



Submitted via email: board.secretary@bpu.nj.gov

January 20, 2022

Aida Camacho-Welch
Secretary of the Board
44 South Clinton Ave., 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

**Re: STRAW PROPOSAL ON ENERGY AND WATER BENCHMARKING OF
COMMERCIAL BUILDINGS, Docket No. QO21071023**

Dear Secretary Camacho-Welch:

The Energy Efficiency Alliance of New Jersey (EEA-NJ) thanks the New Jersey Board of Public Utilities (BPU) for the opportunity to provide input and comment on the Energy and Water Benchmarking of Commercial Buildings Straw Proposal.

EEA-NJ is New Jersey's trade association for the energy efficiency industry. The energy efficiency industry is composed of a diverse range of professions—from contractors and manufacturers to engineers, architects, and software developers—and a local workforce that cannot be outsourced. Our membership, comprising 75 companies, ranges from small local firms to large multinational corporations. Our membership is large and diverse, with experience designing and implementing a variety of demand side management solutions and energy efficiency programs across the globe.

EEA-NJ supports the BPU's Benchmarking initiative and submits the following in responses to the questions to stakeholders presented in the straw proposal.

STAKEHOLDER QUESTION #1: Staff requests stakeholder comment on the proposed definition of “commercial buildings.”

EEA-NJ strongly recommends expanding the definition of “commercial buildings” and the covered buildings list to include multifamily residential properties. The focus of this benchmarking program is commercial buildings and despite the term multifamily “residential” properties, at 25,000 square feet, these properties operate as commercial buildings. Multifamily

properties of this size are often maintained, owned, and operated by commercial entities, and served by commercial scale systems on commercial meters. These properties undoubtedly would benefit from mandated annual benchmarking, and their inclusion would result in significant carbon reductions, furthering the Board's broader emissions goals. The Straw Proposal introduction itself outlines the benefits of benchmarking for multifamily properties, including reduction of energy use for owners and also provides the opportunity to design an energy efficiency program to address energy equity issues for renters.

By mandating multifamily benchmarking, the state will have access to crucial data to inform better offerings for this sector, which is particularly important for multifamily properties serving low-income residents. Over two dozen jurisdictions have successfully included multifamily in their benchmarking ordinances; the state of New Jersey should join their ranks and include multifamily as well.¹

STAKEHOLDER QUESTION #4: Staff requests stakeholder feedback about the proposed data access approach, privacy, and cybersecurity concerns about building owners and building operators accessing tenant data, and eligibility requirements for opt-outs based on privacy and cybersecurity concerns.

STAKEHOLDER QUESTION #5: Staff requests stakeholder comment on the utility implementation of data access and web services and other available options that would be secure and efficient and would streamline data upload for building owners/operators:

Data access is the key to launching this benchmarking program and empowering the building owners and operators to maximize their efficiency usage. Utilities throughout the country offer these services to commercial and multifamily customers.² The Straw Proposal details robust resources and protocols to support customer confidentiality and privacy. These safeguards strike a balance between ensuring privacy concerns and advancing efficiency objectives of the benchmarking program, and we support their inclusion.

We would also recommend instituting quality control measures from both the EPA Portfolio Manager and utilities to ensure that automatic uploads are taking place as intended. A secure web-based platform would be the most effective application to share monthly data once the initial connection is established. This system should provide whole building data, including both commercial and multifamily information, and energy usage dates, as opposed to billing dates. This will provide for better analysis around energy usage and weather events.

¹ IMT (Institute for Market Transformation). 2021. Map: U.S. City, County, and State Policies for Existing Buildings: Benchmarking, Transparency and Beyond.

<https://www.imt.org/wp-content/uploads/2021/11/IMT-Benchmarking-Map-11222021-CURRENT.pdf>;
IMT (Institute for Market Transformation). 2020. Comparison of U.S. Commercial Building Energy Benchmarking and Transparency Policies. https://www.imt.org/wp-content/uploads/2015/09/Comparison-of-Benchmarking-Policies_October-2021.pdf

² US EPA (Environmental Protection Agency). 2020. Utilities Providing Energy Data for Benchmarking in ENERGY STAR Portfolio Manager. https://www.energystar.gov/sites/default/files/tools/Utility_Web_Services_Fact_Sheet_November2020_508.pdf

Established best practices can help the BPU and others to share and analyze benchmarking data.³ Ensuring data quality will be critical in optimizing the program and the establishment of a standardized process for data verification, input and analysis would greatly aid in this effort.

STAKEHOLDER QUESTION #6: Staff seeks stakeholder feedback on best strategies and recommended approaches for outreach to ensure that all commercial building owners and operators are aware of the benchmarking requirement and its benefits.

EEA-NJ supports the plan outlined by the BPU in the proposal that incorporates a combination of webinars and workshops in conjunction with a phone and email help desk to educate and assist building owners and operators. The lead time of one year is reasonable for both the BPU and the owners and operators to ramp up operations of the program and provide the initial education and outreach for the program.

STAKEHOLDER QUESTION #8: Staff recommends developing a Portfolio Manager certification program with the assistance of New Jersey Institute of Technology's ("NJIT's") Center for Building Knowledge and seeks feedback on how it might be implemented.

EEA-NJ recommends the board explore the use of existing nationally recognized credentials and training models in its partnership with NJIT, as opposed to creating a new certification. By investing in established and recognized certification there is greater opportunity for training facilities to seek more expansive workforce funding opportunities. For the candidates being trained, this type of certification opens the door to more career opportunities.

EEA-NJ would note that any training program should emphasize the importance of data verification and data quality. The adoption of an industry standard or standardized process could also address any issues of data quality.

STAKEHOLDER QUESTION #10: Staff seeks feedback on how to optimize reporting compliance.

EEA-NJ is cautious of the benchmarking compliance requirement as a prerequisite for participation in the energy efficiency programs as this could present barriers to or result in delays in building owners' participation in energy efficiency programs. EEA-NJ does support the other Staff recommendations of:

1. Include compliance status in the aforementioned building-level database.
2. Send out a warning letter 90 days after the July 1 submission deadline for delinquent reporting.

³ IMT (Institute for Market Transformation). 2018. Managing Benchmarking Data Quality. <https://www.imt.org/resources/managing-benchmarking-data-quality/>

However, we understand the compliance limitation as the Clean Energy Act did not authorize the assessment of fines. An alternative compliance tool can be found in other jurisdictions. In New York City, properties that are not compliant with benchmarking and audit rules lose their ability to obtain permits. Our members have seen that this consequence is oftentimes even more effective than a monetary fine at encouraging compliance.

STAKEHOLDER QUESTION #11: Staff seeks suggestions about how to design the benchmarking program so as to potentially be able to expand in future years (e.g., by accommodating additional buildings, etc.) and form the foundation for future efforts in increasing energy efficiency in buildings.

The benchmarking program should look to expand coverage in future years by incorporating current non-covered building types and buildings with a smaller square foot threshold than included in the proposed regulation.

The benchmarking program will provide building owners and contractors valuable exposure to a building's energy use. New Jersey should prepare to leverage this expanded understanding into opportunities to incorporate other clean, more comprehensive, energy policies such as building performance standards and strategic energy management.

Thank you for the opportunity to provide feedback on the important topics raised in the Straw Proposal.

Sincerely,



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