

Commercial and Multi- Family Disclosure Requirement

Background

The City of Seattle is beginning to roll out new requirements for benchmarking, disclosure and reporting of building energy performance. This policy is a direct outcome of the Mayor's Green Building Capital Initiative, during which a stakeholder panel of 50 members of the community provided recommendations on policies to achieve a 20% reduction in the energy consumption of our existing building portfolio, thereby lowering energy costs to owners and tenants, creating job opportunities in the green economy, and reducing greenhouse gas impacts. One of the recommendations that came from this process was to implement an energy benchmarking and disclosure program for all buildings other than single family homes. This recommendation led to the development of Seattle Ordinance 123226, which was signed by the Mayor on February 4, 2010, and enacted as Section 22.920 of the Seattle Municipal Code.

Program Scope

The Energy Performance Disclosure legislation includes three components:

1. Benchmarking – building owners must work with the City of Seattle's Department of Planning and Development (DPD) and utilities to set up records in Portfolio Manager which define a building's physical attributes, operating characteristics, and energy consumption levels. Benefit: building owners will be able to a) easily monitor the energy performance of their buildings, and b) gain market differentiation by applying for an ENERGYSTAR rating, if desired.
2. Disclosure – building owners must download a Statement of Energy Performance from Portfolio Manager and provide this to a current or prospective tenant, buyer or lender, in response to an authorized request. Benefit: parties involved in the purchase or lease of a building or space within a building will be able to compare performance between similar properties, and use this information to guide their purchasing and leasing decision.
3. Reporting – DPD will download annual building records, including aggregate energy consumption data, for all buildings subject to the requirements. Benefit: staff within the City of Seattle will a) monitor changes in energy use across the entire portfolio of larger buildings in the city, b) identify needs and opportunities for future policies and incentive programs, and c) develop data on typical energy loads for different building and use types.

The intent of this Ordinance is to increase access to information about comparative energy consumption in buildings, and to encourage the market to drive energy efficiency investments. It does not include energy performance targets or mandates for implementing energy efficiency measures. The annual reporting requirements will allow City staff to gauge whether this policy is being effective in encouraging the changes

needed for the City of Seattle to meet its overall energy efficiency goals. Ongoing program evaluation will be conducted to determine if the current provisions are sufficient, or if future policy revisions are needed.

Implementation Schedule

With minor exceptions, all non-residential properties of 10,000 sf or larger, and all multifamily residential properties of 5 units or more, must participate in this program. Single family homes and smaller multi-family projects are not subject to these disclosure requirements. The program benchmarking and reporting requirements will be phased in over the next two years, according to the following schedule:

Non-Residential	
Properties 50,000 SF or Larger 868 Buildings, 154 million SF	By July 1, 2011 and annually thereafter
Properties 10,000 to 50,000 SF 2,330 Buildings 49 million SF	By April 1, 2012 and annually thereafter
Multi-Family Residential	
Properties With 5 or More Units 5,760 Buildings 93,800 Units	By April 1, 2012 and annually thereafter

Responsibilities

Building owners and homeowners’ associations are responsible for setting up records for each of their buildings, using the U.S. EPA’s ENERGYSTAR Portfolio Manager. Portfolio Manager is a free, web based tool designed specifically to facilitate tracking building energy performance. All data will be stored confidentially on the EPA’s secure server, within a password protected account.

Building owners and homeowners’ associations must input general building information (facility name, address, year built) as well as a breakdown of the space types and related parameters such as hours occupied per week, and number of employees. They will then inform all serving utilities that their records are ready, whereupon each utility is required to upload monthly energy consumption data for all meters serving the building. All utility consumption data will be aggregated at the building level before uploading, to address any confidentiality issues related to access to this information.