

# Clean Buildings Performance Standard

Tier 1 & Tier 2 Covered Buildings

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## CLEAN BUILDINGS TEAM

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10/23/2024



Washington State  
Department of  
**Commerce**

# We strengthen communities



HOUSING AND HOMELESSNESS



INFRASTRUCTURE AND BROADBAND



SMALL BUSINESS ASSISTANCE



ENERGY



PLANNING AND TECH ASSISTANCE



COMMUNITY SERVICES



CRIME VICTIMS AND PUBLIC SAFETY



ECONOMIC DEVELOPMENT

# Meet the Building Performance Staff

**Emily Salzberg**

Clean Buildings Managing Director

**Incentive  
Program**

**Data**

**Technical  
Assistance**

**Program**

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Darst

Donny  
Westfall

James  
Witherington

Dillon  
Ackerman

Jeff  
Rasmussen

Robert  
Marino

# Agenda

## Tier 1

- Intro/Recap
- Compliance Schedule
- Compliance Requirements
- Getting started
- Exemptions
- Penalties

## Tier 2

- Compliance Schedule
- Exemptions
- Roles and Responsibilities
- Compliance Requirements
- Penalties

## Incentives, Resources, and Support

- Tier 1 & Tier 2 Incentive Programs
- No Cost Support
- Upcoming Events

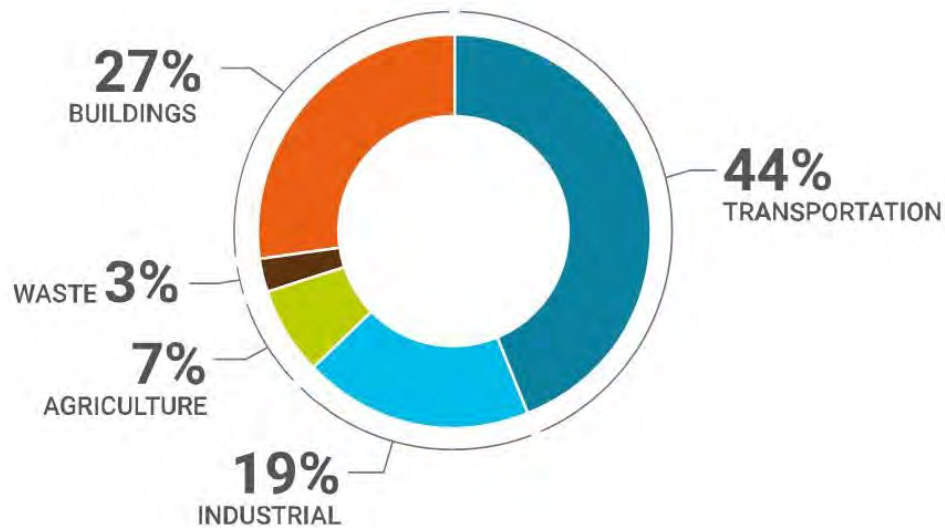
## Live Walkthrough

- Determining Energy Usage Intensity target (EUI<sub>t</sub>)

