

### Beyond Benchmarking 101:

Overview of the Compliance Process and Pathways

City of San José Energy and Water Building Performance Ordinance (BPO)

December 2022





Delivering world-class utility services and programs to improve our health, environment, and economy.



### What is Beyond Benchmarking?

- Starting in 2023, building owners will be required to demonstrate either:
  - Satisfactory building energy and water efficiency <u>OR</u>
  - Efficiency improvement in annual cohorts, as specified by the Ordinance (<u>San José Code of Ordinances</u>, <u>Chapter 17.85.400</u>).
- <u>Please note:</u> Beyond Benchmarking is an *entirely* separate requirement that goes in addition to the annual benchmarking reports.





### What is Beyond Benchmarking?

- By demonstrating that a covered building meets key performance standards through benchmarking, the owner can complete the <u>Performance Pathway</u>.
  - If a building is not able to meet these standards, the owner must complete the <u>Improvement Pathway</u>
  - Using a qualified licensed professional is necessary for both pathways.







### Benefits of Beyond Benchmarking

- Identifying opportunities for energy and water savings.
- Retuning building systems and switching out inefficient equipment helps building owners:
  - Save money
  - Improve tenant comfort
  - Improve the building portfolio and bottom line
- Helps San José reach critical emission reduction goals set forth in <u>Climate Smart San José</u> and the new <u>Pathway to Carbon Neutrality</u> <u>by 2030</u>.
  - Building energy use accounts for 34% of San José's greenhouse gas emissions





## Determine your compliance due date



- Covered buildings will comply in annual cohorts
- Check the <u>Beyond Benchmarking Compliance Schedule</u> found on the <u>Beyond Benchmarking webpage</u>:
  - sjenvironment.org/beyond-benchmarking
- The Compliance Schedule is based on two factors:
  - Last digit of a building's Assessor Parcel Number (APN)
  - Assessed Gross Building Floor Area (GFA) of the building





### How to Comply Step 1 cont.

### GENERAL BEYOND BENCHMARKING COMPLIANCE SCHEDULE

#### PROPERTIES ≥ 50,000 SQUARE FEET

Last digit of APN	First compliance due date	Subsequent compliance due dates
0	May 1, 2023	Every 5 years thereatter
1	May 1, 2023	Every 5 years thereafter
2	May 1, 2024	Every 5 years thereafter
3	May 1, 2024	Every 5 years thereafter
4	May 1, 2025	Every 5 years thereafter
5	May 1, 2025	Every 5 years thereafter
6	May 1, 2026	Every 5 years thereafter
7	May 1, 2026	Every 5 years thereafter
8	May 1, 2027	Every 5 years thereafter
9	May 1, 2027	Every 5 years thereafter

#### PROPERTIES 20,000 SQUARE FEET - 49,999 SQUARE FEET

Last digit of APN	First compliance due date	Subsequent compliance due dates
0	May 1, 2024	Every 5 years thereafter
1	May 1, 2024	Every 5 years thereafter
2	May 1, 2025	Every 5 years thereafter
3	May 1, 2025	Every 5 years thereafter
4	May 1, 2026	Every 5 years thereafter
5	May 1, 2026	Every 5 years thereafter
6	May 1, 2027	Every 5 years thereafter
7	May 1, 2027	Every 5 years thereafter
8	May 1, 2028	Every 5 years thereafter

First cohort of buildings complying May 1st, 2023:

- APN ending in 0 or 1
- GFA is greater than or equal to 50k square feet

Beyond Benchmarking Compliance Schedule found on <a href="https://www.sjenvironment.org/beyond-benchmarking">www.sjenvironment.org/beyond-benchmarking</a>





## Does your building qualify for a Beyond Benchmarking exemption?

- Qualifying exemption reasons:
  - Building is zoned as exclusively industrial
    - Heavy Industrial (HI),
    - Light Industrial (LI), or
    - Industrial Park (IP) with verified 50% GFA dedicated to Industrial Uses
  - Building is under 20,000 square feet
  - Water only exemption: residential building under 50,000 square feet and is not sub-metered for water use
- If you qualify an online exemption form needs to be completed and submitted by April 1<sup>st</sup> annually including documentation of eligible reason through <u>sjenvironment.org/beyond-benchmarking</u>







# Verify your building has complete energy and water benchmarking data for the three years prior to your due date

- Incomplete or erroneous benchmarking reports will automatically require the Improvement Pathway.
- Visit our main Benchmarking website <u>sjenvironment.org/bench</u> <u>marking</u> to submit or re-submit prior years' reports.







