

CITY
ENERGY 

A JOINT PROJECT of NRDC + IMT

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ENGAGE WITH UTILITIES TO IMPLEMENT ENERGY PERFORMANCE POLICIES



ABOUT CITY ENERGY PROJECT AND THE CITY ENERGY PROJECT RESOURCE LIBRARY

A joint initiative of the Institute for Market Transformation and the Natural Resources Defense Council, the City Energy Project supported bold yet practical ways to deploy energy efficiency at the city level to boost local economies, reduce pollution, and create healthier, more prosperous communities nationwide.

The project partnered with 20 local governments across the U.S. from 2013–2018 to design locally appropriate energy efficiency policies and programs. Building upon the past successes and innovation of cities, the City Energy Project established best-in-class practices for energy efficiency to be customized and replicated nationwide. Models and recommendations have been distilled into the City Energy Project Resource Library. This curated set of resources contains the necessary blueprints for a city government to craft and implement customized solutions to productively manage energy efficiency initiatives across commercial, multifamily, and public buildings in its jurisdiction.

For more information on the participating cities and counties in the City Energy Project, and to search the City Energy Project Resource Library, visit cityenergyproject.org.

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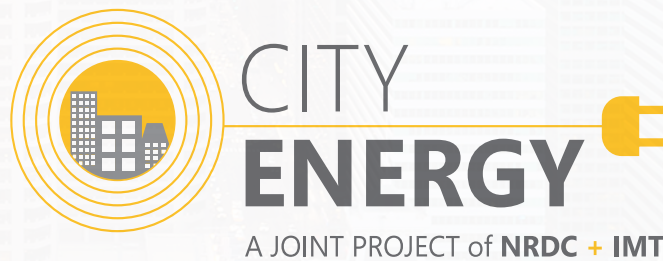




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INTRODUCTION

This guide focuses on the key steps that cities should take to engage their energy and water utilities around the development and implementation of a building performance policy. Utilities have an important role in making a building performance policy successful by working with building owners to provide clear, actionable data about how buildings use energy, and by helping owners access programs and services that make their buildings more efficient. When implementing a building performance policy, the city is an important voice to engage with the utility around what it looks like to create a robust local market for high-performing buildings. To help city staff develop a plan for engaging with their utilities, this guide includes a checklist of foundational and advanced steps cities should take. The complete checklist is in [Appendix A](#). In addition to the checklist, the guide provides answers to some questions city staff may encounter as they work with their energy utilities to implement building performance policies.



What Type of Utility Do You Have?

Most energy customers are served by investor-owned utilities, which are private companies that are regulated by state agencies, and the guide is tailored accordingly. However, many of the same principles—such as how to discuss data privacy—are applicable when working with city-owned municipal utilities and member-owned cooperative utilities.

While this guide is focused around policies, there are many touchpoints for cities and utilities to work together, and much of the advice provided here is applicable to broader types of utility work. Indeed, the city may want to use the development of a building performance policy as an opportunity to deepen its relationships with its utilities. The guide identifies opportunities to broaden utility engagement as the city moves forward with implementing its energy policies.

There are four steps for engaging with your utility to create effective building performance policies that lead to robust efficiency markets.

- Step 1: Connect with utility staff early and often.
- Step 2: Help your utility understand its role.
- Step 3: Collaborate to improve compliance.
- Step 4: Build robust markets for high-performance buildings.



ABOUT BUILDING PERFORMANCE POLICIES

These policies require building owners to benchmark their buildings' energy (and sometimes water) use using publicly available tools like the Environmental Protection Agency's ENERGY STAR Portfolio Manager. Owners and property managers use the resulting information—which can include ENERGY STAR scores and energy use intensities—to make their buildings more efficient and comfortable. Benchmarking results may be released publicly to build robust, local markets for high-performing buildings. For additional definitions, see [Appendix B](#).



STEP 1

CONNECT WITH UTILITY STAFF EARLY AND OFTEN

Utilities are important partners in creating customer services that enable high levels of compliance with a policy, but they are also large companies with diverse priorities. Working with them may involve managing long lead times—especially if it becomes necessary for them to seek regulatory approval in a proceeding that could last several months (see [Step 2](#)). Cities should begin engaging with utilities early and often about potential building performance policies.

Finding the right contact at a utility to be your internal champion is critical. While some cities work with their organizational customer service representatives, others have built valuable partnerships directly with utility energy efficiency staff. The benefit of working with the utility's energy efficiency team is that often, they will most directly benefit from engaging with the city to drive participation in efficiency programs. Moreover, they may already be familiar with how whole-building benchmarking works because it is often a service offered by their efficiency contractors and their large customers may already have approached them about ENERGY STAR certification.

Once the city has identified the right utility contact, that person or team should be invited to participate in the city's stakeholder engagement or advisory group sessions. This helps the utility gain an understanding of what the city is trying to accomplish. The utility should also be involved to better understand the number of buildings that might be looking to receive data, and the timelines that are being considered for compliance—this helps the utility bring the right resources to bear, and they can prepare to work with their regulators to cover costs if needed (see [Step 2](#)). Finally, inviting the utility to participate in stakeholder processes allows them to hear directly from customers about their priorities, and to continue to build relationships.



