Bill 16-21: Building Energy Use Benchmarking Amendments

 Covered Buildings Guide

Learn more at https://www.montgomerycountymd.gov/green/energy/benchmarking.html
Benchmarking & BEPS Building Coverage

Previously Covered

- **Group 1**
  - Commercial buildings
  - 250k+ GSF

- **Group 2**
  - Commercial buildings
  - 50k – 250k GSF

- **Group 3**
  - Commercial buildings
  - 25k – 50k GSF
  + previously exempted commercial buildings of all sizes

Newly Covered

- **Group 4**
  - Multifamily buildings
  - 250k + GSF

- **Group 5**
  - Multifamily buildings
  - 25k – 250k GSF

Buildings with at least 10% warehousing, self-storage, and manufacturing/industrial uses were previously exempted.
Timeline for Benchmarking and BEPS

- Commercial buildings 25k-50k gsf (Group 3) + MF buildings 250k+ gsf (Group 4) first benchmark CY 2022 data by June 1, 2023
- MF buildings 25k-250k gsf (Group 5) first benchmark CY 2023 data by June 1, 2024
- Commercial buildings 50k+ GSF (Groups 1 and 2) begin BEPS on January 1, 2024 and have 5 years until the first interim target

Two 5-year cycles

- Group 1-2, BEPS interim standard #1
- Group 1-2, BEPS final standard
- Group 3-4, BEPS interim standard #1
- Group 3-4, BEPS final standard
- Group 5, BEPS interim standard #1
- Group 5, BEPS final standard
Important Dates: Benchmarking and BEPS

- Newly covered buildings benchmark for 3 years and receive a custom baseline based on average of 2 highest site EUI periods
- Buildings report annually on June 1 with BEPS progress assessed in interim and final standard years

<table>
<thead>
<tr>
<th>Building Group</th>
<th>First Benchmarking Deadline</th>
<th>Baseline Years</th>
<th>Interim</th>
<th>Final BEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>-</td>
<td>2018-2022</td>
<td>12/31/28</td>
<td>12/31/33</td>
</tr>
<tr>
<td>Group 1: Non Residential &gt;250k Sqft</td>
<td>-</td>
<td>2018-2022</td>
<td>12/31/28</td>
<td>12/31/33</td>
</tr>
<tr>
<td>Group 2: Non Residential 50-250k Sqft</td>
<td>-</td>
<td>2018-2022</td>
<td>12/31/28</td>
<td>12/31/33</td>
</tr>
<tr>
<td>Group 3 &amp; 4: Non Residential 25 - 50k, Residential &gt;250k Sqft</td>
<td>June 1, 2023</td>
<td>2022-2024</td>
<td>12/31/30</td>
<td>12/31/35</td>
</tr>
<tr>
<td>Group 5: Residential 25-250k Sqft</td>
<td>June 1, 2024</td>
<td>2023-2025</td>
<td>12/31/31</td>
<td>12/31/36</td>
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Updated Exemption and Waiver Criteria

**Exemptions**

Covered building for which more than 50% of the total gross floor area is used for:

a) public assembly in a building without walls;

b) industrial uses where the majority of energy is consumed for manufacturing, the generation of electric power or district thermal energy to be consumed offsite, or for other process loads; or

c) transportation, communications, or utility infrastructure.

Buildings with at least 10% warehousing, self-storage, and manufacturing/industrial uses were previously exempted.

**Waivers**

1. Financial distress, defined as a building that:
   a) is the subject of a tax lien sale or public auction due to property tax arrearages;
   b) is controlled by a court appointed receiver; or
   c) was recently acquired by a deed in lieu of foreclosure;

2. On average, less than one full-time-equivalent employee occupied the building during the calendar year being reported;

3. The covered building is newly constructed and has received its certificate of use and occupancy during the calendar year for which benchmarking is required; or

4. The covered building was demolished or received its demolition permit during the calendar year for which benchmarking is required.

Previously exempted buildings of all sizes will be added to Group 3 and start benchmarking CY 2022 data by June 1, 2023.

Buildings with average physical occupancy of less than 50% throughout the calendar year were previously waived.
Updated Definition of a Covered Building

Previous Covered Building Definition:

• Building, or any group of buildings that have the same parcel/property identification number, that meet the square footage threshold

Bill 16-21 Amended Covered Building Definition:

• Single building that can be individually metered and share no interior common area;
• A group of buildings that share an energy meter, have a common heating or cooling system, share interior common areas, or otherwise cannot attribute energy use to a single building.

Parcel: All buildings on tax parcel (summing to 50k+ gsf) must benchmark

1. Dorm: 16,064
2. Church: 27,009
3. School: 66,921

Building: If energy use can be isolated, only single buildings 25k+ gsf must benchmark and are subject to BEPS

1. Dorm: 16,064
2. Church: 27,009
3. School: 66,921
Building Coverage Examples: Multifamily

<table>
<thead>
<tr>
<th>Covered</th>
<th>Not Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highrise &amp; mid-rise apartments/ condos</td>
<td>Townhomes with no shared systems or interior area</td>
</tr>
<tr>
<td>Garden apartments where buildings with shared systems/space are &gt;25k gsf</td>
<td>Apartments where each building on the parcel is &lt;25k gsf</td>
</tr>
<tr>
<td>Retirement homes &amp; assisted living</td>
<td>Units with no shared systems or interior area</td>
</tr>
</tbody>
</table>
Owners of properties that were previously benchmarking as a group / campus / parcel level may opt to begin reporting individual “buildings” 25,000+ gross square feet at the building or tenant level. These newly reported single structures will be grouped into “Group 3” for timing and compliance and be given 3 years of benchmarking data before beginning BEPS.
Owners of properties that were previously benchmarking as a group / campus / parcel level may opt to begin reporting individual buildings 25,000+ gross square feet at the building level. These newly reported single structures will be grouped into “Group 3” for timing and compliance and be given 3 years of benchmarking data before beginning BEPS.