

#### Tracking Building Energy Performance:

The need to measure, track and benchmark energy performance for LEED Projects

Presentation by Matt Arneson

CED





Peter Dahl, Sebesta Blomberg



#### We will cover:

- What is energy benchmarking?
- Why is benchmarking important?
- How do I benchmark energy?
- What does this mean for LEED projects?
- ❖ Call to action for the Building Performance Partnership initiative



#### What is energy benchmarking?



#### A benchmark is...

- Numeric score for energy performance
  - The "energy saving potential" of your building
- Relative to similar buildings, use, climate
- Benchmark one or more (your entire portfolio)
- Benchmarks are baselines for
  - Energy and environmental goals
  - Investment decisions
  - Staff or contractor performance
  - Rewards and incentives



## Benchmarking is strategic

- Basic and advanced corporate decisions:
  - How much energy are we using?
  - Why are we using so much energy?
  - Is investing in energy efficiency worth it?
  - How well are our efficiency investments working?
  - Is that new utility rebate worth going after?
  - How well are operations staff and service contractors performing?



### Why is benchmarking important?



## Setting the Stage

- According to US DOE, commercial buildings could be made 80% more efficient with new and existing technology<sub>1</sub>
- Existing building stock represents the greatest opportunity for capturing lowhanging fruit for energy efficiency gains
- Energy savings has a direct impact to Net Operating Income (NOI) and Asset Value



## Energy cost is fastest growing operating expense for office properties

Non-Residential Operati	Year Over Year Change:						
	July	June	Percent	July	Percent		
December 2003 = 100	2010	2010	Change	2009	Change		
Non-Residential Facility Operations	120.9	120.6	0.20%	117.2	3.10%		
Index Components*							
Energy	133.3	132.8	0.40%	124.8	6.80%		
Real Estate Management	107	107.2	-0.20%	107.6	-0.60%		
Custodial	110.2	110.2	0.00%	110.1	0.10%		
Security	108.5	108.3	0.20%	108.4	0.10%		
Telecommunications	100.9	100.9	0.00%	101.2	-0.30%		
Other Indexes							
CPI-Urban Consumers, All Items	118.3	118.3	0.00%	116.8	1.20%		

<sup>\*</sup>Five heavily weighted index components are shown.

Sources: U.S. Department of Commerce, U.S. Department of Labor, and Whitestone Research.

Note: Index values for recent data are preliminary. The Non-Residential Operation Cost Index is based on a two-story office building.



#### Did you know?

- Commercial office buildings account for almost 20% of the national annual greenhouse gas emissions
- Businesses typically spend 30% more than needed on energy
- Owners are paying a higher percentage of operating expenses due to lower occupancy
- Low cost/no cost changes can yield immediate results up to 15%
- ROI can be measured and justified for larger expenditures and successful projects repeated

#### Sustainability = Energy Savings



#### Visualize, Understand and Manage "3 C's"

- Cost
- Consumption
- Carbon



Portfolio Snapshot		ALL ENERGY	GAS ELECTRIC
UNITS	PREVIOUS 12 MO	CURRENT 12 MO	% CHANGE ?
Cost/sq. ft	\$2.11	\$2.05	-3.0% 🖶
kBtu/sq. ft	110	112	1.3%
lbs CO <sub>2</sub> /sq. ft	37.26	36.67	-1.6% 🖊



