

City of Madison Economic Development Committee

Policy 75280

Commercial building energy benchmarking and tune-ups

February 15, 2023

Honorable members of the Economic Development Committee (EDC) of the City of Madison. On behalf of SSM Health we want to thank you again for the opportunity to provide written comments for informational purposes regarding Policy 75280 which relates to commercial building energy use, benchmarking, and tune-ups.

Our organization appreciates the City's leadership on this issue and the intended potential outcomes of a policy like this. As we stated last month, the goals of this policy are commendable, and since that time we have been in close contact with City Officials. We are grateful for the City staff's responsiveness to several questions our team has had and for their consideration of some reasonable changes to the policy that would provide both necessary clarity and flexibility on compliance for commercial buildings.

SSM Health (www.ssmhealth.com/about) is a Catholic, not-for-profit health system serving the comprehensive health needs of communities across the Midwest through a robust and fully integrated health care delivery system. In Wisconsin alone the organization has approximately 14,500 employees and physicians. Our footprint in the state includes seven hospitals, including St. Mary's Hospital in Madison, ten post-acute care facilities, and more than 85 physician offices and other outpatient care sites. SSM Health also serves nearly 398,000 lives through Dean Health Plan, making it one of the largest and most diversified HMOs in the Midwest.

As you already know, but is worth reiterating, our organization takes our energy use and environmental sustainability seriously. Last year SSM Health signed onto the Climate Pledge set forth by President Biden's Administration, which looks to decarbonize the health care sector and make health care facilities more resilient to the effects of climate change. SSM Health's President and CEO Laura S. Kaiser, FACHE, illustrated our commitment by stating, "as health care leaders, we know the health of individuals depends on the health of our communities, the health of the nation and the health of the planet – so we are pleased to join this [Biden Administration's Climate Pledge] important initiative."

With this commitment in mind, a line of questioning we have on Policy 75280 is how our current, and ongoing, work will be factored into this policy, and what certainty exists that improvements being made fall in line with what is proposed. We would also like some clarity around terms and criteria used in the policy language that seem ambiguous to our staff and make the implications of the ordinance unclear; such as how or what we will be required to report, and what "low cost" is defined as. And more specific to the healthcare space, our team also has outstanding questions about how this policy will interact with strict facility regulations – some of which changed due to the COVID-19 pandemic – from entities like the Joint Commission, CMS, and the State of Wisconsin that we need to adhere to.

Given the number of facilities our organization leases or owns and operates within the City of Madison, and some of the questions about how this policy will be implemented, our team is still determining all the potential impacts it would have on our organization. The specialized nature

of health care facilities – and the services provided inside of them – adds a further layer of complexity to how a mandatory policy, such as this one, affects us.

During our productive conversations with the Mayor’s Office and City staff we were appreciative at their serious contemplation of a few additions we – along with the other hospital systems – requested:

- That certified healthcare facility managers (CHFM) and licensed journey workers be added to the list of qualifications for “tune-up specialists”
- A resolution and potential compliance pathway around the aforementioned inquiry regarding regulatory requirements for our facilities and how they may intersect with the City’s intent

Some of the additional ideas we broached during the conversation that we would like to discuss further with City staff include, but are not limited to:

- Allowing alternative compliance for year-over-year benchmarking improvements
 - This would acknowledge continuous improvement which we hope the City is encouraging
- Allowing for “corrective actions” – and payment of those – to take place over the course of the four-year cycle
 - This would recognize the real-world margins of health care and allow us to invest in our facilities when we have the hard-to-obtain capital funds to do so
- That certain work and details be finalized before the policy is passed
 - This would provide clarity around items in the policy that may not be known currently

Similar to what we stated last month, we want to be clear that SSM Health does not currently have a position on Policy 75280. Our intention with these comments is to convey questions and ideas our team has had about this policy; some specific to health care, some not. We also want to explicitly ask for an amendment to this ordinance to reflect these ideas and would propose that if the Committee acts on this policy, they consider some of these suggestions and a request to City staff to continue working with stakeholders, including hospitals and health care, to resolve questions and incorporate changes.

We appreciate the opportunity to be to attend your hearing and speak directly on this policy and answer any questions you may have. Additionally, we want to thank the City’s staff for their hard and earnest work on this topic. If you have any further questions please feel free to reach out to SSM Health’s Director of Government Affairs, Ben Van Pelt, at benjamin.vanpelt@ssmhealth.com.

