-scope-intent-and-board-commentary-final-public-notice/>
 - <https://www.iccsafe.org/committees/energy-iecc/>

DOE Issued Final Positive Determination of ASHRAE 90.1-2022



On March 6, 2024, DOE published its determination that ASHRAE 90.1-2022 is more energy efficient than ASHRAE 90.1-2019.



States now have until March 6, 2026, to update their state energy codes and submit certification statements to DOE.



Unlike the last several versions of 90.1 (going back to 2007), DOE did not release a preliminary determination for public review.

Impact of Energy Codes on Energy Usage (DOE Analysis)



Estimated Improvement in Residential & Commercial Energy Codes
(1975 - 2022)



*Net energy use includes the contribution of renewable energy generation

DOE Determinations and State Energy Code Updates

- Question #4: On July 28, 2021, DOE made a positive final determination for ASHRAE 90.1-2019, starting the “two-year clock” for state compliance (by 7/28/2023).
- How many states have updated their commercial energy codes to meet or exceed the 2019 version (as of September 25, 2024)?
 - 1. 11
 - 2. 14
 - 3. 25
 - 4. 48

DOE Determinations and State Energy Code Updates

Answer:
14

- Source: US Department of Energy, available at: <https://public.tableau.com/app/profile/doebecp/viz/BECPStatusofStateEnergyCodeAdoptionWeb/CommercialPortal>

Status of State Commercial Building Energy Codes (September 2024)

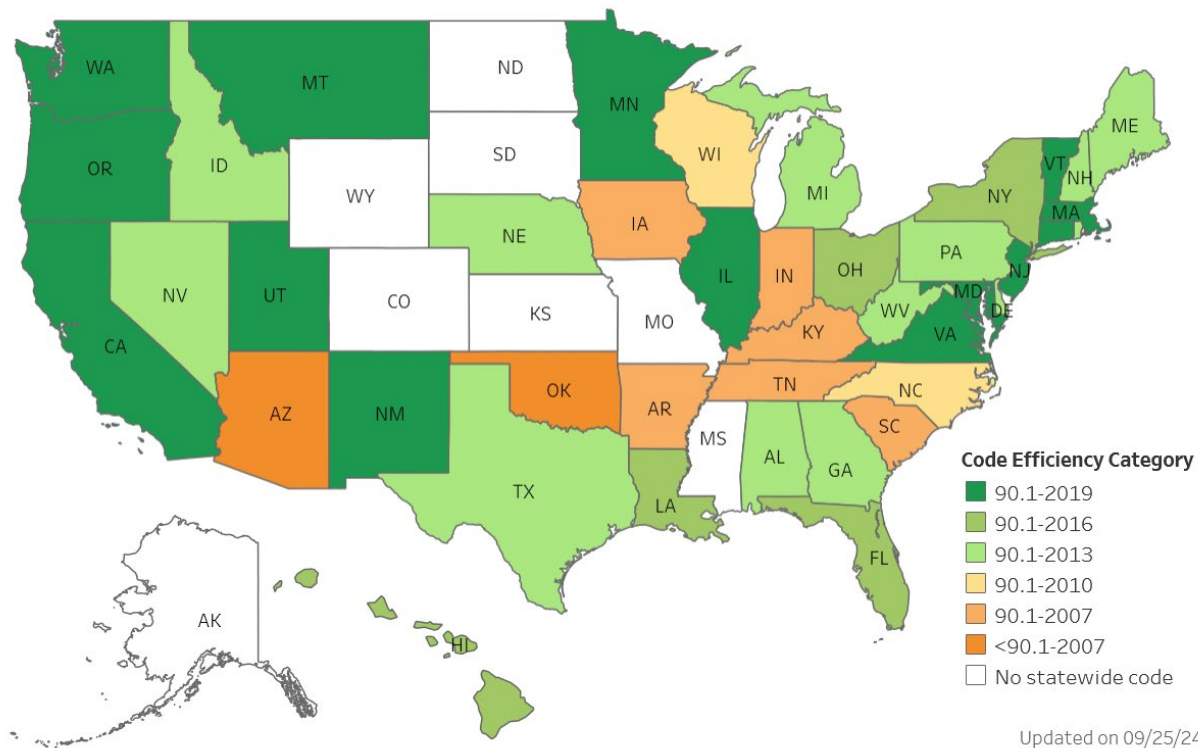


Table 1. Status of State Energy Code Adoption Map Summary - Commercial

ASHRAE Starts to Include GHG Emissions Metrics Into 90.1-2025

- Changes are being proposed for the 2025 version.
- ASHRAE 90.1-2025, 2028, and 2031 Work Plan calls for more efficiency, more renewable energy, and:

Reducing CO₂e emissions by **65%** compared to 2004 levels in 90.1-2025

Reducing CO₂e emissions by **83%** compared to 2004 levels in 90.1-2028

Reducing CO₂e emissions by **100%** compared to 2004 levels in 90.1-2031

- Operational emissions, not embodied/embedded emissions.

Big changes proposed for ASHRAE 90.1-2025

Title/Purpose/Scope (TPS) Updates

- Addendum aa – Add GHG emissions reductions to TPS.*
- Addendum ap – Add transportation energy transfer infrastructure to TPS (EV charging and non-EV fueling).*
- *Both were out for public review until November 10, 2024.

Normative Additions

- Addendum aq - Renewable energy updates.*
- Addendum az – EV charger efficiency requirements (where installed).*
- *Both were out for public review until October 6, 2024.

ICC and ASHRAE Goals for Minimum Energy Codes / Standards

- ICC Board of Directors has declared that the IECC Residential and Commercial Energy Codes will be “net zero energy” by 2030.
- ASHRAE Board of Directors has declared that Standard 90.1, by 2030, will be:
 - “Net Zero Energy” (declared in 2010) and
 - “Net Zero Emissions” (declared in 2022)
- Recall that these are minimum energy codes for all new / renovated buildings.

DOE Defines “Zero Emissions Building” (Part 1, for operations)

- In June 2024, DOE issued a “national definition”.
- It is a guidance document, not a regulation or DOE certification. To qualify, a building must be:
 - Energy Efficient
 - Free of on-site emissions from energy use*
 - *exception for testing of emergency backup generators and use of generators only during emergencies.
 - Powered solely by “clean energy”.
- DOE also stated that 8 US green building certification programs will embed, align, or exceed this.

DOE Final Rule on “Clean Energy” for New and Renovated Federal Buildings

- In May 2024, DOE published the final rule, which was effective on July 15, 2024. New/renovated buildings have to reduce on-site “fossil fuel generated energy”:
 - By 90% in Fiscal Years 2025 to 2029.
 - By 100% in FY 2030 or later.
 - Compared to similar buildings in FY 2003
- Applies to fossil fuel use in operational end-uses only.
- Does not allow renewable electricity to offset on-site fossil fuel use.
 - Excludes industrial / manufacturing process loads.

AI! AI! AI!

AI and Electricity Usage

- Who has done a Google search recently?

Google

how much energy does ai use



◆ AI Overview

Artificial intelligence (AI) uses a lot of energy, and the amount is growing: 

Generative AI is experimental.



AI and Electricity Usage

- How much will AI increase electricity usage by computers in your building and at data centers?
 - A single ChatGPT query “requires 2.9 watt-hours of electricity, compared with 0.3 watt-hours for a Google search, according to the International Energy Agency.”
 - “Goldman Sachs has estimated that electricity use by data centers will increase 160 percent by 2030.”
 - “A recent forecast by the International Energy Agency projected that demand would more than double by 2026.”
 - Source: https://www.nytimes.com/2024/08/26/climate/ai-planet-climate-change.html?unlocked_article_code=1.GE4.PhN1.tDEU1X33sg17&smid=nytc-ore-ios-share&referringSource=articleShare

AI and Electricity Usage

- Question #5: According to the *New York Times* article, the computing output of the world's data centers jumped **sixfold** (about 500%) from 2010 to 2018,
- How much did data center energy consumption increase?
 - 1. 500%
 - 2. 250%
 - 3. 100%
 - 4. Some lower %

AI and Electricity Usage – Answer

- Answer: 4. Some lower % **6%**
 - Higher process efficiency + higher cooling efficiency =
 - Lower PUE values. From EPRI May 2024 Report:

