Chicago Energy Benchmarking

Frequently Asked Questions

The Chicago Energy Benchmarking ordinance raises awareness of energy performance through information and transparency, with the goal of unlocking energy and cost savings opportunities for businesses and residents. To comply, property owners/managers gather building and energy data, enter it into ENERGY STAR Portfolio Manager, have the data verified (once every three years), and share it with the City annually. For more information on the topics below, please visit www.CityofChicago.org/EnergyBenchmarking.

Ordinance Background

What is "Chicago Energy Benchmarking"?

In September 2013, Mayor Emanuel and Chicago's City Council adopted the Chicago Energy Benchmarking ordinance to raise awareness of energy performance through information and transparency, with the goal of **unlocking energy and cost savings opportunities** for businesses and residents. The ordinance calls on existing municipal, commercial, institutional, and residential buildings 50,000 square feet and larger to track whole-building energy use, report to the City annually, and verify data accuracy every three years. The law covers less than 1% of Chicago's buildings, which together account for roughly 20% of total energy used by all buildings, and focuses on creating information that will enable better decision-making around building energy use.

Does the ordinance require mandatory improvements, audits, or retrofits?

No. This ordinance will help building managers and owners make their own choices about whether and how to save money by becoming more energy efficient.

Why did the City pass this ordinance?

Chicago Energy Benchmarking seeks to promote building energy use awareness and transparency, with the goal of accelerating the market for energy efficiency. Each year, the City issues an annual Chicago Energy Benchmarking Report with findings on energy reductions and cost savings for the reporting properties reporting. For example, the 2017 Chicago Energy Benchmarking Report found cumulative savings of \$39 million, which supported an estimated 900 jobs.

Improving energy efficiency is a key element of Chicago's commitment to reach the goals of the Paris Agreement, which includes a 26-28% carbon emissions reduction by 2025 (measured against a 2005 baseline).

How much will compliance cost? Will the ordinance make Chicago more expensive?

No. As buildings become more aware of energy use and efficiency opportunities, financial savings will outweigh the low costs of tracking energy use. Administrative or engineering staff can easily benchmark energy using utility data (often at the same time they pay utility bills) with minimal time and cost. For data verification every three years, buildings with in-house engineers, architects, or other certified professionals (such as City College program graduates, as identified by the City) could comply without paying for any outside help, as the City does <u>not</u> require any building to hire a third party.

Is energy benchmarking a new idea?

No. In Chicago, 85% of buildings larger than 50,000 feet are now complying and have benchmarked energy using ENERGY STAR Portfolio Manager. Over twenty other U.S. cities have some form of benchmarking in place, including Atlanta; Austin; Berkeley, CA; Boston; Boulder, CO; Cambridge, MA; Evanston, IL; Kansas City, MO; New York; Philadelphia; Portland, OR; St. Louis, MO; Washington DC; Minneapolis; Seattle; San Francisco, and Seattle – many of Chicago's large building owners and managers also have buildings in these markets.

What buildings need to comply?

The ordinance applies to existing municipal, commercial, institutional, and residential buildings larger than 50,000 square feet in the City of Chicago.

Are there exemptions?

Buildings may apply for a one-year, temporary exemption based on the following criteria:

- Financial duress:
 - o The building is the subject of a qualified tax lien sale or public auction due to property tax arrearages.
 - o The building is controlled by a court appointed receiver.
 - o The building has been acquired by a deed in lieu of foreclosure.
- Low Occupancy:
 - o The building had average physical occupancy of less than 50 percent throughout the calendar year for which benchmarking is required.
- New Construction:
 - o The building is a new construction and the building's certificate of occupancy was issued during the calendar year for which benchmarking is required.
- New Ownership:
 - o The building was sold during the calendar year for which benchmarking is required.

Permanent exemptions are available for any property under 50,000 square feet, or any building with a non-covered space use type, such as manufacturing, industrial, hazardous materials storage, or miscellaneous uses.

To apply for an exemption, use one of the online forms, found at www.CityofChicago.org/EnergyBenchmarking.

Compliance

What do I need to do to comply?

