Energize Denver Task Force Recommendation

5-31-16

This document represents a consensus recommendation from the Energize Denver Task Force, supported by members as a middle ground among all their differing perspectives and opinions. Task force members were invited to participate based on their individual professional expertise. Their views as individuals do not necessarily reflect the official position of organizations that these individuals are affiliated with.

Task Force Membership

The task force includes a balanced group of property managers, owners, and investors from commercial and multi-family buildings, efficiency service providers, affordable housing advocates, large institutional owners, hotels, state government, and Xcel Energy staff. The following individuals are on the Energize Denver Task Force:

- Adam Knoff, Unico Properties, 2030 District member
- Bob Macauley, Xcel Energy
- Christian Williss, Colorado Energy Office
- Dawn Murray, KW Commercial Real Estate, DMCAR member, ICSC member
- Elizabeth Babcock, Denver Department of Environmental Health
- Elizabeth Caswell-Dyer, Sopra Communities, BOMA member, CAI member
- J Drever, Mapleton Asset Management, NAIOP member
- Jarrett Wendt, Panasonic
- Jennifer Gremmert, Energy Outreach Colorado, Housing Colorado member
- Jerry Glick, Columbia Group LLC, Former Chair of the Downtown Denver Partnership, and of Denver Civic Ventures
- Jim Ptacek, NORESCO, ULI member
- John Hersey, Enterprise Community Partners
- Michael Totten
- Mike Hicks, AIA member & ULI member
- Mike Michna, Sage Hospitality
- Patti Mason, USGBC Colorado
- Phillip Saieg, McKinstry, BOMA member, USGBC member, advisor to NREL
- Robin Kniech, City Council
- Robert Martinez, Kaiser Permanente
- Tony Massaro, Coalition for an Energy Efficient Denver

For information on past and upcoming task force meetings, visit www.energizedenver.org.

Stakeholder Input Process

These recommendations have received two rounds of public comment ahead of the task force’s sixth and seventh meetings. To date we have received written comments from 6 industry associations and 15 individuals, companies, and nonprofit organizations. In addition, over 40 individuals attended the public input session. We have had numerous individual conversations to collect input from other stakeholders.
In response to all the feedback we have received, the task force has made many adjustments to their recommendations.

We heard concerns about the transparent sharing of a building’s ENERGY STAR score resulting in shaming the building, or in an inundation of phone calls from energy efficiency companies.

- In response the task force has recommended that the City only publish the scores in a clickable database and/or map where one building’s score can be viewed at a time, as opposed to a data set where all scores can be downloaded. In addition, the task force spent much time detailing how the City should use the data to provide report cards and outreach to building owners to help them improve.

We heard many concerns about tenant data privacy.

- In response the task force’s proposal has building owners reporting only annual, whole building, energy usage data - the least sensitive type of energy data. The City would not receive any energy cost data or any real time, interval or even monthly data under the ordinance.

We heard concerns that the flexible options the task force proposed for how a building can demonstrate performance or improvements (policies 3, 4, and 5) weren’t flexible enough to accommodate some owners’ needs.

- In response the task force has added far more flexibility. There are more flexible options for how a building can demonstrate it is a top performer. There are more exemptions written in. A review committee was created in case an owner needs a special exemption or a special compliance option. Similarly, there are flexible off-ramps for how a building can demonstrate that all efficiency measures with less than a 2.5-year payback have been accomplished, thereby exempting them from further improvement requirements. Also, buildings can get credit for action taken before the ordinance passed and a building can bank extra savings from one cycle for future cycles.

Additional questions we received are answered in our Frequently Asked Questions. Thank you to all who have provided comment to date. The task force could not meet their goal of ensuring all stakeholders are represented in the process without your input.

The Energize Denver Task Force will accept written comments on this draft through June 30th, 2016. Written comments should be addressed to the Denver Department of Environmental Health and emailed to EnergizeDenver@denvergov.org.

**Energy Efficiency Goal**

This document reflects the Energize Denver Task Force’s discussion to date on recommendations for how Denver can achieve a key goal: to reduce energy consumption of commercial and multifamily buildings by 10 percent by the end of 2020 and double that in the following decade. The following graphic shows what the Energize Denver goal means in actual energy savings:
Benefits of Energy Efficiency

A more-efficient Denver will benefit the economy. Investing an estimated $340 million to improve building energy efficiency in Denver would result in $1.3 billion in energy savings over 10 years. In turn, these energy savings would result in the creation of 340 permanent, new, local jobs in clean energy.¹

Building owners benefit from energy efficiency investments through lower operating costs that increase net operating income and result in a more valuable asset. Local businesses will experience the equivalent of a roughly 50 cent discount in rent per square foot by being in an energy efficiency building.² Denver will continue to attract top-rate businesses that want to operate in sustainable buildings. Energy efficiency can also help keep housing costs affordable in Denver and could especially help low-income residents, as research has shown that energy efficient buildings are 35 percent more efficient than the average building³, putting money in families' pockets.