CASE STUDY

City of Chicago and Commonwealth Edison

Commonwealth Edison (“ComEd”) has offered aggregated, whole-building electricity use data to building owners in Chicago and other parts of Illinois since 2008. ComEd developed this service based on requests from building owners who wanted to manage their energy and seek ENERGY STAR certification, and it has undertaken several improvements over the years to create a user-friendly, automated process. ComEd requires building owners or their property managers to set up an online account. Through this account, owners can add building addresses and ComEd leverages its billing system to identify tenant customers who are associated with the building. Building owners review a list of suites or apartments associated with the building for accuracy and completeness prior to their total energy usage data being released. ComEd offers options for building owners to download energy usage data in spreadsheet format, or to transfer data directly to their ENERGY STAR Portfolio Manager accounts. ComEd currently manages whole-building data requests for over 7,000 buildings per year with less than one full-time equivalent staff, and actively works with the City of Chicago to direct those building owners to energy efficiency programs.

HOW DO I FIND MY INTERNAL CHAMPION AT THE UTILITY?

Unfortunately, sometimes it can be a time-consuming process to find the right person to work with at your utility. Ideally, you’ll find someone who can take ownership over working with the city and resolve sometimes complicated issues that may come up from the utility’s legal, regulatory, information technology, billing, and customer service departments. Where you don’t have an immediate contact, you can consider exploring some of the following options:

- Working with large customers with offices in your city to talk to their key accounts representatives and find you a contact.
- Having your mayor, city manager, or elected officials send a letter to utility executives asking for their cooperation, and a key point of contact.
- Talking to state agencies, like consumer advocates or state energy offices, to see if they can support you to find the right contacts at the utility.

WHAT’S THE VALUE OF BENCHMARKING TO MY UTILITY?

The value of working with cities on building performance policies may vary depending on the utility’s priorities.^{1,2,3}

In states with Energy Efficiency Resource Standards (EERS), utilities are required to attain certain levels of energy efficiency. This means that the utility may benefit from participating in stakeholder groups with large customers who may become efficiency leads, and it can benefit from using the results of a building performance ordinance to identify underperforming buildings who may be candidates from particular efficiency programs. A 2012 California Public Utilities Commission study found that 84 percent of building owners who benchmarked had gone on to plan or implement upgrades.⁴ A 2017 study by the National Electrical Manufacturers Association found that 75 percent of surveyed facility managers had made investments in new, energy efficiency equipment as a result of New York City’s benchmarking and transparency policy, Local Law 84.⁵



Utilities can also benefit from providing excellent customer service. Studies have suggested that utilities that score highly on JD Power surveys can experience higher returns on equity, meaning that customer service means higher profits.⁶ Helping building owners get whole-building data, as discussed in [Step 2](#), is a critical customer service that allows utilities' customers to undertake actions beyond direct energy management. For example, affordable multifamily housing providers that seek Fannie Mae loans may be required to undertake Portfolio Manager benchmarking if they are using particular loan products or FHA insurance. Benchmarking also helps customers demonstrate leadership—for example, by achieving ENERGY STAR certification or participating in the Water and Waste competition led by the Building Owners and Managers Association. Studies have found that ENERGY STAR certified buildings can assess higher rents per square foot and experience higher occupancy levels.^{7,8}

Utilities may be motivated to work with cities on building performance policies for other reasons. For example, they may value being a part of a community and helping drive local jobs, particularly where they have offices located within the city.⁹



STEP 1 CHECKLIST: CONNECT WITH UTILITY STAFF EARLY AND OFTEN

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Identify a utility champion to work with.
- ✓ Develop tailored messaging on value of utility and city collaborating.
- ✓ Invite utility representative(s) to attend stakeholder engagement activities.

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Schedule regular check-ins with utility lead.



STEP 2

HELP YOUR UTILITY UNDERSTAND ITS ROLE

A growing number of energy utilities are leading the way to support cities' building performance policies by providing whole-building data, but not every utility is familiar with key practices. Cities may need to work closely with their utilities to ensure that the utility understands its role in helping building owners to benchmark their buildings.

CITIES SHOULD REQUEST THAT UTILITIES PROVIDE BUILDING OWNERS WITH THE FOLLOWING INFORMATION

WHOLE-BUILDING ENERGY USAGE DATA (KWH, THERMS, ETC.).

The data should be for the whole building, even if there are multiple tenants or meters. For more information, see the call-out box, [What's Aggregated Whole-Building Data](#). Some building owners may also wish to request demand (kW) and cost data to help them enhance their energy management. While Portfolio Manager most commonly uses usage data, it does allow building owners to input demand and cost if they choose.

THE DATA SHOULD BE MONTHLY FOR AT LEAST 18 MONTHS.

The minimum amount of data that Portfolio Manager requires to benchmark a building is 12 calendar months. However, cities should be prepared to ask the utility to provide more data. At minimum, we recommend 18 months for the first data request, which allows for some padding depending on when cities set compliance deadlines. Ideally, the utility would provide 24–36 months of historic energy usage data for the building owner's initial request, as this enables weather normalization.