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: IFMA - Madison Chapter's Statement re Mandatory Benchmarking and Tune Ups Ordinance
Date: Wednesday, February 15, 2023 3:31:38 PM
Attachments: [IFMA to Madison Economic Development Committee v2.pdf](#)


From: Bill Connors <bill@smartgrowthgreatermadison.com>
Sent: Wednesday, February 15, 2023 2:52 PM
To: EDC <EDC@cityofmadison.com>
Cc: Mayor <Mayor@cityofmadison.com>; All Alders <allalders@cityofmadison.com>
Subject: IFMA - Madison Chapter's Statement re Mandatory Benchmarking and Tune Ups Ordinance

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

Members of the Economic Development Committee:

The IFMA (International Facilities Managers Association) - Madison Chapter has authorized me to submit to you the attached document containing their statement regarding the proposed mandatory building energy benchmarking and tune ups ordinance, Legistar 75280.

Bill Connors
Executive Director
Smart Growth Greater Madison, Inc.
608-228-5995 (mobile)

 www.smartgrowthgreatermadison.com

25 W Main St - 5th Floor, Suite 33
Madison, WI 53703

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: Building Energy Savings Program, Agenda Item #2
Date: Wednesday, February 15, 2023 3:35:02 PM

From: John Stolzenberg <JohnStolzenberg@charter.net>
Sent: Wednesday, February 15, 2023 10:24 AM
To: EDC <EDC@cityofmadison.com>
Cc: Vidaver, Regina <district5@cityofmadison.com>
Subject: Building Energy Savings Program, Agenda Item #2

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Members of the Economic Development Committee,

I reside in Madison. I am concerned about climate change, and I support Madison's climate goals and programs to achieve them, including the Building Energy Savings Program (BESP). **I ask the Economic Development Committee to recommend to the Common Council that the Council adopt the ordinance creating the BESP.**

When I hear calls to make the BESP voluntary, I interpret that to mean continue what we're doing now on making building operations more energy efficient, which are voluntary efforts. Said another way, it's a call to go forward in a "business as usual" manner.

There are numerous analyses, from international studies by the UN's International Governmental Panel on Climate Change to various studies by federal, state, and local agencies, as well as academic studies, that look at different scenarios for addressing climate change. Many of these analyses include a "business as usual" scenario.

I'm not aware of any analysis that concludes that the "business as usual" approach is the best way to minimize the impacts of climate change in a timely manner, and thus for the common good I ask your committee to recommend adoption of the BESP.

Sincerely,

John Stolzenberg
2826 Van Hise Ave.
Madison, WI 53705

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: Please support the proposed Building Energy Savings Program ordinance
Date: Wednesday, February 15, 2023 3:35:12 PM

From: Josey D Rinehart <jdrinehart2@wisc.edu>
Sent: Wednesday, February 15, 2023 10:21 AM
To: EDC <EDC@cityofmadison.com>
Subject: Please support the proposed Building Energy Savings Program ordinance

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Dear Members of the Economic Development Committee:

I am concerned about the negative impacts of climate change in Wisconsin. **I am writing to express my support for the proposed *Building Energy Savings Program (BESP) ordinance for large commercial buildings***. The effectiveness of this proposed ordinance is supported by the success of similar ordinances in over 40 other cities, counties and states in the US.

The positive impacts of this ordinance go beyond reducing carbon emissions in Madison. The resulting energy savings will have positive financial outcomes for building owners and tenants.

Thank you in advance for your efforts to reduce energy usage and combat climate change in Wisconsin. **Please approve this project!**

Sincerely,
Josey Rinehart

Concerns/Responses and FAQs about the City of Madison's proposed Building Energy Savings Program (BESP) ordinance

Compiled by [350 Wisconsin](#) Madison Climate Working volunteers

Contacts: Steve Glass (sbglass1@mac.com); Susan Millar (sbmillar@gmail.com);
Alison Mix (alisonbmix@gmail.com)

February 12, 2023

Volunteer members of 350 Wisconsin have prepared this document to help alders and city committee members:

1. Learn about the concerns that members of the business community have expressed about the proposed Building Energy Savings Program (BESP) ordinance, and how the city would address them, (pp.1-3) and
2. Understand the basic elements of the proposed BESP (pp-4-6).

(Sources listed on page 6.)

I. Business Community Concerns

Concern 1: *My business has concerns about releasing proprietary information, such as staff numbers and technology counts (number of computers, etc.) to the City, which the City would then hold. Will the data be protected? How will energy benchmarking data be used? What if a competitor submits an open records request for our data?*

Response 1: No data or information about individual buildings will be included in reports except with owner permission, for example, to share a success story. The City is not requiring building owners to submit proprietary information such as staff numbers and technology accounts. Building performance information is to be provided to the City only in order to benchmark, and that information is provided by submitting a one-page Statement of Energy Performance generated by [Portfolio Manager](#).

