



## BUILDING PERFORMANCE IMPROVEMENT BOARD MEETING NOTES

November 16, 11 am to 1 pm

In attendance:

<b>Name</b>	<b>In-Person</b>	<b>Virtual</b>	<b>Role</b>
Emily Curley	X		DEP staff liaison
Stan Edwards		X	DEP staff support
Rhett Tatum	X		Member
Daniel Cleverdon	X		Member
Amanda MacVey	X		Member
Andrew Rivas	X		Member
Lawrence Carroll	X		Member
Sheena Oliver		X	Member
Jill Goodrich		X	Member
Luke Lanciano			Member
Adam Landsman		X	Member
Mike Dieterich	X		Member
Julie Wolfington	X		Member
Josh McClelland		X	Member, Deputy Chair
Edward Musz	X		Member
Kevin Walton	X		Member, Chair
Gregory Goldstein		X	Member
Lindsey Shaw	X		Ex officio member (DEP)
Bryan Bomer			Ex officio member (DPS)
Dan McHugh		X	Ex officio member (DHCA)
Michael Yambrach		X	Ex officio member (DGS)
Henry Jordan		X	Member of the public

### Administrative items

Quorum present; meeting notes from 11/9 meeting approved.

### Recap any actions from previous meeting

## Building groups discussion and decision points

The Board reviewed exemption criteria from the BEPS law which provides exemption for: A building for which more than 50% of the total gross floor area is used for:

- Public assembly in a building without walls; or,
- 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,
- Transportation, communications, or utility infrastructure.

The Board discussed the definition of “manufacturing” and suggested that the County explore further defining manufacturing and industrial uses in regulation or technical guidance and align with existing definitions, such as the State of Maryland’s [Sales and Use Tax Exemptions for Production Activities](#). Among other “production activities” the guidance also includes “Establishing or maintaining clean rooms or clean zones required by federal laws pertaining to manufacture of drugs, medical devices, or biologics.”

The Board also discussed the criteria by which DEP can verify whether the “majority” of energy is consumed by manufacturing and industrial process loads. The general advice was that if >50% of the floor area is for an industrial use, it is likely that a majority of energy use in the building will be for a related industrial use. If <50% of the gross floor area is used for industrial, DEP could request more documentation such as BAS data, electrical in-line drawings, other calculations about equipment loads, energy audits, or site visits to demonstrate that the majority of energy use is consumed by an exempted use. Board recommended that DEP consider adding additional detail about the type of documentation that may be required in technical guidance.

- **Mixed-use buildings**

The Board considered how mixed-use buildings may be treated in BEPS - both those classified as “mixed-use” in ENERGY STAR Portfolio Manager (i.e., no single property type makes up >50% of the total building GFA) and those that have one primary space >50% of floor area, but with one or more secondary spaces - potentially by providing an area-weighted site EUI target based on the percentage of gross floor area for each property type in the building and the site EUI target for each property type.

ENERGY STAR Portfolio Manager only provides the gross floor area for the three largest property use types in the data export.

The Board reviewed how other jurisdictions are considering multiple building uses in target setting.

The following items were moved to a vote related to mixed-use building treatment:

- The majority of the Board members present voted in favor of providing area-weighted mixed-use targets
- The majority of the Board members present voted in favor of providing area-weighted mixed-use targets for all buildings with secondary spaces (not just those classified as “mixed-use” by ENERGY STAR Portfolio Manager)

- In terms of how to apply mixed-use targets, the Board voted in favor of using a blended target based on the percentage of Gross Floor Area assigned to **the largest three building types**, like the Denver methodology. Two members abstained from the vote.

Board members also discussed having an option for building owners to lobby to include more than 3 property types in the target weighting if there are additional space types present that may impact the building's site EUI target.

#### ACTIONS:

- **DEP staff to look at recent benchmarking data to see how many buildings may have more than 3 major floor areas.**

- **“Other” buildings**

The Board reviewed treatment of “Other” buildings: those that do not fall within the 83 available property use categories in Portfolio Manager.

In terms of methodology for grouping and creating targets for these buildings, the Board agreed with DEP's suggested approach of:

- Buildings reported as “Other – Other” contacted to report correctly or placed into a category by DEP if not clearly an “Other” CBECS property type. Building owner retains right to challenge grouping.
- For truly “other” buildings, handle on a case-by-case basis, potentially providing:
  - Guidance on choosing the most appropriate property use type
  - The same kind of area-weighting like for any mixed-use building if building contains some uses that allow it
  - A custom target based on the building's historical energy use and common standard-setting methodology or use of the CBECS national median for “other” buildings

- **Building groups**

The Board continued to discuss building groups and reviewed a spreadsheet that DEP created that suggested “BEPS group type” along with the Montgomery County and DC median EUI and sample size, and the national CBECS EUI, along with some other detail tabs with individual building site EUI.

Several building types, like automobile dealership, hospitals, and labs, where the local median is much higher than the national median were discussed.

#### ACTIONS:

- **DEP staff to send spreadsheet to Board to review (sent on 11/16/22). Board will provide feedback for discussion at 12/7 meeting**

#### Site EUI standard setting preview

DEP presented a background on site EUI, energy end uses within buildings, how those end uses are powered, how electricity is generated, and how that relates to calculating site EUI performance targets for each building group.

The group reviewed a number of topics that will be useful to discuss as we turn to site EUI target setting methodology such as alignment with goals, technical feasibility, costs, compliance paths, etc.

**ACTIONS:**

- **Board to note any additional topics that would be useful review related to site EUI target setting**

**Other topics**

The Board discussed the definition of Gross Floor Area (GFA) in the benchmarking law, since an accurate GFA is crucial to calculating an accurate site EUI. In the law, GFA corresponds with the [ENERGY STAR definition](#) and is defined as:

*Gross floor area* means the total building square footage measured between the principal exterior surfaces of the enclosing fixed walls of a building. *Gross floor area* consists of all areas inside the building, including lobbies, tenant areas, common areas, meeting rooms, break rooms, the base level of atriums, restrooms, elevator shafts, stairwells, mechanical equipment areas, basements, and storage rooms. *Gross floor area* does not include exterior spaces, balconies, patios, exterior loading docks, driveways, covered walkways, outdoor play courts (e.g., tennis, basketball), parking, the interstitial space between floors (which house pipes and ventilation), and crawl spaces. *Gross floor area* is not the same as rentable space, but rather includes all areas inside the building(s).

A few members brought up the difficulty of identifying an accurate gross floor area where records might have conflicting information or be missing altogether. Condo buildings in particular may be lacking records that show GFA. DEP should include the GFA definition from the law in technical guidance.

Another member brought up that many commercial buildings use BOMA guidance to calculate GFA.

**ACTIONS:**

- **DEP to compare the BOMA definition of gross floor area to the Portfolio Manager definition to see if they align.**

For additional information, please visit the Building Energy Performance Standards website at <https://www.montgomerycountymd.gov/green/energy/beps.html> or contact DEP at [energy@montgomerycountymd.gov](mailto:energy@montgomerycountymd.gov).