THE DATA SHOULD BE CALENDARIZED

Occupants or tenants within a building may be on different billing cycles. When utilities provide usage, it should be based on calendar months, not billing cycles, to enable clear comparisons. Some utilities have time-based usage data that allows them to calendarize

data directly. Where utilities do not have time-based data, EPA suggests formulae that can be used to calendarize data.¹⁰

It may also be useful to clarify that building owners are generally responsible for setting up their own Portfolio Manager accounts and populating them with information about the building type, occupancy, and other characteristics. In other words, the only data being sought from the utility is energy usage.

In the course of introducing the building performance policy, the city may have to talk the utility through the technical complexities of the data request process, which is not always intuitive. There are two technical aspects of creating a data request process that city staff should be aware of and be able to describe to the utility: meter-mapping and electronic data transfer.



LEARN MORE

Building Performance Policy Implementation Guide

The City Energy Project resource, [BUILDING PERFORMANCE POLICY IMPLEMENTATION GUIDE](#), features key steps in engaging utilities.

[VIEW GUIDE >](#)



WHAT'S AGGREGATED, WHOLE-BUILDING DATA?

Some buildings have multiple meters, tenants, or occupants whose energy usage must be combined—or aggregated—to assess the energy performance of the overall building. A solution that a growing number of utilities have adopted is to release aggregated, whole-building data to building owners where there are a certain number of tenants. EPA has found that most utilities require four tenants to be in the building in order for data to be released. If there are fewer than four tenants, the building owner must seek the consent of those tenants to receive their data.

Aggregating data reduces manual errors and saves the building owner significant time—for example, property managers of multifamily buildings would otherwise need to obtain tens or even hundreds of consent forms for individual tenants. But with aggregated data, customer privacy is preserved while making the building owner's job easier.

Utilities should pick an aggregation standard they are comfortable with in their existing regulatory environment. It is important to consider that the purpose of building performance ordinances is not only to release data to the building owner, but also to release the results of building performance to the public to build robust, competitive markets for high-performing buildings (see [Step 4](#)). Additionally, some existing ordinances have been in place for several years, and the lack of privacy problems suggests that utilities may be able to consider “opt-out” rather than “opt-in” processes for small buildings (i.e., the tenants' data is presumed to be included unless the tenant objects). The resources listed in [Appendix C](#) can help you work with your utility to find comparable examples and best practices related to providing data.



LEARN MORE

**ENERGY STAR
Contracting Support**

Learn more about
finding [ENERGY STAR
CONTRACTING SUPPORT](#).

VIEW INFO >

Meter mapping is the term for the process of determining which customers, meters, or tenants are associated with the building. Not every utility knows how to create aggregated, whole-building energy usage data because not every utility knows which customers are connected with a particular building. Fortunately, there are a number of approaches utilities can take to associate individuals' energy usage with that of an entire building, including:

ASKING BUILDING OWNERS TO SUBMIT METER NUMBERS ASSOCIATED WITH THE BUILDING.

Generally, building owners have access to the parts of the building where banks of energy meters are located. They can collect and submit the meter numbers, which utilities can use to pull up billing information. While this approach saves the utility the time of building an internal, software-based approach, it can be time-consuming for building owners, and utilities who require it have experienced issues with owners incorrectly transcribing numbers.

LEVERAGING INTERNAL SOFTWARE SOLUTIONS

Some utilities have developed processes in which they query existing systems to map the meters or customers associated with the building. For example, if a utility has geotagged its meters, it can use a geographic information system to identify the meters associated with a building. Alternatively, many utilities use the physical address of the building and look for associated suites, units, and apartments in their billing system.

CONTRACTING FOR SUPPORT

While some utilities build these approaches in-house, others contract out for vendor assistance in meter-mapping. For example, vendors who provide billing or energy efficiency services may already have access to billing data such that they can perform whole-building data aggregation on the utility's behalf.

Once the utility adopts a data request process, it should investigate opportunities to make that process fast and electronic. Software-based solutions can save utilities significant staff time in responding to building owner requests, and it can make the process very easy for building owners. A useful option for utilities is to transfer the whole-building data directly to



HELPING YOUR UTILITY WITH IMPLEMENTATION

The city can support the utility to create a workable process through piloting. For example, the city and utility can test the accuracy of meter-mapping approaches using city facilities. The city can also work with its stakeholder working group to ensure that the data request process is understandable. For example, do those who would be making the request process understand terms the utility might use, like "premise" instead of "building"?

While the city may be working with the utility, often the best way to help the utility translate these concepts to its own systems and practices is through engaging peer utilities. The [EPA Data Access Network](#) can connect cities to other utilities who are able to provide demonstrations and answer implementation questions. This peer-to-peer connection is one of the most valuable things that cities can bring to their utilities to develop effective data request processes.