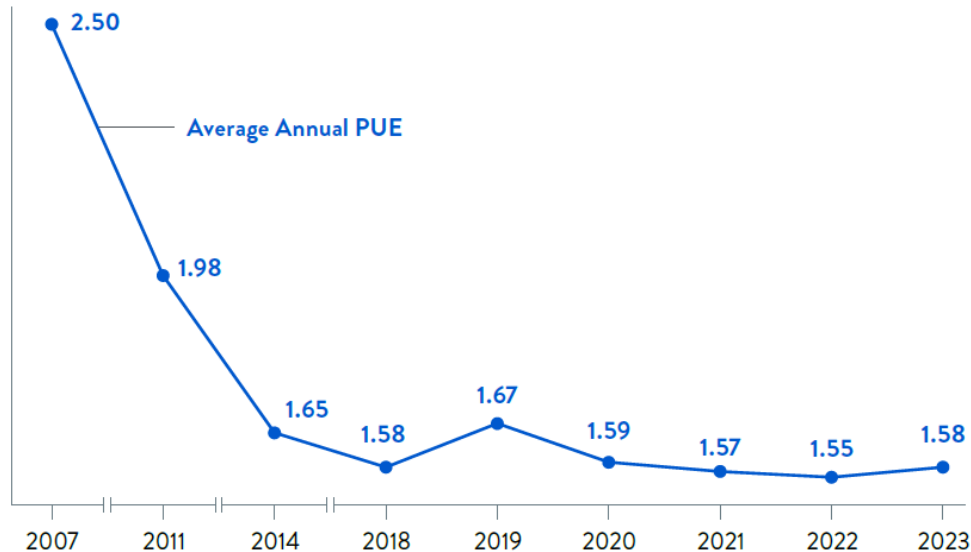


Figure 7. Average annual PUE in data centers, 2007–2023 [26, 29]

EPRI Report on AI and Electricity Usage

- EPRI May 2024 White Paper “Powering Intelligence”

