



# Montgomery County's Proposed Building Energy Performance Standards



## Highlights of BEPS Legislation

- Covers commercial and multifamily buildings 25,000 gsf+
- Requires owners to meet a long-range property-type site energy use intensity target to improve energy performance
- Balances flexibility for owners with immediate action required by the County's climate goals
- Technical assistance will be available for building owners to comply more easily

## What are building energy performance standards?

Building Energy Performance Standards (BEPS) (Bill 16-21) set a minimum energy performance threshold for buildings. BEPS is one of the most powerful policy tools available to drive energy improvements in existing buildings.

## Why buildings?

Energy use in the building sector is the largest contributor to greenhouse gas emissions in Montgomery County, representing almost 50% of total community-wide emissions.

## What buildings are covered under BEPS?

BEPS builds on the existing Benchmarking Law, which requires building owners to benchmark and report energy use data each year. Non-residential buildings 50,000 gross square feet (gsf) and larger are already covered by the Benchmarking Law and will be the first to phase into BEPS.

Proposed amendments to the Benchmarking Law cover buildings 25,000+ gsf and add multifamily properties. These buildings will benchmark for 3 years before phasing into BEPS.

## How does BEPS work?

Buildings are grouped by property type, and each property type is assigned a long-term performance standard. All buildings within a property type must meet the same final performance standard by the designated compliance deadline.

Buildings will be required to meet interim standards every four years to ensure progress toward the final standard. Each building's trajectory and interim standards are calculated by drawing a straight line from the building's individual baseline performance to the final standard.

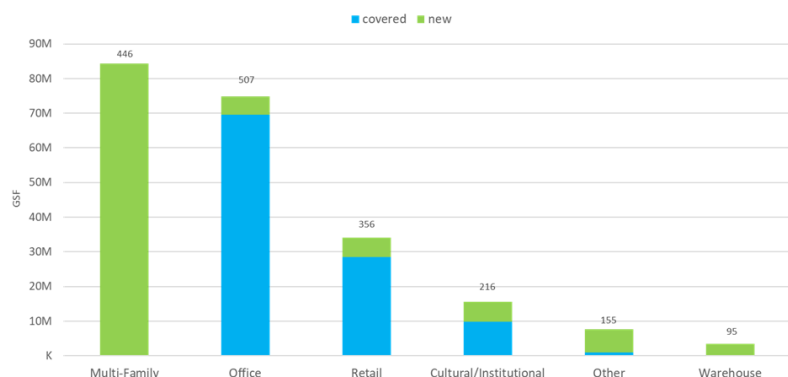
This approach allows better-performing buildings to improve more gradually than poorer-performing buildings, which despite being expected to improve more quickly, are permitted to use more energy at every interim standard.

## What metric is used to track performance?

Each property type is assigned a long-term final site energy use intensity (site EUI) performance standard. Site EUI measures how efficiently energy is used in a building and reflects energy use directly under the

## BEPS Coverage in Montgomery County

Proposed covered buildings estimate: ~220M sq ft, 1775 properties



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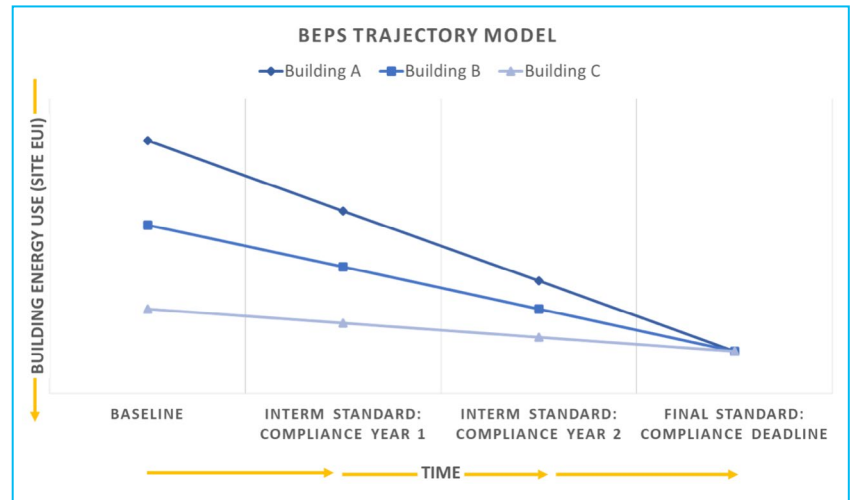
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building owner's control. It is calculated by dividing the total annual energy use at the site from all sources by the building's gross floor area, represented in thousand British thermal units (kBtu) per square foot. Onsite solar generation will receive credit towards a site's BEPS performance.

## How do building owners demonstrate compliance with BEPS?

Buildings report energy data annually on June 1, per the [Benchmarking Law](#). Buildings at or below their performance standard at interim periods and final standard years are considered in compliance.

Building owners not meeting the applicable interim or final performance may submit a Building Performance Improvement Plan (BPIP) for compliance, which will outline an implementation plan and timeline for achieving potential energy improvements.



## What is the timeline for BEPS?

The final standard's deadline will be phased in (as proposed, 2034, 2036, or 2037), depending on the type and size of the building.

Regulations will be issued by June 1, 2022, which will address items such as: Building type groupings; setting performance standards for each building type; guidance for onsite solar generation requirements; and adjustments or assistance for under-resourced sectors, such as affordable housing and non-profits.

## How can building owners prepare for BEPS?

Several programs exist to support energy efficiency with financing and incentives such as the [Montgomery County Green Bank](#), Commercial PACE program, [EmPOWER Maryland](#), and others. The County is exploring additional technical assistance programs such as a regional high-performance building hub as well direct assistance for under-resourced sectors.

