



BUILDING PERFORMANCE IMPROVEMENT BOARD MEETING NOTES

December 7, 11 am to 1 pm

In attendance:

Name	In-Person	Virtual	Role
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		X	Member
Adam Landsman			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			Member
Lindsey Shaw	X		Ex officio member (DEP)
Bryan Bommer		X	Ex officio member (DPS)
Dan McHugh	(has retired as of 11/30)		Ex officio member (DHCA)
Michael Yambrach		X	Ex officio member (DGS)
Henry Jordan		X	Member of the public
Kevin Carey		X	Member of the public

Administrative items

Quorum present; meeting notes from 11/16 meeting approved.

Administrative Items

Board members will need to complete new ethics training and upload certificate of completion.

A few relevant County updates:

- [Bill 13-22, Buildings – Comprehensive Building Decarbonization](#) passed by County Council on 11/29 will require the County Executive to issue all-electric building standards for new construction not later than December 31, 2026
- Residential electrification RFP now open. Montgomery County DEP has issued a Request for Proposals (RFP) for technical contractor support and incentive administration for a countywide electrification incentive pilot program for residential properties. The solicitation number for this RFP is [#1147188](#). A pre-submission conference will be held on January 5, 2023 via Microsoft Teams. The RFP closes on **January 16, 2023 at 3:00 PM Eastern**
- Montgomery County Energy Summit March 28 – 29, 2023 with focus on preparing building community for compliance. Seeking exhibitors to display innovative products and services to aid in building energy efficiency, renewable energy, electrification, building decarbonization, healthy buildings, and zero-emission vehicles. [Submit an Expression of Interest](#) until **February 1, 2023**.

Recap any actions from previous meeting

- On area-weighted site EUI targets:
 - Recent benchmarking reports show that 7% of submissions had more than 3 property types (excluding parking) meaning that the floor area for any additional property uses would be unavailable for calculating an area-weighted target. 3% of all buildings reported in 2021 had more than 3 space use types where the additional uses made up more than 10% of the whole-building gross floor area. *DEP recommends allowing area weighting for more than 3 space types by request and upon review of the property use types selected.*
 - One board member noted that use patterns are constantly changing (in buildings and as a whole) so building in flexibility for building groupings and the overall policy is important.
- On how BOMA guidance on calculating gross floor area aligns with the BEPS law/ENERGY STAR Portfolio Manager
 - DEP asked BOMA for a comparison, but BOMA does not have a comparison between the BOMA Gross Areas of a Building: Standard Methods of Measurement and Energy Star's gross area definition. Board recommends technical guidance and outreach on the importance of calculating and reporting an accurate gross floor area as this is key to deriving a site EUI and meeting a target.

Building groups discussion

The Board reviewed methodology to create BEPS building type groups. The suggested approach for creating building groups is to group buildings with shared characteristics in operations and energy use

intensity. Based on previously discussed building group types, some members expressed support for additional sub-groups for types like food sales/food service, bank branches, and automobile dealership, but generally supported the overall methodology.

In creating a reference standard for each group, which serves as the basis for target calculations, the suggested approach is to use local reference data where available, e.g. where a large enough sample size exists (typically 8-10+ buildings), use the local median site EUI as the reference standard. DEP may reference state-wide benchmarking data to supplement where few County buildings have reported. In the absence of a large enough/representative sample locally, the CBECS median site EUI adjusted to local climate where possible, would be used as a reference.

VOTES:

- The Chair moved the board to a vote on the building group type methodology. The majority of Board members approved a of the building group type methodology as outline above. One member abstained from the vote.

Site EUI discussion – alignment with State BEPS

DEP reviewed known elements of the state’s building energy performance standards which requires compliance with a 20% reduction in net-direct GHGs by 2030 (vs 2025 average buildings of similar construction), net-zero direct GHGs by 2040, and to-be-determined site EUI targets

Board members had some questions and observations about the state BEPS including:

- Whether carbon offsets factor into net direct emissions reductions
- Why commercial cooking was exempted when technologies like induction cooking are available today
- That electrifying existing buildings can be very challenging and costly in the case that electrical infrastructure also needs to be upgraded to support additional capacity
- Where/how the alternative compliance penalty funds the state collects will be invested
- Whether the alternative compliance penalty is a one-time or ongoing, annual penalty, and for what duration
- That the alternative compliance penalty per ton of carbon could be very costly, and something to build into project economics when looking at long-term improvements

Discussion focused on whether and how the County’s BEPS policy should align with the state’s BEPS requirements. DEP presented three general options, briefly summarized below:

- No/little alignment: County BEPS operates independently and building owners track requirements for both laws.
- Some alignment: Create County BEPS targets to prompt significant progress towards state’s 2040 net zero direct GHG requirements. Methodology may differ in areas like building groups, reference standards, target-setting.
- Full alignment: County adopts state site EUI targets such that County buildings meet targets earlier than the state deadline based on the compliance years in County BEPS

Members generally agreed on an approach of “some alignment” for now and revisiting once state site EUI targets are in place, given the many unknowns.

Within the discussion, several members cautioned that adopting a more moderate County site EUI target could fail building owners in prompting them to plan for the state's state standards and therefore suggested either standards that align with state requirements or full alignment. A few members also suggested that the state site EUI target become the "floor" and the County could be more progressive than the state, depending on the final state EUI targets.

A member noted that additional research may be needed to further evaluate alignment once state EUI targets are issued.

A member brought up if costs related to a range site EUIs has been assessed. The BEPS Technical Report did review estimated costs for different target options and within a number of representative case-study buildings.

Board discussed how BEPS may interact with the building code, noting that there are no requirements in code to replace combustion systems with efficient electric equipment at the time of replacement, so building owners need to be savvy about the County EUI requirements and the state 2040 net zero direct emissions requirement. New combustion equipment installed within the next few years may still be in operation by 2040. It was noted that the 2021 codes may include a provision for "electric readiness" when replacing a system, which would prepare a building to electrify in the future, but still allow combustion equipment to be installed. A member suggested adding suggestions for alignment in the technical guidance.

A member raised concerns that majority of building owners have little awareness about BEPS. Another member suggested building owners will benefit from trainings around BEPS.

The Board Chair suggested that the next meeting focus on the details of the Net Zero Carbon Compatible (ZNC) target option, as it is the option that most aligns with net-zero direct GHG requirements.

Action:

- **DEP to provide background materials about the ZNC target for members to review.**

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.