# Differences Across the Atlantic: International Perspectives on Building Energy Labeling

### **CIBSE/ASHRAE** Webinar – 19 February 2014

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#### Graphic by CoStar Group



### A Newer View of NYC Office Energy Performance



Based on 2011 LL84 Submissions

### First – some semantics

#### Terminology differs across continents & countries

	Australia	Canada	China	E.U.	U.S.
Assessment system	Rating	Labeling	Rating	Certification	Benchmarking; Rating
Evaluation methodology	Rating	Rating	Rating	Rating	Rating
Result of evaluation	Rating; Score	Rating; Score	Rating	Class; Rating	Rating; Score
Physical product of assessment	Label	Label	Label	Label; Certificate	Label; Rating; Statement

From "Comparing Building Energy Performance Measurement" – at <u>www.imt.org</u>

# Many Elements to a Rating Scheme

- Lots of facets:
  - Technical Options
  - Public Disclosure?
  - Training
  - Data Management
  - Compliance...
- Other Considerations
  - Voluntary/Mandatory
  - Resources



IEA Policy Pathways: Energy Performance Certification of Buildings (2010)

# Building Energy Rating in the US

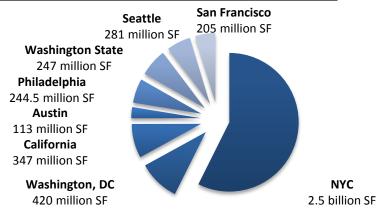
- Rating Tools are developed at national level
  All voluntary
- Growing number of cities and states implementing mandatory rating and disclosure
  - Nearly all rely on Energy Star Portfolio Manager Rating System (Operational Rating; normalized to 1-100 score)

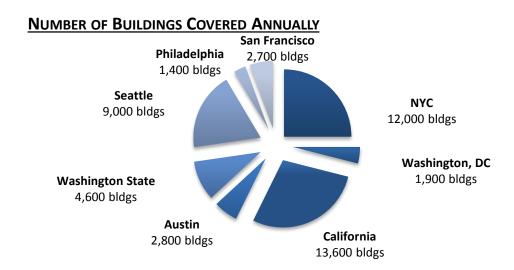
### U.S. Benchmarking Policy Landscape



**Existing US disclosure** policies will impact more than **60,000** buildings totaling more than 400 million m2 of floor space in major real estate markets over the next few vears

#### BUILDING AREA (IN SQUARE FEET) COVERED ANNUALLY



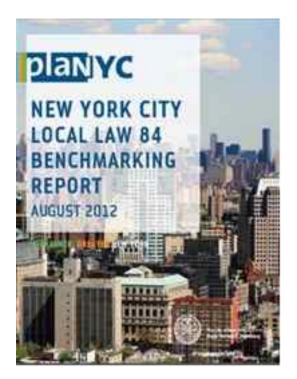


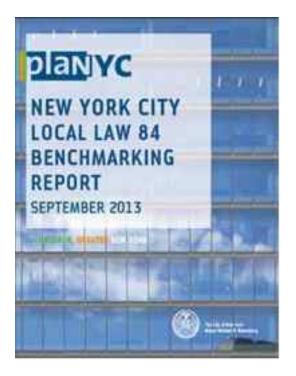
# New York City Local Law 84 of 2009: Annual Energy & Water Benchmarking



- 22,000 Buildings
- 2% of NYC Buildings
- Half of city's total floor area
- In every borough

