



BUILDING PERFORMANCE IMPROVEMENT BOARD MEETING NOTES

Wednesday, October 26, 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			Member
Lawrence Carroll	X		Member
Sheena Oliver		X	Member
Jill Goodrich		X	Member
Luke Lanciano	X		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 Bommer		X	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

DEP staff reviewed required forms and procedures for State-level advocacy as a BPIB Member and/or a collective Board.

Board unanimously confirmed Kevin Walton as Chair and opted for a “Deputy Chair” position that can fill in in the case that the chair will miss a meeting. The board unanimously confirmed Josh McClelland as the Deputy Chair.

Quorum present; meeting notes from 10/12 meeting approved unanimously.

- **ACTION: Board chair/deputy chair to schedule regular check ins with DEP staff liaison in advance of full board meetings.**

Recap any actions from previous meeting

Reviewed inquiries about building coverage threshold and forecasting GHGs based on projected development in County.

Review items to be detailed in regulation

DEP staff reviewed a list of items from the Benchmarking and Building Energy Performance Standards law that need to be issued via regulation.

DEP staff reviewed Climate Solutions Now Act of 2022 and the building energy performance standard provision around building coverage, net-direct GHG emissions targets, site energy intensity metrics, compliance timelines, and regulatory timelines.

The Board discussed what the County should focus their efforts in trying to align with the state, including:

- Support for harmonizing benchmarking and reporting requirements between the State and County programs
- Question on whether the state’s manufacturing exemption includes lab buildings.
 - Noted that there is a tax exemption on sales tax for “[production activities](#)” which may help the county in further defining exemptions for buildings where “50% of the total gross floor area is used for: (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”
- Question of whether buildings will be penalized twice if they do not meet both the state and County BEPS requirements, or how penalties work if a building meets one but not the other.
- That it would behoove the County to align where possible with state regulations to make the process as clear as possible for owners
- Timing between state and County issuing regulations, and how the state regulations may affect the County regulations
- Discussion about whether County will have more stringent requirement/regulation than state
- Discussion around net-direct GHG reduction goals potentially being at odds with whole-building site EUI goals in certain applications where gas is more efficient than “in-kind” electric system replacement or very expensive to install a new type of system

- That there is precedence, like in codes, for the state and county having requirements that sometimes do not align or add odds and that it can be worked out through code modifications. So could be a model to consider for BEPS.

ACTIONS:

- Include a presentation on HVAC types in a future meeting to give the group better shared understanding of common systems
- Share Maryland Clean Energy Center presentation about state BEPS ([recording is here](#))

Building groups and targets preview and discussion

DEP staff presented general methodology for setting long-term BEPS targets: creating building groups, identifying a reference standard for that group (generally “median” or “typical” energy performance), and then applying a target calculation based on energy/GHG reduction goals and/or technical feasibility to arrive at the target site EUI.

DEP staff presented background on property types in ENERGY STAR Portfolio Manager and building grouping methodology from the BEPS Technical Report which recommends mapping ESPM property types into Commercial Buildings Energy Consumption Survey (CBECS) groups for standard setting.

On building groupings, members noted:

- Aligning building type groups with both DC and the state would aid owners with buildings in multiple jurisdictions
- Some members felt that more narrow ENERGY STAR groupings would be better to limit variety within each group, may be easier to understand, and better aligned with other jurisdictions
- Others felt that CBECS groupings make sense to limit the number of categories since ESPM classifications do not always capture mixed-use building characteristics accurately (e.g., Portfolio Manager calculates a property type based on the property uses have been entered. The *Property Type - Portfolio Manager-Calculated* field is the property type that accounts for more than 50% of a property, so for grouping and reference, an “office” may still contain other use types in it.)
- Looking into DC’s regulation for mixed use buildings and that targets for mixed-used could be more permissive since these buildings make better use of land/density
- Simplicity is useful and special considerations can be provided for outliers
- In general, several members brought up the need for adjustments for certain buildings within any grouping scenario in an “80/20” rule where the “20” may have construction or operating differences that make it very difficult to meet the group’s target. Mention of the following as potential adjustment criteria:
 - Operating hours (e.g., for buildings with 24/7 operation and/or strict reliability requirements)
 - Equipment (e.g., for medical office buildings or other specialized buildings)
 - Metering configuration (whether tenant or landlord pays for utilities)
 - Building age

ACTION:

- DEP staff to provide more info on how other jurisdictions are grouping buildings

- DEP staff to provide more info on if/how the above characteristics influence building performance

On reference standards, members noted:

- A reference standard relying on voluntarily reported data (like at the state level) may not be representative since buildings may be more likely to benchmark voluntarily if they are already more efficient and pursuing ENERGY STAR Certification or seeking green loans.
- In the absence of County multifamily data, using more recent DC benchmarking data as a reference (than 2019) may be better since smaller buildings are now reporting and Covid changes may have increased multifamily energy use.
- Some members expressed concern with CBECS data as a reference standard (e.g., MD is in the same “mixed-humid” climate zone as states like TN and KY as well as northern GA, AL, and MS)

On target calculations, members noted:

- Questions about site EUI targets, suggesting that the regulations could specify a range of site EUI targets per building type grouping with incentives for those performing better than target.
- Assumption that a lower target may be more costly for building owners to reach and that incentives should be provided to help reach that threshold.
- Some buildings/systems are extremely costly to replace with electric systems and there may be capacity constraints (e.g., converting a hydronic heating system by changing to an electric boiler, would be less efficient. Total system conversion from a gas-fired hydronic system to a heat pump-based system, while more efficient, could potentially be costly and disruptive to tenants.)

Summary of Action Items

- DEP staff will send survey for moving scheduled meeting on 11/23
- Board chair/deputy chair to schedule regular check ins with DEP staff liaison in advance of full board meetings.
- Members to consider additional questions about building groupings in advance of next meeting (see slides titled “Homework”)
- Include a presentation on HVAC types in a future meeting to give the group better shared understanding of common systems
- Share Maryland Clean Energy Center presentation about state BEPS ([recording is here](#))
- DEP staff to provide more info on how other jurisdictions are grouping buildings

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.