CASE STUDY

City and County of Denver and Xcel Energy

Xcel Energy (“Xcel”) participated in the benchmarking ordinance development and implementation process of the City and County of Denver by sitting on Denver’s implementation advisory group and training building owners how to set up an account through which they could directly transfer their aggregated, whole-building electricity and natural gas usage data to ENERGY STAR Portfolio Manager on an ongoing basis. Xcel built the applications it uses to aggregate and share whole-building data in-house, leveraging its geospatial information system (“GIS”) and customer relationship management software to map the customer premises associated with a particular building address and then flag if consent forms are required prior to the data being released.

building owners’ online Portfolio Manager accounts using [Web Services](#). Web Services provides a backend connection by which the utility can update whole-building data for building owners as often as monthly, allowing not only annual benchmarking, but also ongoing monitoring of building performance by the building owner.

ARE THERE PARTICULAR FORMS UTILITIES MAY REQUIRE TO PROVIDE DATA?

Yes, utilities require building owners to submit various forms of documentation before they will provide data. Usually, there are two documents that utilities may require as PDFs or electronic forms.

The first document is a request for whole-building data, to be filled out by the building owner or their agent, such as a property manager or energy consultant. While leading utilities are migrating to online solutions like building owner accounts or electronic forms, some utilities may require building owners to submit a PDF or spreadsheet with required information. Utilities generally require these documents for legal and auditing reasons, and their legal departments may need to weigh in on the final version of the form. As shown in the examples in [Appendix D](#), the building owner request includes at least the following information:

- The type of data requested (e.g., monthly energy usage for the prior calendar year);
- Identifying information for the building (e.g., physical address) and building owner (e.g., customer account number); and
- An option for the owner’s agent, such as a property manager, to request and receive the data on the owner’s behalf.



UTILITY BENCHMARKING DATA WEBSITE RESOURCES

XCEL ENERGY

- [BENCHMARKING LOGIN](#)
- [PROGRAMS AND REBATES](#)

PUGET SOUND ENERGY

- [MYDATA PORTAL](#)

In some cases, the utility may require the building owner to submit additional verification of ownership, such as a deed or title document. However, this practice usually only comes into play if the owner is not already a customer of the utility, and utilities can find information about building ownership from publicly available sources like tax assessor websites. Furthermore, the [California Energy Commission](#) recently initiated an alternative process by which owners may submit a letter attesting to their identity, which is designed to streamline requests.¹¹

In many cases, the utility also includes terms of use for the data as a condition for receiving it. For example, the building owner may be asked to restrict its use of the data to energy management. Importantly, the terms of use should not preclude the building owner from sharing energy data with the local government for purposes of complying with a benchmarking and transparency ordinance.

The second document utilities may require is an individual tenant consent form, signed by each tenant in the building. The utility should only require these forms where there is a small number of tenants that falls below the number the utility requires to aggregate data. For example, if a utility will provide aggregated data where there are at least four tenants in a building, a building owner who has only three tenants will likely be asked to submit these forms. Many utilities already have these forms available on their websites, because they are what customers would use to authorize utilities to share their individual data with third parties, like solar providers or multifamily affordable housing entities participating in federal programs.

Examples of both of these types of forms are available in [Appendix D](#). These can be shown to your utility to clarify your needs, or used as templates for unique forms to be created for your jurisdiction. While most utilities will prefer to use their own forms, some utilities have agreed to jointly use the same form to reduce paperwork for building owners: for example, [Ameren and Spire in St. Louis, Missouri](#), and [National Grid and Eversource in Boston, Massachusetts](#). Because these forms may use legalese or utility industry terms of art (e.g., “premise” rather than “building” or “property”), you may wish to engage any advisory groups you form or implementers you work with to ensure the language is understandable to building owners.

WHAT IF MY UTILITY RAISES CUSTOMER PRIVACY AS A CONCERN?

Some utilities express concerns about data privacy and customer confidentiality when discussing providing aggregated data. Most utilities consider a customer’s energy usage confidential and will not release the energy usage of a tenant directly to a building owner without the tenant’s consent. This creates a no-win situation in which building owners may not know how well or poorly their buildings perform, and tenants pay higher bills for less efficient buildings.

A straightforward solution to data privacy concerns is to implement the practice of aggregating tenant data, as discussed above. By providing whole-building data, utilities can provide energy usage data that building owners need while preserving privacy. Utilities should base their practices on an understanding of what data is private and what data is already accessible. For example, ComEd allows building owners to review lists of suites or apartments associated with a property prior to releasing energy usage data because the owner already has access to address information and this practice helps ensure accuracy. [Portland General Electric](#) provides building owners with lists of meter numbers to verify them, given that building owners can access meters on their properties. In contrast, utilities likely would not release customer account numbers to building owners for review, because customer accounts may be considered personally identifiable information depending on the state or utility.

Sometimes, utilities raise concerns about privacy because they do not fully understand what is being asked. City staff should endeavor to be very clear about what data is being sought and why, and direct utilities to resources on data aggregation. For more information see the call-out box, [Whole-Building Data Aggregation](#).