Summary of Recommendations

The task force recommendations aim to help Denver’s buildings overcome market barriers currently impeding cost-effective investments in energy efficiency by providing information that will better align the interests of different actors in the market⁴. The task force is proposing a policy in which, over a two-year phase-in period, all

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² $0.50 per-square-foot lower cost was calculated by looking up average energy costs per square foot in Denver. $1.50 per square foot is average according to Xcel Energy. One third of that is $0.50 per-square-foot lower cost to be in an energy-efficient building since efficient buildings are 35% more efficient than average buildings.
³ https://www.energystar.gov/ia/partners/publications/pubdocs/C+i_brochure.pdf?442a-1e83
⁴ One barrier in tenant occupied buildings is the split incentive, where owners pay for improvements that would increase a building's energy efficiency, but tenants see the savings when they pay the energy bill. A critical barrier in owner occupied
buildings over 25,000 square feet would be required to benchmark their energy performance annually using the free ENERGY STAR Portfolio Manager tool.

This tool results in a 1-100 performance score (where 50 is the national average) or an energy use intensity (EUI) per square foot for the building. Building owners would then be required to report that score to the City each year. The City would use the scores as the basis for support and training for building owners on opportunities and available resources to improve buildings’ energy efficiency. The scores would be made public each year to drive further market awareness of energy efficiency.

Buildings that have not achieved a level of efficiency that puts them in the top quartile would be required to make periodic cost-effective, quick-payback, incremental improvements to their energy efficiency. Any building in the top quartile of buildings would be exempt from additional requirements. Buildings that are not exempt, starting in 2021, and every five years thereafter, would pick among three flexible performance-based or prescriptive-based options for how they want to become more energy efficient.

The final recommendations and resulting ordinance will also require municipal buildings to take the same steps as private buildings. The City should allocate sufficient resources to ensure that the ordinance is successfully implemented. The City and its partners should provide education and training resources as well as an on-call help center to help owners comply with the ordinance. The help center should provide technical help by phone as well as in-person with office hours and consultations. Help center support is particularly essential so that questions can be answered in real-time to help owners comply. A great website making the compliance process clear with lots of resources to help building owners is essential as well. The education and training component should include online and in-person training and tips for owners on how to benchmark and how to develop a plan to comply with the perform/improve policies 3, 4, and 5.

**Proposed Policy Details**

A description of each policy component follows. For details on when each policy would phase in for different types and sizes of buildings, see the Summary Schedule and Timeline at the end.

**Policy 1: Benchmarking**

All buildings over 25,000 square feet would be required to benchmark each year using ENERGY STAR Portfolio Manager and report the ENERGY STAR score, energy use intensity (EUI), and select additional information5 to the City. Buildings over 50,000 square feet would be required to report their ENERGY STAR score in 2017, buildings between 25,000 and 50,000 square feet would start benchmarking in 2018.

ENERGY STAR Portfolio Manager enables an apples–to-apples comparison of buildings of different sizes, ages, and locations by adjusting a building’s energy performance score for statistically significant factors for a given building type. The tool makes adjustments for items such as occupancy in office buildings and number of bedrooms in multi-family housing, and compares buildings to a national data set of similar buildings. For example, while tenant energy usage cannot be controlled by the owner in multi-family housing, this is true of all

5 The City currently collects the fields listed here for our benchmarking program. They will need these same fields for the benchmarking requirement, plus the attribute fields for each building type that shape the score so we can audit/spot check for accuracy. For example, in office buildings that would include operating hours, occupancy, number of computers, etc.
multi-family housing in the data set and is accounted for in the building’s final score. Hotels are only compared to hotels, hospitals only to other hospitals, and so on.

