

ARMA Testimony before the California Energy Commission - March 12, 2012

I am Reed Hitchcock, Executive Vice President for ARMA the Asphalt Roofing Manufacturers Association. Good morning Commissioner Douglas, Mazi, Martha, Payam, Dave. Thank you all again for the opportunity to present this testimony on behalf of ARMA. ARMA represents the manufacturers of asphalt roofing materials including asphalt shingles, modified bitumen, and built-up roofing systems. The products we represent are produced and applied within the State of California, and asphalt roofing manufacturing facilities account for the majority of roofing manufacturing facilities in the state.

To say that our members are disappointed with the 45-day language for low-slope non-residential roofing would be a gross understatement. We support the comments of the roofing industry coalition already read into the record, but would like to add the following additional comments and concerns with the language as it has been presented.

I would like to start by reminding the CEC staff of the discussions we had leading up to the 2008 code about cost justification. It was during that process that the staff acknowledged that the 2002 report from Lawrence Berkeley National Lab, upon which the baseline cost assumptions for both the 2005 and subsequently the 2008 code were based, was flawed to say the least. Despite that acknowledgement, it was the position of the staff that the Commission "could not go backwards" in terms of the requirements for the solar reflectance of cool roofing materials. We acquiesced despite our better judgement, but advised the staff that our industry was willing, able, and ready to work closely with the staff moving forward on future versions of the code to ensure a thoughtful and balanced code, to the extent that would be possible without "going backwards".

Periodically over the past few years representatives from the roofing industry inquired of CEC staff as to thoughts or directions that could be shared related to the process for developing requirements for the 2013 code. On numerous occasions the response coming from the staff was that "we don't think we're going to be making a change in this cycle". It wasn't until last summer that we learned otherwise.

Building on the same bad science from that 2002 report, CEC staff and consultants came up with a recommendation of 0.70 aged solar reflectance - an increase of 0.15, which in terms of solar reflectance is a dramatic leap. The roofing industry questioned the science, and reminded the staff of the previous discussions that had taken place regarding the Berkeley report and the bad science serving as the baseline for the current and proposed code. The staff and consultants went back to work, and came back with a proposal of 0.67 aged solar reflectance - still without a new cost justification - which incidentally we understand to be a requirement under California law under the Warren-Ahlquist act.

Our industry once again responded in unison, and strongly recommended that the current requirements be maintained - flawed as they are - and that the CEC spend the next cycle undertaking a thorough, thoughtful, and sound cost analysis looking at real world costs and premiums for roofing systems in the California market. Our industry also collectively offered to assist with that process to whatever extent possible in collecting cost information and market data to help build the robust report needed in this situation: to ensure that California consumers and building owners are able to purchase the right roofing system for their home or building; that they can achieve the cost savings that the requirements under Title 24, part 6 promise them; that they can retain the aesthetic choice for the roofing system that best suits their application; and that any premium cost for a cool roof under the requirements of Title 24 is outweighed by the energy savings of that system.

Instead of that thoughtful analysis, the CEC staff opted to rush a "quick and dirty" analysis through the consultants who had previously failed to deliver any defensible proposals for increases in 2013. The consultants experienced exactly what we feared and expected they would: cost data that is extremely difficult and time-consuming to collect; and in the time between the October, 2011 CEC workshop and now they were able to collect just 12 sample responses to their surveys, not even covering all of the roofing systems sold in the California market, and certainly not enough to implement code that will take solid, reliable, California-produced products off the market, even at the current proposed solar reflectance levels of 0.65 for new construction and 0.63 for re-roofing - 29% and 22% of available products, respectively, according to the CRRC database. As a reminder, there are 19 asphalt roofing plants in California which produced the majority of the 250 million square feet of asphalt roofing sold in California in 2010, widely considered a "down" year for non-residential construction.

That varied approach is also a concern to ARMA and others. Without belaboring the point, different requirements for different situations serve very little real-world purpose in terms of energy savings, but will surely result in confusion in an already confused marketplace trying to understand what the CEC is attempting to accomplish.

Commission staff argues that there are energy trade-offs in the code that will make it easier to make those products available to Californians, but there are a few problems with that concept. First, we cannot see those trade-offs, as many have been moved to the ACMs as opposed to being part of the code being considered. Forgive our skepticism, but to go along with a restrictive code of this nature with the faith that the trade-off alternatives in the compliance manuals will be satisfactory is a leap we cannot support, much less endorse.

Beyond that, it has been the experience of our industry that, particularly in light of the complete lack of enforcement for the codes heretofore, the existing requirements and certainly any increased requirement encourage "cheating" of the system by unscrupulous business people, and also that regardless of what is in the code, what the marketplace sees and hears, especially considering the convoluted means of trading-off that have been typical, is the reflectance number, plain and simple. Why is insulation

not the requirement and the cool roof a compliance option in the ACM? As several have testified previously, insulation works in all climates, not just the hot ones.

But let me be clear: ARMA is not anti-cool roof. We have cool roof solutions available, just as our other roofing industry colleagues do, and we do believe that there are situations where cool roofing is the best approach to save energy. That said, a cool roof is not the right solution for every building nor every climate in this diverse state. Once again we implore the Commission to leave the requirement for low-sloped, non-residential roofs at the current 0.55 and take our industry up on our offer to work in collaboration over the next code revision cycle to truly and responsibly examine the cost benefits of cool roofs in an effort to determine what solar reflectance, if any, makes sense for the people, businesses, and utilities in the State of California.