



Shaping Tomorrow's Global Built Environment Today

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Bill McQuade
ASHRAE Society President, 2025-2026

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November 18, 2025

The Honorable Bob Latta
Chairman, Subcommittee on Energy
Committee on Energy and Commerce
2123 Rayburn House Office Building
Washington, DC 20515

The Honorable Kathy Castor
Ranking Member, Subcommittee on Energy
Committee on Energy and Commerce
2123 Rayburn House Office Building
Washington, DC 202515

Re: Energy Subcommittee: Markup of Eight Bills to Reform Appliance and Building Policies

Dear Chairman Latta and Ranking Member Castor:

ASHRAE appreciates the committee's work in assessing policies to lower housing and energy costs for working families, while also addressing grid reliability and national security. As the Committee moves forward with legislation to address these vital issues, ASHRAE would like to share how voluntary consensus-based energy standards save the government and families money, reduce peak grid demand, and improve the resilience of our infrastructure.

ASHRAE, founded in 1894, is a professional and technical society of more than 53,000 members who focus on building systems, energy efficiency, indoor air quality, refrigeration, and resiliency within the built environment. Through research, standards development, publishing, certification and continuing education, ASHRAE shapes tomorrow's global built environment today.

Model energy codes and standards are developed through a robust, voluntary, and consensus-based process recognized by the Office of Management and Budget (OMB) and Congress. The National Technology Transfer and Advancement Act of 1995, supplemented by OMB Circular A-119, directs federal agencies to use voluntary consensus standards wherever possible in their procurement and regulatory activities in lieu of expending public resources developing government-unique standards. Voluntary consensus technical standards developed by private organizations are essential for a productive global economy and to facilitate global commerce. Standards foster safe building technology innovation by providing a transparent baseline and needed metrics for assessing how that technology can impact building design, performance, and the occupants. They are necessary for comparing technologies in the expanding global marketplace and facilitating cross-border collaboration. This process saves taxpayers significant money as standards and codes are developed by the private sector, leaving government bureaucracy out of the process and alleviating administrative burden on the government.

Governments and model code bodies recognize the value of voluntary consensus standards and adopt them for use in their building codes and regulations.

This consensus-based process is how **ASHRAE Standard 90.1, *Energy Standard for Buildings Except Low-Rise Residential Buildings*** (“**ASHRAE Standard 90.1**”) is developed. This standard is the benchmark for commercial building energy codes in the United States and has been a key basis for codes and standards around the world for five decades. ASHRAE 90.1 is identified in federal statute to serve as the basis for state-level energy codes as well as the minimum requirements for federal buildings. This standard is updated on a three-year cycle, with the current edition being Standard 90.1-2022. ASHRAE Standard 90.1 must be cost-effective and is established through a process with broad input and buy-in from building owners, home builders, design professionals, utilities, manufacturers, representatives from the Department of Energy (DOE), and other materially affected and interested parties. The process is open for public review, allowing all interested parties to provide input into development of the standard and reach consensus, ensuring publication of a document that has been rigorously and openly examined, questioned and defended.

Adopting modern building energy codes like ASHRAE 90.1 lowers utility costs for families. DOE estimates the implementation of modern energy codes and standards will save the nation \$182 billion over a 30-year period (2010-2040). With each update to the model code or standard, the U.S. Department of Energy is required to analyze the update for energy savings when compared to the prior edition. This analysis is conducted by the Pacific Northwest National Laboratory (PNNL) through DOE’s Building Energy Codes Program. Some have suggested updated energy standards will significantly increase costs, but the evidence concludes the opposite: the energy cost savings from ASHRAE Standard 90.1 far outweigh the incremental increase in first costs. For housing built to the 2019 version of ASHRAE Standard 90.1 (compared to the 2007 edition), the incremental cost increase is estimated at only \$18 per unit, while the energy cost savings for the first year are \$224 per unit. This amounts to a simple payback of about one month! Additionally, PNNL’s analysis found Standard 90.1-2022 showed strong return on investment compared to the 2019 version of the standard as well, with a short payback period of about six years for all building types. Additionally, construction costs can even decrease with the adoption of a modern energy code or standard as better building thermal envelopes allow for a smaller (and less costly) HVAC system to be used to effectively condition the building. Additional savings are realized through the use of high-efficacy lighting and enhanced lighting systems, among other measures.

Sixteen (16) states across the political spectrum have already adopted ASHRAE 90.1-2019 into their state building code, and housing costs vary across all states. In fact, during the September 9, 2025 committee hearing, Mr. Buddy Hughes, Chairman of National Association of Home Builders (NAHB), cited the biggest cost addition to housing varies by state, with labor shortage being a significant factor in housing cost. As it relates to building code flexibility, many states and localities that have adopted ASHRAE 90.1 also adopt amendments to account for state and local needs. The standard simply serves as a foundation for states specific energy code needs, but it is not a one-size fits all approach.

Finally, buildings constructed to a modern energy code make homes more resilient to extreme weather events, keeping occupants safe for longer when the power goes out, and because buildings constructed to a modern energy code reduce demand from the grid, they also keep the grid online for longer when it

is under stress during inclement weather. This in turn reduces demand on the grid, allowing more energy to be used for other purposes instead of powering a home. The U.S. Energy Information Administration recently reported that electricity prices have risen faster than inflation since 2022 and may rise much more in the coming years due to projected demand increases. That is why it is especially critical to build homes efficiently so that consumers are insulated from those cost increases. Energy reduction is also especially important in light of the rapid rise of electricity demand from artificial intelligence and new data centers. It is less costly to decrease demand than to increase grid capacity, and a reliable electric infrastructure is critical to the economic vitality and well-being of our nation.

As the committee continues to examine this topic and advance-related legislation, we hope you can use the points laid in this letter to inform your decisions. We are more than happy to meet with your staff, and work in a bipartisan manner to find solutions to reduce grid demand, increase resiliency, and lower housing costs for working families. If you have questions or need additional information, please do not hesitate to contact me or have your staff contact GovAffairs@ashrae.org.

Sincerely,



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