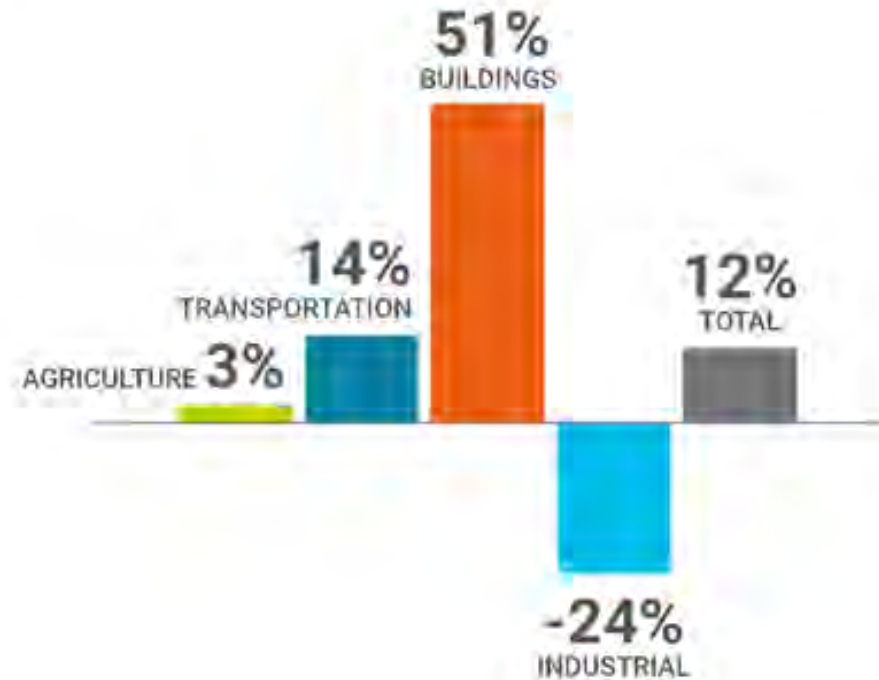


# Reducing emissions from existing buildings

Buildings are the second largest source of greenhouse gas emissions in Washington (2015)



As Washington's population has grown, greenhouse gas emissions from buildings jumped significantly from 1990-2015



# Clean Buildings Performance Standard

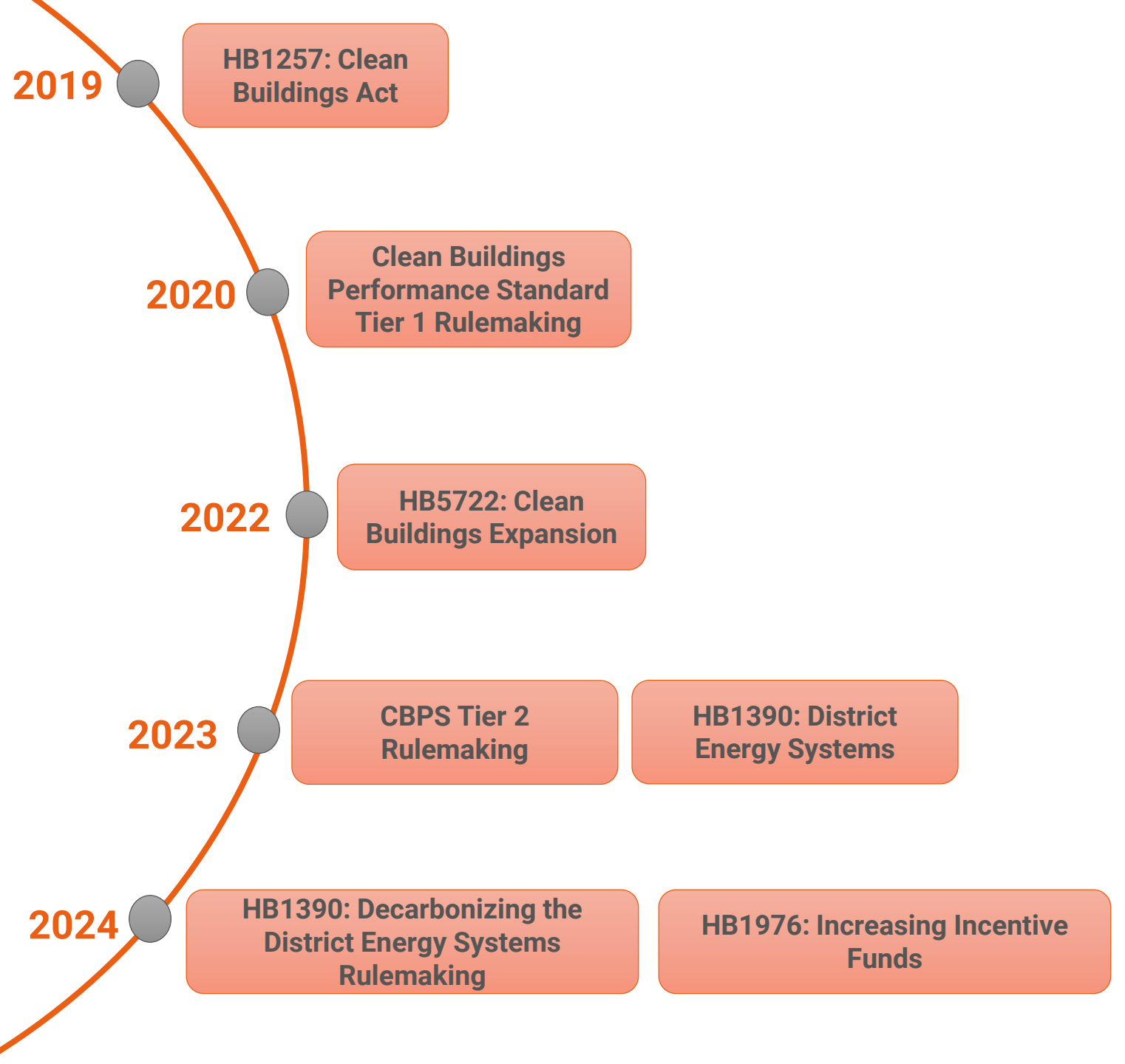
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- Based on ASHRAE Standard 100-2018
- WAC 194-50 – Rules for compliance and administrative requirements.
  - Amendment to Standard 100
- Tier 1 Buildings
  - Buildings over 50k square feet excluding parking
- Tier 2 Buildings
  - Buildings between 20 and 50,000 square feet
  - Multifamily over 20,000 square feet

