Montague FAQ on Adopting the Opt-In Specialized Stretch Energy Code: to move the Town toward becoming a Climate Leader Community

What is the Opt-In Specialized Stretch Energy Code ("Specialized Energy Code")?

- The Specialized Energy Code incorporates and builds on the energy efficiency and clean energy measures of the current Stretch Code that the Town of Montague adopted in 2011 as a requirement to becoming a Green Community.

- The Specialized Energy Code applies **ONLY** to **NEW** residential, Town & commercial construction, **NOT** additions or renovations like new rooms, roofs, or decks.

    - Between 2020 & 2024, the Town has added 2-6 new single family homes and 2-10 commercial buildings yearly, so **the code will apply to very few buildings**.

What are the benefits of adopting the Specialized Energy Code?

- If the Town adopts this & the other requirements to be a Climate Leader Community (CLC), a step up from being a Green Community, we could apply to be a CLC.

    - We already meet 2 of the 5 requirements!

- **As an approved CLC, the Town could apply for a grant for up to $1 MILLION (in the current 3-year grant period) in energy & cost-saving upgrades to Town buildings!**

    - **The longer we wait, the less grant funding may be available.**

- The Town would join 55 communities in MA that have adopted the code, while lowering our Town's climate impact and energy costs & helping MA achieve its climate emission targets.

- The Specialized Energy Code provides market choices.

Will the Specialized Energy Code discourage development of affordable housing?

- **No. In fact, incentives & financing from the state encourage development of all-electric affordable housing.**

    - The MA Community Climate Bank is developing demonstration programs that support all-electric affordable and mixed-income rental properties.

    - Affordable housing meeting this code will also deliver to residents the benefits of lower energy bills, healthier living spaces, & comfortable heating and cooling.

Are there added costs for <u>new</u> homes to meet the Specialized Energy Code?

- **Most ALL-ELECTRIC homes of any size are <u>*less expensive to build than homes with fossil fuels*</u> because of big incentives.**

    - Mass Save has the following rebates for <u>new</u> electric homes & equipment:

        - $15,000 or $25,000 incentives for building all-electric single family homes.
        - $17,500 to $40,000 for building all-electric 2-4 unit homes.
        - More incentives for qualifying electric equipment.
        - 0% HEAT loans for qualifying heat pumps, for eligible participants!

    - Federal tax credits of $2,500 or $5,000 per home (thru June 30, 2026).

    - Solar is NOT required for all-electric homes, just solar-ready roofs.

- **All-electric homes also <u>typically have lower energy bills</u> because these efficient, well-weatherized homes use very little electricity to run**.

<u>New homes using some fossil fuels ("mixed fuel" homes</u>) are allowed with the following requirements:

- Meet the same energy efficiency standards as the current Stretch Code.
- Homes <u>smaller than 4,000 square feet (SF)</u> must include a small amount of rooftop solar (except if roof unsuitable) or meet the Passive House efficiency standard.
- Homes <u>4,000 sq. ft. or larger</u> must fully offset fossil fuel use with on-site solar panels (except if roof unsuitable).
- Be pre-wired for future electrification of heating/cooling and other appliances, which saves on upgrades as <u>Mass Save no longer offers rebates for fossil fuel equipment.</u>

Why are there added requirements for new homes with fossil fuels?

- They provide market choices for meeting the code's requirements while avoiding future pre-wiring costs to convert mixed fuel homes to electric over time.

New commercial & municipal buildings (including schools) have similar requirements as residential buildings:

- No additional code requirements for all-electric buildings.
- Pre-wiring and rooftop solar requirements for mixed-fuel buildings.

New large apartment or condo. buildings (12,000 SF or more) are required to:

- Meet the highly energy-efficient Passive House building standard.
- Pre-wire for future equipment electrification of mixed-fuel buildings.