

February 24, 2004

Representative Harry Osterman
House of Representatives
Illinois General Assembly
Springfield, Illinois 62706

Dear Representative Osterman:

The Polyisocyanurate Insulation Manufacturers Association (PIMA) would like to urge you to support passage of House Bill 4099, the Energy Efficient Commercial Building Act, introduced by Representatives Julie Hamos, Eileen Lyons and Harry Osterman. House Bill 4099 would establish a statewide energy efficiency code for new commercial buildings. The House Local Government Committee is expected to consider this legislation soon and we hope that you and your Committee colleagues will report the bill to the full House.

PIMA is the trade association for manufacturers of rigid polyiso foam insulation, a product that is used in over 60 percent of new commercial roof construction, in 30 percent of new residential construction, and in most re-insulation of existing commercial building roofs. PIMA members have a nationwide presence with 26 polyiso manufacturing facilities in 16 states, including two in Illinois (Atlas Roofing Company of East Moline and Hunter Panels of Franklin Park). PIMA also has several associate members (i.e., suppliers to the polyiso foam manufactures) that are also located in Illinois, including Stepan Company, BASF, and Honeywell. All of these companies actively support passage of House Bill 4099.

A commercial building energy code would enhance the economic competitiveness of Illinois by lowering annual energy costs for Illinois businesses. According to a Pacific Northwest National Laboratory (PNNL) report prepared for the U.S. Department of Energy in September of 2002, Illinois businesses would receive a life-cycle cost savings of \$60 million to \$80 million annually from the adoption of a statewide commercial building energy code, or a cumulative 20-year savings of between \$700 million and \$1 billion. These estimates are for net savings and include instances where the proposed statewide code might increase the incremental cost of construction. It should be noted, however, that under all of the possible building types and baselines

addressed in PNNL report the incremental cost of complying with the proposed statewide code is actually lower in 40% of the cases. Even in instances where the incremental cost of complying with the proposed code increases, the energy savings would more than offset this additional cost in a relatively short period.

A commercial building energy code also would reduce the air pollution that is associated with energy production. Because commercial buildings account for 18 percent of total energy consumed nationwide, potential pollution reductions that would result from a statewide commercial building energy code are significant. According to the PNNL study, cumulative reductions over 20 years would range from 5,359 to 6,032 tons for sulfur dioxide (SO₂) and 2,191 to 2,679 tons for nitrogen oxides (NO_x). The reductions in NO_x would be a significant help to the Chicago area in reducing its ozone pollution (Chicago and the surrounding counties are currently classified as a severe nonattainment area for ozone). Also, carbon dioxide (CO₂), our most significant greenhouse gas, could potentially be reduced by over 300,000 metric tons over the next 20 years.

We believe it is important to note that Illinois is one of only six states with no energy code for commercial construction. We believe this hurts the competitive position of businesses in Illinois and contributes to increased air pollution for Illinois citizens.

Thank you for your consideration of this matter,

Sincerely,

Jared O. Blum
President