The City shall provide clear notification regarding compliance deadlines, how to comply, and the time likely needed to complete compliance. The City shall provide score cards to building owners annually comparing their performance to other buildings of similar size, class (if possible), and sub-market. In addition, score cards should make a clear financial case for improving the building’s efficiency by giving numbers estimating the dollars that an owner could save with investments in energy efficiency and specific information about incentives available from Xcel Energy to help them improve. The City shall regularly report aggregate progress toward the goal of reducing energy consumption in commercial and multi-family buildings 10 percent by 2020 and double that in the following decade.

Cost

Portfolio Manager is a free tool. Four to eight hours of staff time would be required to set up an account, and then one to two hours of staff time will be required to enter data each year. Annual data entry may be less than one to two hours since Xcel Energy will now automatically upload a building’s energy data to its Portfolio Manager account. At the time building ownership is transferred, the seller shall transfer to the buyer the building’s ENERGY STAR Portfolio Manager account.

Exemptions

- A building that was not occupied and did not have a Certificate of Occupancy or temporary Certificate of Occupancy for all 12 months of the calendar year required to be benchmarked; or
- An entire building that was not occupied, due to renovation, for all 12 months of the calendar year required to be benchmarked; or
- A demolition permit for the entire building has been issued and that demolition work has commenced on or before the date the Benchmarking Report is due; or
- A building owner who is unable to obtain tenant consent to customer data in a building that does not qualify for whole building aggregated data under the PUC data privacy rules.
- The building is presently experiencing qualifying financial distress, as defined by any of the following: (1) the building is the subject of a qualified tax lien sale or public auction due to property tax arrearages, (2) the building is controlled by a court appointed receiver, or (3) the building has been acquired by a deed in lieu of foreclosure.
- The building had average physical occupancy of less than 60 percent throughout the calendar year for which benchmarking is required.
- Buildings in which there are primarily industrial and agricultural processes in place are eligible to opt-out. This would include any industrial manufacturing facility or marijuana grow house.

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7 Currently, under PUC energy data access and privacy rules, a building owner can obtain aggregated whole building energy usage data as long as there are at least 4 meters (customers/tenants) in the building and no one customer/tenant accounts for more than 50% of the energy usage. If either of these conditions are not met then, under PUC rules, the building owner must get consent forms from each customer/tenant and submit those to Xcel to obtain the whole building aggregated data. Many of these buildings will be able to get tenant consent, but if they can’t then they are excluded. All other buildings should be able to get whole building energy data, and therefore would be able to comply with the ordinance.
Quality Assurance

The City will audit the first year’s compliance data and any building owners with obvious errors in their reported data will be required to have a licensed professional verify their information submitted in the second compliance period. Such verification shall be in a form of a stamped and signed statement by a licensed professional attesting to the accuracy of the information. The City may exempt from the verification requirement the owner of a covered building who submits documentation establishing that compliance with this section will cause undue financial hardship. The City will also do a detailed audit of a small percentage of all building owners’ reports each compliance year.

Penalties for non-compliance

Penalties shall be an annual fee slightly higher than typical costs to pay a contractor to benchmark a building. In other cities these penalties have typically been in the range of $1000-$3000 per year. The penalty will be determined by the City attorney based on what works with Denver’s code. The City should consider leaving the implementing department some discretion so that in the early years of the policy you can let owners have more time to figure out how to comply before they are penalized.

Policy 2: Transparency

ENERGY STAR Portfolio Manager scores for every building over 25,000 square feet shall be published publically each year in a searchable database where only one property’s information can be viewed at a time and a clickable map. A notes field will be available next to the score so the owner can explain the score if they wish, and past scores will be shown so that improvements can be easily seen. The data will not be downloadable as a whole data set. The City will be allowed to share the data set with Xcel Energy for the purpose of targeting its Demand Side Management programs, as well as other individual entities as necessary. Municipal buildings will start transparency in their first year of benchmarking, all other buildings will start transparency in their second year of benchmarking so that they have time to improve their score if they wish before it is published.

Benchmarking and transparency requirements have been shown to result in 2%-3% annual energy savings because owners who benchmark and report their scores transparently are more likely to invest in some energy efficiency upgrades in their buildings. Transparency is critical to the policy’s success, as demonstrated by increased savings in cities that have transparency. Also, many behavioral studies show that people improve performance and compliance when someone could be watching. Research on these behavioral trends include studies of energy usage habits in dorm rooms, as well as studies in areas unrelated to energy.

