

GREENER, GREATER BUILDINGS PLAN

Benchmarking

Summary of proposed legislation - Earth Day 2009

General

You can't manage what you don't measure. Benchmarking energy and water consumption is a process that enables building owners, prospective buyers and renters, and operators to see how much energy their buildings consume when compared to similar buildings. Because energy consumption in New York City buildings often results from tenant usage patterns as well as the efficiency of its underlying systems, understanding in detail why a building uses more energy than another can be somewhat complex. This type of analysis and transparency can help transform the market by educating building managers and informing tenants and purchasers.

Requirements

This legislation will apply to buildings on tax lots with more than 50,000 gross square feet of built area. City owned buildings over 10,000 square feet will also be covered.

This legislation will require buildings to annually benchmark their energy and water consumption by using a free, online tool provided by the U.S. Environmental Protection Agency. Building owners will need to enter only basic information about their building and have access to their energy bills in order to benchmark. Whereas owners of commercial buildings will also need to enter information about tenant consumption, apartment buildings will be exempted from the requirement to enter residential tenant data. The EPA and the New York State Energy Research and Development Authority will be assisting the city in customizing the tool for the city and in assisting building owners in mastering the use of the tool.

The benchmarking information will ultimately be posted on the Department of Finance's Assessment Roll, where energy and water efficiency can join other indicators used to assess property value. In order to enable building owners to gain familiarity with the benchmarking process, however, the benchmarking information will not be posted for the first few years that benchmarking is required.

From the outset, water data will be entered automatically by the NYC Department of Environmental Protection for all buildings that are metered. The city is currently working with local energy providers to facilitate automatic uploading of building electricity, gas, and steam consumption, with the goal of decreasing the amount of information that an owner will need to provide and increasing accuracy.

Benefits

Benchmarking is expected to move the market toward greater efficiency by making energy consumption patterns more transparent to building owners and prospective purchasers or renters. Unlike the other legislative proposals which have direct energy impacts, benchmarking has not been explicitly credited with CO₂ reduction. Nonetheless, making building consumption more visible is expected to have an impact similar to the way that comparative energy use tags increase the purchase of energy efficient appliances.

Effective Date

Covered buildings will be required to benchmark their 2009 consumption by July 1, 2010. The first benchmarking data will be made available on the Assessment Roll by September 1, 2011 for city buildings, and one and two years later, respectively, for commercial and multi-family residential buildings.



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A GREENER, GREATER NEW YORK

To learn more visit www.nyc.gov/planyc2030 and www.council.nyc.gov

This piece of legislation is part of an overall package – the Greener, Greater Buildings Plan – that will foster the continuing improvement of large buildings in New York City. It will reduce energy consumption, save money, create jobs, decrease air pollution, and shrink the city's carbon footprint.