

OWENS CORNING
GOVERNMENT & INDUSTRY AFFAIRS
1341 G St, NW SUITE 1100
WASHINGTON, DC 20005



July 26, 2022

Ms. Carmen Diaz, Acting Secretary
New Jersey Board of Public Utilities
Division of Clean Energy
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350

Via Email: board.secretary@bpu.nj.gov

RE: Proposed Update to the New Jersey Clean Energy Program
New Construction Program
Docket No. QO22050327

Dear Ms. Diaz:

Owens Corning appreciates the good work of the staff at the Office of Clean Energy, its consultants, and the stakeholders who engaged in the process to draft the proposed program updates. Further, we appreciate the opportunity to offer comment on this work.

We see the programs established by the BPU and the Clean Energy Program as critical and foundational to a rational building decarbonization strategy that establishes Passive House as a pre-requisite and baseline for new and substantially retrofitted residential homes and commercial buildings. The building decarbonization legislation and policy seen in many states has prematurely leapfrogged a persistent life-of-building decarbonization measure -- basic building energy efficiency. The policies in other states have orphaned energy efficiency and instead jumped ahead to the transition away from gas to electricity, and an emphasis on solar, storage, electric appliances, and electric heat pumps and domestic hot water appliances. A rational loading order in any building decarbonization strategy should start with extremely low-load homes and buildings (e.g., Passive House) as a pre-requisite and follow with complimentary electrification measures, guidance on embodied carbon of materials, products and equipment, including operational carbon, and the recyclability of equipment and products.

The BPU is in position to put in place a roadmap, in the form of voluntary incentives, to get New Jersey to Passive House (or an equivalent) as a future code minimum. The Clean Energy Program is the ideal vehicle to catalyze and facilitate the stepped transition to Passive House while allowing market transformation to take place over time to drive down the incremental first costs of achieving Passive House and get to near parity with code minimum construction practices.

Owens Corning supports the above code initiatives in the proposed Clean Energy Program and applauds the coalition that developed these. Additionally, we encourage the BPU to make some small enhancements to the following programs:

1. **EPA's Energy Star New Home Program**
2. **DOE's Zero Energy Ready Home Program**
3. **EPA's Energy Star Multifamily New Construction Program**
4. **Passive House**
5. **Industry Capacity Building through Education and Training**

Energy Star New Homes v3.2: Move forward and immediately adopt the U.S. EPA's most recently approved version (Single-Family New Homes (SFNH) National [v3.2](#)) into the program. This version



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uses the 2021 IECC as a baseline and includes long overdue improvements to the program. We suggest that the EPA's phased and piecemeal transition to v3.2 in the States is an artificial barrier to speedy and achievable adoption of the improved program specifications. If for some reason there are factual and verifiable obstacles to adopting v3.2, then the BPU should offer richer incentives to hitting this target.

Zero Energy Ready Homes v2.0: Move forward and immediately adopt the [U.S. DOE's ZERH Version 2.0](#). This uses the Energy Star Homes v3.2 as a baseline and layers on top other enhancements.

Energy Star Multifamily New Construction v1.2: Move forward and immediately adopt the U.S. EPA's most recently approved version Multifamily New Construction (MFNC) National v1.2.

Passive House: With the expectation that Passive House (or an equivalent) will be the future code minimum in New Jersey, work to drive the following in the Clean Energy Program, encourage these in sister agency programs and in the free market:

- **PHI & PHIUS:** Ensure that both Passive House Institute (PHI) and PHIUS are both included in the Clean Energy Program. Developers, general contractors, trade contractors, design professionals and consultants prefer the option of choosing between PHI and PHIUS for many reasons. Codes and programs should not limit choice and instead let the marketplace decide.
- **Rich Incentives for Passive House in Residential and Commercial/Multifamily:** The Clean Energy Program should disproportionately incentivize Passive House in its programs for new and deep retrofits of homes and buildings. This will help facilitate the market transition to Passive House and help general contractors and trades acclimate to the practices common in such projects.
- **Encourage DCA to include Passive House in Code:** The BPU can weigh in with the Department of Community Affairs (DCA) and encourage that Passive House be included in the energy code as a recognized compliance path for residential and commercial buildings, including retrofits. This is critical as it can give local building departments safe harbor to approve Passive House programs – which far exceed the IECC and ASHRAE 90.1 in energy savings. The DCA could also include Energy Star Homes v3.2, ZERH, and EPA's Multifamily Program v1.2 in code as well.

Industry Capacity Building through Education and Training: the most critical initiative that the BPU can lead on follows proven best practices from MA and NY – that of aggressive education and training of Passive House practices and design principles. Where the training of general contractors, trades, consultants, code officials, and design professionals are in place, we see more rapid adoption of Passive House. Further, we are beginning to see many contractors, builders and trades take Passive House construction practices and techniques into code minimum projects, elevating the performance of these buildings. The same is true of design professionals and specifiers, where we see creep of Passive House principles into code minimum projects. This added value benefit is hard to quantify but it speaks to the “market transformation” benefit that Passive House brings to the market. The BPU should include aggressive funding for capacity building through education and training for the key stakeholders in the market.

We think New Jersey can be the first State in the nation to mandate Passive House as the future code minimum, in ten years or less. While such a mandate may take legislative or executive action, we don't have to wait to put in place core and foundational mechanisms to ease the market transition to Passive House. The BPU's Clean Energy Program, with the above suggested enhancements, can help pave the way for New Jersey to lead the nation in genuine, verifiable, and persistent building decarbonization.

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We applaud the BPU, the team at the Office of Clean Energy, and the coalition that has drafted these proposed programs, and we ask your consideration for the enhancements to the program suggested above.

Thanks for leading!

Sincerely,

J Murdoch

Jay Murdoch
Director of Industry Affairs
Owens Corning
jay.murdoch@owenscorning.com
202.680.8915