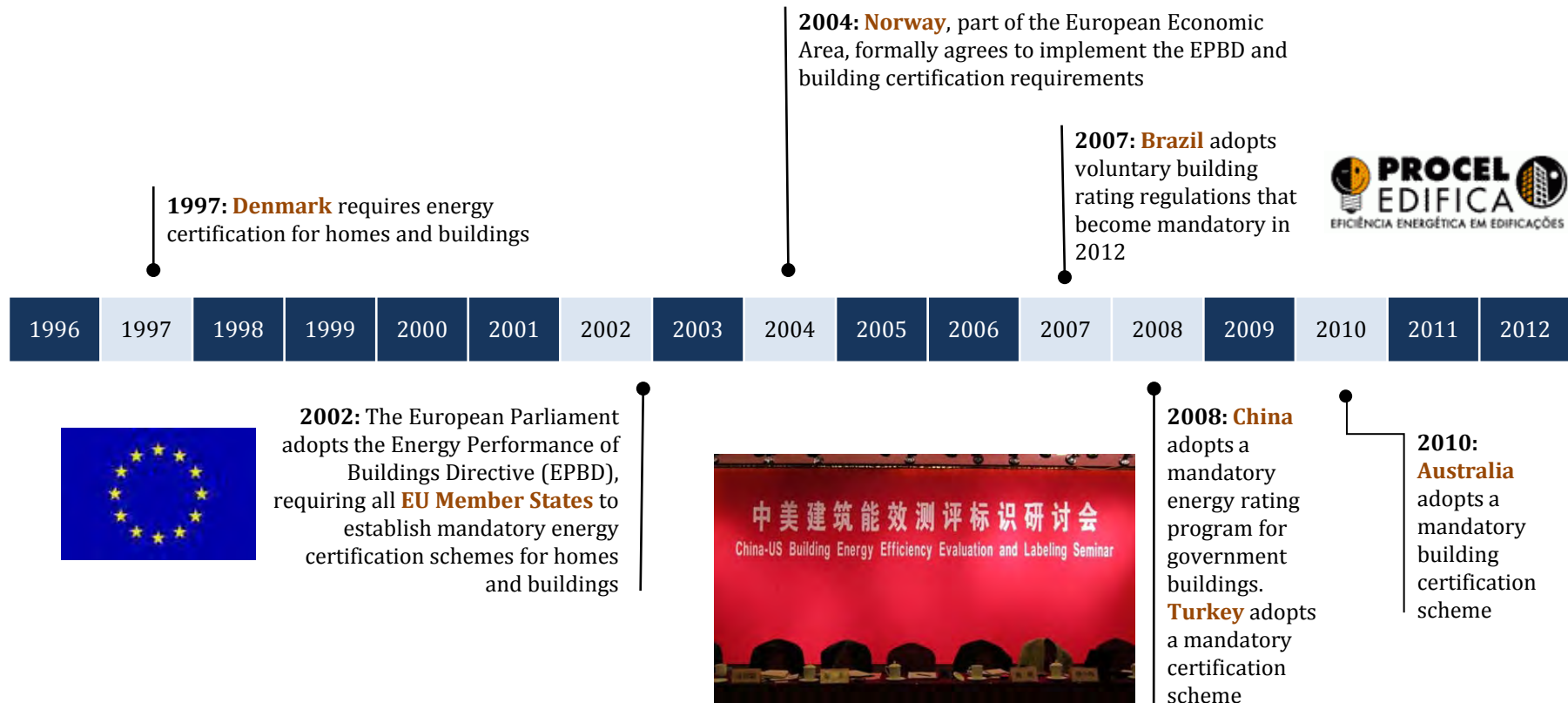


# Commercial Energy Benchmarking and Disclosure Policy: State, Local and Federal Review

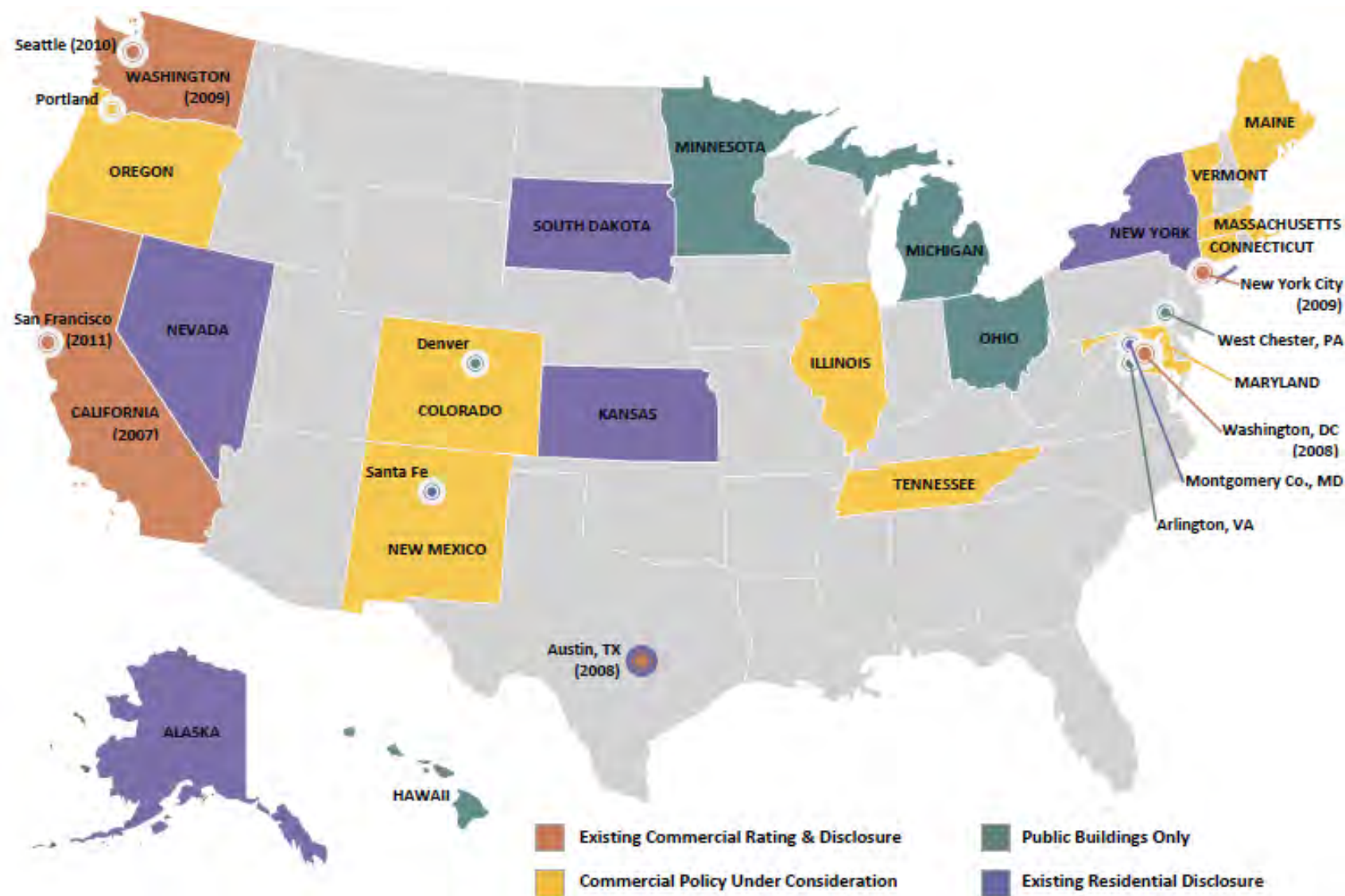
NASEO 2011 Annual Meeting  
Presented Sept. 14, 2011

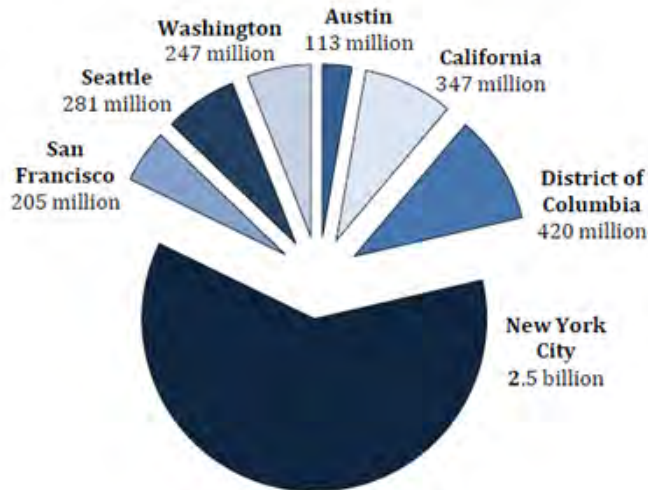
Andrew Burr  
Director, Building Energy Rating Program  
Institute for Market Transformation  
[andrew@imt.org](mailto:andrew@imt.org)

