



To,
The Montgomery County Council
100 Maryland Avenue
Rockville, Maryland

July 15, 2021

Reg: Building Energy Use Benchmarking & Performance Standards, bill number 16-21

Dear Council President Hucker and members of the Montgomery County Council,

Sierra Club Montgomery County supports the adoption of the Building Energy Use Benchmarking & Performance Standards, bill number 16-21, that is scheduled to be heard by the council on July 20th.

Montgomery County declared a Climate Emergency in 2017 and resolved to reduce its greenhouse gas emissions by 80 percent by 2027 and by 100 percent by 2035, but as yet has enacted only modest legislation to work towards achieving that goal. Policy is a crucial instrument in helping to drive private markets to prioritize reduction of greenhouse emissions.

Buildings constitute 50 percent of Montgomery County's greenhouse gas emissions (of which 26 percent are from commercial office and multi-family residential buildings). Building energy performance standards (BEPS), in conjunction with benchmarking, are a foundational tool for reducing greenhouse gas emissions from buildings. To reach the County's climate goals, greenhouse gas emissions reductions must be obtained from existing buildings.

Jurisdictions around the country, including Washington, D.C., and the world are increasingly using BEPS to achieve their climate goals. Building energy performance standards are in place for high-energy-use commercial and industrial buildings in Tokyo; rental buildings in Boulder, Colorado, and the United Kingdom; offices in the Netherlands; single family homes in France; and commercial buildings in Reno, Nevada; New York City; Washington State; and St. Louis.

BEPS in Washington, D.C., implemented in January 2021, covers commercial and multifamily buildings of 10,000 square feet and greater and utilizes a complementary building innovations hub.

For building performance standards to be successful, they must complement other policies and programs, such as energy benchmarking (a part of the proposed legislation) and education and technical assistance. The legislation contemplates partnering with and expanding Washington, D.C.'s Building Innovation Hub that is a part of its BEPS programs and that provides technical advice and guidance to building owners.

Anticipating there will be concerns raised regarding the cost impact of this legislation upon property owners and concerns for potential increased rent and pass-throughs to commercial and residential tenants as a result, we strongly recommend that the Department of Environmental Protection prepare data, recommendations, and potential funding sources to respond to these concerns. Every effort should be made to minimize the

impact of this bill upon small business owners and low-income residential tenants who should not bear the financial impact of this important legislation through increases in rent or uncontrolled pass-throughs.

BEPS is also expected to produce many consequent benefits that Sierra Club supports including increased energy efficiency, resiliency and sustainability of new and existing buildings, reduced energy consumption and air pollution, and improved human health because of better indoor and outdoor air quality. We also support creating more green jobs that come from construction and retrofit of buildings to increase their energy efficiency and resiliency that result in increased economic activity.

Thank you for considering Sierra Club's input and position in support of this legislation.

Sincerely,

Shruti Bhatnagar,
Chair, Sierra Club Montgomery County, MD
Shruti.bhatnagar@mdsierra.org | 240.498.3459