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The California Energy Commission

**Benchmarking and Public Disclosure (AB 802)**



# **California Benchmarking and Public Disclosure Program (AB 802) Frequently Asked Questions**



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# Frequently Asked Questions

## 1. What is AB 802?

AB 802 is California's new program requiring building owners to track their energy use through an online tool. The process is referred to as energy benchmarking where building owners will be using EPA's ENERGY STAR Portfolio Manager to publicly disclose their energy use and ENERGY STAR performance rating.

*a. Where can I get more information regarding this program?*

The Energy Commission's benchmarking page includes general overview, as well as frequently asked questions and training materials regarding the program: (<http://energy.ca.gov/benchmarking/>)

## 2. When does the law take effect?

For disclosable buildings with no residential utility accounts, reporting is due by June 1, 2018, and annually thereafter. For disclosable buildings with 17 or more residential utility accounts, reporting is due by June 1, 2019, and annually thereafter.

## 3. What is benchmarking?

Benchmarking is tracking your performance against a standard. With this program, you'll be dividing your energy use with the square footage of your building to identify "efficiency". That number will act as a baseline score to compare your efficiency to previous years or to similar buildings.

*a. What is the value to me of an energy benchmark?*

Conducting an energy benchmark helps to measure the performance of your building and lets you know how efficient or inefficient it may be. A significant portion of a company's operating expenses goes towards energy bills, so energy efficiency improvements can sometimes reduce these costs substantially.

The phrase "you can't manage what you don't measure" directly applies; where you must measure and track the energy efficiency of your building so that you can take appropriate action if energy costs are above average.

*b. What are the benefits of benchmarking?*

Benchmarking can prioritize energy-efficiency investments, track energy-efficiency improvements over time, and even gain you EPA recognition.

## 4. Am I required to comply?

You are required to comply if your building has (1) more than 50,000 square feet of gross floor area, and (2) no residential utility accounts or more than 16 utility accounts. These are referred to as "disclosable" buildings.

*a. Are there any exemptions to the reporting requirement?*

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You are not required to report to the Energy Commission if:

- Your building is a condominium.
- Your building has between 1 to 16 residential utility accounts.
- Your building did not have a certificate of occupancy or temporary certificate of occupancy for more than half of the calendar year for which reporting to the Energy Commission is required.
- Your building is scheduled to be demolished one year or less from the reporting date.
- Your building has over half of the total area used for scientific experiments, manufacturing, or industrial purposes.
- Your building was benchmarked pursuant to a local program listed on the Energy Commission's benchmarking website.

*b. What is considered "industrial"?*

Industrial properties include spaces adapted for uses like assemblage, processing, and/or manufacturing products from raw materials or fabricated parts. Warehouses and distribution centers are not considered industrial and are required to comply.

*c. Is compliance required for government-owned buildings?*

Except for buildings owned by the federal government, compliance is required for government-owned buildings.

*d. Is compliance required for strip malls or open-air shopping centers?*

Compliance is required for each individual building that has more than 50,000 square feet of gross floor area. Separate buildings that have the appearance of being a single building due to a continuous façade should be treated as individual buildings. If a single building within the strip mall or open-air shopping center encompasses over 50,000 square feet, then that individual building will need to comply.

*e. Does my building square footage include parking areas?*

When calculating your square footage in determining if you're required to comply, covered parking structures should be included while open and uncovered parking lots should be excluded.

When entering your gross floor area into your Portfolio Manager account, there's a separate field for parking so you can separate the parking area from your self-reported area.

## 5. How do I comply?

There are five general steps required to comply:

- 1) Open an account in ENERGY STAR Portfolio Manager.
- 2) Enter each disclosable building into your account.
- 3) Enter your energy use data.
- 4) Clicking the appropriate reporting link on the Energy Commission's benchmarking page, [www.energy.ca.gov/benchmarking](http://www.energy.ca.gov/benchmarking), which will direct you to log into Portfolio Manager.
- 5) Submit your report from within Portfolio Manager.