## Commerce charged with:

- Rulemaking
- Notifying building owners
- Administering incentives
- Supporting mandatory compliance

# Clean Buildings Rulemaking 2019-2024





Opportunity





# Clean Buildings – Tier 1

Compliance, Incentives, and Penalties

# Tier 1 Buildings

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A ***tier 1 covered building*** is a building where the sum of nonresidential, hotel, motel, and dormitory floor areas exceeds fifty thousand gross square feet, excluding the parking garage area.

A ***building complex*** is defined within the CBPS as a group of buildings interconnected by conditioned spaces on contiguous property.

# Roles & Responsibilities

Qualified Person	Qualified Energy Auditor	Energy Manager
<ul style="list-style-type: none"><li>• Establishes the <math>EUI_t</math></li><li>• Submits compliance forms</li><li>• Attests that EMP and O&amp;M requirements are developed, implemented and maintained</li><li>• Review commissioning report and certify that EEMs are functioning as intended</li><li>• Signature on Form A</li></ul>	<ul style="list-style-type: none"><li>• Complete energy audit in accordance with Section 8</li><li>• Complete and submit an audit summary</li><li>• Verify energy savings calculations of each EEM</li><li>• Review commissioning report and certify that EEMs are functioning as intended</li><li>• Certify that energy savings of the package of EEMs meets</li></ul>	<ul style="list-style-type: none"><li>• Develop and maintain the energy management plan (EMP)</li><li>• Verify compliance with the target EUI</li><li>• Create, maintain and report Energy Star Portfolio Manager records</li><li>• Develop and implement an energy efficiency plan</li><li>• Signature on Form A</li></ul>

# Tier 1 Compliance Schedule

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A building owner of a covered building must meet the following reporting schedule for complying with the standard and every five years thereafter:



**Tier 1 Buildings more than 220,000 gross sq. ft, June 1, 2026**



**Tier 1 Buildings more than 90,000 less than 220,001 gross sq. ft, June 1, 2027**



**Tier 1 Buildings more than 50,000 less than 90,001 gross sq. ft, June 1, 2028**



# Tier 1 Basic Requirements

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Benchmarking

Energy Management Plan

Operations & Maintenance Program

Compliance with an energy performance metric

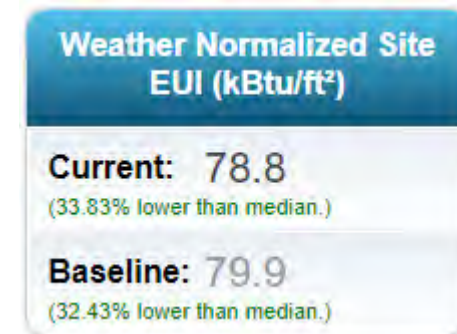
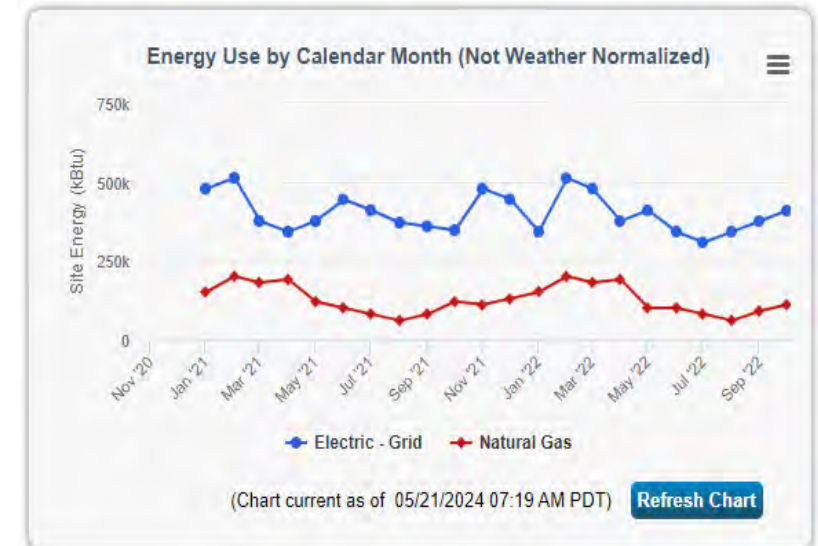
- Meeting the EUI **OR**
- Investment Criteria



# Energy Benchmarking



- Create an ENERGY STAR Portfolio Manager account
- Work with utility providers to import energy use data
  - Manual entry
  - Data exchange
- 12 consecutive calendar months of meter data
- Calculate EUI/WNEUI – Compare to building EUIt



## Energy Management Plan

A living document that describes a building's energy performance. It typically consists of the following:

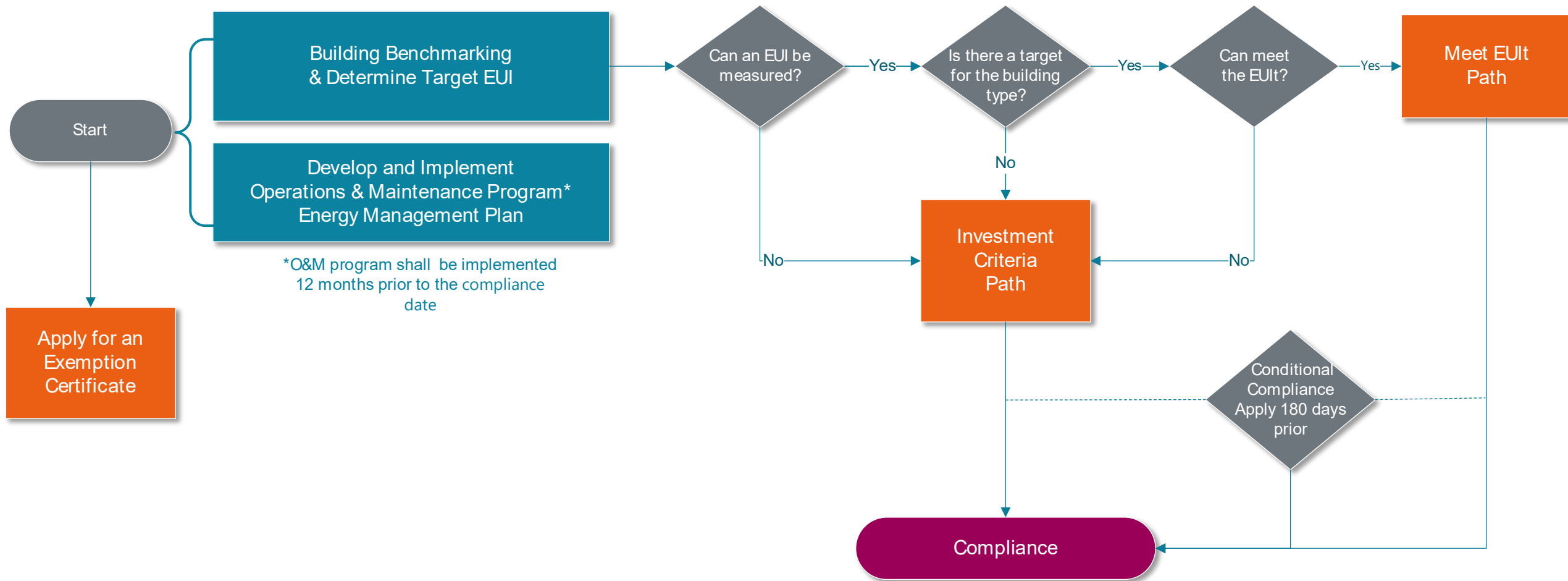
- Building energy metering and reporting
- Energy-Use Intensity (EUI) reporting
- Energy Efficiency Measure (EEM) Implementation
- Operations and maintenance considerations for energy managers
- Communication responsibilities