Covered buildings are required to:

- 1. Benchmark energy use annually: Covered buildings will track energy consumption and basic building characteristics using ENERGY STAR Portfolio Manager, a free web tool from the US EPA.
- 2. Verify energy data every three years: In the first year in which buildings benchmark, and every third year thereafter, buildings must have energy and building data reviewed by an in-house or third-party professional engineer, licensed architect, or other trained individual (accepted

- credentials to be designated by the city) to verify that data is being tracked & reported correctly. The next year that data verification is required is listed on the notifications sent by the City each spring, and on the current year's <u>Covered Buildings List</u>.
- 3. Report annually to the City: Using Portfolio Manager, covered buildings will report basic building and energy data once per year to the City of Chicago. After a one-year grace period following a building's first benchmarking deadline, the City will be authorized to make some building information publicly-available.

How does Chicago define a building?

A "Building" is a structure, or part thereof, enclosing any use of occupancy including residential, institutional, assembly, business, mercantile, industrial, storage, hazardous and miscellaneous uses. (Chicago Municipal Code, section 13-4-010)

Who is responsible for compliance?

As per the ordinance, building "owners" are required to comply. The ordinance has a broad definition of the term "owner," which includes any person that has charge, care or control of any premises, dwelling or dwelling unit as owner or agent of the owner. The term also includes the owner, his agent for the purpose of managing, controlling or collecting rents, any other person managing or controlling a building or premises or any part thereof and any person entitled to the control or direction of the management or disposition of a building or premises or of any part thereof. (Chicago Municipal Code, section 13-4-010)

Where buildings have multiple owners / managers / agents, the Chicago Energy Benchmarking Ordinance holds them 'jointly and severally' accountably for complying – that means that all "owners" (broadly-defined) are responsible for ensuring that a building complies with the ordinance.

What is Required in a Single Building With Multiple Owners?

Covered buildings with multiple owners, including condominiums, must benchmark, verify, and report for the entire building. Only one report is required per property and in cases where a building has multiple owners, managers, and/or agents, all are encouraged to collaborate to ensure that one annual report is submitted. Options include creating a joint team to comply (example: a representative of each owner works together), or appointing a mutually-agreed upon staff member or 3rd party to facilitate compliance (example: naming a staff member or contracting a 3rd party).

- As long as there are more than 4 electricity and/or natural gas accounts, ComEd and Peoples Gas should be able to provide aggregate whole-building energy data (although the owners may need to coordinate their utility data requests)
- If, despite good faith efforts, energy data is still not available, buildings can use the default electricity and natural gas consumption values published in the Chicago Energy Benchmarking Guide (posted to www.CityofChicago.org/EnergyBenchmarking).

How does the Ordinance apply to multiple buildings with shared energy systems?

If multiple buildings (at least one of which is covered by the ordinance) share one or more energy-consuming systems (ex: boilers, electricity meters, district chilled water, etc.), they may benchmark, verify, and report as a single property across the entire combined floor area of all affected buildings.

Possible exception: If the separate buildings are submetered, or if it's possible to make reasonable calculations / assumptions to allocate energy use to each individual building, the building(s) may benchmark, verify, and report separately. Benchmarking each building separately may be the best option if a covered building shares energy-consuming systems with a building that would not otherwise be covered by the ordinance (i.e. a 75,000 ft2 building that is covered shares a boiler with an adjacent 25,000 ft2 building that is not covered). This may also be the best option if the buildings in question are owned and/or managed separately.

If a building makes an assumption to allocate energy consumption for a shared system, it must be made in good faith and should be reviewed during the required data verification process.

Note: If multiple buildings with the same owner (such as a campus or multi-building complex) have separate energy consuming systems, any covered buildings (that meet size and use type requirements) should benchmark separately.

When do I need to benchmark, verify, and report?

Compliance was phased in by building size and sector from 2014-2016. Currently, all commercial, institutional, and residential buildings 50,000 and greater are required to comply or receive one of the exemptions listed above. Note that data verification is required every three years; the year of the next required data verification is listed on your compliance notification letter or email, and is also listed on the most recent version of the Covered Buildings List. If your building reported data in the past, but did not verify data, you may be required to complete data verification this year. If your building did not property document data verification, City records may also show that the verification is required this year.

The annual energy benchmarking deadline is June 1^{st} ; by June 1^{st} , building owners must report energy use information for the previous calendar year.