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*a. What resources are available to help me comply?*

The Energy Commission's benchmarking page will include step-by-step guides, training materials with videos, and frequently asked questions. The Energy Commission's Benchmarking Hotline is also available to answer any questions you may have. For questions and training regarding the use of ENERGY STAR Portfolio Manager, [the Portfolio Manager website](#) also lists answers to frequently asked questions.

*b. Who can prepare the report or send the data?*

Anyone can open an ENERGY STAR Portfolio Manager account and create the report. The EPA offers training videos and guides, and there are step-by-step instructions on the Energy Commission's benchmarking website.

Some building owners or managers may choose to have internal staff to manage the account and submit reports, while others may hire an external service provider.

*c. Can you do it for me?*

No, benchmarking is to help you become more aware of your energy use. If you prefer not to manage it yourself, you can hire an ENERGY STAR partner who offers energy benchmarking services.

*d. How do I know if I've successfully submitted the report and have complied?*

After submitting the compliance report through ENERGY STAR Portfolio Manager, you'll receive an email from ENERGY STAR Portfolio Manager as a confirmation.

## **6. By when do I need to complete this?**

Reporting is due by June 1, 2018 for disclosable buildings with no residential utility accounts, and by June 1, 2019 for disclosable buildings with 17 or more residential utility accounts. Reporting continues annually after the first report, due June 1 every year.

## **7. How often must I report to the California Energy Commission?**

Reporting continues annually after the first report, due June 1 every year.

Since buildings generally don't change a lot, most owners will not have to collect new data after the first year. The only new information to collect is how much energy you used last year. To make it easy, there are ways to automatically have your energy bills go into ENERGY STAR, so you might just have to only click a button to submit data the second year.

## **8. What happens to the information provided to the California Energy Commission?**

The first year of data for each group of disclosable buildings (2018 for buildings with no residential accounts, and 2019 for buildings with 17 or more residential utility accounts) will not be publicly disclosed. Beginning in the second year for each group, information reported each year will be publicly disclosed, to allow current and prospective building owners and tenants better understand the buildings in which they live and work.

*a. Is the public reporting intended to shame property owners for high energy use?*



No. We hope this information will help current and prospective building owners and occupants make better-informed decisions regarding purchasing, leasing, maintenance, and upgrades.

*b. What building information will be made public?*

The Energy Commission may make available:

- Building address, including county, latitude, and longitude
- Year built
- Gross floor area and property floor area (buildings and parking)
- Property or building name, if any
- Open “comments” field for the building owner or owner’s agent to provide additional information about the building
- ENERGY STAR Portfolio Manager property ID
- Percentage of space occupied (occupancy) and number of occupants
- Number of buildings (if served by one common energy meter without submetering)
- ENERGY STAR score for eligible buildings
- Monthly and/or annual site and/or source energy used by energy type
- Monthly and/or annual weather-normalized site and/or source energy use intensity
- Monthly and/or annual peak electricity demand
- Total greenhouse gas emissions

## **9. What type of information or data do I need?**

Benchmarking requires building characteristic information, occupancy information, and energy use data.

*a. What sources of energy are to be reported?*

Electricity, natural gas, steam, and fuel oil consumption are required. However, Portfolio Manager also includes fields for propane and other forms of energy that you can input and track.

*b. What information is required for submission and compliance?*

Basic building and ownership information will be needed, such as name of the owner, address, and contact information. Additionally, the ENERGY STAR Portfolio Manager instructions list the specific required information for varying building types. Each building type has different requirements—for example, a fast food restaurant and a hospital use energy very differently and have different information that is required to collect.

To streamline the process of collecting data, you can visit [ENERGY STAR’s](#) website to download a data collection worksheet of all the information you’ll need to fill out for your specific property type.

*c. How do I benchmark if my building was only occupied recently and doesn’t have 12 months of data?*

Your building is exempt from reporting if it did not have a permanent or temporary certificate of occupancy for more than half of the calendar year being reported. Otherwise, reporting is required, and you should include as much energy use data as you have.



