THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 568 Session of 1985

INTRODUCED BY ITKIN, J. L. WRIGHT, PETRARCA, GREENWOOD, SWEET, McVERRY, RICHARDSON, GEIST, KUKOVICH, PRATT, DAWIDA, CARN AND PISTELLA, MARCH 18, 1985

AS REPORTED FROM COMMITTEE ON MINES AND ENERGY MANAGEMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 10, 1985

AN ACT

Amending the act of December 15, 1980 (P.L.1203, No.222), 1 2 entitled "An act providing for the regulation for energy 3 conservation purposes of the construction of buildings, the 4 establishment of a Building Energy Conservation Committee and 5 a Board on Variances, appeals and for penalties, " changing and adding certain definitions; providing for notice to б 7 public utilities and utility providers; creating a special account; and further providing for application of energy 8 standards, for certification, for notice to the department, 9 for penalties AND for variances. for inspections and for 10 11 civil actions.

12 The General Assembly of the Commonwealth of Pennsylvania

13 hereby enacts as follows:

14 Section 1. Section 102(b) of the act of December 15, 1980

15 (P.L.1203, No.222), known as the Building Energy Conservation

16 Act, is amended to read:

17 Section 102. Legislative findings and declaration of purpose.

18 * * *

(b) Purpose.--The purpose of this act is to grant to the
[Commonwealth of Pennsylvania] <u>Department of Labor and Industry</u>
and the Department of Community Affairs and direct [it] these

<u>departments</u> to exercise specific authority in building
 construction to assure that such construction is performed using
 materials and techniques that will provide for energy
 conservation in the future operation and maintenance of said
 buildings.

6 Section 2. The definitions of "building" and "renovation" in 7 section 103 of the act, amended July 10, 1981 (P.L.231, No.75), 8 are amended and the section is amended by adding definitions to 9 read:

10 Section 103. Definitions.

11 The following words and phrases when used in this act shall 12 have, unless the context clearly indicates otherwise, the 13 meanings given to them in this section:

14 <u>"Addition." Any addition to an existing building. The</u>
15 provisions of this act shall only apply to the portion of the
16 building which is being added and not to the entire building.

17 "Building." Any structure that provides facilities or 18 shelter for public assembly or for educational, business, 19 mercantile, institutional, warehouse or residential occupancy, 20 or industrial use including, but not limited to, those portions 21 of factory and industrial occupancy such as office space except 22 for:

(1) Buildings and structures or portions thereof whose
peak design rate of energy usage is less than one watt per
square foot or [3.4] <u>3.5</u> BTU/hr per square foot of floor area
for all purposes.

27 (2) Structures or those portions of structures used for 28 housing equipment or machinery, or in which manufacturing or 29 processing is done, where the operation of such equipment or 30 machinery, or the manufacturing or processing procedures 19850H0568B0918 - 2 - employed require the use of or generate substantial heat producing energy or cooling within the structure. As used herein, the generation of substantial heat shall mean generation of more than 6 watts per square foot of floor area.

6 (3) Buildings which are neither heated nor cooled.

(4) Historic buildings.

8 (5) Buildings owned by the Federal Government.

9 (6) All units subject to the act of May 11, 1972
10 (P.L.286, No.70), known as the "Industrialized Housing Act."

(7) All units subject to Title VI (Public Law 93-383),
 referred to as the Federal Mobile Home Construction and
 Safety Standards Act of 1974.

14 (8) Buildings which are constructed primarily of tree15 logs and only incidentally of other materials.

16 * * *

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17 <u>"Public utility." A person or corporation in this</u>

18 Commonwealth owning or operating equipment or facilities for

19 producing, generating, transmitting, distributing or furnishing

20 electricity to or for the public for compensation for any

21 purpose. The term includes such persons or corporations

22 regulated by the Pennsylvania Public Utility Commission under

23 <u>Title 66 of the Pennsylvania Consolidated Statutes (relating to</u>

24 public utilities), but does not include any of the following:

25 (1) A generator or producer of electricity not engaged

26 <u>in distributing the electricity directly to the public for</u>

27 <u>compensation</u>.

28 (2) A person not otherwise a public utility who
29 furnishes service only to himself.

30 <u>(3) A bona fide cooperative association which furnishes</u> 19850H0568B0918 - 3 - services only to its stockholders or members on a nonprofit
 basis.

3 "Renovation."

