

## DOCKETED

<b>Docket Number:</b>	15-OIR-05
<b>Project Title:</b>	Building Energy Use Disclosure and Public Benchmarking Program Mandated under Assembly Bill 802
<b>TN #:</b>	221332
<b>Document Title:</b>	Prologis, Inc. Comments on Revised Express Terms (15- Day Language) for the AB 802 Benchmarking Program
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	Prologis, Inc.
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	9/29/2017 1:08:59 PM
<b>Docketed Date:</b>	9/29/2017

*Comment Received From: Jeannie Renne-Malone*

*Submitted On: 9/29/2017*

*Docket Number: 15-OIR-05*

**Prologis, Inc. Comments on Revised Express Terms (15- Day Language) for the AB 802 Benchmarking Program**

*Additional submitted attachment is included below.*

BEFORE THE CALIFORNIA ENERGY COMMISSION

**In the matter of:**

Docket 15-OIR-05

**Building Energy Use Disclosure and  
Public Benchmarking Program  
Mandated under Assembly Bill 802**

Prologis, Inc. Comments on Revised Express Terms (15-  
Day Language) for the AB 802 Benchmarking Program

September 29, 2017

---

**Prologis, Inc. Comments on Revised Express Terms (15-Day Language)  
for the AB 802 Benchmarking Program**

Prologis, Inc. appreciates the opportunity to provide comments on the Revised Express Terms (15-Day Language) for the AB 802 Benchmarking Program.

Prologis is the leading global provider of logistics real estate. The company develops, owns, and manages buildings including warehouses and distribution centers, research and development facilities, and light manufacturing. In California, Prologis owns more than 600 buildings larger than 50,000 square feet, which are served by more than 12 electric utilities.

Prologis supports increased energy efficiency and sustainability in buildings. Prologis designs its buildings to the highest sustainable design standards. As of end of year 2016, 39.6 million square feet of Prologis buildings are LEED certified and 78% of the operating portfolio worldwide has energy efficient lighting (based on 97% of the portfolio surveyed). Prologis also achieved its corporate greenhouse gas emissions reduction goal four years ahead of its target and has more than 165 MW of solar generation capacity on its rooftops, working towards its goal of 200 MW by 2020.

Prologis' comments are listed below, followed by more detail on each item on the subsequent pages.

Prologis supports much of the draft regulation, specifically areas that enforce consistency across California's utilities. For example:

- 1. Leases may be used as evidence that tenant permission was received, for all energy utilities** (Section 1682(b)(4)(A)(i) and 1682(b)(4)(B)).

However, there are also some areas of the draft regulation that make building energy benchmarking and disclosure more difficult for building owners like Prologis, with a variety of industrial building types located across the state of California. Specifically, Prologis recommends:

- 2. Tenant permission to access data remain valid until permission is revoked** (Section 1682(b)(4)).
- 3. Utilities with more than 50,000 customers be required to offer recurring automatic data upload to building owners** (Section 1682(b)(8)).
- 4. Warehouses, fulfillment centers, and distribution centers not be subject to public disclosure of energy star scores or ratings compared to other buildings** (Section 1683(c)).

## DISCUSSION OF PROLOGIS RECOMMENDATIONS:

### **1. Leases may be used as evidence that tenant permission was received, for all energy utilities (Section 1682(b)(4)(A)(i) and 1682(b)(4)(B)).**

Prologis supports this provision. Standard processes across energy utilities are important for organizations like Prologis, a building owner that owns over 600 buildings greater than 50,000 square feet across the state, which are served by more than 12 utilities. Under AB 1103, Prologis was required to get a unique form from each utility signed by each tenant. Additionally, each utility had different requirements around how long the tenant permission was considered valid and how frequently the form needed to be resubmitted. Consistency across utilities, and the allowance of the lease as evidence of tenant permission across all utilities, allows Prologis to save significant staff time.