## Operations and Maintenance Program

A living document used to ensure energy-efficient operation and minimize failure of building systems and components throughout their service lives.

- Documented in Section 6 and Normative Annex L of the CBPS.
- Is a component of the Energy Management Plan.
- Lists inspection and maintenance requirements for specific systems and equipment.
- Establishes responsibilities for individuals operating and maintaining the equipment, components and its systems.

# Tier 1 Compliance path





# Tier 1 Exemptions

## Criteria

- No certificate of occupancy
- At least 50% of the conditioned floor area is unoccupied
- Less than 50,000 square feet of conditioned space
- More than 50% of floor area designated as Factory Group F or High Hazard Group H by the Washington state edition of the International Building Code (WA IBC)
- Agricultural structures
- Building is pending demolition
- Financial hardship

- **Exemption Application Timeframe.** Applications for exemptions may be submitted no sooner than three years prior to the compliance date and submitted to the *AHJ* no later than 180 days prior to the compliance date.
- **Exemption Certificate Validity.** Exemptions certificates are only valid for the current compliance review cycle.




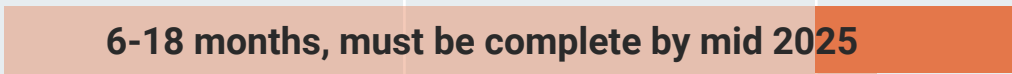

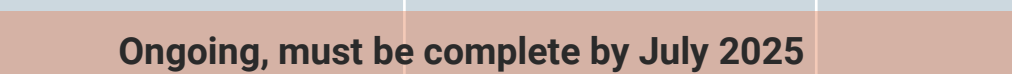

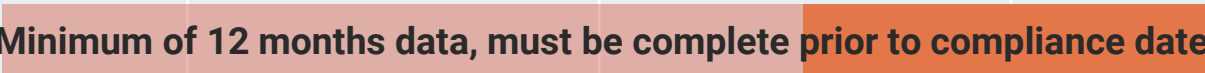


# Tier 1 Penalties




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- Maximum penalty:  $\$5,000 + \$1.50/\text{sq. ft.}$
- Example: 75,000 sq. ft. building
  - $\$5,000 + (\$1.50 * 75,000)$
  - $\$5,000 + \$112,500$
  - Maximum Penalty  $\$117,500$



# Example Timeline- 220k sq. ft. building

TASK	2022	2023	2024	2025	2026
Portal access and data confirmation					
Initial Benchmarking and account set up	 <b>Benchmark using 12 consecutive months of energy data</b>				
Energy Audit (if applicable)					
Planning, budgeting and implementing EEMs		 <b>6-18 months, must be complete by mid 2025</b>			
EMP and O&M Development & Implementation		 <b>Ongoing, must be complete by July 2025</b>			
Measurement and verification		 <b>Minimum of 12 months data, must be complete prior to compliance date</b>			
Conditional Compliance (if applicable)		<b>Shall be applied for no later than 180 days prior to compliance date</b>			
Compliance Date		<b>*Compliance date for buildings greater than 220k sq. ft. is Jun 1, 2026</b> 			

Variable timeline  Minimum timeline  Compliance Date 

\*Initial compliance dates in accordance with Section Z3.1 of the standard and every five years thereafter.



# Clean Buildings – Tier 2

Compliance, Incentives, and Penalties

# What is a Tier 2 building?

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A building where the sum of multifamily residential, nonresidential, hotel, motel, and dormitory floor areas exceeds 20,000 gross square feet, but does not exceed 50,000 gross square feet, excluding the parking garage area. Tier 2 covered buildings also include multifamily residential buildings where floor areas are equal to or exceed 50,000 gross square feet, excluding the parking garage area.