[(1)] The rehabilitation of an existing building which
requires more than 25% of the gross floor area or volume of
the entire building to be rebuilt. Cosmetic work such as
painting, wall covering, wall paneling, floor covering and
suspended ceiling work shall not be included[; or

9 (2) any addition to an existing building]. The provisions of this act shall only apply to such portion of 10 the building being renovated and not to the entire building. 11 "Utility provider." A municipal corporation in this 12 13 Commonwealth owning or operating equipment or facilities for producing, generating, transmitting, distributing or furnishing 14 electricity to or for the public within its corporate limits for 15 16 compensation for any purpose, or an electric cooperative corporation created under the provisions of the act of June 21, 17 18 1937 (P.L.1969, No.389), known as the "Electric Cooperative Corporation Act, " and which provides retail electric service to 19 its members on a nonprofit basis. The term does not include: 20 21 (1) A public utility regulated by the Pennsylvania 22 Public Utility Commission under Title 66 of the Pennsylvania 23 Consolidated Statutes (relating to public utilities). 2.4 (2) A generator, producer or manufacturer of 25 electricity, gas or steam not engaged in distributing such electricity, gas or steam directly to the public for 26 27 compensation. 28 (3) A person or corporation not otherwise a public 29 utility who or which furnishes service only to himself or itself. 30

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(4) A generator, producer or manufacturer of gas or
 steam engaged in distributing such gas or steam to the public
 for compensation.

4 Section 3. Sections 302, 305, 306, 311, 313(b), 315(a) and <-</p>
5 504 of the act are amended to read:

Section 302. Application of energy conservation standards. 6 7 The energy conservation standards contained herein or as promulgated by the department with the approval of the Building 8 Energy Conservation Committee shall apply to new buildings or to 9 renovations on which actual construction and/or design has not 10 11 commenced prior to their effective dates. Except for the authority of the Department of Community Affairs to promulgate 12 13 rules or regulations for all units subject to the act of May 11, 1972 (P.L.286, No.70), known as the "Industrialized Housing 14 15 Act," provided such standards invoked are equal to or more 16 stringent than those contained in this act, or as mandated by 17 Federal law, no <u>utility</u> <u>PUBLIC UTILITY AS DEFINED IN 66 PA.C.S.</u> 18 § 102 (RELATING TO DEFINITIONS), department, board, agency or commission other than as provided herein, shall promulgate or 19 20 adopt any <u>mandatory building energy conservation standards</u>, rules or regulations [which are inconsistent with] other than 21 22 the standards contained in Chapter 2, Subchapters D through J or 23 promulgated under Chapter 4 of this act except as mandated by Federal law. 24

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25 Section 305. Certification.

(a) Applicability.--The provisions of this section shall
apply to all buildings subject to this act except those
classified as Use Group R-3.

29 (b) Compliance with act.--It shall be the duty of the 30 licensed design professional retained in connection with the 19850H0568B0918 - 5 -

design or construction of a building to certify that, in his 1 2 professional opinion and in accordance with the accepted 3 standards of his profession, the drawings, specifications and 4 other data will achieve compliance with the provisions of this 5 act[, except as provided in subsection (e)]. If no licensed design professional is retained in connection with the design or 6 construction of a building, then this certification shall be 7 8 made by the builder or the owner, if he is the builder. All such information required in this provision to be submitted to the 9 10 department must be accompanied by a filing fee of \$10. The 11 filing fee may be subject to change by the Building Energy Conservation Committee upon the recommendation of the department 12 13 to the Building Energy Conservation Committee, provided, 14 however, that advance notice of such change has appeared in the 15 Pennsylvania Bulletin. If the building is subject to the provisions of the act of April 27, 1927 (P.L.465, No.299), 16 17 referred to as the Fire and Panic Act, the certification 18 required hereunder shall be submitted on a form with the 19 application for plan approval under the said Fire and Panic Act. 20 (C) Inspection.--Each licensed design professional retained 21 by the owner or his designee, where any of such are retained 22 during the construction of a building, shall make periodic 23 inspections of the building progression to [insure] observe 24 compliance with this act[, except as provided in subsection 25 (e)]: Provided, That such inspection shall not be construed as a 26 guarantee of satisfactory performance by others or as an assumption of financial liability for unknown defects or 27 28 deficiencies in the work of others. Final certification.--Each [licensed design 29 (d) 30 professional] builder retained by the owner or the owner, if he

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is the builder, shall make a final certification of every 1 completed building stating that[, in his professional opinion 2 3 and in accordance with the accepted standards of his 4 profession,] such building has been constructed in compliance 5 with the approved drawings and specifications prepared by a licensed design professional or with the provisions of this 6 act[, except as provided in subsection (e). 7

8 (e) Certification by builder.--If a licensed design professional is not retained in connection with the design and 9 10 construction of a building, it shall be the responsibility of 11 the builder or owner, if he is the builder, to perform the inspections and certification required by this section including 12 13 payment of the filing fee.]

