Dear Chair Decker and Commissioners Tawney and Perkins,

The undersigned Oregon-based building industry professionals are writing to voice our strong support for the recommendations of environmental organizations intervening in the NW Natural rate case, and for the Oregon Public Utility Commission (OPUC) to make decisions that encourage electrification in new construction, and to drive the transition of existing homes and building off of polluting fossil fuels. Specifically, we urge you to entirely eliminate line extension allowances and end the use of utilities, like NW Natural, spending ratepayer money for association dues and anti-climate lobbying. As the state continues to work diligently to address the housing crisis and build affordable housing, it is critical that we are developing with sustainability in mind. Specifically, we must ensure that we are not further driving the climate crisis by increasing the use of fossil fuels and expanding gas infrastructure.

Detailed research has shown that policies targeted to reduce building emissions are not only critical to meeting the State's emission reduction goals as stated in Executive Order 20-04, but will save residents money, particularly low-income and historically marginalized populations who suffer disproportionate energy burdens and harms from the health effects of gas in the home.

The technology to build high-performance all-electric homes and buildings already exists in the market today and innovation is driving more advanced products. It is clear that electrification in Oregon meets the triple bottom line, benefiting our climate, our economy, and our community. A recent analysis from the highly respected non-partisan, non-profit think-tank RMI, demonstrated the significant economic and climate benefits of all-electric residential construction in Oregon. Specifically, RMI's analysis shows that:

- All-electric homes constructed cost $1,600 less to build than a similar mixed-fuel home.[1]
- Heat pumps will on average reduce emissions by 84% compared with a gas furnace, while a heat pump hot water heater will reduce emissions by 82% compared to a gas water heater.[2]

Building all-electric isn't just cheaper, it also reduces utility bills. According to a Portland-specific analysis from Synapse Energy Economics, all-electric homes built with high efficiency heat pump technology save about $161 in annual energy bills as compared to a mixed-fuel home.

In addition to being all-electric, the immediately tangible benefits of heat pump systems are multifold:

- Heat pumps provide both cooling in summer and heat in winter, offering increased resilience in climate-driven extreme weather conditions;
- Heat pump space and water heaters are between 300% and 500% more efficient than traditional gas furnaces;
- Heat pump air conditioners and some heat pump water heaters are effective even when outdoor temperatures are as low as negative 25 degrees F; and

[1] RMI, "All-Electric Buildings: Key to Achieving Oregon's Climate Goals," 2023.
[2] RMI, "All-Electric Buildings: Key to Achieving Oregon's Climate Goals," 2023.

- Heat pumps can be scaled to any project – from residential and educational to large scale commercial and industrial buildings.

Furthermore, new electric construction has significant benefits for health and safety, and the climate, including:

- Reduced indoor and outdoor air pollution and the associated health risks caused by unhealthy air quality from gas appliances;
- Reduced upfront construction costs and consumer utility expenses, thanks to the elimination of gas plumbing and necessary exhaust ductwork and to the great energy-efficiency of heat pumps and heat pump hot water heaters; and
- Reduced risk of consumers being stuck with stranded assets as the local, state and federal government pass policies to transition off of gas infrastructure.

It is time to move away from fossil fuels in our homes and buildings. In our professional practices we have found that building all-electric new homes and buildings is a proven, robust, efficient, and economically viable solution already adopted across the marketplace. The market for electric-only HVAC and hot water equipment is mature and poses very little risk to developers and engineers alike. In Oregon, a significant number of new housing developments have been successful in adopting all-electric energy strategies including the Native American Youth and Family Center (NAYA) Hayu Tillixam development and the Strong Family Site.

We can no longer justify prolonging the use of gas in new construction when there are more viable, more sustainable, more profitable, and healthier alternatives readily available today. This is especially true as, with the implementation of Oregon House Bill 2021 which requires utilities to provide 100% non-emitting electricity by 2040, Oregon's electric grid will increasingly be powered by renewables.

At this critical point in time we, the architects, designers, builders, engineers, and suppliers at work across Oregon urge you to support common-sense electrification, and eliminate fossil fuel subsidies like line extension allowances encouraging continued fossil fuel reliance. Let's create a better future for our community by transitioning our homes and buildings from polluting fossil fuel to clean, renewable electricity.

Signed,

The ZERO Coalition
350 Deschutes
Assemblage Works Inc
Birdsmouth
BlueGreen Alliance
Bora Architecture & Interiors
Brockman Climate Strategies
Climate Reality Project - Portland Chapter - Kraig Beusch, Interim Chair
Community Energy Project
Dream Home Building and Design
Earth Advantage
Electrify Now
Electrify PDX
Green Hammer Design Build
GreenSavers
Harka Architecture
Lake Oswego Sustainability Network
Metro Climate Action Network (MCAT)
MWA Architects Inc.
New Buildings Institute
NorthWest AeroBarrier
NW Energy Coalition
Opsis Architecture
Oregon Climate Network (OCN)
Oregon League of Conservation Voters (OLCV)
PassiveHouse NW
Progressive Architecture Engineering
Rooted Homes
Salazar Architects - Jake Lewis, Project Architect
Scott Edwards Architecture
SERA Architects
The Environmental Center