

Summary of the working group's work/process for the Madison Energy Benchmarking Committee

April 6, 2015

The attached recommendations are a combination from a Mandatory and a Voluntary plan for the City of Madison to establish an energy benchmarking program for commercial buildings (2011 Madison Sustainability Plan). The Ad Hoc Madison Energy Benchmarking working group's goal was to take all information that has been gathered, look for and gather additional information that was needed, and present the whole committee with an option(s).

Our work was also based on the agreed upon committee goals:

- We care about energy
- We want to protect the environment
- We want to reduce energy costs
- We want to work and connect with property owners

There were two people invited to the working group who are not on the Benchmarking committee. They represented two major property owners in Madison: Matt Darga from Urban Land Interests and Leon Wilkosz from Vanta Commercial Properties. Matt and Leon are experienced facility people and were very helpful to our process.

The working group discussed and was sensitive to the threat of the City of Madison being sued by the Apartment Association of South Central Wisconsin, Inc. (AASCW) if the City of Madison establishes a mandatory benchmarking ordinance. This information is based on a letter from the AASCW to Mayor Soglin and Council President Chris Schmidt dated February 27, 2015. The letter is based on language in the Wisconsin State statutes. (See copy of the letter).

After 3 working group sessions; March 2nd, 16th and 31st, the working group came up with two alternatives—a voluntary plan and a mandatory plan (see both plans as presented at the working group). After discussing both plans, the group decided there were good things in both plans and they asked that they be combined and presented to the whole committee (see the draft).

A "thank you" to everyone who committed to and attended the 3 meetings of the working group. Our attendance was excellent and our discussion was open, honest and productive.

Susan Schmitz,
Madison Energy Benchmarking Ad Hoc Committee (and working group) Chair

GOAL: Create a program that matches the policy of using the energy benchmarking tool to inform building owners about their building's energy performance with the incentives of state and local energy efficiency programs.

- I. City joins with utilities in the role of point of contact for information about and assistance with benchmarking and available financial mechanisms and incentives for energy efficiency upgrades.
 - Items to report to City
 - Annualized EUI
 - Annualized water use
 - ENERGY STAR Score
- II. Building Types Covered with City of Madison taking the lead with its buildings:
 - Large and medium sized municipal buildings which are heated and/or cooled
 - Commercial buildings over a certain size (includes offices, healthcare, retail, laboratory/research, schools, etc.)
 - Multi-family housing and apartment buildings over a certain size
 - Exempt buildings will be data centers, manufacturing process facilities, state buildings and single family homes
- III. Building Size
 - Use a phased in approach.
 - Year 1: City Buildings Greater than 20,000 GSF (City taking the lead and setting the example)
 - Year 2: Commercial buildings to opt in early
 - Year 3: Commercial Buildings greater than 50,000 GSF
 - Year 4: Commercial Buildings greater than 20,000 GSF
 - Year 5: Multi-Family buildings greater than 50,000 GSF
 - Year 6: Multi-Family buildings greater than 20,000 GSF
- IV. Reporting
 - Energy benchmarking data of program participants retained as confidential information by MGE, Alliant, or third parties such as Focus on Energy, the Energy Center of Wisconsin, or Elevate Energy, and reported to City of Madison in aggregate for all voluntary program participants (similar to data reporting MGE is undertaking for City for residential, municipal and K-12 sectors as part of Georgetown University Energy Prize competition).
 - Assistance will be available from the City to help building owners set up accounts and enter data.
 - Building owners will be requested to share limited portions of data within their Portfolio Manager account with City staff administering the plan.
 - The City will complete a report and present it 5 months after deadline for data collection (data based on calendar year)

- Defaults will be available to building owners to use in cases where tenants do not provide energy and water data.
- Owners to request data from tenants directly.

V. Assistance from the City of Madison

- City will develop educational materials that will identify benefits of benchmarking and energy efficiency for commercial and multi-family building sector.
- Assistance will be provided to building owners from City of Madison and will be contingent upon building owners using energy benchmarking.
- The City of Madison will provide financial incentives for energy efficiency upgrades and energy benchmarking and will target City funds for these projects:
 - a) Have energy benchmarking ratings that indicate significant need for improvement.
 - b) Look to obtain State of Wisconsin "Focus on Energy" assistance.
 - c) City and utilities help connect building owners with Focus on Energy and energy efficiency contractors.

VI. Marketing

- Join existing DOE Better Building Challenge, or create a specific Madison challenge promoted jointly by the Mayor and Common Council.
- Funding for costs associated with a voluntary benchmarking program are made available by the Common Council from the 2015 Facilities Management Capital Budget Project 9 "Implement Sustainability Plan" and for future years will be included in the Requested Capital Budget for Facilities Management

VII. Effectiveness of Program:

- Decide on appropriate metrics to be considered in a benchmarking program. Have the City of Madison review the agreed upon metrics annually for effectiveness.