14 Section 306. Use Group R-3; notice; warranty.

15 (a) Notice to department. -- Prior to construction of any 16 building classified as Use Group R-3, the builder shall notify 17 the department by [certified] first class mail of his intent to 18 begin construction. Such notice shall include a filing fee of 19 [\$5] <u>\$10</u> and contain the name of the owner of the building and 20 its location. The filing fee may be subject to change by the 21 Building Energy Conservation Committee, upon the recommendation 22 of the department to the Building Energy Conservation Committee, provided, however, that advance notice of such change has 23 24 appeared in the Pennsylvania Bulletin.

25 (a.1) Special account. -- All filing fees shall be deposited 26 in a special account in the State Treasury to be known as the 27 Building Energy Conservation Account. All fees collected for the 28 purpose of this act shall be deposited in this account and the department shall draw from the account sufficient funds to cover 29 the administrative and enforcement costs of operating the 30 19850H0568B0918

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1	program. The funds in the account are hereby appropriated to the
2	department to carry out this act and shall not lapse at the end
3	of any fiscal year. The balance of funds remaining in any
4	existing Building Energy Conservation Account and held by the
5	department on the effective date of this act is hereby
6	transferred to the special Building Energy Conservation Account
7	established pursuant to this subsection.
8	(a.2) Notice to public utilities and utility providers
9	(1) Prior to construction and except as provided in
10	paragraph (5), the builder shall also provide a copy of the
11	notice of intent to begin construction required by subsection
12	(a) and certified as received by the department to all public
13	utilities or utility providers which may be requested to
14	furnish any electric service to or for buildings classified
15	as Use Group R-3 which are constructed after the effective
16	date of this subsection.
17	(2) All public utilities and utility providers shall
18	rely on the certified copy of the required notice in
19	furnishing, rendering or supplying any electric service to or
20	for a building classified as Use Group R-3, except as
21	provided in paragraph (5), and no public utility or utility
22	provider shall conduct any audit, inspection or examination
23	of the building for the purpose of determining compliance
24	with this act. The furnishing, rendering or supplying of
25	electric service by a public utility or utility provider to
26	or for a building classified as Use Group R-3 shall not
27	constitute a certification or determination by the public
28	utility or utility provider that the building has been
29	constructed in compliance with this act.
30	(3) Except as provided in paragraph (5), no public
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1	utility or utility provider shall furnish any electric
2	service to or for any building classified as Use Group R-3
3	which is constructed after the effective date of this
4	subsection unless it has first received the required copy of
5	the notice of intent to begin construction which has been
б	certified as received by the department.
7	(4) Each public utility or utility provider shall be
8	required to retain the certified copy of the notice of intent
9	to begin construction which is submitted to it for at least
10	two years.
11	(5) (i) Each public utility or utility provider shall
12	be exempt from the provisions of paragraphs (1) through
13	(4) when any electric service is requested for a building
14	classified as Use Group R-3 which is located in a
15	municipality which has elected to administer this act in
16	accordance with sections 501 and 502 and which requires
17	that a notice of intent to begin construction be filed
18	with the municipality prior to or at the time that
19	application is made for a building permit.
20	<u>(ii) Each public utility or utility provider shall</u>
21	be exempt from the provisions of paragraphs (1) through
22	(4) in situations where, in the public utility's or
23	<u>utility provider's judgment, strict compliance may</u>
24	jeopardize the public health or safety or impose an undue
25	hardship. In such event, the public utility or utility
26	provider shall notify the department or the administering
27	municipality, in writing, on forms prescribed by the
28	department, of the exemption.
29	(6) If a builder fails to file the required notice with
30	the department or the administering municipality within 30

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<u>days of receiving an exemption under paragraph (5), the</u>
 <u>department or the administering municipality shall serve</u>
 <u>written notice on the builder that he is in violation of this</u>
 <u>act and subject to a penalty as provided for in subsection</u>
 (d).

6 (b) Warranty.--At the time a contract for the construction 7 of any building classified as Use Group R-3 is entered into, the 8 builder shall warrant to the owner in writing that the building 9 shall be constructed in accordance with the provisions of this 10 act. Such warranty shall be a document separate from the 11 contract and shall be in the following form:

12 I, (Builder) , hereby warrant to (Owner) that the 13 premises known as (Description)

14 shall be constructed in accordance with the provisions of the 15 Act of December 15, 1980 (No.222), known as the "Building Energy 16 Conservation Act."