More specifically, energy benchmarking data will be used by the City to:

1. Provide each building owner a customized annual report for each covered building that includes:
 - a. a summary of whole-building energy use over the year;
 - b. how the building's energy is changing from year to year;
 - c. information on how the building compares to others in Madison;
 - d. customized recommendations for saving energy and the benefits those changes could bring; and
 - e. information on resources building owners can leverage to improve performance, including rebates, incentives, and financing.
2. Provide annual reports that aggregate the data received and identify, for example:
 - a. changes in overall energy use, efficiency, and GHG emissions;
 - b. areas of success, such as particular sectors that show the greatest improvement; and

- c. opportunities for improvement, such as city, state, or federal programs that link up and provide additional resources or support.

These reports will only provide aggregated information. That is, no information about individual buildings will be included.

Concern 2: *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, we will have to pay for weeks of work by our own staff to gather and provide the data required by the tune-up specialists.*

Response 2:

- The cost of a tune-up depends on the size of a building and the complexity of its systems and if the building owner decides to use in house staff or contract out the work. Tune-ups can be completed by trained building staff - and would therefore only cost staff time. If contracted out, the City has shared an estimated average cost of 20 cents/sq. ft, based on data from a nationwide meta analysis, feedback from experts at Lawrence Berkeley National Labs, and conversations with local service providers. Or, building owners can choose an alternative compliance pathway instead of a tune-up. (See p. 12 of the [City's FAQ doc](#).)
- Cost information is found in examples the City has provided of tune-up workbooks from cities with similar policies. For example, [Philadelphia's tune-up workbook](#) details all of the systems that are checked during a tune up and the types of adjustments a tune up specialist would make with input from the building owner or operator.
- The proposed ordinance offers flexibility in policy implementation to provide building owners choice in how they achieve energy efficiency.

Concern 3: *It seems unlikely that the tune-ups will produce more savings than the total cost of the tune-up. How much will my building save by doing tune-ups?*

Response 3: The average return on investment period for a tune-up is 1.7 years. A meta-analysis by Pacific Northwest National Laboratory (PNNL) shows that tune-ups result in a median annual energy savings of 12% and a median annual cost savings of \$0.16 per square foot for a building. Tune-ups also provide a more comfortable space for tenants and reduce greenhouse gas emissions and other pollutants.

Concern 4: *We all agree that something must be done to combat the effects of climate change but at what cost? Businesses are already struggling to recover from a global pandemic.*

Response 4: The upfront costs of implementing BESP will be recovered quickly. Moreover, the BESP will be phased in: benchmarking would begin in 2024 and be phased in over three years, and tune-ups would begin in 2025 and be phased in over 2 years. The City will offer businesses resources and support, which will cost businesses nothing. Meanwhile, the Inflation Reduction Act is creating programs to help fund and finance energy efficiency work in commercial buildings, making this a superb time to improve our buildings' energy efficiency. In short, the BESP will end up saving businesses money.

Concern 5: *We ask that you revisit the city's legislative directive to establish a voluntary program, as building owners are already struggling to recover from a global pandemic and rising interest rates. Why must this be mandatory?*

Response 5: MPower, a voluntary program, was going in 2015 when the first benchmarking program was proposed. However, only a few businesses volunteered and MPower has since ended. Energy Star Portfolio Manager has been available for businesses to use since 2000. Focus on Energy also is a voluntary incentive-based program. Only a tiny minority of Madison's large building owners acted voluntarily by using these programs. This ineffective outcome is consistent with research by the Institute for Market Transformation that shows that even the best voluntary energy efficiency programs only reach 2-3% of buildings annually. To meet the climate goals the Common Council voted for in 2011, the City must implement a program that is supported by evidence. We cannot afford to stay with an approach that fails to achieve the needed results.

Concern 6: *The proposed ordinance includes a provision that allows "additional qualified certifications as the Administrator deems appropriate." Members of the business community have asked if the ordinance can allow them to decide who on their staff should be considered qualified as "tune-up specialists," or even to allow experience to count (e.g., no required certification).*

Response 6: The City has invited owners to describe their needs, suggest a remedy and propose that it be included in the ordinance.

Other business community concerns (drawn from comments to EDC), stated as questions:

Concern 7: *Why should we believe that companies will choose to stay in Madison where they are required to benchmark, rather than going to suburbs where benchmarking is not required?*

Response 7: It is unlikely that a business would move out of Madison over BESP, especially because participation in BESP will result in saving money and energy, outcomes that are consistent with good management and business sense.