## Determine your pathway for each utility (Energy and Water): Performance or Improvement

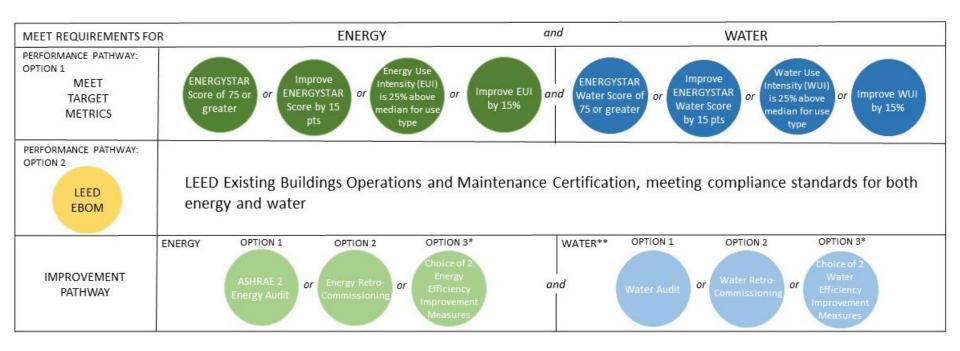
- Performance Pathway: building satisfies key energy/water efficiency standards. Or is a new building.
- •<u>Improvement Pathway:</u> building does not satisfy key energy/water efficiency standards.
- •Further elaboration of the key efficiency standards found in our <u>Compliance Guide</u> and the <u>Ordinance</u>.





### How to Comply Step 4 cont.

### **Beyond Benchmarking Standards & Pathways**



<sup>\*</sup>For buildings without central cooling only

<sup>\*\*</sup>Multifamily buildings under 50,000 sq. ft. without water submetering are eligible for exemption to this ordinance requirement





### **Performance Pathway**

- Building satisfies key
   energy/water efficiency
   standards <u>AND</u> has 3 years of
   complete benchmarking data.
- A qualified service provider
  will work with you on the data
  verification of prior years'
  benchmarking reports and the
  submission of a Performance
  Verification Report.







- Building does not satisfy key energy/water efficiency standards <u>OR</u> does not have 3 years of complete benchmarking data.
- Your options:
  - Audit
  - Retrocommissioning (Rcx)
  - Efficiency Improvement Measures



 You will work with a qualified service provider on one of these options and submit an Improvement Pathway form that will be submitted to the City.





### Finding a Qualified Service Provider Step 5

- A list of qualified service providers to choose from can be found on the <u>Beyond Benchmarking webpage</u>:
  - San José's <u>List of Qualified Service Providers</u>: responded to a Request for Information verifying they meet all criteria to conduct audits and retrocommissiong work for BPO
  - ENERGY STAR's <u>List of Licensed Professionals</u>: verified by EPA to conduct ENERGY STAR Certification, performance verification, and other benchmarking-related services
- If selecting your own provider: Criteria for who is eligible to perform the Performance Verification, Audit, Retrocommissioning, or Efficiency Improvements can be found in the <u>Ordinance</u> and on our <u>Compliance Guide</u>. Be sure to check local business licensing.





### Complete Your Pathways Step 6

- Performance Pathway:
  - Licensed professional will verify your benchmarking data
  - Together you will complete the Performance Verification Report
- Improvement Pathway:
  - Have your audit, retrocommissioning, or efficiency upgrades planned or executed by your Beyond Benchmarking due date
  - If action executed: submit Improvement Pathway form with licensed professional sign-off
  - If action planned: submit supporting documentation that shows the project has been permitted and/or contracted
- Submittal forms will be available on the Beyond Benchmarking webpage starting March 1, 2023





### **Beyond Benchmarking Resources**

- Our Beyond Benchmarking webpage is where all the helpful resources live.
  - Compliance Guide, FAQs, Compliance Schedule, submittal forms, Webinar Schedule, etc.
  - www.sjenvironment.org/beyond-benchmarking
- For questions
  - Email: <u>benchmarking@sanjoseca.gov</u>
  - www.sanjoseca.gov/benchmarking







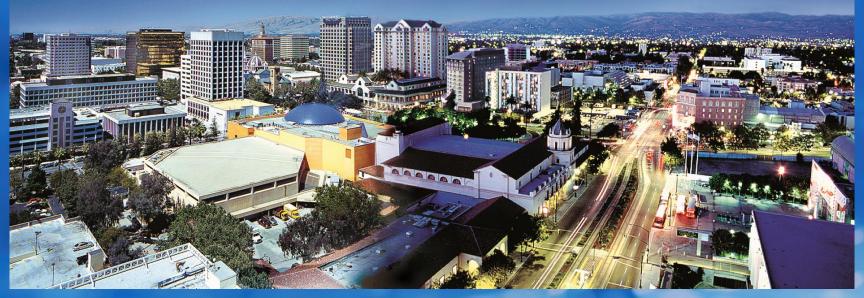
### Beyond Benchmarking 201: Performance Pathway Friday, January 20th, 2023, 12pm-1pm PST

Beyond Benchmarking 301: Improvement Pathway Wednesday, February 15th, 2023, 12pm-1pm PST

Beyond Benchmarking 401: Forms Submissions
Thursday, March 9th, 2023, 12pm-1pm PST



# Thank you for joining us! Any Questions?







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