Other times, utilities may raise concerns about privacy because they are unclear as to how to identify whether a building owner is who they say they are. Utilities have developed several approaches to manage this question. Some utilities require building owners to have online accounts that they use to authorize data access for property managers and other agents. Other utilities may require building owners to provide deed information, or may look up ownership on state or local permit databases. The [California Energy Commission](#), for example, recently approved regulations that include a process by which building owners can submit letters of authorization stating that they are who they say they are.

MY UTILITY SAYS THE PUBLIC UTILITY COMMISSION HAS TO BE INVOLVED. WHY?

Investor-owned utilities may indicate some desire to seek approval from their state regulators—public utility commissions (PUCs)—for two primary reasons.

The first reason is related to data privacy. For example, a utility may be operating under particular state laws or rules that define customer data privacy in such a way that they feel they need permission even to provide aggregated data. While some utilities have sought this approval, in general, when data is sufficiently aggregated, it is not “customer specific” and may not require specific findings from a commission to be released to a building owner.

The second reason is related to cost. Some utilities may want regulators to weigh in on how they should recover costs associated with processing and providing whole-building data, and where it should be prioritized compared to other activities. Most utilities that provide whole-building data fund it through their energy efficiency programs.¹²

If the utility brings the issue forward to the PUC—or the city decides to advance the issue affirmatively—the city should be prepared to engage effective partners. On the city side, this can mean working with the law department to represent the city’s interests and help city staff understand the meaning of rules that utilities may be operating under.

External partners are critically important. The city may want to meet with state agencies, including state energy offices and consumer advocates. The national chapters of those organizations, and those of utility regulators, have indicated support for utilities to provide whole-building data to building owners—[Appendix C](#) includes links to resolutions of support developed by those national organizations. Moreover, cities may want to work with other customers of the utility who are interested in obtaining whole-building data to meet sustainability goals, demonstrate leadership, or obtain certain loan products. These customers can include universities, healthcare facilities, and building owners and property managers organizations. [Appendix D](#) includes examples of letters that were written by large customers to utilities and regulators and were instrumental in helping the utility understand the market demand for whole-building data.

IS IT ENOUGH IF MY UTILITY PROVIDES GREEN BUTTON DATA?

[Green Button](#) is a standardized, national format for electronic transmission of billing data. Green Button is an excellent approach for individuals to receive their own data and share it with vendors, like energy efficiency or solar providers. If a utility implements Green Button Download or Green Button Connect, it can make it easier for tenants to share their



LEARN MORE ABOUT ADVOCATES AND REGULATORS AT THESE ASSOCIATIONS

- [NATIONAL ASSOCIATION OF STATE ENERGY OFFICES \(NASEO\)](#)
- [NATIONAL ASSOCIATION OF STATE UTILITY ADVOCATES \(NASUCA\)](#)
- [NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS \(NARUC\)](#)



energy usage directly with their landlords or property managers to support benchmarking or energy-aligned leases. However, Portfolio Manager does not integrate directly with Green Button data streams and Green Button does not by itself create aggregated data. Unfortunately this means that Green Button is probably not sufficient for ensuring high levels of compliance with a building performance policy at this time.



STEP 2 CHECKLIST: HELP YOUR UTILITY UNDERSTAND ITS ROLE

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Provide utility with description of data needs for benchmarking.
- ✓ Work with utility to establish whole-building data request process.
- ✓ Work with utility to pilot the data aggregation process with municipal facilities, if facilities have not already been benchmarked.
- ✓ Work with utility to ensure there is a clear process for property managers and other agents to be able to request data on behalf of building owners.

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Work with utility to implement electronic data request process using Web Services.
- ✓ Work with utility to pilot the data request process with building owners to ensure the paperwork is understandable.
- ✓ Introduce utility to leading peers for demonstrations.

STEP 3

COLLABORATE TO IMPROVE COMPLIANCE

Utilities can play a valuable role in helping cities improve compliance with their building performance ordinances through education and outreach. City Energy Project recommends that cities engage building owners who will be responsible for complying with the ordinance in diverse ways to ensure they're knowledgeable and prepared to benchmark. Utilities can be valuable partners in this process in a few ways.



CASE STUDY

St. Louis, Ameren, and Spire

St. Louis electric utility Ameren Missouri and gas company Spire Inc. worked with the city and the United State Green Building Council Missouri Gateway Chapter to develop a process by which building owners could request whole-building data in advance of the first benchmarking compliance deadline. The process includes a single request form that owners need to complete and is honored by both utilities. Ameren identified automating the benchmarking process and using the data to enhance outreach as a key theme in an energy efficiency proposal approved by the Missouri Public Service Commission.

First, utilities may be able to help with notifications, by sending messages on the city's behalf to commercial customers through bill inserts or emails.

Second, utilities can support educational services—such as trainings on how to request data, benchmark buildings, and take action based on the results. Utilities can also host or attend in-person events like “benchmarking jams” where they can work directly with building owners to troubleshoot problems. Where utilities are involved in these steps, they work directly with customers and can address problems on-the-spot, helping build valuable relationships.

Finally, utilities can amp up their online and phone-based customer service. Many utilities have designated webpages that explain the process of making data requests.¹³ They supplement these with user guides and examples of how to fill out reports. Importantly, most utilities that offer whole-building data set up designated email addresses and points of contact to make it easy for building owners with questions to talk to the right people.