Concern 8: *How can the owner of a commercial building that rents to tenants comply with the ordinance if tenants choose not to provide their energy data?*

Response 8: The ordinance has provisions that enable building owners to get extensions or waivers for extenuating circumstances of this type. These are situations that building owners can work on with the City. According to page 6 of the [proposed ordinance](#), "Where, despite good faith effort to obtain data as provided in this subsection (c), an owner is unable to obtain data for a portion of a building because the tenant in control of such a portion of the building failed to comply with this ordinance, the owner may report partial-building data."

II. Frequently Asked Questions

Q1: Why is the City requiring benchmarking and tune-ups for commercial buildings?

A1: Commercial building energy use accounts for 30% of Madison's greenhouse gas (GHG) emissions. To meet our goal of reaching net zero carbon emissions community wide by 2050, we must reduce emissions from all sources, including our built environment.

Data from benchmarking and tune-up ordinances in 40+ other cities, counties and states make clear that these programs result in substantial reductions in emissions from buildings, while also reducing energy costs for building occupants. A few of the cities implementing these programs are: Ann Arbor, Bloomington, MN, Chicago, Columbus, OH, Des Moines, Indianapolis, Minneapolis, St. Paul, NYC, St Louis, MO. (Click [here](#) for a table describing locations implementing these policies as of 07/22.) The City of Madison seeks to turn this knowledge into action, in line with climate goals established as early as 2011, and to add Madison to the large set of cities already implementing benchmarking and tune-up policies.

Q2: In a nutshell, what would the proposed Building Energy Saving Program (BESP) require from large commercial building owners, and why?

A2: The proposed BESP asks the owners of large commercial buildings to conduct benchmarking and (for the largest buildings) tune-ups in order to ensure that building owners get good information about whether their buildings are operating efficiently. Commercial building systems are complex, and they need to be adjusted regularly to achieve top efficiency. The City is not requiring building owners to *act* on their benchmarking or tune-up findings. However, based on information from many other cities with benchmarking programs, we know that most building owners choose to address problems that benchmarking and tune-ups make visible, which helps reduce energy costs for building tenants and helps all of us by reducing emissions from our city.

Q3: What is building energy benchmarking?

A3: You can't manage what you don't measure. Benchmarking is basically taking a close look at building energy use, the same sort of thing that the average homeowner does on a regular basis. Energy benchmarking enables building owners and operators to understand current energy use patterns, identify opportunities to save energy and money, and track changes over time. Importantly, the proposed City of Madison ordinance does **not** require a building to meet a prescribed level of energy use.

Q4: How much will benchmarking cost?

A4: The City has chosen a *free* reporting tool, the web-based ENERGY STAR Portfolio Manager. ENERGY STAR Portfolio Manager is the nationally-preferred tool to measure and track building energy and water use.

Q5: Do other cities have similar policies?

A5: Yes, 40+ other cities, counties, and states have similar programs, many of which are more stringent and demanding than the ordinance proposed by the City of Madison.

Q6: What are building tune-ups?

A6: A building tune-up entails reviewing energy systems, controls, and maintenance practices, and making minor adjustments and fixes as needed to bring them up to a good state of performance.

Q7: Which commercial buildings will be required to do tune-ups, and on what timeline?

A7: The ordinance would require tune-up for non-residential, commercial buildings with floor space of at least 50,000 sq. ft. In mixed-use buildings, only the non-residential portion of a building counts toward the size threshold and is covered by the program. As for timing,

- buildings 100,000SF or larger would need to tune up or complete an alternative compliance pathway by October 31, 2025;
- buildings 50,000 to 99,999 square feet would need to tune up or complete an alternative compliance pathway by October 31, 2026.

Thereafter, each would need to tune up every four years. Owners can also get an extension or exemption if they meet specific conditions.

Q8: Will the City waive the requirement for benchmarking and tune-ups for buildings that already are well managed, and can demonstrate that they are energy-efficient?

A8: Yes. The City has identified 7 “alternative pathways” (e.g., Certified ENERGY STAR score of 75 or greater from EPA) by which building owners can demonstrate their energy efficiency. More pathways will be identified as the program evolves. These alternatives are listed on pp. 12 - 13 of the [City’s BESP FAQ document](#).

Q9: Are there incentives to assist with the cost of tune-up?

