

Building Performance Policy Brief

ENERGY STAR for Commercial Buildings and Industrial Plants

The Latest Building Performance Policy News

Welcome to a new series of twice-yearly newsletters where we'll give you the latest updates on building performance policies and trends around the country – with a focus on what building owners and service providers need to know.

In this first issue, we're providing background and highlighting recently passed building performance policies affecting existing U.S. commercial and multifamily buildings, as well as describing how EPA works with state and local governments on policy design and implementation.

Read on to learn more about:

- Building Performance Policy: A Short History
- Recent Building Performance Policies
- BPS in Action: Denver's Building Performance Policy
- How EPA Works With State and Local Governments

Building Performance Policy: A Short History

Since California and Washington, D.C. enacted the nation's first benchmarking and disclosure laws back in 2007-2008, more than 40 jurisdictions have followed suit. So far, every one of these laws uses EPA's ENERGY STAR Portfolio Manager® as the compliance mechanism.

More recent laws include building performance standards (BPS), which



require buildings to reach prescribed levels of energy performance or GHG emissions by specific deadlines.

Go Deeper: What Are Building Performance Standards?

Thanks to 30 years of experience working with building owners and managers—and because we manage the tool on which all these laws depend—EPA is able to help local and state governments minimize complexity and inconsistency in their BPS laws. This, in turn, reduces burden on building owners and managers so they can focus on improving building performance and reducing GHG emissions.

Recent Building Performance Policies

Now that we've caught you up on the history, here's a summary of jurisdictions that have passed building performance policies in the past 18 months:

Jurisdiction	Policy Type	Coverage at Full Maturity
Ann Arbor, MI	Benchmarking & Disclosure	Commercial & multifamily ≥ 20k ft ²
Aspen, CO	Benchmarking & Disclosure and BPS	Commercial ≥ 5k ft², multifamily ≥ 15k ft²
Bloomington, MN	Benchmarking & Disclosure	Commercial & multifamily ≥ 75k ft ²
Boston, MA*	BPS	Commercial & multifamily ≥ 20k ft ²
Chula Vista, CA	Benchmarking & Disclosure and BPS	Commercial & multifamily ≥ 20k ft ²
Colorado	Benchmarking & Disclosure and BPS	Commercial & multifamily ≥ 50k ft ²
Denver, CO*	BPS	Commercial & multifamily ≥ 25k ft ²
Indianapolis, IN	Benchmarking & Disclosure	Commercial & multifamily ≥ 50k ft ²
Maryland	Benchmarking and BPS	Commercial & multifamily ≥ 35k ft ²

IMIami Fi	S	Commercial & multifamily ≥ 20k ft ²
Montgomery County, MD*	IBPS	Commercial & multifamily ≥ 25k ft ²

^{*}Jurisdiction has an existing Benchmarking & Disclosure requirement.

BPS in Action: Denver's Building Performance Policy

Denver is one of the latest jurisdictions to pass a BPS. The law includes three sections:

- 1. Benchmarking (buildings > 25k ft²)
- 2. Performance standards (buildings > 5k ft²)



- Requires existing buildings to meet specific energy use standards by 2030, with interim targets in 2024 and 2027. The standards differ by building type, with final performance standards of 48.3 kBtu/ft² for offices and 44.2 kBtu/ft² for multifamily housing, measured in weather-normalized site energy use intensity (EUI). Existing buildings between 5,000 and 24,999 ft² that can't meet this target have prescriptive requirements focused on LED lighting, installing solar panels, or purchasing offsite solar.
- 3. Electrification at time of equipment replacement (applies to all buildings)
 - Requires buildings to electrify space heating and water heating at the time of equipment replacement when an electric solution is near cost parity with a like-for-like gas system. Phases in between 2023 and 2027.

For more information, visit **Energize Denver**.

How EPA Works With State and Local Governments

EPA provides guidance and tools to help state and local governments develop effective, consistent policies that reflect the business realities faced by building owners. Here are a couple of the ways we've done that recently:

 We published a formal recommendation that state and local BPS use Site Energy Use Intensity (EUI) as their primary metric, and that Site EUI be normalized where appropriate to reflect differences in business activity. For BPS encouraging electrification, we recommend



- using a secondary direct emissions metric or the use of a fossil fuel phaseout schedule. The recommendations were developed after extensive analysis and input from dozens of policymakers, building owners, and other stakeholders.
- 2. We developed sample language that state and local governments can use to require their utilities to provide aggregated data to building owners to facilitate benchmarking and BPS compliance (five jurisdictions—California, Washington, Colorado, Maryland, and the District of Columbia—have already done so). State-level requirements can provide clear direction to utilities to ensure that the right data is delivered at the right interval to the right buildings, while offering a way for utilities to recover related costs.

Click here to learn more about <u>how EPA's resources support effective building</u> performance policies.

Have a Question?

Search our FAQs or contact us at www.energystar.gov/buildingshelp.



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