

Sent via Electronic Mail

May 8, 2024

Finance, Governance and Public Safety Committee
City Council of Kansas City
414 East Twelfth Street, Floor 26
Kansas City, Missouri 64106
public.testimony@kcmo.org

Re: Oppose Roll Back of the Current Kansas City Building Energy Code

Dear Vice Chairman Lucas and Members of the Finance, Governance and Public Safety Committee,

The Polyisocyanurate Insulation Manufacturers Association (PIMA) urges Kansas City to retain the 2021 IECC for residential and commercial buildings and oppose the weakening amendments that would increase energy costs to building and homeowners, as proposed under ordinance 240434. Keeping the City's energy code updated to the current version of the IECC is an important and cost-effective policy for addressing the negative economic and environmental consequences of building energy waste – a sector that is responsible for 40 percent of total U.S. energy use. Also, adoption of the updated energy code will help Kansas City achieve a range of benefits, including:

- Reduced peak energy demand and grid reliability.
- Lower energy costs for building owners, tenants, and homeowners.
- Improved resiliency to severe weather.
- Increased habitability during power outages.
- Decreased need for additional, costly power generation.
- Reduced air pollution related to energy generation.
- Improved energy productivity and a stronger economy.

Cost-Effectiveness: Fully implementing the 2021 IECC for residential and commercial buildings will save Kansas City residents and businesses money and increase employment. This version of the IECC as compared to earlier versions has been determined cost-effective by the U.S. Department of Energy (DOE). For residential buildings purchased with a mortgage, there would be a positive net savings within 2 years. Over 30 years, the net present value of the energy savings from the 2021 IECC for residential buildings is \$13,215. DOE does not estimate the impact on employment for Kansas City alone, but if the entire state were to adopt the 2021 IECC the impact on employment would be an increase of more than 11,000 jobs.¹

Compliance Flexibility: The IECC also provides builders with significant flexibility in the design and construction of homes. Under the 2021 IECC, homebuilders can use numerous compliance pathways to construct a home that meets modern standards for energy efficiency – the prescriptive requirements for

¹ Pacific Northwest National Laboratory for U.S. Department of Energy, see [Cost-Effectiveness of the 2021 IECC for Residential Buildings in Missouri](#).

wall insulation, as an example, are just one option afforded to homebuilders under the code. While the 2021 IECC provides options, more and more builders are deciding to build homes with proven technology such as continuous insulation installed on the exterior of walls, which provide benefits beyond energy savings, including reduced air and moisture intrusion and improved comfort.

Dispute Regarding Incremental Construction Costs: The Home Builders Association of Greater Kansas City claim that the incremental cost of complying with the 2021 IECC is approximately \$32,000.² In 2021 the Pacific Northwest National Laboratory (PNNL) calculated that the incremental costs of construction for Missouri’s climate zone 4 (which includes Kansas City) when adopting the 2021 IECC compared with the 2009 IECC would be approximately \$7,000 for an average single-family house.³ PNNL developed this estimate using a transparent and robust methodology that was developed with the help of a wide range of stakeholders, including the National Association of Home Builders. It is reasonable to assume that construction material prices have increased since this report was published (July 2021), but it is hard to believe it could have increased to \$32,000, more than a quadrupling of the cost! At the very least, we urge the Council to reach out to DOE for an updated cost-effectiveness analysis before acting on any changes to the City’s energy code.

Impact of Codes on Home Prices: There is no guarantee that reducing construction costs by removing these energy efficiency measures will be passed on to the consumer. Home prices for both new and existing homes are influenced by a number of market and economic factors that are unrelated to the installation of energy efficiency products and practices. There is not a direct 1-for-1 connection between energy code requirements and home prices. However, there is a direct and positive impact on operational costs. Poorly insulated homes might reduce the initial cost of construction, but at a significant expense to the buyer and subsequent homeowners.

About PIMA

PIMA is the trade association for North American manufacturers of rigid polyiso foam insulation – a product that is used in most low-slope commercial roofs as well as in commercial and residential walls and below grade. Polyiso insulation products and the raw materials used to manufacture polyiso are produced in over 50 manufacturing facilities across North America, including a manufacturing plant in Sikeston, Missouri.

Thank you for the opportunity to submit these comments. Please contact me should additional information be necessary (jkoscher@pima.org; (703) 224-2289).

Sincerely,



Justin Koscher, President

² Home Builders Association of Greater Kansas City, see [2021 IECC Adoption Consumer Impact](#).

³ Pacific Northwest National Laboratory (PNNL) for the U.S. Department of Energy, see [Cost-Effectiveness of the 2021 IECC for Residential Buildings in Missouri](#).