# **Building Performance Standards**

**Building Performance Standards** (BPS, or BEPS for Building Energy Performance Standards) set targets for energy consumption and/or emissions reductions for certain existing buildings. BPS are customizable policies that build upon the goals of a city. These standards can lead to large energy and cost savings for building owners and help municipalities achieve their climate action goals. BPS policies go one step beyond benchmarking ordinances by requiring building owners to report and reduce energy use over time.

# **SETTING TARGETS**

BPS policies typically set a performance requirement across the local building stock and then set interim targets to improve performance and accomplish city goals over time. These interim targets help cities ensure that properties are on track to meet the final performance target, which is typically set out 15 to 30 years after the policy has been adopted. Often, targets are set based on data collected through an energy benchmarking ordinance to ensure feasibility; targets can be based on various metrics such as site energy use intensity (EUI) or greenhouse gas emissions.

Establishing appropriate targets requires input from a diverse group of stakeholders (e.g., building owners, HVAC experts, energy efficiency experts, architects). Therefore, it is advantageous for jurisdictions to create an advisory committee to make recommendations on energy standards. This typically occurs after the BPS policy has been adopted.

# **MEETING TARGETS**

BPS are designed to be flexible, allowing building owners and operators to make upgrades (operational or physical) based on their property's circumstances. Many buildings will not need extensive changes to improve their energy efficiency. However, if capital improvements, e.g. HVAC upgrades, window replacements, are needed, building owners and managers can align performance targets with their capital improvement plans.

Similar to benchmarking policies, BPS require building owners and managers to submit energy use reports through the free ENERGY STAR<sup>®</sup> Portfolio Manager<sup>®</sup> tool. Some municipalities require third-party verification of these reports to ensure accuracy.

# **MIDWEST HIGHLIGHTS**

Two Midwest cities have adopted Building Performance Standards.

These are just **two of 16 such policies across the nation**, including four statewide policies.





St. Louis, MO





St. Louis adopted their Building Energy Performance Standards law unanimously in 2020 to address the City's greenhouse gas emissions, 80% of which comes from buildings. The first compliance deadline was in the Spring of 2025, requiring certain buildings to have met designated performance targets and submitted their energy report to the city. Below is the process used by St. Louis and several other cities.

Develop & Adopt Policy

Set Performance Standards Implement Policy

# St. Louis' Process

### Benchmarking Policy Adopted January 2017

All buildings 50,000+ square feet have to report their energy use annually, starting in 2018.

### 2 Building Energy Performance Standards Adopted May 2020

Ordinance 71132 established the framework for a Building Energy Improvement Board to undergo the process of developing energy standards. The nine-member mayoral-appointed board is made up of utility representatives, affordable housing tenants, technical building experts and similar representatives.

### 3 Standards Set May 2021

After preliminary development and a public comment period, official standards are set based on building type and published. Standards are created based on the baseline energy use reported through benchmarking and are set at the 35th percentile. Buildings have four years to make improvements to meet the required standards.

### Compliance Required, Standards Reassessed May 2025

Four years after the standards are set, the first target takes effect and buildings are required to report their energy use. Noncompliant buildings may face fines or other penalties.

## St. Louis Building Energy Performace Standards

### **Buildings Covered**

Municipal, commercial, institutional and residential buildings over 50,000 square feet. Explore the <u>covered buildings list and</u> reporting results here.

### **Metrics Used**

Site energy use intensity (EUI)

### Performance Targets

Relative to each building use type based on benchmarking data and established so that 65% of buildings will need to improve energy performance (at or below the 35th percentile)

#### **Reporting Deadline**

May 4, 2025 (exceptions for certain affordable housing developments and houses of worship, which need to report in May 2027)



Steps 3 and 4 become an iterative process, with standards being reanalyzed every four years and buildings having to comply in another four-year cycle. Building owners continue to be required to benchmark their data annually, and as their energy performance improves, the standards continue to become more stringent until efficiency plateaus.

St. Louis' BEPS policy has four compliance pathways, including a custom alternative compliance path for buildings with circumstances that prevent owners from meeting set targets. All buildings, including those that are already more efficient than the designated standards, must report at each compliance deadline.

