

Subject: Energy Benchmark ordinance



Dear Madison Alders,

Clean Wisconsin is the state's oldest and largest environmental advocacy organization, with 20,000 members and supporters across the state, many of whom live in the city of Madison. Our mission is to protect Wisconsin's clean air and water and preserve the places that make Wisconsin such a great place to live, work and play. While our main focus tends to be on state level advocacy, increasingly, communities are at the forefront of sustainability. That is why Clean Wisconsin strongly supports the proposed Energy Benchmark Ordinance.

From our perspective, there is no more important environmental issue than climate change. It is a responsibility we feel we have to our children and grandchildren, but unfortunately, we are already seeing the impacts of climate change. Last year's droughts and flooding are just a few examples of what we can expect in the future. Adapting to those changes is going to be expensive, but it will cost us even more if we do not reduce our climate change pollution now.

Buildings are the single largest contributor to climate change pollution, with transportation and industry trailing behind. Many are surprised by that, but it is because buildings are heavy energy users. This energy use not only contributes to climate change, but also results in air pollution that is making us sick. If Madison wants to address its contribution to climate change and air pollution, energy efficiency in buildings is a key piece of the puzzle. Energy efficiency is the cheapest way to meet our energy needs. Not only does energy efficiency save money, create jobs and reduce pollution, there is a growing body of evidence showing that energy efficiency can lead to increased local self-reliance and resilience, leverage economic reinvestment, and increase the livability of communities.

Despite the overwhelming benefits of energy efficiency, we know that Wisconsin has a large amount of energy savings that has not yet been captured. A recent study by the Energy Center of Wisconsin showed that commercial businesses could see \$52 million a year in energy savings if they adopted reasonable energy efficiency measures statewide. The proposed benchmarking ordinance will help business owners take advantage of this untapped potential and ensure that we are not leaving money on the table.

The beauty of the proposal before you is that it simply requires information be submitted and allows building owners to make their own choices about whether or not to make energy efficiency upgrades. It is the kind of market-based solution that closes information gaps that limit energy efficiency investments. Benchmarking can help fix broken market signals that discourage energy efficiency, without requiring policymakers to tackle the tougher issues like commercial building codes or offering financial incentives for upgrades.

The key point to remember is that this ordinance is meant to be used as a tool for building and business owners to remove economic market failures brought on by imperfect and asymmetric

information. This information, broken down into a simple score for easy comparison, will allow potential tenants and purchasers to have a fair estimate of how efficient a building or space will be. It also allows for current business and building owners to compare their state of efficiency with similar buildings. This comparison will encourage investment in energy and water efficiency measures to increase competitiveness in the marketplace.

Looking to our neighbors to the west, we can see what might be possible for Madison. Minnesota ranks well above Wisconsin in energy efficiency, yet benchmarking showed that the city of Minneapolis's buildings have energy scores that are below the national average. They also learned that age of the building is not as strongly correlated to energy use as was expected. For example, a Minneapolis library built in 2006 discovered, through benchmarking, simple operational changes that are now saving them \$106,000 a year.

This ordinance requires so very little, yet offers a huge return to both businesses and the city. By providing transparent information to potential owners, managers, and tenants we can create a more efficient building stock that spends less money on energy. If passed, the benchmarking ordinance will result in improved air quality, safeguard water resources and create a more vibrant and sustainable business culture in Madison.

Clean Wisconsin applauds the city of Madison for passing its Sustainability Plan and setting an important example for the rest of the state. We urge you to continue down this path and pass the Benchmarking Ordinance.

Sincerely,
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