How do I get started?

- Visit <u>www.CityofChicago.org/EnergyBenchmarking</u> to download the *Compliance Overview* and the step-by-step *Benchmarking Guide*.
- Set up a profile for your building in Portfolio Manager (if a profile does not already exist) at www.EnergyStar.gov/Benchmark
- If your building has multiple meters for which you don't have access to bills:
 - ComEd: Sign-up for ComEd's Energy Use Data System:
 https://www.comed.com/WaysToSave/ForYourBusiness/Pages/EnergyUsageData.aspx
 - Peoples Gas: Request natural gas use data: www.PeoplesGasDelivery.com/business/aggregation.aspx
- If required this year: Arrange for professional data verification by a third party, or prepare for inhouse verification. See www.CityofChicago.org/EnergyBenchmarking for a full list of recognized qualifications.
- Report to the City using the most recent Reporting Link, which is also found online at: www.CityofChicago.org/EnergyBenchmarking

My building is ENERGY STAR certified—do I still need to comply?

Yes. If the building has already been benchmarked in Portfolio Manager including energy data for the

previous calendar year, you can use the existing building profile, but make sure to add the building's Chicago Energy Benchmarking ID.

You may use the ENERGY STAR certification in lieu of the data verification process (if required this year) if the property and energy use data used in the ENERGY STAR certification process cover at least six months of the calendar year for which verification is required. For example, a building required to benchmark, verify, and report calendar year 2017 data in 2018 may use an ENERGY STAR certification based on data that covered at least six months of calendar year 2017, i.e. January 1st – June 30th, 2017 or July 1st – December 31st, 2017. See the Benchmarking Guide for detailed instructions.

Benchmark

How do I benchmark a building?

To benchmark, you will collect building information and whole-building energy use data for January to December of the previous calendar year, and use it to create an ENERGY STAR Portfolio Manager profile for the building. See the *Benchmarking Guide* for detailed instructions.

Note that if the building has already benchmarked in the past, it will already have an ENERGY STAR Portfolio Manager profile. You will need the login credentials for the previous profile that was created, or the person who created the profile will need to share it with you (with full access so that you can edit the profile). You will also need to update the existing profile with energy use data for the previous calendar vear.

Who can benchmark my building?

You may assign a benchmarking lead, who will be responsible for gathering data, entering it into Portfolio Manager, ensuring data verification, and reporting to the City. This person could be the building owner or another designated party, for example: back office staff, property manager or operator, leasing agent, or a 3rd party energy consultant. If a building already works with an energy service provider, they may offer benchmarking services.

The benchmarking lead will need access to information on building characteristics and operations, so collaboration with on-site staff is essential. This person will also need to know the building's Chicago Energy Benchmarking ID, which can found on a notification letter sent in spring or found in the most recent Covered Buildings List. If not found online, the ID can also be requested from the Help Center using the online Chicago Energy Benchmarking Covered Building & ID Request Form.

If the benchmarking lead is not already familiar with Portfolio Manager, training is strongly recommended. The US Environmental Protection Agency offers free online training on their website www.EnergyStar.gov/Benchmarking. For a list of other local benchmarking training resources, visit www.CityOfChicago.org/EnergyBenchmarking.

What is ENERGY STAR Portfolio Manager?

ENERGY STAR Portfolio Manager is a free online tool developed by the U.S. Environmental Protection Agency (US EPA) that allows you to track and assess energy and water use across your entire portfolio of buildings in a



secure online environment. With Portfolio Manager, you can calculate the building's energy performance,

compare it with similar buildings and monitor it over time.

Note that while the Chicago Energy Benchmarking Ordinance does require you to track energy use in ENERGY STAR Portfolio Manager, you are not required to track water use, although you may choose to do so voluntarily.

When you benchmark the building in Portfolio Manager, one of the key metrics you'll see is energy use intensity, or **EUI**. Essentially, the EUI expresses a building's energy use as a function of its size. EUI is expressed as energy per square foot per year. It's calculated by dividing the total energy consumed by the building in one year by square footage. For many building types, Portfolio Manager automatically calculates the **ENERGY STAR rating (or score)**, which indicates how efficiently buildings use energy on a 1-100 scale, where a score of 50 indicates average energy performance. Buildings with a score of 75 or better are top performers and may be eligible for the ENERGY STAR certification. Some building types are currently not eligible to receive an ENERGY STAR score, but can still benefit from benchmarking, as Portfolio Manager calculates other energy performance metrics such as EUI.