CAN MY UTILITY PROVIDE FUNDING TO HELP WITH BENCHMARKING?

Sometimes. There have been examples of utilities providing funding support for cities to implement building performance policies. This often comes in the form of in-kind contributions—such as providing trainings or staff time for events. However, there have been rare situations in which utilities have provided funding to cities for staff who will be involved in implementing the building performance policy. Often, this funding will come out of ratepayer funds, although sometimes utilities can leverage shareholder or foundation funding. The distinction is that “ratepayer funding” comes from the utility’s customer bills and sometimes may require regulatory approval to direct in this way.



STEP 3 CHECKLIST: COLLABORATE TO IMPROVE COMPLIANCE

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Ask utility to send compliance notices to customers through bill inserts or emails.
- ✓ Invite utility to attend benchmarking jams and participate in trainings.
- ✓ Develop user guides and other helpful content so that building owners clearly understand the process of seeking and using utility data.
- ✓ Request that utility designates points of contact for troubleshooting building owner questions regarding data requests.



STEP 4

BUILD ROBUST MARKETS FOR HIGH-PERFORMING BUILDINGS

In the course of implementing a building performance policy, cities are building valuable relationships with the multifamily and commercial real estate sectors. They're also collecting significant amounts of information on the energy performance of local buildings. This information can be used to drive greater energy efficiency, in partnership with utilities.

Cities have many touchpoints with building owners and property managers. For example, many cities provide information on utility energy efficiency programs to building owners through compliance letters and individual building scorecards that calculate how much a building could save in utility bills by becoming more efficient. In cities like St. Louis, where the buildings department oversees compliance with the benchmarking ordinance, building inspectors recommend utility efficiency solutions to owners they meet with.

Policies that incorporate transparency also publish key metrics about building performance through datasets and maps. For example, many cities publish the ENERGY STAR scores and energy use intensities of individual buildings on maps so that they can be viewed by prospective tenants. Utilities can also use this information to prioritize outreach for energy efficiency at under-performing buildings.

Increasingly, cities and utilities are exploring how to use this data to drive more robust markets for efficiency. Some cities refer building owners directly to utility programs, but they may not always learn whether the building owners adopt particular rebates. One way that cities and utilities can collaborate to share information more effectively is by providing building owners the option to opt-in to being contacted by the utility about efficiency programs and letting the utility share results back to the city. Ideally, cities and utilities would work together to understand which buildings are under-performing, where they could benefit from particular services, and then the best ways to reach them with information. This information may also be valuable to utility regulators in identifying the effectiveness of utility-funded energy efficiency programs.



WHITE PAPER

ACEEE Summer Study

Learn more about attribution, in this paper, ["IT IS AMAZING WHAT YOU CAN ACCOMPLISH IF YOU DO NOT CARE WHO GETS THE CREDIT": CREATING ALIGNMENT BETWEEN CITIES AND UTILITY ENERGY EFFICIENCY PROGRAMS.](#)

[VIEW PAPER >](#)

IS THERE ANYTHING I SHOULD KNOW IF I WANT OUR POLICY TO INCLUDE AN ACTION, LIKE AN AUDIT?

Where a particular efficiency action is required, it can create challenges of “attribution” within a utility efficiency program. This means that because an action is required, the utility’s incentive did not trigger the customer to act. Utilities and their regulators may push back on local efforts to require actions like energy audits or building re-tuning because they can make a utility’s programs look less cost-effective.

However, there are ways that cities can explore to navigate this particular concern. One key approach is to ensure that participation in a particular activity that the utility incentivizes is an option, not a requirement. Accordingly, the City Energy Project resource, [Model Ordinance Language for a Policy to Improve Existing Buildings](#) requires that buildings achieve a certain level of performance and offers multiple pathways to get there, including audits.

Additionally, cities can engage actively with utilities to set up a process whereby utilities provide information on efficiency programs and city staff directly refer building owners to those programs. This creates the intentionality that is necessary to determine whether the utility’s incentive was a key factor in the customer becoming more efficient. Cities and utilities can explore multiple frameworks in which utilities actively engage to promote more efficient buildings.



WHAT IS ATTRIBUTION AND WHY DOES IT MATTER?

When regulated utilities offer energy efficiency programs, they usually have to demonstrate that those programs are cost-effective as compared to acquiring new power supply. While there are multiple approaches to calculating cost-effectiveness, at a high level, utilities must show that the costs to offer the program are less than the bill relief and other long-term benefits that customers receive from saving energy. To calculate energy savings, utilities must show that customers are becoming more efficient due to actions the utility takes, like providing information or offering rebates. This means that utilities will subtract from their calculations any energy savings associated with customers who are required to take certain actions or who are considered “free riders” that would have invested in energy efficiency equipment regardless of the rebates. In other words, utilities may come into a conversation with local governments expressing concerns that local requirements will reduce their energy efficiency program’s cost-effectiveness. As noted above, City Energy Project believes this problem can be solved through collaboration.