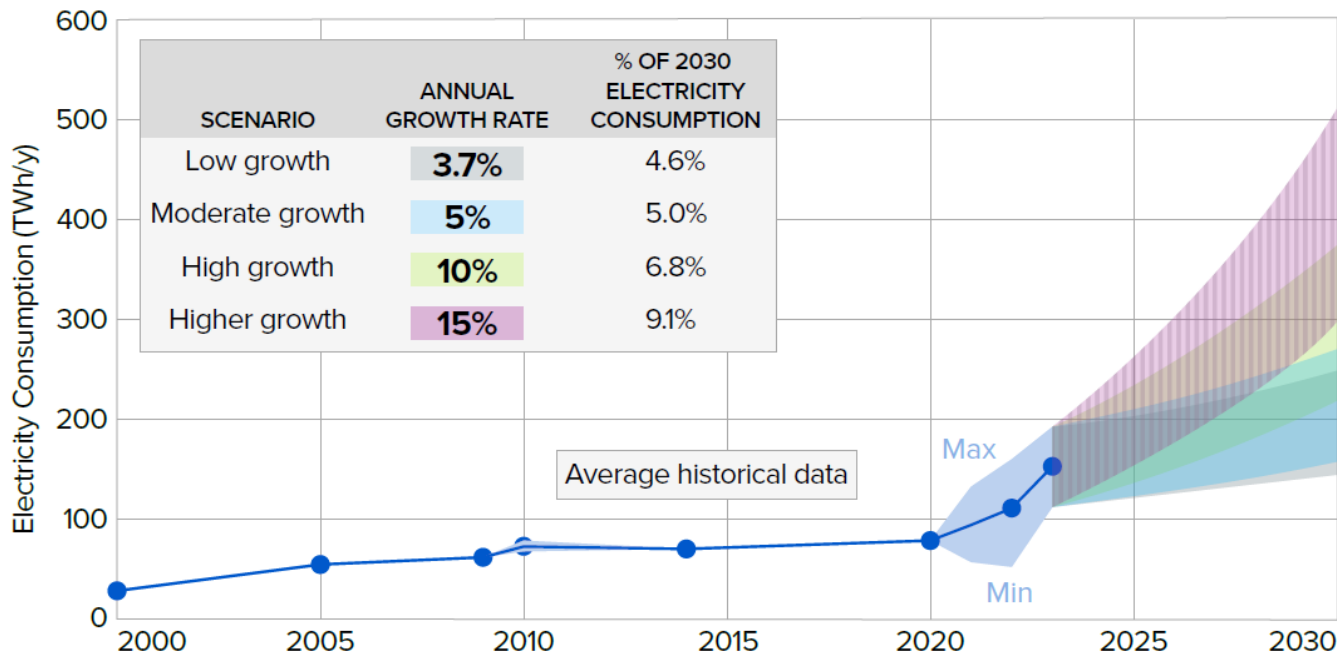


Figure ES-1. Projections of potential electricity consumption by U.S. data centers: 2023–2030 . % of 2030 electricity consumption projections assume that all other (non-data center) load increases at 1% annually.

State / City News

CA South Coast Air Quality Management District Rule Approved

- On June 7, 2024, the SCAQMD approved updates to a rule on water heater emissions.
 - It requires new and existing buildings to transition to zero-emission residential and commercial water heating systems (including pool heaters, water heaters, boilers, and process heaters).
 - These water heating systems also are required to meet a zero-emission nitrogen oxides (NOx) standard when replaced.
- Compliance starts on January 1, 2026.

CA South Coast Air Quality Management District Rule Approved

- SCAQMD covers 4 counties: Los Angeles (city and county), Orange, Riverside, and San Bernardino.
- The region is home to over 17 million people (~44% of the population of CA).
- Map of area affected:
<http://www.aqmd.gov/docs/default-source/default-document-library/map-of-jurisdiction.pdf>
- (the Bay Area AQMD approved a similar measure in 2023 for 9 counties in the San Francisco Bay Area that goes into effect in 2027)

CEC Approves Title 24-2025 and 2025 CalGREEN on Sept. 11, 2024

- On March 29, 2024, the CA Energy Commission (CEC) released the “45 Day Language” for the next version of Title 24.
- On June 13, 2024, the CEC released the “15 Day Language” for Title 24.
- On August 16, 2024, the CEC released the “15 Day Language” for the 2025 CalGREEN.
- On August 22, 2024, the CEC released an updated “15 Day Language” for Title 24 (only changes since June were open for comments).

Significant Changes Approved for Title 24 - 2025

- Title 24 - 2025 biggest “game changers”:
 - Mandatory solar thermal or heat pump water heaters for pools and spas.
 - All-electric readiness required for Commercial Kitchens.
 - Increased prescriptive requirements for solar PV and battery energy storage at commercial buildings (and more building types are now covered).
 - New prescriptive heat pump requirements for certain commercial existing buildings (Retail, Office, & Schools).
- Title 24 - 2025 enforcement starts on January 1, 2026.

Title 24 – 2025 PV Examples

- Title 24 – 2022 PV requirements (Sect 140.10):
 - Hotels: 0.39 – 0.58 W/ft² of conditioned floor area
 - Restaurants: 0.39 – 0.58 W / ft² of conditioned floor area
 - Retail: 2.62 – 3.53 W / ft² of conditioned floor area
- Title 24 – 2025 PV requirements (as of 1/1/2026):
 - Hotels: 1.66 – 2.72 W/ft² of conditioned floor area
 - Restaurants: 8.16 – 12.25 W / ft² of conditioned floor area
 - Retail: 3.01 – 4.60 W / ft² of conditioned floor area
 - <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/2025-building-energy-efficiency> (under “Rulemaking” tab)

CA Restaurant Association / Berkeley Settlement on Gas Ban

- On March 22, 2024, the CRA and the City of Berkeley announced a settlement. The city agreed to halt enforcement of the ban on natural gas piping.
 - The Berkeley City Council will repeal the ordinance.
 - The parties agreed to put the case on hold to allow the City time to take pass the repeal.
 - After the repeal is passed, the case will be dismissed.
- After nearly 4½ years of court cases....
- **But wait, there is more from Berkeley!!!**