Can I use my existing Portfolio Manager account or building profile?

Yes. If you already have a Portfolio Manager account, you may use it to benchmark a building. If the building has already been benchmarked in Portfolio Manager including energy data for the previous calendar year, you can use the existing building profile, but make sure to add the building's Chicago Energy Benchmarking ID. Buildings reporting for the first time this year will also have to have the data verified, and include the verifier's information in the Portfolio Manager PROPERTY NOTES section.

What building information do I need to collect?

If the building does not have a profile in Portfolio Manager, you will need to collect basic building information, including:

- Year built, occupancy level, and total gross floor area (plus the floor area of any parking areas that consume energy).
- Primary function, gross floor area, and property use details for each specific space use (including weekly operating hours, number of computers, percent heated / cooled, etc.).
- Chicago Energy Benchmarking ID: a six-digit number found on a notification letter sent in spring or found online in the most recent <u>Covered Buildings List</u>. If not found online, it can also be provided upon request using the online <u>Chicago Energy Benchmarking Covered Building & ID Request Form</u>.

Potential sources of this basic building information include building management and operations staff, architectural drawings and other building documents, direct measurements or – as a last resort – tenants or other occupants.

What if I don't have access to some building information?

Portfolio Manager has three types of fields: 1) fields required for all properties, 2) fields required to generate an ENERGY STAR score (for eligible properties), and 3) optional fields. The Chicago Energy Benchmarking ordinance requires you to make a good-faith effort to collect and report actual values for the first two categories, in order to generate accurate benchmarking results. If, despite your good-faith effort, you are unable to obtain actual values, you can use Portfolio Manager's defaults where available, provided you check the appropriate checkbox. For optional input fields that do not affect your ENERGY STAR score or other energy metrics, you can enter your best estimate if you don't have an actual value.

Where can I find my Chicago Energy Benchmarking ID? What do I do with it?

The Chicago Energy Benchmarking ID is a six-digit number found on the notification letter sent in spring or found online in the most recent <u>Covered Buildings List</u>. If not found online, it can also be provided upon request using the online Chicago Energy Benchmarking Covered Building & ID Request Form.

You must enter your Chicago Energy Benchmarking ID in the UNIQUE IDENTIFIERS (IDs) section of the building's Portfolio Manager profile. Please see the *Benchmarking Guide* for step-by-step instructions.

What energy use data do I need to collect?

Portfolio Manager also requires monthly, **whole-building** energy use data, including all fuel types such as electricity, natural gas, district energy, etc. Energy cost data and water data are not required to comply with the Chicago Energy Benchmarking ordinance; if you choose to track them for your own use, data will not be reported to the City.

What if I don't have access to the utility bills for all the spaces in my building?

Owners and managers of covered buildings may take advantage of data aggregation services provided to covered buildings at no additional charge, and are NOT expected to request data from tenants, except in extremely rare cases as a last resort. The data is available from the utilities as follows:

- ComEd: ComEd's Energy Usage Data System (EUDS) allows building owners and property managers to retrieve aggregate energy usage data for multi-tenant commercial and residential buildings. EUDS instructions and enrollment forms are available at:
 - https://www.comed.com/WaysToSave/ForYourBusiness/Pages/EnergyUsageData.aspx
- **Peoples Gas:** Peoples Gas offers aggregated natural gas use data for buildings covered by the energy benchmarking ordinance. A link to instructions and information request forms are available at http://www.PeoplesGasDelivery.com/Business/Aggregation.aspx.

How long does it take to obtain aggregated data from the utilities?

It is advisable to request data as soon as possible. If you have never requested electricity data from ComEd, you first need to enroll in ComEd's Energy Usage Data System (EUDS). This may take up to 10 business days. If the property has been benchmarked in the past and has requested data from EUDS in the past, then you may use an existing account (but may need the login credentials from the entity that previously benchmarked the building.)

