

**NC Department of Insurance  
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**Senate Bill 131 Impact to the Application of the 2018 NC Energy Conservation Code**

**Code:** 2018 NC Energy Conservation Code

**Date:** October 12, 2018

**Section:** C101.2

**Code:** 2018 NC Building Code

**Section:** 1301.1.1

**Code:** 2018 NC Existing Building Code

**Section:** 101.12

**Question 1:**

Does Senate Bill 131 (Session Law 2017-10) impact application of the energy efficiency requirements of the 2018 NC Energy Conservation Code, the 2018 NC Building Code, and 2018 NC Existing Building Code?

**Answer:**

Yes, Senate Bill 131 does have impact to the application of the energy efficiency provisions of the 2018 NC Energy Conservation Code (2018 NCECC), the 2018 NC Building Code, and the 2018 NC Existing Building Code. Amendments approved by the Building Code Council indicate that where the primary occupancy of a building or structure is Group F, Group S, or Group U, the entire building area shall be exempt from all energy efficiency requirements pursuant to the 2018 NC Energy Conservation Code, the 2018 NC Building Code, and the 2018 NC Existing Building Code.

The Group F, Group S, or Group U “primary occupancy of a building” is defined as the summation of the floor areas of a building classified with these occupancies being greater than the summation of the floor areas associated with other occupancy classifications that are support functions of the primary occupancy.

The legislation indicates that the exemption shall apply to the entire floor area of any structure for which the primary use or occupancy is Factory Group F, Storage Group S, or Utility and Miscellaneous Group U, which exempts all other secondary occupancies of the building from energy efficiency requirements, as applicable. Building areas including office/administration areas are exempt if the primary use of the building is any of the occupancies listed above.

The approved code provisions apply to new work for both new and existing buildings. With respect to existing buildings, the code provisions apply to new work for additions, alterations, repairs, and change of use.

New outdoor lighting not physically attached to the building and included for the building premises such as driveways and parking areas is not exempt from the energy efficiency requirements.

For buildings qualifying for application of the exemptions, any energy conservation provisions included in the design would be voluntary and not required by the energy conservation code, the building code, or the existing building code. The code official shall inspect for compliance with the engineered drawings and specifications. Energy conservation features included in the design would be solely at the discretion of the designer and the owner and such features would be anticipated to be provided based on an acceptable rate of return determined appropriate by the owner applicable to his specific project and business needs and objectives.

With respect to the 2018 NCECC, section C101.2 “Scope” was amended as shown below in underline:

**101.2 Scope.** This code applies to *commercial buildings* and the buildings’ sites and associated systems and equipment.

Exceptions:

1. Energy expended in support of *process energy* applications does not invoke energy conservation code requirements or building thermal envelope requirements unless otherwise required in specific sections of this code.
2. Per N.C.G.S 143-138 (b18), no energy conservation code provisions shall apply to any structure for which the primary occupancy classification is Group F, S, or U pursuant to Chapter 3 of the 2012 North Carolina Building Code. This exclusion shall apply to the entire building area.

With respect to the 2018 NC Building Code, section 1301.1.1 was amended as shown below in underline:

**1301.1.1 Criteria.** Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*.

Exception: Per N.C.G.S 143-138 (b18), no energy conservation code provisions shall apply to any structure for which the primary occupancy classification is Group F, S, or U. This exclusion shall apply to the entire building area.

With respect to the 2018 NC Existing Building Code, section 101.12 was amended as shown below in underline:

**101.12 Energy conservation.**

In accordance with N.C.G.S 143-138 (b18), no energy conservation code provisions shall apply to any structure for which the primary occupancy classification is Group F, S or U. This exclusion shall apply to the entire building area.

**Identification of the legislation requiring rule change to the NC State Building Code:**

The NC General Assembly ratified Senate Bill 131 and the legislation was signed into law by Governor Roy Cooper. The legislation includes amendments to certain general statutes identified within the provisions of the bill. The legislation includes an amendment to NC General Statute 143-138 adding a new section (b18) which provides a requirement that the NC Building Code Council amend the 2012 NC Building Code and the 2012 NC Energy Conservation Code and any subsequent codes to exempt certain buildings and structures of certain building occupancy classifications from all energy efficiency requirements.

The language from the bill applicable to the energy efficiency provisions is extracted from the legislation and is shown below:

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017  
SESSION LAW 2017-10  
SENATE BILL 131**

**AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE  
CITIZENS OF NORTH CAROLINA**

*The ratified and signed legislation reads in part with respect to the energy conservation code requirements:*

The General Assembly of North Carolina enacts:

**PART I. BUSINESS REGULATION**

.....

**EXEMPT CERTAIN BUILDING CODE CLASSIFICATIONS FROM  
ENERGY EFFICIENCY STANDARDS**

**SECTION 1.4.** G.S. 143-138 is amended by adding a new subsection to read:

“(b18) Exclusion From Energy Efficiency Code Requirements For Certain Use and Occupancy Classifications. - The Council shall provide for an exemption from any requirements in the energy efficiency standards pursuant to Chapter 13 of the 2012 NC Building Code and the 2012 Energy Conservation Code, and any subsequent amendments to the Building Code and the Energy Conservation Code, for the following use and occupancy classifications pursuant to Chapter 3 of the 2012 North Carolina Building Code: Section 306, Factory Group F; Section 311, Storage Group S; and Section 312, Utility and Miscellaneous Group U. This exclusion shall apply to the entire floor area of any structure for which the primary use or occupancy is listed herein.”

And the bill contains additional legislation not included above since they have no additional bearing on the application of the requirements of the energy conservation code.

**Additional Discussion:**

Senate Bill 131 identifies that the NC Building Code Council shall provide for an exemption from any energy efficiency requirements for occupancy classifications Group F, S, and U. The legislation identifies that the exemption shall apply to a building or structure for which the primary use or occupancy is Group F, S, or U and that the exclusion shall apply to the entire building area.

In response to the requirement from Senate Bill 131 for the NC Building Code Council to enact rule changes, the NC Building Code Council prepared and approved amendments to the 2012 NC Energy Conservation Code, the 2012 NC Building Code, the 2015 NC Existing Building Code, the 2018 NC Energy Conservation Code, the 2018 NC Building Code, and the 2018 NC Existing Building Code.

Note that when a building includes occupancy classification Group F, S or U and Group F, S or U is not the primary occupancy of the building, the energy efficiency provisions are not exempted by the rules noted above. However, other exclusions may apply with application of the process energy exemption interpretation and application of the conditioned space criteria interpretation located on the NCDOI web site for the 2018 NC Energy Conservation Code.

**Keywords:**