

Climate Solutions Workgroup – Energize Denver Task Force

March 23, 2021

Purpose

As part of fulfilling the Energize Denver Task Force charge, the Climate Solutions workgroup will evaluate initial policy options presented by the City and consultants for Task Force review and decision making. The workgroup will do a ‘first pass’ at pros/cons, other considerations, and relevant trade-offs between and among the different policy options related to highly efficient, renewable-powered, electrified buildings to achieve the Task Force NZE mandate. The workgroup will raise issues and questions, flag concerns, and help the City frame and narrow options, in order to help focus Task Force deliberations. The workgroup will coordinate with the Equity and Workforce workgroups as needed.

Participants

Energize Denver Task Force Members

Sergio Cordova, Local Pipefitters 208

Jennie Gonzales, IBEW 68

Christine Brinker, Southwest Energy Efficiency Project

Steve Morgan, Boulder Energy Engineers, Rocky Mountain Association of Energy Engineers

Ariana Gonzalez, Natural Resources Defense Council

Celeste Cizik, Group 14 Engineering

Mike Kruger, Colorado Solar and Storage Association (COSSA)

Scott Prestidge, Colorado Oil and Gas Association

Amie Mayhew, Colorado Hotel & Lodging Association

Supporting Staff and Subject Matter Experts

Katrina Managan, City and County of Denver

Jan Keleher, City and County of Denver

Amber Wood, City and County of Denver

Ryan Golten, Consensus Building Institute

Sean Denniston, New Buildings Institute

Laura Dyas, Group 14 Engineering

Zachary Hart, Institute for Market Transformation

Work Plan

The workgroup will meet as needed, beginning in March, to:

1. Help the City refine its Building Performance Policy Design Tool.
2. Using the Policy Design Tool, prior to each Task Force meeting starting in April, help the City evaluate, at a preliminary level for Task Force discussion and decision-making, different policy options for building energy efficiency and renewable energy, and then electrification, to bring existing buildings to NZE by 2040.

Agenda

- Introductions
- 5 min: Vision for the Group, review the workplan.
- 5 min: Incentives and Supports draft, any glaring omissions at this point?
- 5 min: Renewable electricity - answers to technical questions from the task force meeting 3
- 20 minutes: Other Cities, what has gone well, and what has not.
- 50 minutes: Policy Design Tool
 - o Do we have the right options on building size?
 - o Do we have the right policy options?
 - o Ideas for how to build in incentives and supports or equity?
 - o Other ideas for the Policy Design tool?
- 5 min Wrap up, next steps

Meeting Notes

- Vision for the Group, review the workplan.
- Incentives and Supports draft, any glaring omissions at this point?
 - o More specifics on what incentives are wanted
 - Should the city be offering incentives if certain thresholds are met?
 - o Tackling the biggest challenges first
 - Puts those in need on the forefront
 - o Is the city able to offer financing or does the city just provide a list of third party lenders?
 - C-Pace
 - Local credit union partnerships
 - City can guarantee the loans but not lend
 - What would the taskforce like to see?
 - 0% interest financing
 - o Allows the principle to be paid back so money can be recouped and borrowers don't need to worry about increased interest costs
 - o Low interest lending can do the same
 - Is there a way to attach dollars to savings?
 - o Create a metric that shows dollars saved in relation to emissions reduced
- Other Cities, what has gone well, and what has not.
 - o NY Local Law 97 Annual Emissions Policy
 - 25k up buildings have set emission levels
 - Emissions are calculated through Energy Star
 - Must be under the limit or get penalized
 - Policy gets stricter every five years
 - Building owner pushback
 - Difficulty of counting carbon
 - o A lot of variety in emission measurement
 - Uncertainty of future grid creates uneasiness

- Off site recs can count towards policy requirements
 - Does not help building
 - First round poor performers have biggest improvements to make
 - Thought of unfair for having major requirements in short amount of time
- Washington DC Building Energy Performance Standards
 - Uses Energy Star score or site EUI for base line
 - Every five years the next compliance periods will be released
 - If building meets Energy Star score for next period the building will have already met the requirements for that deadline
 - Energy Star score can account for the density of occupancy
 - Emission calculation does not accurately represent occupancy density
 - Covers buildings 10k and up
- St. Louis is similar to DC's
 - Uses site EUI
 - Does not account for occupancy density
 - Each property type requires 65% of buildings to comply
 - Set EUI level that require 65% of buildings to meet that requirement by end of cycle
 - Has 4 year cycle instead of 5 year cycle
- Montgomery County Maryland Proposal
 - Base policy off Site EUI
 - Long term performance targets for each property type that is determined
 - Creates base line for property to start from and has check in points for them to meet over time that aligns them with their end goals
 - Solar incentivization allows solar credits to go directly against site EUI
 - Policy normalizes occupancy density so densely occupied buildings are not penalized for their occupancy
 - Biggest pushback
 - Building owners respond more positively to this model
 - More time to make improvements
 - Allowed to use more energy to help realize goals
 - Complexity can be an issue to non industry experts
 - Allows more freedom to building owners with great ambiguity
 - How can the reporting process be simplified?
- Washington
 - Site EUI measurement
 - 5 year cycle
- San Francisco (not a policy)
 - Strategic Decarbonization Assessment
 - Building carbon reduction tool
 - Combine energy audit with property assessment
 - Helps building owners find opportunities to decarbonize

- Allows building to find its own way to reduce its carbon
 - Seattle Building Tune Up Ordinance
 - Building retuning/maintenance
 - Save 10-15% energy savings in each building
 - Commercial properties 50k and up are required to perform a building tune up every five years
 - Do not have to do a building tune up if requirements for next code cycle are met
- Policy Design tool
 - Do we have the right options on building size?
 - Do we have the right policy options?
 - Is there a way to simplify compliance?
 - This is understandable to industry experts but not average building owners or installers
 - NY policy option was worst perceived by building owners
 - Least amount of freedom for building owners
 - Greater realization of carbon savings
 - Montgomery County policy ranked highest on feedback from building owners
 - Allows more freedom
 - May not realize full ability of carbon reduction
 - Allows for city requirements to align with state requirements
 - What are the penalties and how much teeth do they have?
 - Penalties paid by cycle not by year
 - Building permits can be restricted
 - Requirements to be met before permit approval
 - We need something that meets goals and has teeth but isn't overwhelming building owners with fast paced requirements
 - Ideas for how to build in incentives and supports or equity?
 - Put racial equity lens at forefront with cost effective approach
 - Other ideas for the Policy Design tool?
 - Could we set different targets based on different building types?
 - Different policy regulations or requirements for each building type
 - Greatly increases complexity
 - Tool use should be simplified on customer end even if it increases complexity in back
 - Staged phases of compliance can be good with anticipated advancements in technology to account for potential greater future energy or carbon reduction savings
 - Compliance phases are requirements not recommendations
 - Performance improvement would need to account for things like affordable housing and take into consideration their financing
 - Montgomery County was a good example to Energize Denver Climate Solutions Work Group
 - Potential building tune ups like Seattle were also recommended