Berkeley Initiative on November 2024 Ballot

- On July 30, 2024, the Berkeley City Council voted to add an ordinance on the ballot to add a tax on buildings larger than 15,000 sf that use natural gas.
- It is the “Large Buildings Fossil Fuel Emissions Tax”.
 - If passed, the tax would be assessed on 609 buildings starting in 2025 and collection would start in 2026.
 - In 2025, the first rate would be \$2.96 per therm of natural gas.
 - Then it will rise annually by the US CPI % increase plus 6%.
 - If CPI = 2-3%, then tax doubles every 8-9 years. So about \$6 per therm by 2034 and about \$12 per therm by 2043...

Berkeley Initiative on November 2024

Ballot Results

- In November, the results on the large building natural gas tax were tabulated. As of November 15, 2024:
- **No** **71.75%** **(26,317)**
- **Yes** **28.25%** **(10,364)**

Colorado PUC Approves Xcel Energy Clean Heat Plan

- On June 10, 2024, the CO PUC approved Xcel Energy Colorado's 2024-2028 Clean Heat Plan.
- It includes:
 - \$310.5 Million in direct incentives and rebates to reduce gas use and end-use electrification.
 - \$32 Million to promote all-electric new construction.
 - \$30.5 Million for market transformation projects.
 - \$10 Million for recovered methane purchases.
- In August, Atmos Energy and Black Hills Colorado Gas reached settlements with the PUC on their Clean Heat Plans.

Colorado State and Denver Sued over Building Performance Standards

- In late April, the state of Colorado and the city of Denver were sued.
 - Denver started this year, for buildings over 25,000 square ft.
 - CO state starts in 2026 for buildings over 50,000 square feet.
- Plaintiffs: Colorado Apartment Association; Apartment Association of Metro Denver; Colorado Hotel and Lodging Association; and the CO chapter of the Commercial Real Estate Development Association.
 - In June, the city and county of Denver asked a US District Court to throw out the lawsuit. No update as of 11/13/24.

Colorado State and Denver Receive EPA Grants

- In July, EPA announces \$4 Billion in decarbonization grants nationwide.
 - The State of Colorado received \$129 million for its “Colorado Decarbonization Accelerator,” which will fund energy efficiency improvements in commercial and multifamily buildings across the state, and fund local government projects to reduce emissions from all sectors.
 - The Denver Regional Council of Governments (DRCOG) received nearly \$200 million grant on behalf of its 58 member governments for its “Decarbonize DRCOG” initiative for homes and buildings.

Colorado State and Denver Receive DOE Grants

- In August, DOE announced \$240 Million for advanced building codes and standards nationwide.
 - Colorado will create a statewide program that will provide technical assistance and resources to under-resourced buildings (URBs) to directly respond to the needs identified by disadvantaged communities to comply with Colorado's building performance standard. (Award amount: \$20 million)
 - Denver, Colorado will implement and enforce their existing 2022 Denver Building Energy Code, as well as providing funds for the adoption and implementation of future code cycles. (Award amount: \$7.5 million)

Nevada – Local / Regional Bans on Evaporative Cooling

- In 2022, the Southern Nevada Water Authority passed a resolution supporting a moratorium on installing and using evaporative cooling systems in new commercial and industrial buildings in the Las Vegas Valley.
- Local jurisdictions have adopted this measure into building codes and ordinances. For Clark County:
 - <https://webfiles.clarkcountynv.gov//Building%20&%20Fire%20Prevention/Industry%20Notices/2023/Notice%20to%20Industry%20-%20evaporative%20cooling%20moratorium%2008-03-23.pdf?t=1691599602912&t=1691599602912>

New York Gets Statewide Ban on Fossil Fuels in New Buildings - Update

- In October 2023, the state was sued over its gas ban.
- The case is *Mulhern Gas Co. v. Rodriguez* and was heard in the United States District Court for the Northern District of New York.
 - Other plaintiffs include NAHB, NPGA, IBEW, and NY State Builders Association.
- The judge dismissed the lawsuit on August 29, ruling in favor of the New York State Attorney General's office.
 - Will the plaintiffs take this to Circuit Court?
 - If so, how long will it take to decide?