Once you are enrolled and you set up your properties in the system, each usage data request usually takes a few hours, but it may take up to 2 days if your request is particularly large. It is recommended to use ComEd's <u>EUDS User Guide</u> to ensure the properties are set up correctly in order to receive the data in a timely fashion. For aggregated natural gas usage data, you should receive the data via email within a few days of submitting your request. Please keep in mind, for buildings with four or fewer tenants you must submit a <u>Benchmarking Customer Information Release form</u> signed by each tenant/Peoples Gas account holder.

Can I track common areas' energy usage separately from tenants' usage?

Yes, you can set up separate meters in Portfolio Manager to track any gas or electric account for which you have bills, in addition to aggregated usage data. However, you need to make sure you are not including any duplicated usage in the data you report to the city. If you requested whole-building usage data from the utilities, it will already include any common area account. For this reason, if you also add a

common area meter in Portfolio Manager for your own use, you need to exclude it from your energy metrics calculation to avoid double-counting. See the *Benchmarking Guide* for detailed instructions.

Can I enter energy bills that are not monthly?

Although this is technically possible in Portfolio Manager, you should avoid it if at all possible. To calculate weather-normalized energy metrics, Portfolio Manager requires energy consumption for periods no longer than 65 days. Therefore, in order to have accurate benchmarking results, if you have monthly or bi-monthly bills you should enter them individually.

Verify

What is verification?

The ordinance requires that building energy data be reviewed in the first year of reporting and then every three years by a qualified in-house or third party professional, such an engineer, architect, or another trained individual designated by the City. The City does <u>NOT</u> require you to hire a third party.

Who can be a verifier?

An individual with any one of the following qualifications may verify:

- Professional Engineer (PE) licensed in the State of Illinois
- Registered Architect licensed in the State of Illinois
- Building Operator Certification (BOC) certificate issued by the Midwest Energy Efficiency Alliance
- Building Energy Technology Certificate issued by the City Colleges of Chicago
- Building Energy Assessment Professional (BEAP) credential issued by ASHRAE
- Certified Energy Manager (CEM) credential issued by the Association of Energy Engineers (AEE)
- Facilities Engineering Technology Energy Conservation Course (FET 220) Offered jointly by IUOE Local 399 and Triton College

Additional data verifier training programs or credentials may be recognized by the City over time; all recognized programs and credentials will be posted to www.CityofChicago.org/EnergyBenchmarking. The verifier can be a building staff member, an existing energy contractor, a tenant/occupant of the building, or an eligible third-party.

How is the data verified?

The verifier will review and complete the Portfolio Manager Data Verification Checklist and confer with the building owner, manager, or benchmarking lead to address any concerns. Once all data has been verified and is considered accurate, the verifier must sign in the space provided on the last page of the form. The verifier must include his or her name, email address, mailing address, the name of the recognized training program or credential, and any relevant unique identifiers, such as a Professional Engineer License Number, as well as his or her stamp (if applicable). Buildings must retain this form for three years, until the next time you are required to verify your benchmarking data. The signed Data Verification Checklist must be provided to the City, upon request.

Once verification is complete, information about the data verifier MUST be added to the Property Notes field building's Portfolio Manager profile, including: the date of verification, the verifier's name, contact information (including email address), recognized training credential or license, and unique identifiers for the recognized training credential or license. For detailed instructions, see the Benchmarking Guide. The

most important items are the date of verification, and the license or credential held by the verifier.

Why is verification important?

Verification helps ensure a high level of data accuracy, and it creates a level playing field for all covered buildings.

My building is ENERGY STAR certified—do I still need to verify the data?

You may use the ENERGY STAR certification in lieu of the verification process if the property and energy use data used in the ENERGY STAR certification process cover at least six months of the calendar year for which verification is required. For example, a building required to benchmark, verify, and report calendar year 2017 data may use an ENERGY STAR certification based on data that covered at least six months of calendar year 2017, i.e. January 1st – June 30th, 2017 or July 1st – December 31st, 2017. See the *Benchmarking Guide* for detailed instructions.

Report

How do I report?

Go to www.CityofChicago.org/EnergyBenchmarking, and click on the current year's Reporting Link. Note that a unique link is issued every year, and reporting links from previous years will not work. You will be redirected to Portfolio Manager, and you will be able to respond to a data request from the City of Chicago with an automatically generated form.