## **Identify Anomalies**

Variation during peak summer months





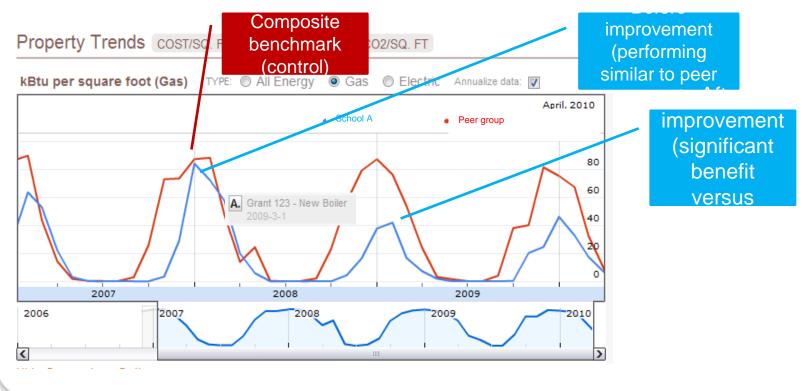
## Identify Negative Trends

Energy baseload increasing year-over-year





# Prove that capitol and operational improvements were successful





#### How do I benchmark energy?



#### U.S. EPA ENERGY STAR

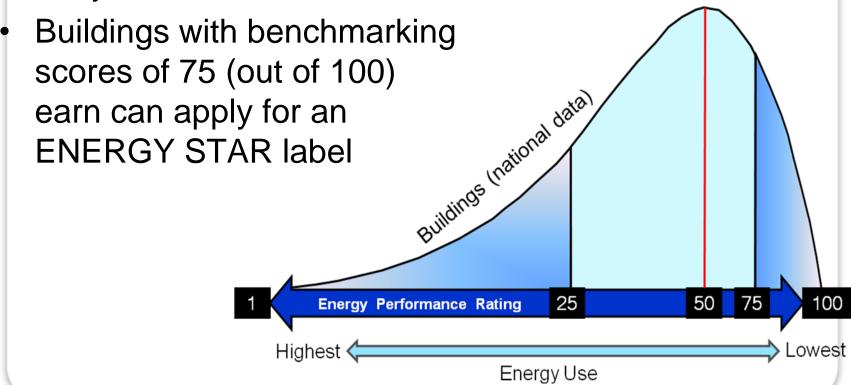
- A standard method for developing and running corporate energy management programs.
- Provides
  - Guidelines
  - Professional engineer guide
  - Marketing resources
  - Lots of other resources





#### U.S. EPA ENERGY STAR

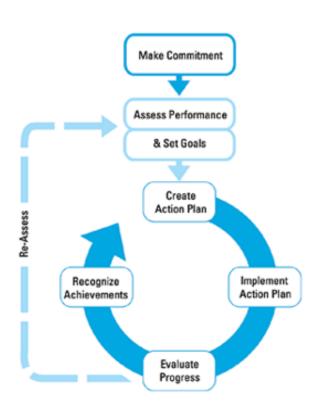
10+years





## **ENERGY STAR process**

- Make a commitment
- 2. Benchmark your building
- Based on benchmark set goals
- 4. Create action plan
- 5. Implement action plan
- 6. Evaluate progress
- 7. Recognize achievements





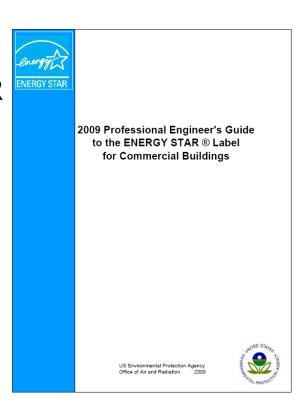
### Prerequisites

- US or US Territory
- Occupancy Rate >50% Office or >55% Hotel
- Space Type >50% (excluding parking) is...
  - Bank, Courthouse, Hospital, Hotel, House of Worship, K-12 School, Medical Office, Office, Residence Hall/Dorm, Retail Store, Supermarket, Warehouse
- 12 Months Available Data
- >90% Owned or Managed