17 This law provides building standards to make your home energy 18 efficient and also provides you with legal remedies if your home 19 is not built according to the State standards. If you would like 20 the State to do an energy audit of your home to determine if it 21 conforms to State standards, you may call the Pennsylvania Department of Community Affairs at (Telephone) , and they will 22 perform an inspection of your home for a fee of $\frac{1}{535}$. 23 24 Indicate if alternate building system or equipment design is 25 being employed.

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(c) If the builder is also the owner of the building at the time of construction, he shall provide the warranty required by subsection (b) at the time of its initial sale to a new owner. Such warranty shall be in substantially the same form as provided in subsection (b).

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1 (d) Failure to provide notice. -- The Department of Community Affairs, after hearing, may assess a civil penalty payable to 2 3 the Commonwealth of Pennsylvania not to exceed \$100 for a first offense upon any builder who fails to give the notice required 4 5 by subsection (a). In determining the amount of the civil penalty for a first offense, the [Department of Community 6 Affairs] department shall consider the willfulness of the 7 violation and the cost incurred by the department in discovering 8 9 the violation. In the event a builder fails to give the notice 10 required by subsection (a) on a second or subsequent occasion, 11 the department shall assess upon the builder a civil penalty payable to the Commonwealth of Pennsylvania of \$200. 12

13 (e) Failure to provide warranty. -- Whenever a builder fails 14 to provide the warranty required by subsection (b) or (c) such 15 required warranty shall constitute an implied warranty and the 16 owner's right to proceed under section 315(a) shall not be 17 affected. If it is established by a preponderance of the 18 evidence that the builder's failure to provide the warranty was 19 willful, then damages in twice the amount provided in section 20 315 may be awarded.

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21 Section 311. Inspections.

22 The department may perform a nondestructive inspection within 23 two years of the date of completion of construction of any 24 building constructed after the effective date of this act to 25 determine compliance with the provisions of this act, provided 26 at least 30 days notice has been given to the owner. The costs 27 of any such inspection initiated by the department shall not be 28 assessed on the owner. The department may also cause such an 29 inspection to be performed at the request of the owner of any 30 building subject to this act. The fee for such an inspection 19850H0568B0918 - 11 -

upon request under section 306(b) for R 3 buildings is [\$35] 1 <u>\$65</u>. The fee for inspections performed upon request for all 2 3 other buildings subject to this act shall be determined by the 4 department at such an amount as to cover the necessary costs of 5 the inspection.

Section 313. Penalties. 6

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8 (b) Violations of act. -- Any person who shall willfully or negligently violate any of the provisions of this act, or the 9 10 rules and regulations or the orders for the enforcement of the 11 said provisions or rules and regulations issued by duly authorized officers of the department or who shall hinder, delay 12 13 or interfere with any officer charged with the enforcement of 14 this act in the performance of his duty, shall, upon conviction 15 thereof, be punished by a fine of [not more than] \$300 and 16 costs. In the event of violation of more than one provision of 17 this act, the violation of each provision shall be deemed a 18 separate and distinct offense for the purposes of this section. * * * 19

20 Section 315. Civil action.

21 (a) Use Group R 3. The owner of any building subject to the 22 requirements of section 306 who is aggrieved as the result of 23 such building not being properly designed or constructed in 24 conformance with this act shall have a right of action for 25 breach of warranty. Remedies may include specific performance or 26 an award of damages in an amount not less than \$300. Attorney's 27 fees shall be recoverable in any action in which the owner 28 prevails. Any such award shall further provide for payment of the actual costs in excess of [\$35] <u>\$65</u> incurred by the 29 30 department if it inspected the building for the owner and the 19850H0568B0918

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1 owner shall remit such amount to the department.

2 <u>* * *</u>

3 Section 504. Variances.

Any municipality electing to administer the provisions of 4 5 this act under section 501 or 502 shall establish a Board on Variances to make determinations on request for variance from 6 the energy conservation standards contained herein or as 7 8 promulgated by the department with the approval of the Building 9 Energy Conservation Committee, and is authorized exclusive jurisdiction to grant such variances, section 307(a) 10 notwithstanding. A municipality, however, need not establish a 11 Board on Variances if it has established a zoning hearing board 12 13 pursuant to the act of July 31, 1968 (P.L.805, No.247), known as the "Pennsylvania Municipalities Planning Code." If the 14 municipality does not establish a Board on Variances, the powers 15 16 and duties established by this section shall be exercised by such zoning hearing board. A variance shall only be granted if 17 18 the criteria of section 307(b) have been satisfied. 19 Section 4. This act shall take effect in 90 days.

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