LEARN MORE

Codes Compliance Resources

Codes compliance in cities includes evaluating a plan and undergoing a methodology for assessing compliance.

[VIEW RESOURCES >](#)

ARE THERE OTHER WAYS I CAN WORK WITH MY UTILITY?

Absolutely! There are many ways that you could continue to collaborate with your utility. You could consider the following opportunities as you grow your partnership:

ENERGY CODE COMPLIANCE. Some utilities offer support for local code compliance by funding compliance studies and offering educational trainings.¹⁴

EFFICIENCY PILOTS. Charlotte, NC, and Asheville, NC, are among the cities that have worked with Duke Energy to enroll building owners and residents in energy efficiency programs, resulting in significant energy savings.

COMMUNITY-BASED SOCIAL MARKETING FOR EQUITABLE ACCESS. [Cities across the Southeast](#) have been exploring opportunities to work with their utilities to identify and address the energy efficiency needs of under-represented, low-income communities.

DEVELOPMENT OF RESILIENCE HUBS FOR CRITICAL FACILITIES. The city can work with the utility to develop safe community gathering places that will retain power in the event of natural disasters, powered by renewable energy through [microgrids](#).



STEP 4 CHECKLIST: BUILD ROBUST MARKETS FOR HIGH-PERFORMING BUILDINGS

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Identify key energy efficiency programs offered by utility, like audits, retrocommissioning, or other building upgrades.
- ✓ Identify a key contact at utility for energy efficiency programs.
- ✓ Provide information on utility energy efficiency programs to building owners and property managers through website, maps, scorecards.

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Include steps in compliance process that allow building owners to opt in to their building performance and contact information being shared with the utility for efficiency outreach, and allow the utility to share progress back with the city.
- ✓ Leverage building inspectors and other city departments to recommend utility energy efficiency programs.
- ✓ Develop and maintain shared lists of qualified contractors for energy efficiency.



CONCLUSION

This guide focuses on the key steps that cities should take to engage their energy and water utilities around the development and implementation of a building performance policy. Utilities are critical to making building performance policies successful, by providing data and by connecting building owners to programs and services that make their buildings more efficient. When implementing a building performance policy, local government staff should review the [Appendix A](#) checklist of foundational and advanced steps and develop a long-term plan for engaging with their utilities, recognizing both their importance as a stakeholder and the long lead time required for collaboration. Importantly, the actions taken here to develop and implement building performance policies also produce opportunities for the local government and utility to deepen their relationship to create more efficient buildings.



APPENDIX A: CHECKLISTS

STEP 1 CHECKLIST: CONNECT WITH UTILITY STAFF EARLY AND OFTEN

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Identify a utility champion to work with
- ✓ Develop tailored messaging on value of utility and city collaborating
- ✓ Invite utility representative(s) to attend stakeholder engagement activities

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Schedule regular check-ins with utility lead

STEP 2 CHECKLIST: HELP YOUR UTILITY UNDERSTAND ITS ROLE

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Provide utility with description of data needs for benchmarking
- ✓ Work with utility to establish whole-building data request process
- ✓ Work with utility to pilot the data aggregation process with municipal facilities, if facilities have not already been benchmarked
- ✓ Work with utility to ensure there is a clear process for property managers and other agents to be able to request data on behalf of building owners

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Work with utility to implement electronic data request process using Web Services
- ✓ Work with utility to pilot the data request process with building owners to ensure the paperwork is understandable
- ✓ Introduce utility to leading peers for demonstrations

STEP 3 CHECKLIST: COLLABORATE TO IMPROVE COMPLIANCE

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Ask utility to send compliance notices to customers through bill inserts or emails
- ✓ Invite utility to attend benchmarking jams and participate in trainings
- ✓ Develop user guides and other helpful content so that building owners clearly understand the process of seeking and using utility data
- ✓ Request that utility designates points of contact for troubleshooting building owner questions regarding data requests

STEP 4 CHECKLIST: BUILD ROBUST MARKETS FOR HIGH- PERFORMING BUILDINGS

FOUNDATIONAL PARTNERSHIP ACTIVITIES

- ✓ Identify key energy efficiency programs offered by utility, like audits, retrocommissioning, or other building upgrades
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- ✓ Provide information on utility energy efficiency programs to building owners and property managers through website, maps, scorecards

ADVANCED PARTNERSHIP ACTIVITIES

- ✓ Include steps in compliance process that allow building owners to opt in to their building performance and contact information being shared with the utility for efficiency outreach, and allow the utility to share progress back with the city
- ✓ Leverage building inspectors and other city departments to recommend utility energy efficiency programs
- ✓ Develop and maintain shared lists of qualified contractors for energy efficiency



APPENDIX B: DEFINITIONS

- **BENCHMARKING:** In the context of buildings, benchmarking is the act of measuring the energy performance (or water consumption) of a building so that its energy performance can be compared over time, to a norm, or to a group of peers.
- **ENERGY STAR PORTFOLIO MANAGER:** Interactive energy management tool that allows a user to track energy and water consumption for a building. After entering a building's total energy usage for 12 consecutive months, the tool generates the building's energy intensity. Many types of facilities can also receive a score on a scale of 1 to 100 that rates the energy performance of the building compared to similar buildings nationwide.
- **PORTFOLIO MANAGER WEB SERVICES:** A free web service designed so third-party energy service companies, such as utilities, can securely provide energy and building data from their systems to Portfolio Manager.
- **WHOLE-BUILDING DATA:** Total energy consumption data for an entire building obtained by summing up the energy usage data measured by tenant meters.



