

Building Benchmarking Work Group

Initial Meeting

September 16, 2014 – 2:00pm

Executive Office Building Auditorium

Meeting Notes

Introduction: Stan Edwards, Chief Division of Policy Compliance, MC DEP

Stan welcomed the group and provided an overview of the meeting presentations:

- Overview of Bill 2-14 as adopted, introducing Michelle Vigen
- County benchmarking efforts, introducing Eric Coffman
- Perspectives on benchmarking
 - Shaun Pharr, AOBA – Gov't Affairs
 - Jessica Long, JBG – Commercial Operations
 - Lorie Shellender, Pepco – Data Access
- Work group charter
 - Subcommittees

Overview of the Bill: Michelle Vigen, Senior Energy Planner, MC DEP

Michelle introduced herself as the point-of-contact for the county's benchmarking initiative, for any questions, thoughts, etc. that come up through the work group and implementation process. She then covered the reasons and benefits of benchmarking, including the opportunity to better manage energy costs, market transparency, and overall business operational efficiency. She cited the county's greenhouse gas emission reduction goal and how commercial buildings contribute to 1/3 of county emissions. Turning to the bill, Michelle highlighted important changes between the proposed and adopted bill:

- County buildings are now included and will "lead by example"
- Bill applies to only non-residential (No multi-family)
- Deadlines extended
- Auditing and retro-commissioning aspects removed
- Development of a work group

She added a clarification that the bill is NOT the same as the International Green Construction Code bill (IgCC) that is being led by the Department of Permitting Services. Michelle then walked through the main aspects of the bill: which buildings are included under the bill, exemptions and waivers, deadlines for each group, requesting tenant data and utility offering of aggregate data, the use of portfolio manager, data verification and reporting and disclosure, and the work group charge. (Please see published slides or the bill for more details.) DEP has begun talking with potential outreach partners, including many stakeholders of the work group, and are looking for opportunities to present and train at events. They are also looking at developing technical resources, including a guidance document (akin to DC's), and bringing in EPA training. Lastly, Michelle touched on the recognition opportunities that come with benchmarking and access to energy efficiency incentives by the county, state, and utilities.

Questions

Is there an impact on building eligibility based on property identification number? Is it straight 50k, 250k? Currently the bill covers both individual buildings and also buildings on a single property that add up to the threshold. There are some policy and logistical issues with this definition and we look forward to discussing them with the appropriate subcommittee.

Cities like Chicago have been looking at ASHRAE's benchmarking tool...has there been consideration of using this tool? The legislation recognizes Energy Star or another method as approved by Dept director to benchmark. Portfolio Manager is FREE and has been used successfully with other initiatives like this across the nation and is the standard for benchmarking. If building owners want to use 3rd party software in addition to Portfolio Manager, they are welcome to do so.

Why was retro-commissioning removed? When the bill was originally introduced, folks not involved in benchmarking were overwhelmed. That might be a good next step, but they want everyone on the same page first. We encourage people to do retro-commissioning, but it's not required as part of the bill.

County building benchmarking efforts: Eric Coffman, Chief Office of Energy and Sustainability, MC DGS

Eric spoke about the county's benchmarking efforts. He noted that the county was encouraged to go first because their portfolio is big and provides a microcosm of other buildings in the county. He showed a breakdown of buildings that fall under the law: 27 owned and occupied, 7 that they lease, and 17 that they lease out. The county is electing to use a software provider to help in the data collection and analysis, as well as benchmarking in Portfolio Manager. He also discussed how the county benchmarked most of their buildings in 2008 and had buildings scoring from 2-99. He listed concerns about getting information into Portfolio Manager and about the certification by a licensed professional.

Perspectives on Benchmarking - Panel

Panelist: Shaun Pharr, Government Affairs, Apartment and Office Building Association (AOBA)

Shaun gave an overview of AOBA and the advocacy and resources they offer their building community membership. He noted that they were very involved in DC's work around benchmarking – admitting that while it started out contentiously, that they now have a very good relationship with DDOE. He mentioned that AOBA was aware that a significant portion of DC's buildings were already benchmarked, and were not supportive of the mandate (preferring a more carrot-and-stick approach), and that benchmarking is a lot harder than it seems. He emphasized the importance of outreach and partnerships, making sure that building owners knew what was expected and what was going on, and that AOBA did a lot of outreach for DC and will look forward to offering the same support to the Montgomery County effort. He emphasized the importance of this work group and the statue explicitly inviting the work group to make recommendations regarding appropriate statutory revisions. Shaun affirmed AOBA as a partner to building owners in

the work group process and benchmarking effort and that they will be involved in the work group and implementation moving forward.

Panelist: Jessica Long, Commercial Operations, JBG

Jessica gave an overview of JBG's building portfolio (11 million square feet of commercial real estate) and described their history with benchmarking. They began in 2007, with building staff inputting data into Portfolio Manager. They earned their first ENERGY STAR label then and now have 20 buildings with the label. In 2012, they began working with a 3rd party energy management company to provide greater analysis and oversight over their energy use; their contractor now imports all their data into Portfolio Manager and provides staff with energy report cards and dashboards to better understand and visualize their energy use and saving opportunities. Jessica described the benefits JBG has seen from benchmarking, including being able to qualify for various energy efficiency incentive programs that require a consumption history, ability to achieve LEED for Existing Buildings, eligibility for custom rebates from the utilities, tax credits in certain cities like Rockville, and ability to work with tenants to share costs of energy upgrades based on documented energy savings that benefit the tenants. She underscored the recognition ENERGY STAR provides and how the market recognizes energy star brand as a leader and that allows tenants to use that brand name in their own marketing.