A9: Focus on Energy provides up to \$1,850 in incentives for Wisconsin utility customers who successfully complete at least three of the eligible measures. Focus on Energy incentives and federal tax incentives are also available for those who take on additional projects to implement efficiency measures. If you’re pursuing an alternative compliance pathway, the Inflation Reduction Act (IRA) provides tax credits up to \$5/sq. ft for energy efficiency improvements in commercial buildings that deliver lower energy bills, such as improvements to a building’s envelope, HVAC systems, lighting, and controls. Businesses can also receive tax credits covering 30% of the costs of installing solar power and battery storage.

Q10: How do I find a tune-up specialist?

A10: If your on-site staff have any of the certifications listed in the ordinance, then they are qualified to perform a tune-up of your buildings under this program. If you have a regular maintenance contract, this service provider may be qualified to perform a tune-up. Focus on Energy maintains a list of Trade Allies – contractors and service providers who partner with FoE to deliver energy efficiency and renewable energy products and expertise directly to Wisconsin residents and businesses. Search for “Retro Commissioning” using their online tool.

Q11: Does one tune-up specialist certification carry more weight than another?

A11: No. All certifications are considered equal by this program. However, a building owner may want to request references to learn how your tune-up specialist has performed for other clients.

Q12: Is assistance available to cover the cost of getting certified as a qualified building tune-up specialist?

A12: Focus on Energy offers full tuition reimbursement upon completion of Building Operator Certification. Check their Events and Trainings Calendar to see upcoming offerings.

Sources

The questions/concerns presented here are drawn from the following documents:

- [Jan 12, 2023 WKOW News](#)
- Jan 10, 2010 State Journal, "[Madison May Require energy-user reports, tune-ups for large commercial buildings](#)"
- [Comments \(in Legistar 75280\) presented to the EDC by members of the Chamber](#)
- [WSJ Editorial Board's Jan 26 Opinion piece](#)
- [Alder Ever's 1/31 response to the Jan 26 opinion piece](#)

Resources describing the BESP used to produce this document are:

- [City of Madison website description](#) (scroll to "Commercial Buildings" section at the bottom of this page)
- City's [FAQ doc](#)
- The [proposed ordinance](#)
- [Video presentation about the proposed program](#) (minutes 1:08 - 1:44), by the City's Sustainability and Resilience Manager, Jessica Price

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: Support the proposed BESP ordinance!
Date: Wednesday, February 15, 2023 3:34:45 PM
Attachments: [Concerns and FAQs about the proposed BESP.docx](#)

From: JULIE A FOERTSCH <foertsch@wisc.edu>
Sent: Wednesday, February 15, 2023 10:44 AM
To: EDC <EDC@cityofmadison.com>
Subject: Support the proposed BESP ordinance!

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

Dear Members of the Economic Development Committee:

As a Madison resident who is very concerned about the negative impacts of climate change worldwide, **I am writing to express my support for the proposed *Building Energy Savings Program (BESP) ordinance for large commercial buildings***. The effectiveness of this proposed ordinance is supported by the success of similar ordinances in over 40 other cities, counties and states in the US, and the attached document shows all the ways in which business owner's potential concerns about the program are readily addressed. The positive impacts of this ordinance will not only reduce carbon emissions in Madison but result in energy savings that will have positive financial impacts for building owners and tenants.

Thank you in advance for your efforts to reduce energy usage and combat climate change in Wisconsin. **Please approve this project!**

Sincerely,
Julie Foertsch
1022 Lorraine Dr
Madison WI 53705

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: Please support the proposed Building Energy Savings Program ordinance
Date: Wednesday, February 15, 2023 3:35:25 PM

From: Liz Hachten <lizhachten@gmail.com>
Sent: Wednesday, February 15, 2023 10:04 AM
To: EDC <EDC@cityofmadison.com>
Subject: Please support the proposed Building Energy Savings Program ordinance

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

Dear Members of the Economic Development Committee:

I am writing to express my support for the proposed *Building Energy Savings Program (BESP) ordinance for large commercial buildings.*

As a Madison resident who is deeply concerned about climate change, I wholeheartedly endorse the City's commitment to cut our collective GHG emissions in half by 2030. But it is clear that we will not be able to meet this goal without significant reductions in emissions from the crucial commercial building sector, especially the largest buildings that account for the highest proportion of those emissions.

The proposed BESP ordinance is modeled on similar programs in several dozen other locales that have been successful in reducing emissions while producing cost savings for building owners and tenants alike - and all without deleterious effects on local economies. Given the failure of Madison's previous voluntary benchmarking program, it is time for us to adopt a mandatory benchmarking and tune-up program that will spur investments in our energy future while providing concrete benefits in Madison and beyond.

Thank you in advance for acting on behalf of the community and the climate by approving this proposed ordinance.