Only annual energy usage data would be reported to the City under this ordinance. Annual energy usage data is the least-sensitive type of energy data. Where privacy issues are a concern, the City has an exemption process as

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8 Along with the current ENERGY STAR score the City would publish the building name, address, year of construction, property type, size, if the building has ENERGY STAR certification, past ENERGY STAR scores, EUI and GHG emissions. Other fields may be included as well that are relevant for specific building types, such as number of buildings on a campus. The City will not include who the property manager is for the building, occupancy data, operating hours or any of the other fields collected to monitor compliance.


11 “Saving Power to Conserve Your Reputation? The effectiveness of private versus public information” April 2012.
noted below. The City would not receive any real time, interval, or monthly data under the ordinance\textsuperscript{12}. The City also would not receive individual tenant or resident data, only whole building energy data.

\textit{Exemptions}

An exemption would be granted in the case where a building owner can show that his or her energy performance is a confidential business practice that includes trade secrets, privileged or confidential commercial information. The owner shall specifically identify such information and provide a statement of the manner in which public disclosure would cause substantial harm to the owner's competitive position. Any information submitted without such a statement may be disclosed publically. Inefficient energy usage alone will not be considered confidential commercial information.

\textbf{Policies 3, 4, or 5: Perform or Improve}

Every 5 years, building owners shall demonstrate that their building is a top performer through ENERGY STAR certification or demonstration that their EUI is in the top quartile nationally. Top performers will be celebrated and need to take no further action. (See the exemptions section for details on how buildings can demonstrate they are a top performer). Buildings that do not qualify for a top performer exemption shall implement their choice of Policy 3, Policy 4, or Policy 5 every five years until the point if and when they qualify for an exemption or off-ramp. At the time building ownership is transferred, the seller shall provide to the buyer information regarding steps taken to comply with policies 3, 4, and 5.

All buildings will be randomly assigned to one of 5 groups, with 20\% of the buildings in each group. Group 1 commercial buildings will have to comply by 2021, all Group 2 buildings (including Group 2 multi-family and mixed-use buildings) will start compliance by 2022, all of Group 3 by 2023, all of Group 4 by 2024, all of Group 5 by 2025, and all of Group 1 for the second time by 2026, and so on in 5 year cycles (see the Schedule and Timeline at the end). All buildings shall then continue to demonstrate they are a top performer or implement their choice of Policy 3, Policy 4, or Policy 5 every five years until the point if and when they qualify for an exemption or off-ramp. At the time building ownership is transferred, the seller shall provide to the buyer information regarding steps taken to comply with policies 3, 4, and 5.

A building may receive credit for improvements made prior to the enactment of the ordinance as far back as 2014 by choosing to demonstrate they already implemented policy 3, 4 or 5 in those years. In this case, the building would need to report their improvements by 2020, one year ahead of the first compliance deadline. That building will then automatically be moved into Group 5, giving them until the end of 2025 to make any additional improvements that might be needed in the second round. For example, a building that did retro-commissioning (RCx) (policy 4) in 2014 might have randomly been assigned to Group 1 which would mean they have to improve above a 2016 baseline by 2021. By submitting their RCx project for credit by 2020, they will be moved to Group 5 and not need to make any further improvements until 2025.

Similarly, any building in a later group may move to an earlier group to claim credit for action in earlier years. For example, a building randomly assigned to Group 4 might want to invest in energy efficiency in 2017, but Group 4 has to show improvement during their performance period from 2019-2024. That building can receive credit for their investment in 2017 by moving to Group 2. They then won’t have to make any additional investments until Group 2 has to comply for the second time 10 years later in 2027.

Credit will be given for early action at any point before a building’s compliance deadline during that building’s performance period. For example, if a building in Group 3 reduces their EUI by 15\% in 2020, then that action will

count for their compliance in 2023 assuming the EUI hasn’t increased between 2020 and 2023. The incentive to act early in 2017 and 2018 is strong because Xcel incentives are a definite and known amount in those years, after which the programs could change under the new filing. Federal tax credits like 179d are also less certain in future years, creating an incentive to act early.

The following summarizes the three improvement options for buildings that are not yet top performers:

Policy 3: Performance

A building owner shall improve the weather-normalized Energy Use Intensity (EUI) of his or her building by 15 percent from that building’s 2016 baseline (2017 in the case of buildings 25,000 sq. ft. - 50,000 sq. ft.). In future cycles, a building’s baseline will be its EUI at the time of its last improvement requirement (from five years prior). Savings beyond 15 percent can be banked for future performance periods. For example, a building that improves its EUI by 40 percent will be done for 2.5 performance periods.