# International Labeling Policy

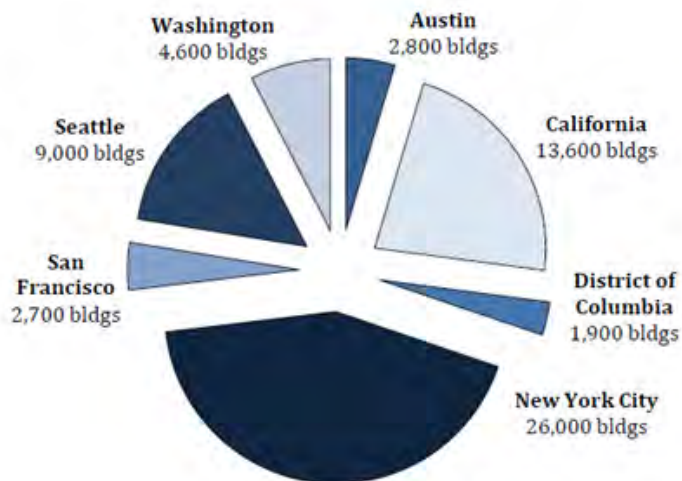


# U.S. Policy Map, State and Local





Policy Impact Projection on Building Area (in Square Feet) by Jurisdiction



Policy Impact Projection on Number of Buildings by Jurisdiction

- **U.S. policies leverage EPA Energy Star Portfolio Manager benchmarking**
  - Simplest, most cost-effective tool available
  - Real estate industry is using voluntarily
- **Seven U.S. jurisdictions have enacted policies**
  - Affect 60,000+ buildings, ~4 billion SF
  - All policies begin phasing in 2011- 2012
  - Policy standardization a mixed-bag
  - Learning curve: Utility data access, outreach, compliance, enforcement
- **Continued interest from states and cities**
  - Driven by interest in existing buildings
  - New incentives are difficult given budget cuts and ramping-down of ARRA funds
  - Market transparency attractive to both parties
  - Policymakers want the data

# Policy Requirements by Jurisdiction

Jurisdiction	Benchmarking (Building Type and Size)		Disclosure					
	Non-residential	Multi-family	On public web site	To local government	To tenants	To transactional counterparties		
						Sale	Lease	Financing
Austin	10k SF+	-	-	✓	-	✓	-	-
California*	1k SF+	-	-	✓	-	✓	✓	✓
District of Columbia	50k SF+	50k SF+	✓	✓	-	-	-	-
New York City	50k SF+	50k SF+	✓	✓	-	-	-	-
San Francisco	10k SF+	-	✓	✓	✓	-	-	-
Seattle	10k SF+	5+ units	-	✓	✓	✓	✓	✓
Washington	10k SF+	-	-	-	-	✓	✓	✓



**“I tell our green startup companies to focus on San Francisco or New York City. That’s where the action is going to be.” - Elton Sherwin, venture capitalist, senior managing director, Ridgewood Capital**



**“When clients get their benchmarking results, they start asking questions – ‘Why did my building get this score and what can I do to improve it?’” – Lindsay Napor McLean, Exec. VP and COO, Ecological**

**“... a great way for us to go to the folks who are already primed for what we’re doing.” – Jeffrey Perlman, founder & CEO, BrightPower, CEO, EnergyScoreCards Inc.**