Sincerely,
Elizabeth Hachten
634 Odell Street
Madison, WI 53711

February 15, 2023

Madison Economic Development Committee

Good evening,

The IFMA Madison Chapter (International Facilities Managers Association – Madison Chapter) has been asked for a statement regarding the proposed building energy benchmarking ordinance. Our Chapter does not have an opinion on whether this ordinance should be passed or not.

We do however feel it is our duty to share some of the feedback we have received from our members.

IFMA is a professional organization made up of facilities professionals throughout the world. Our members are the professionals that will be called upon to perform the audits, benchmarking and tune ups contained in the ordinance. We are proponents of efficient facilities and making them all as sustainable as possible.

We have, however, received some concerns and questions regarding the proposed ordinance.

They include:

- The ordinance is vague in its wording. What exactly does it mean by a “tune up”?
- If this is mandatory, and I have more pressing infrastructure items to address with the resources I have how do I receive an exemption?
- I have a concern about the confidentiality of my company, clients, building owners, and tenants. How can we be assured that this information is secure?
- What good is the data if we are estimating?
- How complete can the data be if the State, surrounding cities and University are not participating?
- If I have one facility in Madison and another in a surrounding community. Do I apply a different standard to both or does the Madison ordinance rule there also?
- What if the city does not like the auditor I chose? How does the city decide if an auditor is qualified? What is the certification process?
- Does the city have grants to assist in retrofitting buildings or will they assist with grant writers to obtain any State or Federal funds available? How is this administered?

Thank you for allowing us a forum to pose our questions about the ordinance. We look forward to clarity on how the city would ask us to implement this program.

Sincerely IFMA Madison

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: 2/15/23 UW Health and UPH-Meriter testimony on Building Energy Savings Policy
Date: Wednesday, February 15, 2023 3:33:36 PM
Attachments: [UW Health and UPH Meriter to EDC Feb 15 2023.pdf](#)
[UW Health testimony to EDC Jan 2023.pdf](#)

From: Aulik, Juli A <JAulik@uwhealth.org>
Sent: Wednesday, February 15, 2023 1:39 PM
To: EDC <EDC@cityofmadison.com>; Baumel, Christie <CBaumel@cityofmadison.com>; Price, Jessica M <JPrice2@cityofmadison.com>
Cc: Aulik, Juli A <JAulik@uwhealth.org>
Subject: 2/15/23 UW Health and UPH-Meriter testimony on Building Energy Savings Policy

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

Good afternoon everyone, in advance of this evening's meeting, please find attached testimony from UW Health and UnityPoint Health-Meriter. I will offer testimony later and Mary Statz, UW Health's Energy Management and Sustainability Program Manager (who you heard from last month) will be on hand for questions. Her testimony from last month is also attached for your reference. Thank you! Juli

Juli Aulik (she/her/hers)
Director, Community Relations
UW Health

To: Members, Economic Development Committee, City of Madison
CC: Christie Baumel, Deputy Mayor
Jessica Price PhD, Sustainability and Resilience Manager
From: UW Health and UnityPoint Health-Meriter
Re: Proposed Building Energy Savings Code
Date: February 15, 2023

Thank you for again taking up the proposed Building Energy Savings Code. To contribute to this evening's meeting, please find below an outline of areas of concern and requests for consideration as well as appreciation to the mayor's office for meeting with us and SSM Health.

UW Health has 13 buildings to which the benchmarking section of the proposed ordinance would apply and 7 buildings totaling over 1.3 million SF to which the tune up section would apply. In an email dated February 2, 2023, deputy mayor Christie Baumel advised UW Health that buildings we lease from the University of Wisconsin and those we own as the UW Hospital and Clinics Authority (an entity created by state statute) would not be covered by the proposed ordinance. Buildings owned as joint ventures and rented from private entities would be included.

UnityPoint Health – Meriter has 7 buildings to which the benchmarking section would apply and 3 buildings to which the tune up section would apply.

On February 14, representatives from UW Health, UnityPoint Health – Meriter, and SSM Health met with Deputy Mayor Baumel and Sustainability and Resilience Manager Jessica Price PhD to discuss our healthcare-specific concerns about the ordinance.

