

JOINT INTERIM COMMITTEE ON ENERGY
State Capitol, Room MAC B, Little Rock, Arkansas
Thursday, October 24, 2013

The Joint Interim Committee on Energy met Thursday, October 24, 2013, at 11:30 a.m. in Committee Room MAC B in Little Rock, Arkansas.

Committee members present: Senators Linda Chesterfield, Chair; Jonathan Dismang, Missy Irving, Bobby Pierce, Gary Stubblefield and Eddie Joe Williams. Representatives David Branscum, Chair; Nate Bell, Ken Bragg, Bruce Cozart, Dan Douglas, Joe Farrer, Micah Neal, and Betty Overbey.

Alternate members present: Representatives John Hutchison, John Payton, and Sue Scott.

Also attending: Senator Jon Woods and Representatives Stephen Meeks and Reginald Murdock.

Senator Chesterfield called the meeting to order.

CONSIDERATION TO APPROVE SEPTEMBER 25, 26, 2013, MINUTES [EXHIBITS D1 and D2]

Senator Chesterfield made a motion to approve the September 25 and 26, 2013, meeting minutes, and Representative Branscum seconded the motion. The motion carried.

**CENTRAL INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT COMMISSION [EXHIBIT E]
MEMBER AND ALTERNATE MEMBER – ADVICE TO GOVERNOR**

Senator Pierce made a motion to recommend Mr. George Overbey, Member, and Mr. James Bacquet, Alternate to the Governor for appointment consideration to the Central Interstate Low-Level Radioactive Waste Compact Commission. The motion was seconded by Representative Bragg, and without objection, the motion carried.

**ARKANSAS ECONOMIC DEVELOPMENT COMMISSION (AEDC), ENERGY OFFICE (AEO), REVIEW OF
RULE; ARKANSAS ENERGY CODE FOR NEW BUILDING CONSTRUCTION SUPPLEMENTS AND
AMENDMENTS [EXHIBITS F, F1 and F2]**

Mr. J.D. Lowery, Deputy Director, AEDC, AEO, was recognized. He stated the AEO is in the process of updating rules for the new residential construction energy standard from the International Energy Conservation Code (IECC) 2003 to IECC 2009. The commercial construction code was updated in 2011.

Mr. Lowery stated the following benefits to updating the code:

- Brings transparency to the market
- Allows consumers to understand the long-term operating costs of new homes
- Protects investment in energy efficiency features for builders and provides flexibility
- Reduces burden on municipal code officials and local budgets

Senator Chesterfield asked Mr. Lowery if there was a public comment period. Mr. Lowery stated it was held at 9:30 a.m. at the AEO, 900 West Capitol and also at the state library within the last two months. Senator Chesterfield stated she is concerned when agencies hold public hearings at times working citizens are unable to attend, and at locations where parking is difficult.

Senator Dismang asked what organization oversees energy raters' licensing. Mr. Lowery stated the Home Energy Rating System (HERS) raters are governed by the Residential Energy Services Network (RESNET), a nationally used non-profit organization, and the AEO maintains an approved list of raters in the state.

Mr. Gary Kahanak, Home Energy Rx, Certified RESNET Home Energy Rater, was recognized. He stated 10% of all building projects are audited by a rating provider. These are random audits for oversight and quality assurance. Mr. Kahanak stated his company has performed the majority of home energy ratings in the Fayetteville area over the last year.

Mr. Lowery stated there are over 36 energy raters in the state with HERS credentials. There are two (2) training facilities in the state, Northwest Arkansas Community College and Pulaski Technical College, that have been conducting HERS- rating training for the last two (2) years.

Mr. Lowery stated the Arkansas Home Builders Association (AHBA) supports the 2009 IECC, but it does not support the move to include HERS rating. The implementation date for the rule is January 1, 2016.

Ms. Julie Mills, Executive Vice President, AHBA, was recognized. She stated the AHBA, as a whole, is against this code in its current form and feels this is not the time to require the HERS rating or the Arkansas Home Energy Performance Labeling. Ms. Mills stated she has spoken with several states which are on the 2009 IECC, but have opted out of the HERS rating, and there is no labeling.

Representative Cozart asked Ms. Mills if code officials have a position on this issue. Ms. Mills stated the code officials voted unanimously against this at their last meeting. Code officials would like to sit down with AEO to come to some agreeable solution.

Mr. Lowery stated the federal government requires 90% compliance by 2017. If Arkansas does not comply with the 2009 IECC update by 2017, the following federal funds could be at risk:

- Annual state energy plan funds received by the AEO
- Weatherization assistance funds
- Low Income Home Energy Assistance Program (LIHEAP) funds received by the Department of Human Services
- Any type of grant a municipality might seek that is federally based and energy related.

Senator Chesterfield recognized the group of individuals requesting to speak for the rule:

Mr. Jeremy Pate, City of Fayetteville

Mr. Steve Patterson, Arkansas Advance Energy Association

Mr. Mat Bell, Viridian

Mr. David Stitt, Stitt Energy Systems

Mr. Gary Kahanak, Home Energy Rx

Mr. Keith Wingfield, River Rock Builders

Mr. Ron Harris, Summerwood, Incorporated

Mr. Ron Hughes, Energy Raters, Pulaski Technical College

Mr. Eric Lacey, Responsible Energy Codes Alliance

Mr. John Coleman, Viridian

Senator Chesterfield made a motion to postpone the Arkansas Economic Development Commission, Energy Office, Review of Rule; Arkansas Energy Code for New Building Construction Supplements and Amendments ,until the November Joint Energy Committee Meeting. The motion was seconded by Representative Branscum, and without objection, the motion carried.

Senator Chesterfield apologized to the individuals wishing to speak before the committee. She stated the committee hopes to be able to accommodate their schedule in November.

There being no further business, the meeting adjourned at 12:40 p.m.