### **2. Tenant permission to access data remain valid until permission is revoked (Section 1682(b)(4)).**

Section 1682(b)(8) provides, for recurring automatic uploads, that tenant permission for data is granted until permission is revoked by the tenant, or until there is a change in the number of tenants that triggers a requirement to obtain permission from one or more tenants.

Prologis supports this structure and recommends it be the policy across all types of data requests. For example, if a utility does not offer recurring automatic uploads, evidence of tenant consent demonstrated the first year should not need to be shown each subsequent year at the time data is requested. Rather, the original submission of tenant permission should be sufficient until permission is revoked by the tenant or the other situations described above occur.

This specification could be added by moving the language from Section 1682(b)(8) to a location earlier in the Section, for example inserting it as Section 1682(b)(4)(A) to say,

“Permission granted by a Utility customer will remain in place until:

(A) The number of Utility Accounts receiving Energy in the building falls below three for a building with no residential Utility Accounts, or below five for a building with at least one residential Utility Account.

(B) A Utility customer who has granted permission to have aggregated Energy use data shared with the building owner or Owner’s Agent revokes this permission.

(C) A new Utility Account is opened in a building that previously had only one Active Utility Account, the owner of which had given permission for Energy use data to be shared with the building owner pursuant to this program, if the owner of the second Utility Account has not granted permission for Energy use data to be shared with the building owner or Owner’s Agent.

(D) The Person receiving Energy use data is no longer the building owner or Owner’s Agent.”

### **3. Utilities with more than 50,000 customers be required to offer recurring automatic data upload to building owners (Section 1682(b)(8)).**

The upfront time commitment to gather energy data for benchmarking laws is quite high. Recurring automatic data upload allows this to be a one-time, rather than annual, commitment.

While some of the largest utilities in the state offer recurring automatic data upload, several do not. If utilities with more than 50,000 customer accounts were required to offer this service, it would help all building owners to comply with the law much more efficiently. This amendment could be made by changing the language in Section 1682(b)(8) as follows,

“A Utility with more than 50,000 customer accounts shall ~~may, at its discretion,~~ allow a building owner or Owner’s Agent to request that aggregated Energy use data be provided by recurring automatic upload. As a condition of requesting automatic upload, the building owner or Owner’s Agent must agree to notify the Utility if any of the following occurs, in which case the Utility shall stop providing Energy use data by recurring automatic upload:”

**4. Warehouses, fulfillment centers, and distribution centers not be subject to public disclosure of energy star scores or ratings compared to other buildings (Section 1683(c)).**

Warehouses, distribution centers, and fulfillment centers are operated by tenants using widely varying energy equipment. Some buildings that are within the “warehouse/storage” property type in Energy Star Portfolio Manager are primarily pallet storage, while others require more climate control for the employees working there. Other buildings in the category conduct pick operations that are non-automated and some use machines to automate pick operations. Warehouses can appear to be more or less energy intensive based on the tenant’s needs for more energy intensive machine-based processes, heating/cooling technologies, or less energy intensive storage.

Because of these differences, it is difficult to meaningfully compare the energy consumption of these types of buildings across the categories of “warehouse” or “distribution center.” Prologis recommends that the energy benchmarking results for these types of buildings not be publicly disclosed in terms of a score or rating compared to other properties in the same category.

Prologis designs its buildings to the highest sustainable design standards and includes energy/water savings features. Beyond the measures that Prologis takes to ensure an efficient building, tenants have full and direct control over energy, water, and waste consumption. The energy use intensity of one warehouse tenant will not necessarily reflect on the energy use intensity of another warehouse tenant.

This amendment could be made by adding the following to Section 1683(c)(4), or adding a new section under 1683(c).

“(4) For those buildings described in subdivision (b)(3) of this section, ~~and those for which the executive director has granted a trade secret determination as described in subdivision (b)(4)(B)(i) of this section,~~ and those with the property type category warehouse/storage, the Energy Commission may make available on a public website items (A) through (M) from subdivision (c)(3) of this section.”

Respectfully,

/s/ Jeannie Renne-Malone  
Jeannie Renne-Malone  
Vice President of Sustainability  
Prologis, Inc.