# Building Notification



# Compliance Schedule

A building owner of a covered building must meet the following reporting schedule for complying with the standard and every five years thereafter:



**Tier 1 Buildings more than 220,000 gross sq. ft, June 1, 2026**



**Tier 1 Buildings more than 90,000 less than 220,001 gross sq. ft, June 1, 2027**



**Tier 2- Buildings more than 20,000 – less than 50,001 gross sq. ft and MF , July 1, 2027**



**Tier 1 Buildings more than 50,000 less than 90,001 gross sq. ft, June 1, 2028**



# Tier 2 Requirements

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Benchmarking

Operations & Maintenance Program

Energy Management Plan

# Tier 1 vs Tier 2

## Tier 1

- Buildings greater than 50,000 square feet
- Does not include multifamily residential buildings
- Benchmarking, EMP and O&M, Performance Metric
- Mandatory compliance begins in 2026 for buildings over 220,000 square feet

VS

## Tier 2

Size

- Buildings 20,000 to 50,000 square feet

Multifamily

- Includes multifamily residential buildings greater than 20,000 square feet

Requirements

- Benchmarking, EMP and O&M program  
**NO Performance Metric**

Compliance Date

- Mandatory reporting July 1, 2027

# Tier 2 Responsible Parties



## Building Owner

An individual or entity possessing title to a building. In the event of a land lease, the building owner is the entity possessing title to the building on leased land.



## Qualified Energy Manager

An individual designated by the *building owner* who:

- (a) Has two years of experience, including educational and/or professional experience, with commercial *building* operations and/or *building* energy management in addition to successful completion of clean buildings tier 2 training program as specified by the *AHJ*;

**OR**

- (b) Meets the definition of a *qualified person*.

# Tier 2 Getting Started

- Determine the qualified energy manager (QEM)
- QEM calculates the building's energy use intensity (EUI)



- Develop and implement the energy management plan
- Develop and implement the operation and maintenance program



## Benchmark

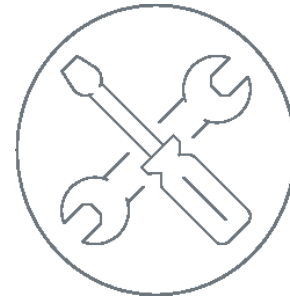
## Set a target

## EMP and O&M

## Report



- QEM determines the building's energy use intensity target (EUI<sub>t</sub>)



- Attest the EMP and O&M have been established
- Submit compliance documents

# Benchmarking

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- Create an account with [Energy Star Portfolio Manager](#) (ESPM).
  - Contact your utility provider(s)
  - Establish the weather normalized energy use intensity (WNEUI)
- Create the energy use intensity target (EUI<sub>t</sub>)
- Compare WNEUI to the calculated target (EUI<sub>t</sub>).

Tier 2 covered buildings are not required to meet the target at this time.