APPENDIX C: ADDITIONAL RESOURCES

RESOURCE	DESCRIPTION
<u>Best Practices for Providing Whole-Building Energy Data: A Guide for Utilities</u>	This guide summarizes the key components of developing a whole-building data access solution and provides recommendations to identify and overcome process-oriented barriers.
<u>Utilities Providing Energy Data for Benchmarking</u>	This fact sheet identifies utilities that offer energy data access solutions.
<u>Guide to Data Access and Utility Customer Confidentiality</u>	This guide describes the factors that differentiate whole-building energy usage data requests from other types of data requests, and highlights best practices for utilities to provide energy consumption information to building owners while respecting the confidentiality of utility customers.
<u>ENERGY STAR Data Access Network</u>	The Data Access Network connects utilities and other entities that are interested in providing whole-building data for benchmarking, and has developed training modules that walk utilities through the process of setting up benchmarking data services, including concerns related to vendor selection.
<u>Implementation Guide for Energy Efficiency Program Administrators: Using Building-Level Data to Improve Energy Efficiency</u>	This IMT resource identifies opportunities for how data collected through building performance policies can be used to drive deeper efficiency, including by leveraging utility program offerings.
<u>Emerging Uses for Building Energy Data for Utilities</u>	This IMT resource identifies emerging and future opportunities to use whole-building energy data and other results from building performance policies and programs to improve energy efficiency, resilience, and innovation at cities and utilities.

RESOURCE	DESCRIPTION
<u>How Utilities Can Give Building Owners the Information Needed for Energy Efficiency while Protecting Customer Privacy</u>	<p>Many utilities maintain unnecessarily restrictive policies for building owners to get basic energy usage information needed to operate their buildings efficiently. This article provides utilities, utility regulators, and boards of publicly owned utilities suggestions on how to implement reasonable policies to protect customer privacy while delivering aggregated building usage information to the majority of building owners who need it.</p>
<u>Commercial Building Tenant Energy Usage Data Aggregation and Privacy</u>	<p>This study establishes a quantitative approach for providing practitioners, such as utilities, public utility commissions, and other policy-makers with a defensible aggregation threshold selection method, which will protect tenant privacy while ensuring that data on the greatest number of buildings can be reported.</p>
<u>Public Sector Building Energy Benchmarking: Utility Data Access Options and Opportunities</u>	<p>This report surveys the current landscape of public sector building energy benchmarking policies in the Northeast and Mid-Atlantic region. It examines the tools used to access utility data and how municipalities across the region are using them to track usage as part of building energy benchmarking mandates.</p>
<u>Stakeholder Engagement Strategy Guide</u>	<p>This guide is intended to help utilities and local governments design a productive stakeholder engagement process when developing approaches to improve energy data access.</p>
<u>HUD Letter of Support</u>	<p>This open letter to utility companies was issued in November 2014 by U.S. Department of Housing and Urban Development Secretary Julián Castro, and encouraged them to work with building owners to facilitate access to whole-building utility usage data.</p>
<u>NARUC Resolution on Access to Whole-Building Energy Data and Automated Benchmarking</u>	<p>This July 2011 resolution by the National Association of Regulatory Utility Commissioners (NARUC) encourages state public utility commissions seeking to capture cost-effective energy savings from commercial buildings to consider a comprehensive benchmarking policy that takes all reasonable measures to facilitate convenient, electronic access to utility energy usage data for building owners.</p>

RESOURCE	DESCRIPTION
<u>NASUCA Resolution Supporting Automated Benchmarking of Multifamily Buildings for Energy Efficiency Purposes</u>	<p>In 2013 the National Association of State Utility Consumer Advocates (NASUCA) adopted this resolution supporting access by building owners and managers to whole-building energy consumption data to support energy-efficient building operations.</p>
<u>NASEO Board of Directors Resolution on Access to Whole-Building Energy Data and Automated Benchmarking</u>	<p>In 2015, the National Association of State Energy Officials (NASEO) adopted this resolution supporting access to whole-building data by building owners to support energy efficiency improvements.</p>



APPENDIX D: SAMPLE BUILDING OWNER LETTERS AND TENANT CONSENT FORMS

- [City of Atlanta Sample Building Owner Letter of Support](#)
- [City of Atlanta and Georgia Power Tenant Consent Form](#)
- [City of Boston and Eversource/National Grid Tenant Consent Form](#)
- [City and County of Denver Sample Building Owner Letters of Support](#)
- [City of Des Moines and MidAmerican Building Owner Consent Form](#)
- [Salt Lake City Sample Building Owner Letter of Support](#)
- [City of St. Louis and Ameren/Spire Building Owner Request Form](#)



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