Policy 4: Retrocommissioning and Implementation

A building owner shall complete a retrocommissioning (RCx) study and implement the findings of that study that have less than a 2.5-year payback. RCx is a systematic process for identifying less-than-optimal performance in a facility's equipment, lighting, and control systems, and making the necessary adjustments. While retrofitting involves replacing outdated equipment, RCx focuses on improving the efficiency of what's already in place. Multi-family buildings shall perform RCx on base building systems only. Tenant spaces will be exempt from the improvement requirement. In addition, any building that is part of an ongoing commissioning program and is implementing the recommendations of that process that have less than a 2.5-year payback on an ongoing basis will be considered in compliance with this policy option.

Policy 5: Audit and Upgrade

A building owner shall complete an audit of base building systems and implement measures with less than a 2.5-year payback. The payback of various measures will be determined by the auditing expert, and may include financing costs if the owner plans to finance the improvements. An ASHRAE level 2 audit for buildings over 50,000 square feet or ASHRAE level 1 audit for buildings 25,000 square feet to 50,000 square feet would be required. Any building owner who believes an ASHRAE level 2 audit is not appropriate for that building due to simple controls and simple building systems better served by a simpler audit may apply for an exemption from a level 2 audit.

Cost

In order to demonstrate a building is a top performer the owner would have to pay for ENERGY STAR certification, which costs $1,000-$3,000. Alternately, if a building does not qualify for ENERGY STAR certification the owner would need to show the building is in the top quartile nationally, which is free, but takes some staff time.

For building owners who need to invest in improving a building’s performance no investments with longer than a 2.5 year payback from energy savings would be required. Xcel has many energy efficiency incentives to reduce the up-front cost of implementing energy efficiency upgrades, a few of which are outlined here, the rest of which can be found in their Business Programs Summary. Retrocommissioning results in 16 percent average
energy savings\textsuperscript{13}. Completion of the retrocommissioning study as well as implementation of study findings costs about $0.75/sq. ft. Owners will see a two -month to two- year payback. Xcel Energy incentive programs cover 75% of the costs, up to $25,000\textsuperscript{14}. Xcel Energy efficiency incentives will cover 90% of the cost of an ASHRAE level 1 audit\textsuperscript{15}. The City should explore ways to have incentives available to support a building owner in completing an ASHRAE level 2 audit.

In addition, many options exist to help owners finance energy efficiency improvements if they don’t have the capital to pay for the improvements out of pocket. Many lenders in Denver offer energy efficiency loans. In addition, the City is taking steps to sign-up for the state-wide Property Assessed Clean Energy (PACE) program. PACE enables an energy efficiency loan with loan repayment terms up to 20 years, and the repayment of the loan by special property tax assessment. The assessment can be passed along to tenants and stays with the property on sale.

\textit{Exemptions}

Under the following cases, buildings will be exempt from Perform or Improve requirements:

- Any building exempt from Policy 1, benchmarking, in the year of its compliance deadline shall also be exempt from perform or improve requirements in that 5-year performance period.
- Any building that has earned any of the following would be exempt from improve requirements.
  - ENERGY STAR certification for existing buildings or multi-family high-rise in the last year
  - Any building type that cannot qualify for ENERGY STAR certification will need to prove they are in the top quartile nationally. The process to do this is relatively straightforward, but the City will make sure the process is clear and will help these buildings with the process, including the process of finding buildings against which to compare.
  - Any building with an EUI less than 20. These buildings are simply using very little energy and are unlikely to find improvement opportunities.
  - Any building that was built in the last five years.

A review committee will be formed by the City to allow a building owner to petition for an exemption for other reasons as well. The review committee will have similar make-up and function as the Board of Adjustment for Zoning Appeals, which consists of five members, as well as two alternates, who are appointed by the Mayor for staggered terms of five years. A small fee will be charged to go the review committee to ensure that applicants have a valid reason to appeal. The amount of the fee might be similar to the board of adjustment appeal fee of $100-$400. Special cases that might need to be brought to the review committee might include, but are not limited to:

- A building is about to be sold and redeveloped;
- An owner cannot afford upgrades despite the presence of incentives and available financing (non-profit, or others similar);

\textsuperscript{13} The retro-commissioning costs and pay-back times come from a national study done by Lawrence Berkley Labs: \url{http://cx.lbl.gov/documents/2009-assessment/lbnl-cx-cost-benefit.pdf}

\textsuperscript{14} Xcel’s current RCx program covers 75% of cost up to $25k is just for buildings over 50K sq. ft. Buildings 25k-75k currently have the option of going through the Xcel Building Tune-up, a program where they use a 3rd party vendor. The quality assurance working group will determine if the tune-up program would qualify as compliance with Policy 4. For details on Xcel’s energy efficiency incentives see their Business Programs Summary.