## Energy Management Plan

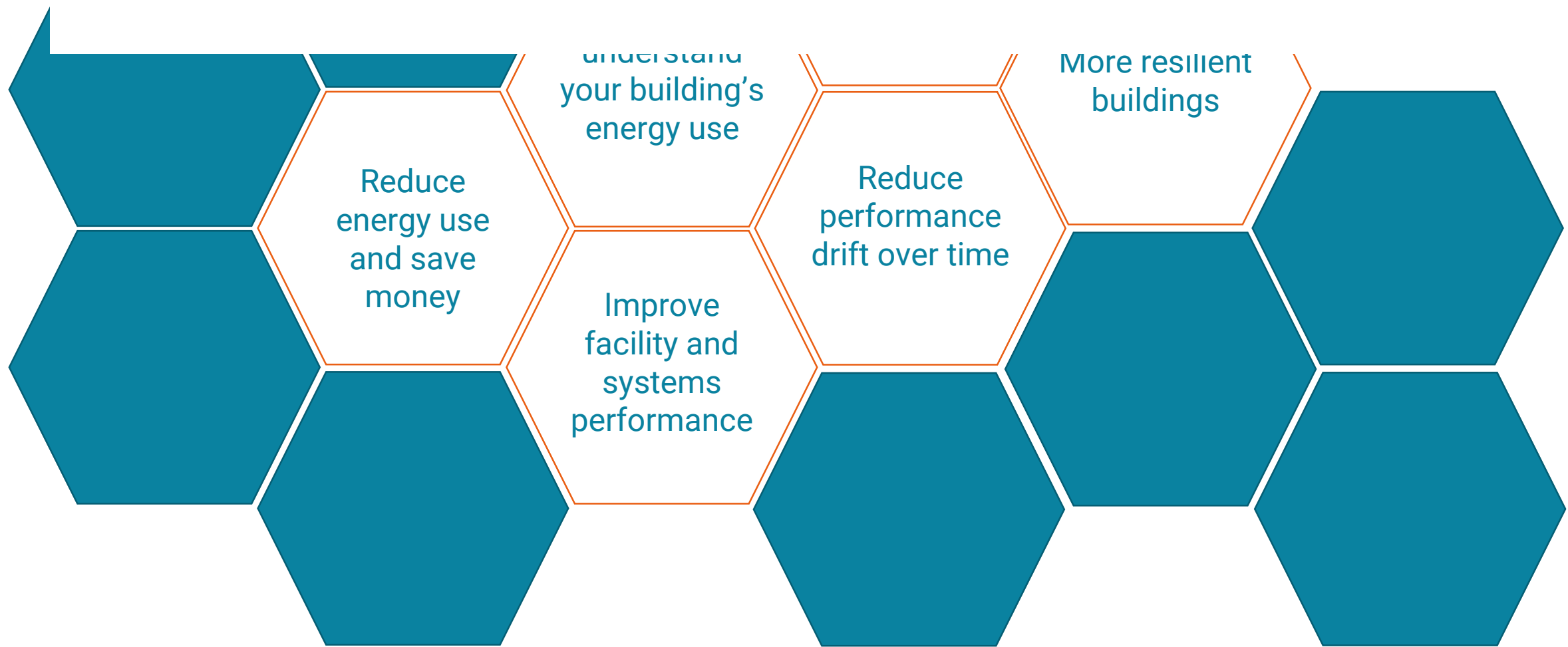
A living document that describes a building's energy performance. It typically consists of the following:

- Building energy metering and reporting
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## Operations and Maintenance Program

A living document used to ensure energy-efficient operation and minimize failure of building systems and components throughout their service lives.

- Documented in Section 6 and Normative Annex L of the CBPS.
- Is a component of the Energy Management Plan.
- Lists inspection and maintenance requirements for specific systems and equipment.
- Establishes responsibilities for individuals operating and maintaining the equipment, components and its systems.





## Tier 2 Exemptions

### Criteria

- At least 50% of the conditioned floor area is unoccupied
- Less than 20,000 square feet of conditioned space
- More than 50% of floor area designated as Factory Group F or High Hazard Group H by the Washington state edition of the International Building Code (WA IBC)
- Agricultural structures
- Building is pending demolition
- Financial hardship

- **Exemption Application Timeframe.** Applications for exemptions may be submitted no sooner than two years prior to the compliance date and submitted to the *AHJ* no later than 180 days prior to the compliance date.
- **Exemption Certificate Validity.** Exemptions certificates are only valid for the current compliance review cycle.

# Tier 2 Penalties

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- Administrative penalty not to exceed \$0.30/SF
- Max Penalty (50,000 sq. ft. building):
  - \$15,000

# Clean Buildings Incentives

Tier 1 Early Adopter Incentive Program

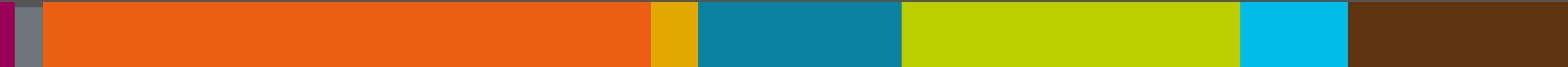
Tier 2 Early Adopter Incentive Program

Energy Audits for Public Buildings





# Tier 1 Early Adopter Incentives



# Tier 1 Early Adopter Incentive Program

- \$2.00 /sq ft of GFA, paid by utilities
  - Extra 0.05 center per kBTU saved over the 15 EUI required by the program
- \$75 million authorized for this program
- There is still money available
- Program end dates:
  - June 1, 2025 for buildings >220k
  - June 1, 2026 for buildings >90k to 220k
  - June 1, 2027 for buildings >50k to 90k

