

Pegasus Energy Solutions

BENCHMARKING OF CALIFORNIA'S COMMERCIAL BUILDINGS IMPLEMENTED IN 2018

In California, 2018 may be labeled as the “Year of the Benchmark”. In 2008, California implements its AB 802 statute, Los Angeles begins its Existing Building Energy and Water Efficiency Ordinance (EBEWE) (Actually December 1st, 2017 for properties 100,000 square feet or more), and Berkeley implements its Building Energy Savings Ordinance (BESO) program. And, the City of San Francisco continues its Existing Commercial Building Energy Performance ordinance.

The goal of most of these new programs is to improve energy efficiency (and water efficiency) in commercial buildings and multi-family housing. (AB 802 does not include water consumption while the San Francisco program addresses only commercial buildings and does not include water.) Reducing energy consumption via energy efficiency is far more cost effective than new, low-cost energy alternatives. In fact, the cheapest energy is the energy you don't have to produce in the first place.

Off course, energy efficiency measures reduce the state's need for carbon-spewing power plants, and help California's mission to address climate change by cutting greenhouse-gas emissions.

Buildings, both commercial and residential, account for 41% of the energy consumed in California. This is more than transportation (22%) or industrial (30%). So, addressing energy efficiency in buildings can have a big impact. The best places to look for energy savings are Heating (22%), Cooling (15%), Lighting (11%) and Hot Water (9%).

It is somewhat unfortunate that the State of California has lagged the cities in addressing energy efficiency because the various municipal programs have different requirements for reporting. AB 802 addresses buildings over 50,000 square feet, while the Los Angeles requirement applies to buildings equal to 20,000 square feet or more, and the Berkeley program applies to buildings as small as 5,000 square feet.

Plus, the building-type exemptions differ. For instance AB 802 exempts Federal buildings, condominiums and buildings that have 50% or more of the space used for manufacturing and industrial purposes or laboratories with a controlled environment. Los Angeles exempts film studios, hotels, hospitals regulated by OSHPD and State and Federal buildings. Berkeley exempts few building types.

Other exemptions for vacancies, planned demolition, and occupancy permits differ somewhat by jurisdiction. It can be difficult to know which building must report to the city but not the state or vice versa.

To help property managers easily identify which of their buildings must report to which jurisdictions Pegasus Energy Solutions has assembled two comparison tables for each City ordinance versus the B 802 statute. The first two of these tables are shown below for AB 802 versus the Los Angeles EBEWE.

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COMPARISON OF BENCHMARK REPORTING REQUIREMENTS	REGULATION/ ORDINANCE APPLIES?	
	AB 802	EBEWE
BUILDING TYPE/CONDITION		
Commercial buildings	YES	YES
Multi-family buildings	YES	YES
Buildings in which more than half of the gross floor area is used for manufacturing or Industrial purposes	NO	YES
Buildings in which more than half of the gross floor area is used for scientific experiments requiring a controlled environment	NO	YES
Condominium Buildings	NO	YES
Single-family homes and duplexes	NO	NO
Buildings owned by the State of California	YES	NO
Buildings owned by the Federal government	NO	NO
Hospitals regulated by OSHPD	YES	NO
Residential hotels, sound stages and other TV and film production facilities	YES	NO
No Certificate of Occupancy	NO	NO
Demolition permit issued	NO ¹	NO
Scheduled for demolition within 1 year or less	NO ²	YES ³
Vacant for entire year due to renovation	YES ⁴	NO
No energy or water service for entire year	YES	NO
Buildings benchmarked in compliance with an exempted local ordinance	NO	NA

OTHER BENCHMARK REPORTING REQUIREMENTS	AB 802	EBEWE
Include water usage in benchmark	NO	YES
Include bulk delivered fuels	YES	YES
Include on-site generated electricity by solar or wind power	YES	YES

Note 1 : In order for the building to be exempt the scheduled demolition must be within one year of the reporting date.

Note 2: The building only needs to be "scheduled" for demolition. Demolition permit not required.

Note 3: LA EBEWE requires a demolition permit.

Note 4: Yes for California if there was an occupancy permit for at least half of the previous calendar year.

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California AB 802 vs Los Angeles EBEWE						
STATUTE	BUILDING TYPE	BUILDING SIZE (square feet)	INITIAL REPORTING DATE	FREQUENCY	Water included?	Filing Fees
California AB 802	Commercial	>50,000	6/1/2018	Annual on June 1	No	No
	Residential ≥17 utility accounts	>50,000	6/1/2019	Annual on June 1	No	No
Los Angeles (EBEWE)	Commercial & Residential *-	≥100,000	12/1/2017	Annual on June 1	Yes	\$64.66
	Municipal	≥ 7,500	12/1/2017	Annual on June 1	Yes	\$64.66
	Commercial & Residential *	≥50,000	6/1/2018	Annual on June 1	Yes	\$64.66
	Commercial & Residential *	≥20,000	6/1/2019	Annual on June 1	Yes	\$64.66

*Excludes one and two family homes

This is a simplified comparison. There may be exemptions to reporting requirements not shown above. For details, visit the original statute or ordinance.