



Newport Partners L.L.C.

Good Afternoon Mr. Chair, members of the committee, my name is Sam Bowles. I am with Newport Partners a building and codes consulting firm with experience in codes development, and energy efficiency policies.

HB 1490 would require an energy accounting and reporting requirement for certain building to serve as baseline for future reductions in energy use or carbon intensity.

In order to achieve these important goals, there are several key implementation details that must be better defined and addressed in a bill that mandates benchmarking for buildings larger than 25,000 sf. There are a handful of States and jurisdictions that have put benchmarking requirements in place to date – Washington State, NYC, and locally in Montgomery County, MD to name a few – and while progress has been made, there will undoubtedly be some lessons to be learned from their experiences.

1. Buildings with multiple tenants that are individually metered for electricity and/or natural gas present a significant challenge for a Building Owner or Owner's Representative tasked with submitting energy consumption data for the entire building. This type of metering scenario is common as well in many commercial buildings, and needs to be addressed in Maryland's approach.
2. This leads to the second point. It is essential that every utility is required to provide aggregated data on a building-by-building basis. This information needs to be automatically uploaded to the State agency that will be the repository of the information, in a uniform and compatible format. This also entails a learning curve since not all utilities will have equivalent capability – both human and technical – to accomplish this task.
3. HB1490 is also extremely ambitious in including benchmarking mandates, target emissions reductions, and programmatic requirements in one piece of legislation. Instituting statewide benchmarking is a big step on its own and requires substantial effort to put the necessary pieces in place to obtain meaningful compliance. Good benchmarking data is key to setting appropriate emissions reduction targets for different types and sizes of buildings. A 30,000 sf office building will warrant entirely different goals than a 30,000 sf medical building. It is vitally important that the implementation of any program allow adequate time periods for the program to develop, set rationale reduction goals, and give industry advance notice to plan accordingly. Most jurisdictions allow 4-6 years of data collection during a benchmarking phase.
4. HP 1490 also requires that the Building Energy Performance Standards to be developed require 75% of GHG emission reductions come from efficiency measures, on-site fuel switching, and building technologies, rather than off-site measures such as renewable energy credits. It's important that on-site renewables, such as rooftop PV, be explicitly recognized as a tool that building owners can use for their GHG reduction efforts.

Equally important, we urge reconsideration of a uniform 75% requirement for all buildings in the state to use on-site measures to achieve GHG emission reductions. All-electric buildings will not have fuel switching opportunities; older buildings may have building envelopes which are challenging to upgrade without major costs and disruption; and buildings in dense areas may have shading conditions that rule out roof-top PV. These and other common scenarios can limit the on-site options for building owners, and allowing greater use of off-site renewable energy would still achieve the state's GHG reduction goals. If a percentage requirement is applied to the use of on-site measures, this threshold should first be analyzed for its feasibility and cost-effectiveness based on actual buildings here in Maryland.

Being among the first, and being a known leader in energy and sustainability, Maryland's experience with developing, adopting, and enforcing and BEPS will be a case study for many other states and jurisdictions across the country. Therefore, our collective success in creating an effective and thoughtfully constructed GHG reduction program for Maryland's buildings is crucial not only for our state, but also for those jurisdictions that could follow Maryland's lead.

Sincerely,

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