

Compliance through Exemption

This document can be used to assist building owners pursuing compliance through exemption.

Note: The Clean Buildings Performance Standard consists of ASHRAE Standard 100-2018 and state amendments to ASHRAE Standard 100-2018, WAC194-50.

Applications for exemption certificate must be submitted to the Department of Commerce (Commerce) via the Clean Building Portal no later than 180 days prior to the compliance date.

The following outlines the steps towards demonstrating compliance through exemption:

- 1) Watch <u>Clean Buildings 101</u> for an overview of the Clean Buildings Standard.
- **2) Gain** an understanding of the Clean Buildings Performance Standard.

To understand the full scope of the rules you must reference both:

- ASHRAE Standard 100-2018 Energy Efficiency in Existing Buildings
- WAC 194-50 (WA amendments to Standard 100)

Note: Inserts or an integrated document will be available at a later date.

3) **Determine** if the building is exempt. See Annex Z4.1 (Annex Z can only be found in WAC 194-50).

A covered commercial building is not eligible for exemption from the standard unless it meets one of the following criteria:

- The building did not have a certificate of occupancy or temporary certificate of occupancy for a consecutive twelve-month period within two years prior to the compliance date.
- The building did not have physical occupancy by owner or tenant for at least 50% of the conditioned floor area throughout the consecutive twelve-month period prior to the building compliance date.

Compliance dates are by building size:

- June 1, 2026 over 220,000 sf
- June 1, 2027 90,001-220,000 sf
- June 1, 2028 50,000-90,000 sf

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- The sum of the building's gross floor area minus unconditioned and semi-conditioned spaces, as defined in the Washington State Energy Code, is less than 50,000 sf.
- More than 50% of the gross floor area of the building is primarily used for manufacturing or other industrial purposes, as defined under the following use designations of the Washington state edition of the International Building Code:
 - Factory group F
 - High hazard group H
- The building is an agricultural structure.
- The building is pending demolition.
- The building meets at least one of the following conditions of financial hardship:
 - The building had arrears of property taxes or water or wastewater charges that resulted in the building's inclusion, within the prior two years, on a city's or county's annual tax lien sale list.
 - The building has a court appointed receiver in control of the asset due to financial distress.
 - The building is owned by a financial institution through default by a borrower.
 - The building has been acquired by a deed in lieu of foreclosure within the previous twenty-four months.
 - The building has a senior mortgage subject to a notice of default.
 - The building owner has an immediate and heavy financial need which cannot be satisfied from other reasonable available resources and which are caused by events that are beyond their control.
- 4) **Submit** an application for an exemption certificate through the Clean Buildings Portal no later than 180 days prior to the compliance date.
 - After documents have been submitted and reviewed, Commerce will send notification of approval or denial.
 - If the exemption is approved, Commerce shall notify the applicant and update the records for the building.
 - If the exemption is denied, Commerce shall notify the applicant and update the records for the building.
 - Compliance with the exemption must be verified by the owner based on the building as it is to be occupied and operating on the compliance date.
 - Applications for exemptions shall be submitted to Commerce no sooner than one year prior to the compliance date and no later than 180 days prior to the compliance date.

- Exemption certificates are only valid for the current compliance review cycle.
- 5) When an application for exemption is denied the building owner must demonstrate compliance in accordance with the Washington state reporting requirements Annex Z4.

Or the building owner may request an administrative hearing after the denial of their application for an exemption by submitting a request within 30 days of the date the denial of a timely application for exemption.

- All requests must be made in writing and filed addressed to the Department of Commerce.
- Requests for a hearing must be accompanied by the following:
 - Washington State Building ID
 - Annex Z Forms A, B, and C

Note: Applications for exemption filed less than 180 days prior to the compliance date are subject to fines in accordance with Annex Z5. Additionally, requests for an administrative hearing of denied exemption applications will be denied for any application received less than 180 days prior to the compliance date.

For additional guidance or questions on how to meet compliance through exemptions, please contact buildings@commerce.wa.gov.