#### What to do before Portfolio Manager?

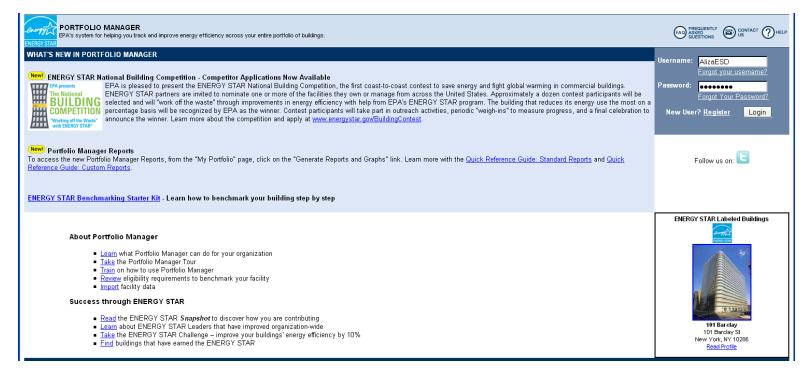
- Inform Tenants
- Read PE Guide for ENERGY STAR
- Create a Username/Password
- Collect Information
  - Space Type
  - Square Footage (GSF)
  - Operating hours/week
  - Occupant and PC counts
  - Energy Data





#### ENERGY STAR Portfolio Manager can be accessed via

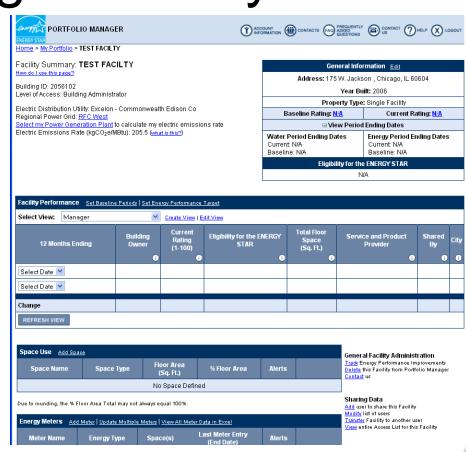
#### www.energystar.gov/istar/pmpam/





## Starting a Facility

- General Information
- Facility
   Performance
- Space Use
- Energy Meters
- Water Meters
- Renewable Energy Certificates





# What does this mean for LEED projects?



since the release of LEED for Existing Buildings:

Operations & Maintenance in 2008, buildings are required to demonstrate achievement of quantitative performance targets in order to earn LEED EB certification.

Minimum Requirement 6 – Project must share water and energy usage data with USGBC for a period of 5 years



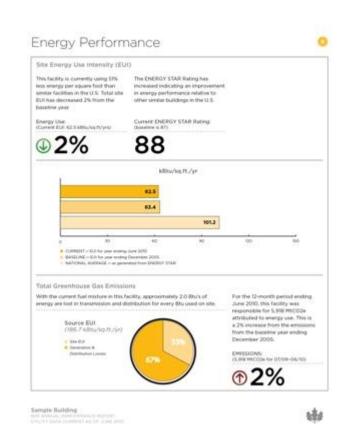
#### **Building Performance Partnership**

- Launched in November 2009
- An initiative to gather energy data from LEED buildings
- Only for whole-building LEED Projects
- Goal set to prove LEED projects outperform non-LEED project
- Help LEED projects identify opportunities within their buildings to be more energy efficient
- Utilizes the existing ENERGY STAR system to track and share energy data



#### Benefits in participating in BPP

- Help USGBC create a database of LEED project energy performance
- Prove your LEED project is a high performer
- Receive an annual performance report highlighting your building's efficiency against other LEED and non-LEED projects





# Call to action for the Building Performance Partnership initiative



## Help MN USGBC be the leader in the BPP Initiative

104 registered LEED projects in MN 12 projects currently enrolled in BPP

96 un-enrolled LEED projects in MN

The MN USGBC chapter needs your help to reach our 2011 goal of 26 enrollments



#### How can you help...

- Review handout of MN LEED projects
- Share information about USGBC BPP with contacts
- Start tracking your energy in ENERGY STAR
- If any questions, please contact myself or our BPP Task Force:

Matt Arneson, EnergyPrint 651-357-9022

Matt.arneson@energyprint.com