



President Cindy Cepko <i>Wayne Pike BIA</i>	Vice President Cathy Sloan <i>HBA of Berks County</i>	Associate Vice President Shawn Prohaska <i>HBA of Northeastern PA</i>	Treasurer Richard Clawson <i>Indiana-Armstrong BA</i>	Secretary John Olson <i>Wayne Pike BIA</i>	Immediate Past President Jon Sukonik <i>HBA of Bucks & Montgomery Counties</i>
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May 11, 2021

The Honorable Gene Yaw, Chairman
Environmental Resources and Energy Committee
362 Main Capitol
Harrisburg, PA 17120

The Honorable Carolyn Comitta, Minority Chair
Environmental Resources and Energy Committee
457 Main Capitol
Harrisburg, PA 17120

The Honorable Chris Dush, Chairman
Senate Local Government Committee
16 East Wing
Harrisburg, PA 17120

The Honorable Tim Kearney, Minority Chair
Senate Local Government Committee
463 Main Capitol
Harrisburg, PA 17120

RE: Senate Bill 275

The Pennsylvania Builders Association (PBA) strongly supports Senate Bill 275. As policymakers look for ways to curtail the use of fossil fuels, new initiatives are being proposed to address not just how much energy is consumed but also how energy is generated, and the types of equipment and appliances installed in a home. For residential buildings, proposed electrification strategies typically include replacing gas furnaces with air source heat pumps or ground source heat pumps; replacing gas water heaters with heat pump water heaters; replacing gas ranges with induction or conventional electric ranges; the addition of electric vehicle charging capabilities to the building or parking spaces; and replacing gas dryers with electric counterparts (conventional or heat pump).

Although electrification may provide benefits in certain applications, electrification mandates can be costly and infeasible in some areas of Pennsylvania, limit consumer choice and create challenges for builders, homeowners, and consumers. Home Innovation Research Labs¹ recently released a study² on the impact of electrification on an average-size single-family home. The study evaluates construction costs and annual energy use costs when compared to a house with gas equipment and appliances in Climate Zones across the country. As an example, in colder Climate Zones, such as portions of Pennsylvania, heat pumps with variable refrigerant flow rated for operation during low outdoor temperatures are needed. Often referred to as cold climate heat pumps, these systems are more expensive: \$8,000-\$9,000 more compared to a gas furnace. The total added cost for an all-electric package modeled in the study ranged from \$10,886 to \$15,100 in colder climates.

¹ <https://www.homeinnovation.com>

² https://www.nahb.org/-/media/NAHB/nahb-community/docs/committees/construction-codes-and-standards-committee/home-innovation-electrification-report-2021.pdf?_ga=2.68390225.136981430.1620310119-27139123.1620310119





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Policy decisions of such a substantial nature that would effectively ban the use of natural gas and propane within new and existing homes in Pennsylvania belongs with the General Assembly not over 2,500 local jurisdictions.

While Senate Bill 275 prohibits local governments from adopting electrification policies, we remain concerned with the current ability to “backdoor” electrification mandates in new and existing residential homes through the adoption of the triennial International Energy Conservation Code in Pennsylvania. Currently the Department of Labor and Industry’s Review and Advisory Council is tasked with reviewing thousands of model code provisions for adoption into Pennsylvania’s Uniform Construction Code. This 21-member Council includes four appointments by Legislative Leaders and 17 appointments by the Governor, effectively allowing unelected individuals to mandate the electrification of residential homes through the adoption of building codes without any legislative review or approval. In the past triennial cycle alone, two proposals were narrowly overturned at the national level that would have required gas appliances to be pre-wired for future electric conversion and a requirement that parking spaces be wired with a 240V, 40A receptacle for charging of electric vehicles. If adopted, each of these changes would have added thousands of dollars to the cost every new home.

PBA urges any governmental entity considering an electrification policy to 1. Ensure the existing housing stock is considered – the vast majority of Pennsylvania’s homes are far less energy efficient than any new home; 2. Weigh consumer acceptance of an all-electric home – many consumers may opt for the cheaper and less energy efficient alternative of modifying an existing home; and 3. Develop economic incentives to offset the costs of electrifying buildings through methods such as rebates, tax incentives, favorable mortgage financing terms, and utility rate structure.

Thank you very much for your consideration of PBA’s position on Senate Bill 275. If you require additional information, please contact Sarah Miller at smiller@pabuilders.org.

Very Truly Yours,

Cindy Cepko
2021 PBA President