What will the City do with the data?

The City will report annually on aggregate energy efficiency trends; for the most recent report, please visit www.CityofChicago.org/EnergyBenchmarking.

No building-specific information will be publically disclosed for the first year that a building benchmarks and reports. The ordinance authorizes the City to share building-specific data with the public after an initial grace period of one year. The City will publish individual building data on the City's Data Portal.

The City has also partnered with the City Energy Project to publish the Chicago Energy Performance Map at: cityenergyproject.github.io/chicago

Free Support

Where can I go for help?

Chicago Energy Benchmarking Help Center

The Chicago Energy Benchmarking Help Center provides **phone and email support** for all questions related to the ordinance, and it can be reached Mon-Fri, 9:00am-5:00pm at (855) 858-6878 or lnfo@ChicagoEnergyBenchmarking.org.

Free Trainings and Office Hours

The City of Chicago and its partners will be offering **free in-person and web-based training** and **Office Hours** to support buildings covered by the Chicago Energy Benchmarking Ordinance. You can find schedules and registration details at www.CityofChicago.org/EnergyBenchmarking. There is also an ondemand training video posted online at this website.

US EPA also offers free online resources to help you get started with Portfolio Manager at

www.EnergyStar.gov/buildings/training.

Building Improvement

How will my building benefit from benchmarking?

By providing information about a building's energy use and comparing its performance to similar buildings, energy benchmarking empowers building owners, managers, and other stakeholders to make

more informed decisions, identify opportunities to improve energy use in their buildings, and save money.

Evidence of these benefits is already available: by analyzing data from over 35,000 buildings that used Portfolio Manager and received an ENERGY STAR score from 2008 to 2011, US EPA found that average energy use declined by 7%. For more benchmarking trends, visit US EPA's DataTrends Series, found at www.EnergyStar.gov/DataTrends.



Source: Portfolio Manager DataTrends. US EPA

What can I do to make my building more efficient?

If you have benchmarked one or more buildings, and are looking to take the next steps on energy efficiency, please click here to learn more about the steps that you can take.

To start, it is recommended to understand your performance, and then to conduct a free energy assessment.

1.) UNDERSTAND YOUR PERFORMANCE: Review Your Property's Results

Review the building's energy benchmarking results, starting with two key metrics – energy use intensity (EUI) and the 1-100 ENERGY STAR Score. If you are responsible for benchmarking a building, simply log into the <u>ENERGY STAR Portfolio Manager tool</u> to view this information. Otherwise, you may need to review publicly-available information (<u>online here at the City's Data Portal</u>) or ask the property owner or manager for the information.

Next, understand your property's performance in light of results from similar properties:

Local Results:

- Review your numbers compare to the Chicago averages for your property type here:
 Average EUIs and ENERGY STAR scores by property type.
- Use the interactive <u>Building Energy Performance Map</u>, which shows results for properties that have reported data for two or more years in Chicago.

National Results:

To review data from similar properties across the nation, use the free <u>Building</u>
 <u>Performance Database</u> from the U.S. Department of Energy.

2.) DIVE DEEPER INTO DATA: Understand Energy Use in the Building Conduct an Energy Assessment

Comparisons of monthly or annual usage from different time periods can start to provide more

insights into your property's energy use. For example, a spike in usage at a specific time could be a red flag that building equipment is not performing correctly.

In addition, more detailed reviews of energy-consuming equipment and operations can help you gain a better understanding of possible improvements. Start by conducting an energy assessment if you have not done so in the last two to three years. The process will help you identify low-cost and no-cost opportunities specific to your property. Both of the local utilities, ComEd and Peoples Gas, offer free energy assessments to qualifying buildings.

