

City of San José Energy and Water Building Performance Ordinance (BPO)

BayREN Forum: The Confluence of Water, Energy, and Climate
March 2024





Delivering world-class utility services and programs to improve our health, environment, and economy.

BPO Overview

- Building on <u>CA AB802</u>, San José voted to adopt the BPO in December 2018.
- First compliance deadline was May 1, 2019.
- To develop the ordinance and collect stakeholder feedback, City staff convened a <u>task force</u> throughout 2018.
 - Over 100 individuals and over 50 organizations.
- Developing the BPO was partially made possible by a grant from the <u>City Energy Project</u>, a joint initiative between the Natural Resources Defense Council and the Institute for Market Transformation.
- The BPO helps meet some of the goals set out in <u>Climate Smart San</u>
 <u>José</u> as well as the City's <u>Pathway to Carbon Neutrality by 2030</u> goal.





BPO applies to:

- City-owned buildings that 15,000 square feet or more.
- Privately-owned commercial and multi-family buildings that are 20,000 square feet or more.
- Presently, about 2,050 San José buildings in total.

Annually by May 1st, buildings must:

- Submit 12 months of their previous calendar year's energy and water data to the City through the Environmental Protection Agency's (EPA) free online tool Energy Star Portfolio Manager (ESPM).
- Pay a \$150 invoice.





What is Beyond Benchmarking?

- Starting in 2023, <u>Beyond Benchmarking</u> began...
- In annual cohorts, building owners are now required to demonstrate either:
 - Satisfactory building energy and water efficiency <u>OR</u>
 - Efficiency improvement projects, as specified by the Ordinance (San José Code of Ordinances, Chapter 17.85).
- Phased roll-out by cohorts 2023 through 2028.
 - Cohorts based on gross floor area (GFA) and last digit of the Assessor's Parcel Number (APN).
- An every 5-year requirement for buildings.





- By demonstrating that a building meets key performance standards through prior-year benchmarking, the owner can complete the <u>Performance Pathway</u>.
- If a building is not able to meet these standards, the owner must complete the <u>Improvement Pathway</u>.
- Using a qualified licensed professional is necessary for both pathways.
- Energy and water are treated separately.







Performance Pathway Energy Standards

- Property is new and has been occupied for less than 5 years from its first compliance due date.
- Holds a LEED Existing Buildings Operations and Maintenance v4 Certification.
- Has achieved at least 1 of the following for at least 2 of the 3 years preceding its compliance due date:
 - Has received an Energy Star Score of 75 or greater;
 - Has improved its Energy Star Score by 15 points or more relative to its baseline year;
 - Has a weather normalized site Energy Use Intensity (EUI) that is 25% below the calculated mean for that property type;
 - Has reduced its EUI by at least 15% relative to its baseline year.





Performance Pathway Water Standards

- Property is new and has been occupied for less than 5 years from its first compliance due date.
- Has achieved at least 1 of the following for at least 2 of the 3 years preceding its compliance due date:
 - Has received a US EPA Water Score of 75;
 - Has improved its US EPA Water Score by 15 points or more relative to its baseline year;
 - Has a Water Use Intensity (WUI) (gal/ft²) that is 25% below the locally calculated mean for that property type;
 - Has reduced its WUI by at least 15% relative to its baseline year.





- If Performance Pathway is not met.
- Options:
 - Conducting an Audit.
 - Performing Retro-Commissioning (RCx).
 - Adopting Efficiency Improvement Measures.
 - 2 needed per energy or water.
- BPO <u>Section 17.85.420</u> for more information.









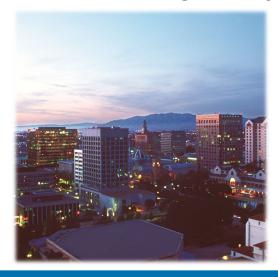
BPO Compliance Rates (% in compliance)

Compliance Year	Annual Benchmarking	Beyond Benchmarking
2019	42.5%	N/A
2020	28.2%	N/A
2021	66.9%	N/A
2022	73.4%	N/A
2023	88.1%	~ 70-75%
2024	TBD	TBD



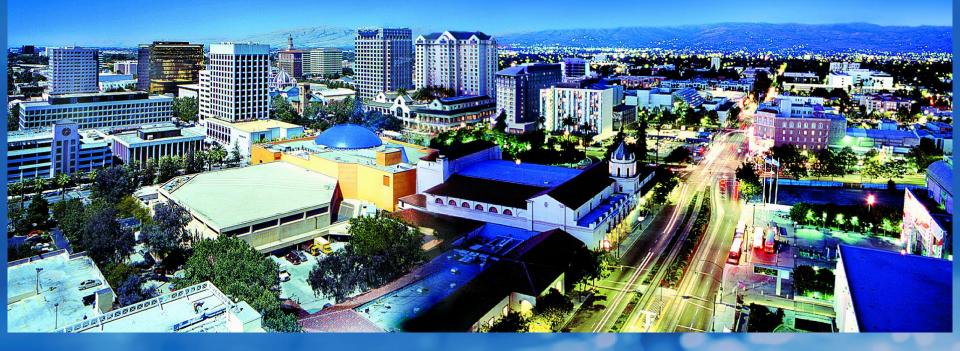
Resources

- Building Performance Ordinance Webpage
- Beyond Benchmarking Webpage
- Municode Chapter 17.85
- Info on policy development
- For questions:
 - Email: benchmarking@sanjoseca.gov





Thank you! Any Questions?







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