From:	EDC
To:	Freedman, Andrea
Subject:	FW: Building Energy Benchmarking
Date:	Wednesday, January 18, 2023 11:58:18 AM

From: Chris Richards <chris.richards@colliers.com>
Sent: Wednesday, January 18, 2023 11:30 AM
To: EDC <EDC@cityofmadison.com>
Subject: Building Energy Benchmarking

Caution: This email was sent from an external source. Avoid unknown links and attachments.

Economic Development Committee members:

In a climate where getting employees to return to the office is difficult enough...this additional requirement further stresses an already difficult commercial real estate atmosphere. The City of Madison seems to take one step forward and two steps back when it comes to economic development. Madison has been successful in spite of itself and issues like energy benchmarking will make it even easier for companies to select suburban locations. I urge the members to walk around the Capitol at lunch and see how few restaurant options exist now versus 5 years ago. Now is not the time to further stress commercial owners, tenants and occupiers.

Please change the proposed ordinance mandating building energy benchmarking and tune ups (Legistar 75280) to a voluntary program. Even if the new program remains mandatory, please revise it so that it does not require reporting of proprietary information to the city government. The ordinance makes the Madison city government the holder of the reported energy data, which is not appropriate, because once the city government has the data, it can be obtained by anyone through a public records request. This data is proprietary data of the building owners and their commercial tenants and should not be made public record that can be obtained by anyone.

Why must this data be reported to the city government? What is the city government planning to do with this data in the future? We understand the goal of the ordinance was to require the building owners to look at their data, which can be accomplished without reporting to the city government.

In order for the Energy Star reporting tool to work, the building owner must provide information for the entire building, not just parts of it. They also need to provide information such as number of employees working in the building and number of laptops or other computers being used in the building. If data for 50% of the building is missing, the Energy Star reporting tool will not allow the building owner to complete the report.

Many commercial tenants will refuse to provide building owners with their energy bills or number of employees in the building or number of laptops or other computers or the many other items of information that the Energy Star tool requires in order to submit a report. Even if commercial tenants were willing to report the number of employees working in the building,

in many cases, the number would be different every day, because so many employees continue to work from home post COVID.

Many stakeholders have raised this issue with the Mayor's office staff repeatedly, and the response received is that the building owner should just enter estimates if accurate data is not available from the commercial tenants. We object to making up estimated numbers to input into the Energy Star tool to complete a report that is of no value because the numbers are false, and to be coerced into doing so by the threat of being fined for failing to report.

When building owners have their HVAC systems checked by outside HVAC maintenance technicians, they ask for advice on how to make the HVAC system as efficient as possible. When boilers or windows or roofs need to be replaced, building owners invest in more energy efficient systems. Building owners are extremely aware of the cost of energy and motivated to reduce energy consumption and costs. A mandatory program is not necessary.

It is unlikely that the recommendations of the tune up specialist will produce much savings because building owners already are motivated to make their buildings as energy efficient as is reasonable without sacrificing the comfort of their tenants.

The cost of the "tune up" is vague because we do not know precisely what a tune up requires. In addition to paying the outside tune up consultant, the building owner will have to pay for weeks of work by its own staff to gather and provide the data required by the tune up specialists. It is unlikely that the tune ups will produce more savings than the total cost of the tune up.

Thanks,

Chris

Chris Richards
Managing Director | Madison
Mobile +1 608 628 5895
Main +1 608 826 9500 | Fax +1 414 276 9501
chris.richards@colliers.com

Colliers International
316 W. Washington Ave | Suite 925
Madison, WI 53703 | United States
www.colliers.com