\textsuperscript{15} The ASHRAE level I audit would cost a building under 50,000 sq ft $125 and would be conducted by a third party vendor. For details on Xcel’s energy efficiency incentives see their Business Programs Summary.
- An owner is in a situation where they have negative revenue from the building.
- An owner’s investment plans include efficiency upgrades in the future, but the owner requires more time to make other critical investments in the near-term. In this case a building might petition to move to another compliance group;
- Major shifts in occupancy and operating hours increase EUI and make it tougher for a building to meet the performance pathway, so that building’s baseline and target EUI need to be adjusted for occupancy and operating hours.

**Off-ramps**

Off-ramps that exempt a building from future performance periods will exist for buildings where all energy efficiency improvements with less than a 2.5-year payback are complete. Completion of all low-hanging fruit can be demonstrated in the following ways:

- Owner completes an audit to demonstrate that all measures with a payback period of 2.5 years or less are complete.
- If the audit indicates it is needed, then retro-commissioning with implementation would need to be done in the next cycle, at which point a building would then qualify for the off-ramp; or
- And, the ENERGY STAR score or EUI of the building doesn’t decline significantly over time.

**Quality Assurance**

Standards to ensure quality shall be determined by a working group of experts during the month of June. Please let us know if you’d like to be part of that group. The task force will review the group’s recommendations in meeting eight.

**Penalties for Non-compliance**

Penalties for non-compliance for policies 3, 4, and 5 shall be an annual fee slightly higher than typical costs to pay a contractor to perform the required improvements. In other cities, these penalties have been in the $5,000-$20,000 range depending on building size. The penalty will be determined by the City attorney based on what works with Denver’s code. The City should consider leaving the implementing department some discretion so that in the early years of the policy you can let owners have more time to figure out how to comply before they are penalized.

**Summary Schedule:**

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16 The work group shall determine items such as if and how EUI improvements will need to be verified. The work group shall determine items such as qualifications or certifications to perform the RcX, what process and steps qualify as RcX, and what reports shall be submitted to the City to demonstrate compliance. The work group shall determine items such as qualifications or certifications to perform the audit, what process and steps qualify as an audit, and what reports shall be submitted to the City to demonstrate compliance.
A summary of the schedule for different buildings is below.

<table>
<thead>
<tr>
<th>Building Type</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
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<tbody>
<tr>
<td>Municipal buildings &gt;25,000 sq ft</td>
<td>Benchmarking and Transparency</td>
<td></td>
<td></td>
<td>3, 4, or 5</td>
<td></td>
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</tr>
<tr>
<td>Commercial buildings &gt;50,000 sq ft</td>
<td>Benchmarking</td>
<td>Transparency</td>
<td></td>
<td></td>
<td>3, 4, or 5</td>
<td></td>
</tr>
<tr>
<td>Multi-family &gt;50,000 sq ft</td>
<td>Benchmarking</td>
<td>Transparency</td>
<td></td>
<td></td>
<td></td>
<td>3, 4, or 5</td>
</tr>
<tr>
<td>Commercial 25,000-50,000 sq ft</td>
<td>Education and Training</td>
<td>Benchmarking</td>
<td>Transparency</td>
<td></td>
<td>3, 4, or 5</td>
<td></td>
</tr>
<tr>
<td>Multi-family 25,000-50,000 sq ft</td>
<td>Education and Training</td>
<td>Benchmarking</td>
<td>Transparency</td>
<td></td>
<td>3, 4, or 5</td>
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<tr>
<td>&lt; 25,000</td>
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<td>None</td>
<td>None</td>
<td>None</td>
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</tr>
</tbody>
</table>

Timeline showing when policies would phase in:

- Building can get credit for early action taken in 2014, 2015, or 2016 by reporting that by 2020, they then automatically move into Group 5, giving them more time to make any further improvements.
- Buildings will be randomly split into groups 1-5, with 20% of the buildings in each group.
- The Perform or Improve deadline for each group will come at the end of a performance period. Improvements can be made at any time during the performance period.
- Improvements that go beyond that required in one performance period may be banked for future performance periods.
- ENERGY STAR certified buildings only need to demonstrate their certification the year of their Perform or Improve deadline.

Perform or Improve (Policies 3, 4, and 5)