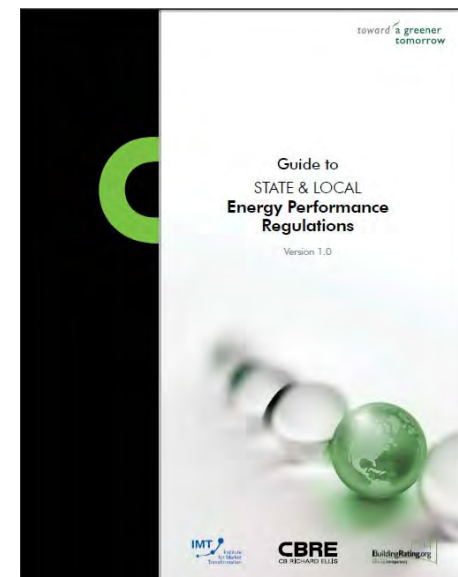
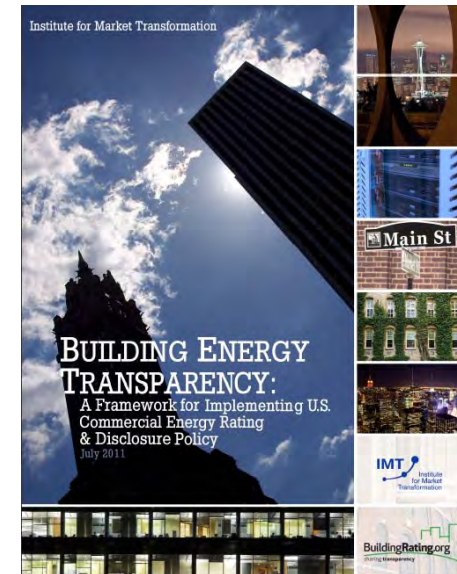
- **Business up by 30%** at BuildingWise (San Francisco) and Sustainable Real Estate Solutions (Conn.)
- Ecological has **doubled staff and added 400 clients** in past 12 months
- **Benchmarking policies resulting in direct job growth** and expected to fuel and sustain the pipeline for audits, RCx, operational improvements and retrofits
- Unlocking organic demand, not manufacturing demand as incentives can do

## Dept. of Energy and White House becoming more engaged

- **Administration**
  - Better Buildings Initiative to reduce commercial consumption by 20% by 2020
    - Focus on EE tax deduction, appraisal, state and local policies (Race to the Green)
    - Better Buildings Challenge to leverage benchmarking and reporting
  - Administration has engaged with local policymakers on benchmarking policies
- **Dept. of Energy**
  - Created National Building Rating Program (with EPA) following interagency MOU and Vice President's Recovery Through Retrofit report
    - Home Energy Score in pilot, commercial asset rating program RFI issued
  - SEP FOA grants include benchmarking and disclosure work
  - State Energy Efficiency (SEE) Action Network active on benchmarking policy
  - Benchmarking of state/local government buildings prioritized with ARRA grantees
- **Federal Energy-Efficient Leasing Requirements**
  - Passed in EISA 2007, effective late 2010
  - All federal agencies must lease space in energy-efficient buildings as measured by Energy Star benchmarking
  - Clarification of rules ongoing



- **Policy Implementation**
  - Needs standardization and guidance
  - IMT convened states and cities in 2010 to discuss coordination and standardization
    - Published first national framework for implementing policies in Aug. 2011
    - Second event and follow-up report in 2012, will include industry participation
- **Resources**
  - CB Richard Ellis Guide to State & Local Energy Performance Regulations (Aug. 2011)
  - BuildingRating.org (IMT, NRDC)





- **#1 barrier to benchmarking: Owners lack whole-building data access**
  - Getting monthly consumption data in some multi-tenant buildings nearly impossible
  - Some utilities and state commissions are piloting solutions
    - Aggregated, whole-building data – ComEd, ConEd, Puget Sound Energy, etc.

- **Data Access and Transparency Alliance**
  - [www.energydataalliance.org](http://www.energydataalliance.org)

**DATA** | Data Access and  
Transparency Alliance



The Real Estate Roundtable

- **National Association of Regulatory Utility Commissioners**
  - Resolution passed at summer meeting calling on state commissions to provide better data access to commercial owners and encourage benchmarking

# Thank you

Andrew Burr  
Director, Building Energy Rating Program  
Institute for Market Transformation  
[andrew@imt.org](mailto:andrew@imt.org)

[www.imt.org](http://www.imt.org)  
[www.buildingrating.org](http://www.buildingrating.org)