Our organizations are strong proponents and practitioners of energy efficiency measures. In that context, our facilities experts outlined key realities for us in healthcare including that healthcare facilities are:

- Often high users of energy due to the fact that our hospitals are 24/7 facilities that have accreditation requirements to maintain strict temperature and humidity standards to promote patient healing as well as infection control and patient safety
- Energy users driven by provision of essential services and ultra-demanding precision of system deliverables such as temperature, humidity levels, and air handling
- Heavily-regulated by outside entities
- Expertly-managed on a daily basis by educated, credentialed, and experienced teams
- Constantly measured, evaluated, and invested in to improve energy use profiles to both save cost and contribute to environmental improvement

As a result of the unique nature of healthcare's already highly-regulated and carefully-managed energy use, mayor's office staff were amenable in concept to alterations to the proposed ordinance. We are most appreciative. We have since developed specific ideas as points for consideration with related rationale. These are in order of the code number not priority:

(4)(a)2 Building Tune-Ups Schedule. Add a subsection to reflect that "tune up" may include work performed on an ongoing basis in the period from ordinance effective date to first tune up and in the four-year period between tune-ups.

Rationale: Healthcare buildings are constantly "tuned up" and we request that ongoing investment be considered instead of a point-in-time perspective.

Note: This would also be applicable in section (4)(b)4 Tune-up Requirements

(4)(a)2d Building Tune-Ups Schedule: Lower number of buildings in portfolio from 10 to 5.

Rationale: Square footage has a greater impact than number of buildings. In UW Health's case, tune ups would apply to 7 buildings totaling over 1.3 million SF. Given that our buildings are already on their own schedules, we would like to be able to have this flexibility under the ordinance.

(4)(a)3c Alternative Compliance Pathways. Include new subsections after vii to include Dane County Climate Champions, US Department of Energy Better Buildings Challenge, US Department of Energy Better Climate Challenge, Biden Administration Climate Pledge, adherence to Physical Environment standards set forth by The Joint Commission, and environment of care regulations promulgated by the US Centers for Medicare and Medicaid Services, and a commitment to a set of best practices (listed in rationale).

Rationale: While each of the above proposed alternative pathways comes with a technical explanation, in short, each promotes an energy use goal or goals in alignment with what we understand to be the intention of the ordinance and that is more compatible with or already a part of our reality in healthcare.

Examples:

- US DOE Better Buildings: commit to improving energy performance by 20% in 10 years
- US DOE Better Climate Challenge: commit to reducing greenhouse gas emissions by 50% over 10 years.
- Physical Environment standards set forth by The Joint Commission (TJC), which references several different codes. Documentation that we are adhering to these requirements is needed by TJC when we are surveyed every three years.

https://www.jointcommission.org/resources/the-physical-environment/#946743d4fc2d46d9957ebffd9f0fd92e_63c1fc8cc9c44026b1a729e755c23063

https://www.jointcommission.org/-/media/tjc/documents/resources/patient-safety-topics/physical-environment/lsc_ec_doclist_revtool.pdf

- Commitment to the following work:
 1. Quarterly preventive maintenance of air handling units by qualified technicians that includes the following work:
 - a. Check for leaks
 - b. Confirm dampers are working correctly
 - c. Review belt wear
 - d. Lubricate fan and motor
 - e. Assess condition and replace air filters as needed based off pressure drop
 - f. Confirm proper operation of climate control valves
 2. Annual inspection, maintenance and rebuild of steam traps by Steamfitter
 3. Annual inspection, maintenance and rebuild of heating valves by Steamfitter
 4. Annual inspection, maintenance, and calibration of building controls by Steamfitter and Building Automation Technician
 5. Annual inspection and maintenance of heating and cooling coils by Steamfitter
 6. Annual balancing of spaces completed by Sheet metal workers
 7. Fire Damper inspection and operation every 4 years by Sheet metal workers

Utilizing ASHE's Maintenance Management for Health Care Facilities and ASHRAE Standard 180-2012 Standard Practice for Inspection and Maintenance of Commercial Building HVAC Systems.

(4)(b)4 Tune-up Requirements: Please see above.

(4)5bi Tune-up Specialists Qualifications. Add subsections after viii to include certified healthcare facility managers (CHFM) and licensed journey workers in the field of focus (Steamfitters, Sheet Metal Workers, Plumbers, Electricians, HVAC Technicians, Maintenance Technicians). Note that years of experience is not applicable as achieving these credentials requires a certified program (4-5 years with 8,000+ hours of training) or to have an equivalency in place.

Rationale: This allows expert staff already employed by healthcare facilities with day-to-day knowledge of facilities to produce high-quality, well-informed reports for the city.

29.40(2) Corrective Actions: "These corrective actions will all be minor repairs, which is defined as low-cost repairs to existing equipment." Define "low cost" as the \$0.20/square foot estimate the City has cited and apply to time period since the prior tune up or ordinance effective date.