### What do we know?

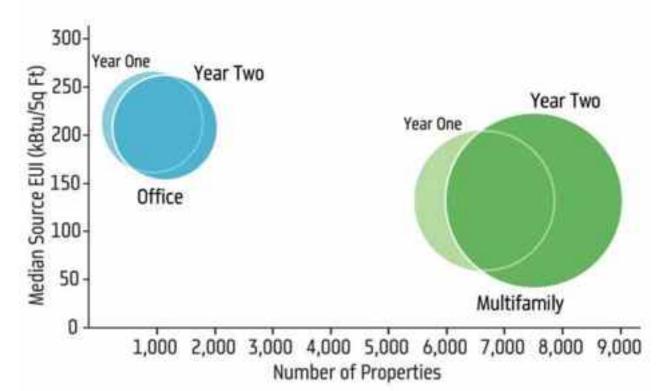




nyc.gov/LL84

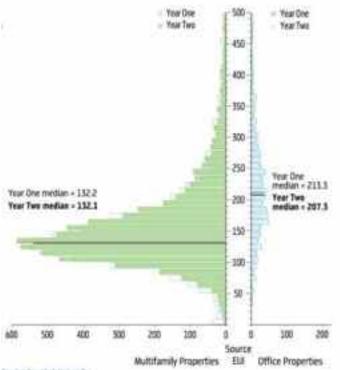
### More Buildings Reporting Year on Year

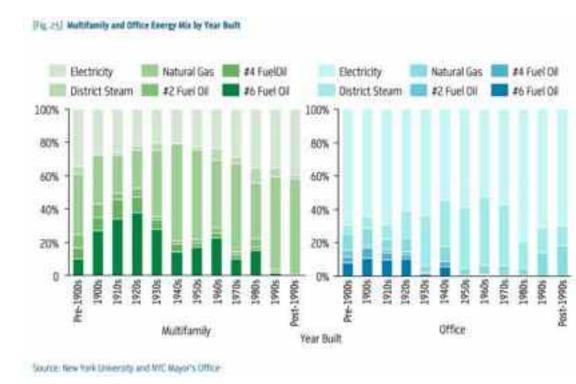
[Fig. 18] Year Over Year Comparison of Median EUI, Number of Properties, and Total Energy Per Sector<sup>19</sup>



### Lots of Info about Energy Performance

#### [Fig. 14] Searce EUI Histograms for Multifumily and Office Sectors





Searce: New York University

# How has public understanding evolved to date?



segency after Harricane Soudy.

#### NY Times: 12/24/2012; 9/27/2013

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# Informing Professional Dialogue



Environmental Building News: Dec. 2013

# What are the "Right" Metrics?

- What is "Building Performance"?
- LL84 reports 1-100 Energy Star Score where applicable, and EUI
- Is "Energy Use Intensity" (EUI, energy per floor area) the best measure?
- What motivates "action"?

### Which Office Building is "Greener"?



# Is LL84 Having an Impact?

From Tishman Speyer – "How LL 84 Has Changed the Way We Operate":

#### New Technologies:

- Using Pulse Meters to track energy consumption in 15-minute intervals
- Provides greater transparency and clarity on how we can improve

#### More Energy Efficiency Projects:

- Leasing, ECM, and Asset Management teams take more notice now that the information is public
- Increasing number of tenants are inquiring about EnergyStar scores
- Increasing number of investors are inquiring about current and historical EnergyStar scores

### Could it be Better?

#### Again; Tishman Speyer view - Positive and Negative:

#### Positive Example: Chrysler Building / MetLife Building

- Chrysler Building showed that not all energy efficient buildings had to be brand new; was recently certified as LEED Gold for EB
- MetLife building score improved from a 42 to a 47 after major renovation and energy efficiency project

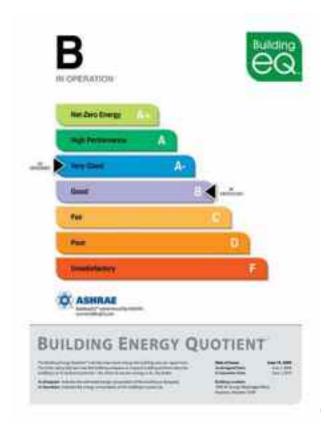
#### Negative Example: Rockefeller Center

- Many space types that don't exist within EnergyStar
- No comps
- Campus layout everything is interconnected
- High-energy tenants (NBC)

Building	ES Score
11 West 42 <sup>nd</sup> Street	44
520 Madison Avenue	77
300 Park Avenue	86
Chrysler Building	86
Chrysler East	71
CitySpire	85
MetLife Building	47