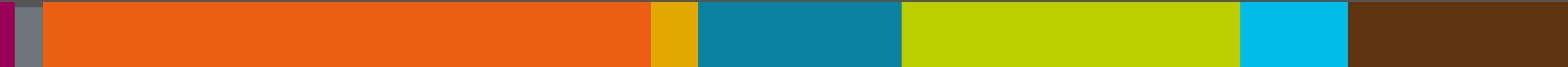
## Eligibility

- Building is larger than 50,000 sq. ft
- 15 EUI or more above the target
- Served by a participating utility
- Comply with Tier 1 compliance requirements





# Tier 2 Early Adopter Incentives



# Tier 2 Incentive Program

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- Incentivizes completion of reporting requirements
- Program launches July 1, 2025 and ends June 1, 2030
- \$150 million available for incentives.
- \$0.30 cents per gross square foot

## Eligibility

- Tier 2 covered building
- Served by a participating utility
- Comply with Tier 2 compliance requirements
  - Benchmark
  - EMP
  - O&M



# Tier 2 Incentive Program Overview

## Incentivizes completion of Tier 2 reporting requirements

- Incentive applications accepted July 1, 2025 to June 1, 2030
- Incentive funds capped at \$150 million to be paid out by participating utilities
- Base incentive - \$.30 cents per gross square foot
- Enhanced Incentive – TBD







# Energy Audits for Public Buildings

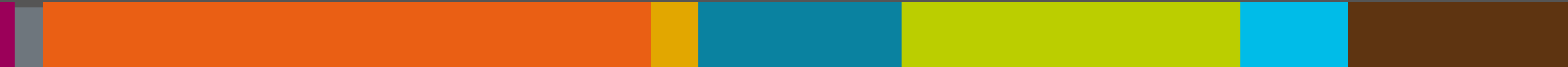
# Energy Audits for Public Buildings

There is \$20 million available in this program.

- The building must be a Tier 1 building or multifamily building over 50,000 sq.ft.
- The building must be publicly owned. Public buildings are buildings owned by State Agencies, School and Health Districts, Colleges and Cities, Municipalities and Counties.
- The audit must meet the requirements of the CBPS for that building's compliance path
- The audit must be completed by an auditor on the [Verified Energy Auditor Network List \(Smartsheet\)](#).
- All applications are due by April 30th, 2025.



# Clean Buildings Support and Resources





# No-Cost Support

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## Clean Buildings Team

### Monthly CBPS Office Hours

### Utility Accelerator Programs

## Smart Building Center/Building Potential

- Help Desk

## Energy Star Portfolio Manager

- Customer Support and trainings

### Contact

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Buildings Unit Managing Director

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Phone: 360-725-3105

- **Submit questions & request support**  
[Clean Buildings Customer Support Form](#)
- **Download**  
[Clean Buildings Performance Standard – Integrated Document](#)

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To sign up for updates or access your subscriber preferences, please enter your contact information below.

\*Email Address

Submit

# Outreach, Education, and Support

## Outreach

- Building Owner Notifications
- CB Bulletins
- Presentations
- Conferences and events
- Workgroups and meetings
- Targeted outreach
- Partnerships with local government

## Education

- Clean Buildings website
- Guidance Document Library
- Live Q&A sessions
- Targeted trainings and webinars
- Recorded video trainings
- Future training program for qualified energy managers

## Customer Support

- CB Portal and Technical Assistance
- Customer management
- Meeting requests
- Support and resources webpage
- Industry partnerships for technical assistance
- Directory of qualified energy auditors and qualified persons

# Upcoming Events

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## Office Hours

- 4th Tuesday of every month 10 a.m. [Register](#)

## Tier Incentive Utility Provider Focus:

- November 14, 2024, 11 a.m. to 12 p.m. [Register](#)

## Finalizing the Program:

- December 12, 2024, 11 a.m. to 12 p.m. [Register](#)



# Questions & Answers

[buildings@commerce.wa.gov](mailto:buildings@commerce.wa.gov)



# Thank you!

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