Rationale: This would be based on square footage, but a 50,000sf building would not be required to pay more than \$10,000 every 4 years for tune-ups. A building owner could voluntarily go above and beyond that, but this puts a number to "low cost" and lowers risk for essential services like healthcare operating on very thin margins and attempting to balance resource constraints to the benefit of staffing and patient care.

Thank you so much for your consideration of our ideas. We represent a very complex and demanding field with health at the very core of our mission. As such, we have tried to bring forward requests that make the proposed ordinance feasible for us in the context of the already-tightly managed energy use of our facilities.

The above prepared by:

James Harrod, MA, Certified Educational Facilities Professional (CEFP), Director
Maintenance & Engineering Services
UW Health

Mary Statz, MS, Program Director
Energy Management and Sustainability
UW Health

Juli Aulik, MA, Director
Community Relations
UW Health
(Please use me as contact: jaulik@uwhealth.org)

Tim Ferguson, CHFM
AVP Facilities Development
UnityPoint Health- Meriter

Mary Statz, Program Manager, Energy Management and Sustainability, UW Health
Testimony to EDC
January 18, 2023

Good evening. I oversee energy management and sustainability for UW Health and was engaged in the summer workshops about this ordinance. UW Health is very committed to energy conservation and sustainability. In 2016, UW Health committed to the US Department of Energy's Better Buildings Challenge setting the goal of a 20% energy use intensity reduction from a 2013 baseline by 2023. We surpassed our goal six years ahead of schedule by achieving a 24% reduction. In 2022 UW Health signed the US Department of Energy's Better Climate Challenge, committing to reducing our greenhouse gas emissions by 50% in 10 years.

While UW Health supports the goals of the ordinance, I oppose the certification requirement outlined for the "tune up specialist": UW Health has over 100 employees in our maintenance and engineering department that specialize in maintaining our heating and ventilation systems every day. They do not have the certifications listed in the proposed ordinance, but they are technically savvy and highly-skilled at what they do. They are invaluable in their knowledge of our buildings and their mechanical systems, and in helping UW Health reduce energy use. They also have expertise specific to healthcare which is of fundamental importance on many levels. They deliver results for us every day.

Our staff can meet the requirements of the proposed ordinance. There isn't a need for UW Health to hire outside consultants. That would at best be duplicative and expensive – at a time when healthcare certainly cannot afford an additional, unnecessary expense – and do not help advance the goals of the proposed ordinance or our well-established internal priorities.

I'll share an example: We recently went through an energy efficiency project in our operating rooms at East Madison Hospital. Operating rooms use 5-6 times more energy than the rest of the hospital. Two UW Health staff were involved in this project, both highly qualified but did not have the certifications listed. In the end, this project is saving us over 190 thousand kilowatt hours and 7,500 therms annually. We could have saved more, but our staff were aware of an issue that would trip the duct static pressure sensor. Third party certified staff would not have been aware of the nuances of our building systems and could have compromised the outcome in our operating rooms.

While the proposed ordinance does include a provision that allows "additional qualified certifications as the Administrator deems appropriate," that does not address our concerns.

We propose a less-prescriptive approach that explicitly allows employees deemed qualified by their employer to be qualified as "tune up specialists." Alternatively, the Administrator should be instructed to consider experience only and not require certifications.

Thank you.

From: [EDC](#)
To: [Freedman, Andrea](#)
Subject: FW: 2/15/23 SSM Health comments on Policy 75280
Date: Wednesday, February 15, 2023 3:34:26 PM
Attachments: [2023.2.15_SSM.Health_CityMSN.EconDevelopmentCommittee_Policy75280_WrittenComments_FINAL.pdf](#)
[image001.png](#)

From: Van Pelt, Benjamin <Benjamin.Vanpelt@ssmhealth.com>
Sent: Wednesday, February 15, 2023 1:01 PM
To: Van Pelt, Benjamin <Benjamin.Vanpelt@ssmhealth.com>
Cc: EDC <EDC@cityofmadison.com>; Baumel, Christie <CBaumel@cityofmadison.com>; Price, Jessica M <JPrice2@cityofmadison.com>
Subject: 2/15/23 SSM Health comments on Policy 75280

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

Good Afternoon Members of the City of Madison Economic Development Committee (recipients Bcc'ed),

Prior to your meeting later this evening I wanted to share the attached comments with you on Policy 75280, which is on your agenda tonight as a new business item.

Additionally, I – on behalf of SSM Health – am registered to speak at tonight's hearing, but we will also have other staff available to answer questions if any should arise.

Thank you,

Ben Van Pelt | Director of Government Affairs
SSM Health - Wisconsin

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