# What's Your Building EQ?

- ASHRAE's "Building Energy Quotient," or "bEQ"
- bEQ is normalized Energy Use Intensity
  - Modeled (asset) or measured (operational) energy per unit of area
  - Represented as % of an appropriate modeled or calculated reference value
- See <u>www.BuildingEQ.com</u>



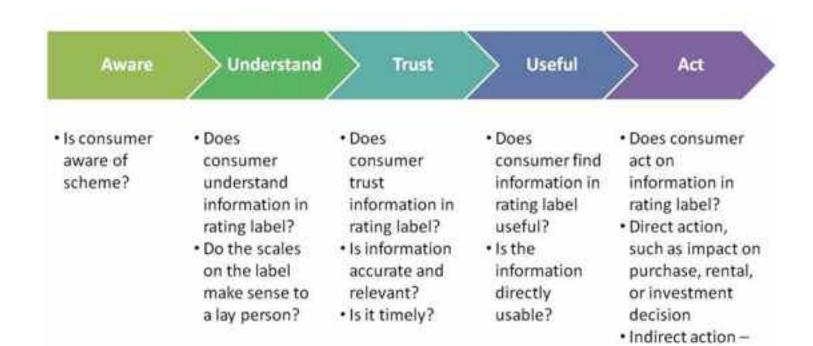
### IPEEC Buildings Energy Efficiency Taskgroup



# Current Project - Review of Issues and Impacts of Building Energy Rating Schemes:

- Identifying, reviewing and summarizing building energy rating systems currently in use, or in development, in IPEEC countries.
- Focusing on the impact of building energy ratings on the market value of properties (at time of sale, lease or appraisal).
- Ascertaining the attributes of building rating systems that tend to influence such impacts.
- Examining other impacts of building ratings, such as on efficiency-related investment decisions by building owners.

### Key: Consumer Awareness & Confidence



recommending

label to others

From Forthcoming IPEEC Report:

"Building Energy Rating Schemes: Assessing Issues and Impacts"

# Asset vs Operational Ratings

• *"Asset" Ratings,* based on calculation of how the building could optimally operate

- Rates the building

- "Operational" Rating also called a "Measured" Energy Rating - based on actual measured annual use
  - Rates the use of the building

# Separate Landlord/Tenant Ratings?

- Could separate ratings drive more action?
- Some jurisdictions have landlord ratings
- Comes with its own set of challenges...



#### Welcome to Building**Rating**.org

About \*

Home

Rating and Disclosure : ('rā-ting ænd dis-'klo-30r) noun.

"The practice of evaluating the relative energy efficiency of a home or building and making this information known to consumers,"

#### What is this site?

- What is Rating & Disclosure?
- Where is this happening?

#### Announcements

#### Boston Mayor Proposes Rating & Disclosure Law



Mayor Menino unveiled a benchmarking ordinance for commercial buildings over

25k square feet and multifamily buildings with 25 or more units. First reporting deadline to be in 2014. Poor performers would have to conduct audits every 5 years. See the press release and news story.

#### New Rating & Disclosure Law in Minneapolis



Commercial buildings over 50k



#### News

We Disclose Calories, Fuel Mileage and Toxic Emissions—Why Not Energy Use? GreenTech Media February 23, 2013 read more

Menino takes on Boston buildings' energy use Boston Globe February 22, 2013 read more

D.C. lists all buildings subject to energy benchmarking in 2013 Washington Business Journal February 15, 2013 <u>read more</u>

#### BuildingRatingBlog

The First Step to Unlocking Savings in the Multifamily Sector

Andree Krukowski

#### March 1, 2019



The multifamily sector in the U.S. has an estimated potential energy savings of \$9 billion.[1] This potential

has largely remained untapped in part... read more

How DC Crunched the Numbers on Its Own Buildings

John Andreoni



February 19, 2013 In his State of Union address this wook, President Obama mentioned that Americans

### Resources

- Good starting link: <u>www.buildingrating.org</u>
- Info about IPEEC Project: buildingrating.org/ipeec

