

Multi-owner Covered Commercial Buildings

Guidance for one building multiple parcel scenario

Covered commercial buildings in Washington state are subject to the Clean Buildings Performance Standard (CBPS).

Covered commercial buildings are defined within the standard as: A building where the sum of nonresidential, hotel, motel and dormitory floor areas exceeds 50,000 gross square feet, excluding the parking garage area.

There are many locations in Washington state with multiple owners of multiple parcels that occupy one building. For example, an enclosed mall or a single building made up of commercial condos. Buildings that meet the definition of a covered commercial building, regardless of how many parcels, are subject to compliance with the CBPS.

Compliance Dates

June 1, 2026 More than 220,000 sq. ft.

June 1, 2027 More 90,000 sq. ft. but less than 220,001 sq. ft.

June 1, 2028 More 50,000 sq. ft. but less than 90,001 sq. ft.

Clean Buildings Portal

The Clean Buildings Portal (Portal) is the database used for reporting and data management for the CBPS. The Portal includes identified parcels containing a building or a portion of a building that may be subject to the CBPS and/or possibly eligible for the <u>Early Adopter Incentive Program (EAIP)</u>. The Portal displays the building and the parcels associated with that building.

The Portal and EAIP

If owners of a multi-owner *covered commercial building* are interested in applying for the EAIP, applicants must designate a single portal user to prepare and submit an application.

- Management companies, condo and homeowner associations or independent service providers may be designated as portal users to prepare and submit compliance documentation and/or incentive applications.
 - To submit the required information, a designated user must obtain "Shared Access" in the Clean Buildings Portal from each parcel owner of the eligible building.

• All parcels in the eligible building must be submitted through the Clean Buildings Portal as part of a single submission.

Best Practices

Benchmarking

There are two building performance metric options to pursue compliance with the CBPS; meeting the <u>energy</u> <u>use intensity target</u> (EUIt) of the building, or verifying energy savings through the <u>investment criteria</u>. Buildings unable to measure energy use intensity (EUI) (benchmarking) in accordance with Section 5.2 of the CBPS or are unable to create an energy use intensity target in accordance with Section 7 of the CBPS must pursue compliance through the investment criteria.

- Parcel owners should work together and designate a single entity such as the building owners association to manage compliance requirements.
 - This will include developing a property account within the ENERGY STAR Portfolio Manager ESPM identifying all building activity types/property use and associated gross floor area as well as all imported and exported energy.
 - The building's energy manager is responsible for reporting energy consumption data for each parcel in accordance with the requirements of the standard. Reporting of building characteristics and net energy consumption shall be in accordance with Z6.3 Energy-Use Intensity Calculations (Form C).
- The ESPM property account for the building can be shared with additional parcel owners.
 - Sharing can allow other parcel owners to view and/or edit data.
 - See the EPA's How to Share Properties with Other Portfolio Manager Users guide for more information.

The goal is to report energy performance metrics for the building as a whole using ESPM as the energy accounting system. If the building is currently set within a parent/child relationship within ESPM, contact Commerce for guidance.

Developing an Energy Management Plan and Operations and Maintenance Program

Building owners shall develop and implement the Energy Management Plan (EMP) and associated Operations and Maintenance Program (O&M) for each building.

- The EMP and O&M are mandatory requirements for all covered commercial buildings.
 - Implementation of these requirements can begin at any time.
 - 0&M requirements must be implemented 12 months prior to the compliance date.
- Parcel owners should work together and designate a single entity such as the building owners association to manage CBPS compliance.
 - Building owners can pursue compliance individually to avoid penalty, but this may be challenging depending on specific characteristics of the building and parcels within.

Penalties

The CBPS requires all covered commercial buildings comply with the standard by the mandatory compliance date to avoid penalty. When a multi-parcel building does not meet compliance with the standard by the mandatory compliance date, penalties will be assessed to the individual parcel owners found to be out of compliance.

- It is the building owner(s) responsibility to comply with the CBPS.
- Building owners that do not comply with the CBPS by the scheduled compliance date are subject to financial penalty.
- Commerce will not hold individual parcel owners accountable for the compliance of other parcel owners within a covered commercial building.
- Total penalties assessed will not exceed \$5,000 plus a daily amount equal to \$1.00 per square foot of gross floor area per year not to exceed a value greater than 18 months of accrued penalty.

For additional guidance or questions complete the **Customer Support Form**.