Panelist: Lorie Shellender, Data Access and Automation, Pepco

Lorie walked the work group through the different tools available around energy data, from interval usage data (monthly bill), to that from smart meters, third-party analytics and software, and energy benchmarking. Pepco offers Green Button standard data downloads for residents and small businesses, as well as a similar product for larger businesses called CEO Online, which shows basic trends and analytics for their larger commercial customers. They are currently working with Schneider Electric on a program called Resource Advisor which gives customers direct access to data (goes hand in hand with benchmarking), provides easy access to whole-building/aggregate data, and uploads directly into Portfolio Manager. Lorie outlined some of the challenges Pepco has to overcome, including getting customers their requested data in a timely manner (she talked about the manual labor that went into providing data requests for the DC benchmarking law), implementing a new billing system (expected 2015), and integrating these new systems to work together. She also touched on Pepco's commitment to data privacy, their threshold of 5 tenants or more to request aggregate data, and requirements to get authorization if less than 5 tenants.

Questions

Is the data automation only available to Pepco customers? BGE also is working on offering a similar service. Washington Gas is also working on providing a similar service, though their timeline is a bit longer and may not sync with Montgomery County's first deadlines.

Does this affect the way you write your leases? (Directed to Jessica) Yes, it has had a positive impact on the way JBG approaches energy efficiency. With the data available, they can pass back the cost of upgrades since they can show energy savings.

Did JBG include parking garages in their certification? Yes, if it's part of your base building and on the same meter, per Portfolio Manager guidelines.

What kind of support and resources does DC provide to building owners or managers who want to benchmark and how does this dovetail with what MoCo will need to do? DEP has been talking with Pepco's energy efficiency program and how benchmarking lines up with their programs and incentives; information on these programs will be marketed alongside the benchmarking information.

Has JBG figured out average ROI? JBG sustainability is working toward that, but on average they look for paybacks of 3-5 years. JBG is also a participant of the DOE Better Buildings Challenge and is developing an implementation plan to meet the 20% reduction goal. In many cases, there are energy savings available at no cost, but just a change in operations.

Any initial resistance from tenants providing data? JBG has generally not had any issues, though it took some discussions to get data from GSA tenants. Some smaller retail also were more difficult to reach (no email), and chain retail may never see their energy bills if it's centralized at HQ. Portfolio Manager allows you to exclude 10% of your total square footage – that helps a lot.

Discussion: Work Group Subcommittees

Michelle reviewed the Work Group charter and responsibilities: to review the benchmarking process as applied to county buildings and report recommendations for implementation, including legislative amendments to the County Council and Executive.

She solicited feedback on three proposed subcommittees:

- Technical assistance programming and resources - This group will provide guidance on DEP's efforts to support the implementation of the benchmarking bill. The scope will range from best practices to providing technical assistance and identifying resources to help building owners benchmark.
- Outreach and education - This group will provide guidance on DEP's outreach efforts, including communication venues and media, identifying partner organizations to support outreach, etc.
- Implementation guidance and legislative clarifications - This group will review the legislation and identify areas that require greater clarity or suggest a need for substantive revision. Staff have begun to identify areas for further clarification and conduct research on other jurisdictions to identify a range of solutions. Solutions may be implemented by incorporating them in general guidance documents and FAQs, and some may be proposed as legislative amendments.

Discussion

The work group commented that the technical assistance programming will likely dovetail and overlap with the implementation guidance; recommended that staff liaison between, have some members involved in both.

Michelle asked about the larger group meeting periodically? One suggestion was when the subcommittees finished their work. Michelle suggested perhaps once in the interim as well.

Who is creating the larger document? It will be a collective effort, staff will support.

What is the timeline? Report is due no later than September 1, 2015

When will the subcommittees begin? Staff are thinking October – general agreement by the group.

Can Eric/DGS participate in the groups to provide updates? Eric said they will likely be in the technical assistance subcommittee.

How will we push out information to building owners about these issues and questions? Staff are starting an email list for general commercial energy efficiency which will be the main communication. Also, the DEP website will have updates.

The subcommittees were approved (for the meantime), and sign up sheets were laid out. An email will go out soliciting additional members to the subcommittees and staff will coordinate meetings for each subcommittee in October.

Jessica Long, (representing USGBC Montgomery County Branch) announced the USGBC is hosting a free and first awareness event around the benchmarking bill. It is scheduled for the morning of November 6th. Details and registration are available at <http://bit.ly/mocobenchmarkintro>.

Also, the USGBC 2nd Annual Montgomery County Energy Summit is scheduled for March 18th – they are currently seeking sponsors.

(Thanks to Gwen Bausmith for taking notes!)

Contact

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