Background on New York Statewide Ban on Fossil Fuels in New Buildings*

- On May 3, 2023, Governor Hochul signed the first US statewide ban into law. The ban was approved as part of the annual budget process.
- The ban starts for new homes, multi-family buildings, and businesses with 7 floors or fewer (and under 100,000 square feet) on January 1, 2026.*
- The ban expands to all new buildings on 1/1/2029.*
- *There are several exceptions.
 - Such as alterations and additions to existing buildings.

Exceptions in the New York Statewide Ban on Fossil Fuels in New Buildings**

- **Fossil fuel ban exceptions:
 - Manufacturing facilities
 - Restaurants
 - Laboratories
 - Car Washes
 - Laundromats
 - “Critical Infrastructure”
 - ***The exceptions are not permanent. The NY State Building Code Council can revoke any or all of them based on the state’s progress towards clean energy and climate goals.
- Where the PSC determines that the grid can’t provide enough electric service to a building project.
- Hospitals
- Mobile Homes
- Standby emergency generators

Key Washington State Initiatives on the November 2024 Ballot & Results

- Initiative 2117, the “Prohibit Carbon Tax Credit Trading Initiative,” would repeal the 2021 law, the “Climate Commitment Act”, that established the state’s cap and invest program to reduce greenhouse gas emissions.
- Carbon prices have dropped since last year.
- As of November 14, 2024, the vote was:
 - Yes 37.99% (1,399,830)
 - **No 62.01% (2,284,775)**
- (about 90% of the votes have been tabulated as of 11/14/2024)

Key Washington State Initiatives on the November 2024 Ballot & Results

- Initiative 2066, the “Protect Energy Choice Initiative,” would prohibit both state and local governments from restricting the use of natural gas in buildings.
- This would have an impact on the state’s building energy codes and recently enacted state laws (such as HB 1589).
 - If it passes, Washington would be the 27th state to prohibit local gas bans (Nebraska became #26 in April 2024).
 - Washington state is currently being sued over its most recent state building energy code.

Key Washington State Initiatives on the November 2024 Ballot & Results

- For Initiative 2066 as of November 14, 2024:
- Yes 51.65% (1,888,697)
- No 48.35% (1,767,994)

- About 90% of the votes have been tabulated.

Key Washington State Initiatives on the November 2024 Ballot & Results

- Here are links with articles and ads about 2066:
 - <https://www.kuow.org/stories/energy-foes-spar-with-misleading-claims-over-natural-gas-initiative-2066> Article about initiative 10/31/24
 - <https://www.protectenergychoice.com/news> WA state newspaper editorials and ads in favor of 2066
 - <https://www.nwprogressive.org/weblog/2024/10/defend-washington-unveils-second-ad-urging-a-no-vote-on-initiatives-2066-2109-2117-and-2124.html> Article and ads against 2066
 - <https://www.pse.com/en/press-release/details/Facts-about-Initiative-2066-for-PSE-natural-gas-customers> PSE fact sheet on 2066
- (The next slide shows the results from my focus group...)

Summary



Summary

- The rules/regulations for federal tax incentives have been finalized for your projects completed and “placed in service” by December 31, 2024.
- More and more lawsuits = Even More Regulatory Uncertainty for Designers and Owners
- EPA and DOE funds are assisting more states and localities on building efficiency and decarbonization.
- AI will have an impact on the energy usage of data centers (and elsewhere).

Q & A

The floor is open!

The Edison Electric Institute (EEI) is the association that represents the U.S. investor-owned electric industry. Our members provide electricity for 220 million Americans, operate in all 50 states and the District of Columbia, and directly employ more than 500,000 workers. Safe, reliable, affordable, and clean electricity powers the economy and enhances the lives of all Americans.

The EEI membership also includes dozens of international electric companies as International Members, and hundreds of industry suppliers and related organizations as Associate Members.

Since 1933, EEI has provided public policy leadership, strategic business intelligence, and essential conferences and forums for the energy industry.

For more information, visit our Web site at www.eei.org.



Edison Electric Institute
701 Pennsylvania Avenue, NW
Washington, D.C. 20004-2696
202-508-5000 | www.eei.org