#### **10. Is there a procedure to protect proprietary data?**

When (1) the building owner is the customer of record for the only utility account serving a building, or (2) the building owner is one of two customers of record if the other customer has granted permission to have their energy use data shared, the owner may request a trade secret exemption from the executive director of the Energy Commission. If this exemption is granted, the building owner will be required to report building characteristic information but not energy use data.

#### **11. What will be the cost of complying?**

There are no fees associated with reporting your data to the Energy Commission. ENERGY STAR Portfolio Manager is also a free online tool to create the reports. However, there may be fees or costs associated with hiring an outside consultant to help you with benchmarking if you choose to not do it yourself.

#### **12. What if the building owner does not comply?**

The Energy Commission has the authority to issue fines for noncompliance, after allowing a period of 30 days to correct a violation. Building owners who have missed the June 1 reporting deadline are urged to report as soon as possible.

#### **13. What if the utility customers refuse to release their energy use data to building owners?**

AB 802 requires that energy utilities in California provide building-level energy use data to a building owner, owner's agent, or operator upon request for buildings with no residential utility accounts and for buildings with five or more utility accounts, one of which is residential. These are referred to as "covered" buildings. For covered buildings with fewer than three utility accounts of each energy type a utility provides, the utility customers of record for the accounts serving the building must provide their permission before the utility will provide energy use data. When a building owner is unable to obtain energy use data because customers did not provide permission, the building owner will comply by reporting building characteristic information but not energy use data. There is a link on the Energy Commission's benchmarking page for this specific situation.

#### **14. What do owners need to provide to show proof of ownership to get access to the whole building data from the utility?**

A person requesting whole-building energy use data will need to provide an attestation that he or she is the building owner or is authorized to act on behalf of the building owner. Proof of ownership is not required.

#### **15. What happens if I've requested data from the utility, but they have not yet completed my request in time for the deadline?**

Please complete your submission as soon as you have received energy use data from the utility, even if the compliance deadline has passed.

#### **16. What does ENERGY STAR Portfolio Manager allow you to do?**

You can track and assess the energy and water consumption of your buildings, generate weather-normalized energy use intensity and greenhouse gas emissions metrics, generate a 1 to 100 ENERGY STAR score for many

eligible building types, and generate custom reports that allow you to see time trending information and compare a building to other buildings in your portfolio and to similar buildings nationwide.

*a. Can I use ENERGY STAR Portfolio Manager to benchmark my building if my building is less than 50,000 square feet?*

Yes, Portfolio Manager works for all commercial buildings, and for residential buildings with five or more utility accounts.

### **17. What if my city or county already has a benchmark reporting requirement?**

There is a provision in the regulations for the state program allowing for buildings reported under a local benchmarking program to be exempted from reporting to the state. Any programs that have received such an exemption will be listed on the Energy Commission’s benchmarking page. For buildings located in jurisdictions with programs listed on this page, benchmarking and reporting to the local jurisdiction will also fulfill compliance with the state program.

### **18. Are there penalties for having high energy usage?**

There aren’t any penalties for high usages. The data and information are intended to help you make informed decisions to pursue efficiency measures and improve your overall operations.

### **19. What is an ENERGY STAR score?**

The ENERGY STAR score is a metric from 1 to 100 that demonstrates a building’s energy efficiency compared to similar buildings. A score of 50 indicates the national average energy performance. Not all building types are eligible for an ENERGY STAR score, and an ENERGY STAR score is not required for compliance with this program.

*a. How can I improve my building's score?*

Scores improve with increased energy efficiencies within the building. There may be initiatives you can pursue, including programs and rebates provided by your utility company.

*b. Will the score impact the selling price of my building?*

This can vary depending on the buyer. While some buyers prefer to purchase a building already operating at peak energy efficiency, others may prefer a building “as is” at a lower cost and then make their own energy efficiency improvements later to increase the value of the building.

### **20. Does the Energy Commission have any recommendations to make the ongoing data tracking process easier for owners and landlords?**

Industry best practices for ongoing data tracking include automating the data flow from the utility to ENERGY STAR Portfolio Manager on an ongoing basis to minimize data gaps and increase data quality. Engaging a utility automation provider, sustainability or energy consultant can help making the ongoing data management process easier.

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