

Subject Energy benchmarking

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Overview

BE159 establishes a Department of Commerce program that requires building owners to electronically enter energy use data into a USEPA benchmarking tool that compares the building's energy efficiency with that of comparable buildings nationwide.

Summary

Section	Description
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1	[216C.331] Energy benchmarking.
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Subd. 1. Definitions. Defines several terms in the bill, including:

(d) "Benchmarking tool" means the USEPA's Energy Star Portfolio Manager, which allows the electronic entry of a building's energy use and other information into a tool that rates the building's energy efficiency against that of similar buildings nationwide.

(e) "Covered properties" means properties containing more than 50,000 square feet that are nonindustrial or residential properties with more than five units.

Subd. 2. Establishment. Establishes a building energy benchmarking program in the Department of Commerce to make building owners aware of their buildings' energy efficiency and incentivize owners to improve it.

Subd. 3. Classification of covered properties. Categorizes covered properties into four size classes based on square footage.

Subd. 4. Benchmarking requirement. Requires annual benchmarking by building owners.

Subd. 5. Exemption. Authorizes the commissioner to exempt properties from benchmarking based upon evidence showing that the building is in financial distress, was less than 50 percent occupied, was issued a demolition permit,

Section Description

received no energy services, or is participating in an existing benchmarking program.

Subd. 6. Benchmarking schedule. Requires benchmarking to begin for the largest class of buildings beginning in 2023 and the smallest class in 2026.

Subd. 7. Energy audit. Requires the commissioner to notify the owner of a building whose energy efficiency is classified among the lowest 25 percent nationwide that the owner must contract for an energy audit of the building within one year, unless an audit has been conducted within the last five years. The commissioner shall order a grant to a building owner to defray the audit cost.

Subd. 8. Data collection and management. Describes the department's duties to collect benchmarking information, provide technical assistance to building owners, and collaborate with utilities. The department must also classify buildings into quartiles based on their efficiency, and rate each building from one to four stars accordingly.

Subd. 9. Data disclosure to public. Requires the department to post building performance and compliance data for all covered properties on the agency's website.

Subd. 10. Building performance disclosure to potential tenants. Requires an owner to include language reporting the number of stars representing the building's energy efficiency on applications made to rent space in the building.

Subd. 11. Notifications. Requires the commissioner to notify owners annually of the need to benchmark 90 days in advance of the deadline for submitting benchmarking information.

Subd. 12. Program implementation. Permits the commissioner to contract with a third party to implement some or all of the duties required in this section.

Subd. 13. Enforcement. Authorizes the commissioner to impose a civil fine on owners who fail to benchmark in a timely, complete, and accurate fashion.

Subd. 14. Rules. Authorizes the department to promulgate rules to administer the benchmarking program.

2 **Appropriation.**

Appropriates \$..... in fiscal years 2023 and 2024 from the general fund for the benchmarking program.



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