To find out more, contact the utilities today:

ComEd:

o Phone: 855-433-2700

Website:

https://www.comed.com/WaysToSave/ForYourBusiness/Pages/FacilityAssessments.aspx

Peoples Gas:

o Phone: 855-849-8928

Website: http://www.peoplesgasdelivery.com/business/rebates.aspx

Utility Rebate and Incentive Programs

If you have already conducted an assessment or audit, or you have already identified specific projects to retrofit your property, be sure to consider using one of the utility rebate and incentive programs to help finance your project:

Private Commercial and Institutional (Nonprofit) Buildings:

- <u>ComEd's Energy Efficiency</u> program can help reduce building energy use. Incentives and support programs help businesses drive energy savings and an improved bottom line. Please visit http://www.ComEd.com/EnergyTools for more information about online tools and other support.
- To stay up-to-date on ComEd's programs, sign up for their monthly newsletter <u>click here to</u> register
- <u>Peoples Gas Natural Gas Savings Program</u> offers incentives to encourage business customers make energy-efficient improvements to reduce energy use and enhance workplace comfort.

Multifamily Residential Buildings:

- ComEd and Peoples Gas offer building managers and owners energy efficiency upgrades and incentives through the <u>Multi-Family Comprehensive Energy Efficiency Program</u>.
- ComEd's new Marketplace Website: Current listings of product offerings and discounts

How will this ordinance impact older, historical buildings?

Older and historically significant buildings are not disproportionately impacted by energy transparency. Some detractors erroneously state that older and historically significant buildings would have lower scores, resulting in a competitive disadvantage and negative impact on tenants. This concern is not

substantiated by data on tens of thousands of buildings that are already benchmarking energy use through Portfolio Manager.

In Chicago, the 2014, 2015, 2016 and 2017 Energy Benchmarking Reports found that age and size of buildings had little to no effect on energy use intensity (energy use per square foot of area). In fact, some older buildings had slightly lower energy use intensity than newer buildings. Similarly, in New York, the city's benchmarking report found that skyscrapers built before 1929 used significantly less energy than newer office buildings.

Will this ordinance put less efficient / low-scoring buildings at a competitive disadvantage?

No. In fact, low-scoring buildings have the most to gain from benchmarking because they often stand to benefit greatly from no-cost or low-cost energy efficiency options. Energy efficiency analysis shows that operational improvements — many of which can be implemented immediately and at little or no cost to building operators — account for half of energy savings in many large buildings. In addition, utility incentive programs offer free energy saving measures in multi-family residential buildings, such as aerators and new lighting.

Importantly, because the ordinance does not allow the City to publish the first year's data from any building, property owners/managers can learn from this important information and implement these no- and low-cost solutions before the information is shared publicly.

How much will less-efficient buildings have to spend to improve their scores?

A lot less than you might think. No-cost / low-cost measures include: using automated timers and schedules to match hours of building use, residential programmable thermostats, motion sensors for lighting, tune-ups of HVAC systems, upgrading air filters, reducing ventilation on weekends (in accordance with Code requirements), resetting temperature set points on water-based heating and cooling systems, water faucet aerators, and many other energy conservation efforts.

What about non-profits, affordable housing, public buildings, or "mom & pop"-owned buildings?

By targeting buildings larger than 50,000 square feet, the ordinance focuses on owners and managers that are accustomed to much more sophisticated operational challenges than tracking and reporting energy use. More than 85 Chicago-area partners have publicly supported the ordinance. The City is working with these and other partners to provide the Energy Benchmarking Help Center (reached at (855) 858-6878 or Info@ChicagoEnergyBenchmarking.org), free trainings, and other support resources to all covered buildings. The City and its partners also provide pro-bono data verification services for buildings in need. Please visit the Energy Benchmarking website at www.CityofChicago.org/EnergyBenchmarking for more information on trainings and pro-bono data verification.

Non-profits, affordable housing, and public buildings are also among those that could most benefit from utility cost reduction, especially resulting from no-cost / low-cost efficiency measures.

What about the new Rating System that the City will be implementing?

In November 2017, the Chicago City Council voted to update the existing benchmarking ordinance. The 2017 updates will create a new Chicago Energy Rating System that makes energy use information for large buildings easily accessible to residents while encouraging energy savings. The new system is a zero to four star scale rating and is based on existing and publicly available energy data, alongside recent energy improvements to buildings. Starting in 2019, each building over 50,000 square feet will be

required to post their rating in a prominent location on the property, and share this information at the time of sale or lease listing. Chicago is the first US city to assign buildings an energy performance rating and require properties to post their rating. <u>Learn more here</u>.