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Ian Finlayson
Deputy Director, Energy Efficiency Division
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

September 25, 2024

RE: A Better City's Comments on the Large Building Energy Reporting Regulations

Deputy Director Finlayson:

On behalf of A Better City's nearly 130 member businesses and institutions, thank you for your efforts to develop reporting regulations for large buildings across the Commonwealth.

As you know, many A Better City members report energy usage data to the City of Boston's Building Emissions Reduction and Disclosure Ordinance (BERDO), and the City of Cambridge's Building Energy Use and Disclosure Ordinance (BEUDO). A Better City urges the Commonwealth to accept these existing processes and to avoid requiring any additional reporting on energy usage, third party verification, and/or fine structures for buildings already complying with BERDO or BEUDO. In other words, BERDO/BEUDO compliant buildings should not be subject to duplicative reporting requirements.

Some of our comments, therefore, request that the draft Large Building Energy Reporting regulations do not duplicate efforts with energy usage reporting, third party verification, and fines. Additional comments include: adding to the definition of distribution company; deleting cost information as part of Distribution Companies' reporting requirements; clarifying reporting requirements and processes for building owners; clarifying reporting requirements and processes for building owners when energy usage data is not provided by a Distribution Company or Municipal Utility; clarifying reporting requirements and processes for lessees; adding a category for buildings exempt from reporting requirements; clarifying third party verification responsibilities; and clarifying enforcement and penalties for building owners and lessees.

Thank you for your consideration of our comments, for your leadership, and for your commitment to greenhouse gas emissions reduction in the Commonwealth, moving us toward our shared climate goals. Please reach out to ytorrie@abettercity.org with any comments or questions.

Thank you,

J. I. Jonie

Yve Torrie

Director of Climate, Energy & Resilience

A Better City

Cc: Elizabeth Mahony, Commissioner, DOER Paul Ormond, Energy Engineer, DOER



- 27.02 Definitions: Distribution Company: As currently written, electric, gas, and steam distribution companies are
 included as distribution companies. However, district systems should be included as parties with obligations to
 report as some district energy companies also deliver other utilities such as chilled water and electricity. A Better
 City recommends adding district energy companies to the definition of distribution company as it relates to
 obligations to report data.
- 27.04: Reporting Requirements and Process (1) Distribution Companies. As currently written, Distribution Companies report annually to DOER all energy usage and the associated cost information for all buildings contained on a covered parcel that have an account with the Distribution Company for the previous calendar year. A Better City members are concerned that associated cost information is shared with DOER as this cost information should be confidential. A Better City recommends deleting associated cost information from this requirement.
- 27.04: Reporting Requirements and Process (3): Building Owners: It is our understanding that building owners will be required to report any other energy usage not supplied by Distribution Companies or Municipal Utilities, such as delivered oil or propane, or third-party supplies of electricity and natural gas. It is unclear if backup or emergency fuel usage will be included this is not mandated under BERDO until 2026 and is not required under BEUDO. Many large buildings already report energy use data to BERDO in Boston and BEUDO in Cambridge. Instead of duplicating reporting, we request DOER work with these jurisdictions to access data to minimize reporting requirements for the owners and reduce the cost and burden of reporting. A Better City recommends that DOER clarify if backup fuel is required to be reported and work directly with municipalities with existing data reporting regulations to access data directly from the, to reduce the cost and burden of reporting for large buildings.
- 27.04: Reporting Requirements and Process (3) (a): Energy Usage Information Not Provided by a Distribution Company or Municipal Utility: As currently written, if a Distribution Company or Municipal Utility does not report the energy usage for a building on a covered parcel, DOER may issue a written notice requiring the building owner to report the energy usage by a date to be determined by DOER. The intent for this regulation is for Distribution Companies or Municipal Utilities to report data; this should not become the burden of large buildings if data is not provided by the Distribution Company/Municipal Utility. Instead, it should be a requirement for Distribution Companies/Municipal Utilities to report energy use data on covered parcels, and all fines and penalties for failing to do so should go to the Distribution Company/Municipal Utility. A Better City recommends Distribution Companies and Municipal Utilities be required to report energy data to DOER and that this requirement does not become a large building requirement.
- 27.04: Reporting Requirements and Process (3) (b): Exemptions for Energy Usage from an Unresponsive Lessee: As currently written, a building owner shall not be penalized for failing to report any energy ordered, delivered, and charged directly to a lessee if the owner sends a written request for energy usage information to the lessee not later than April 30 of the same year, does not receive a response from the lessee by June 25 of the same year, and provides evidence of the request to DOER. Lessee's energy usage that comes from Distribution Companies/Municipal Utilities should be the responsibility of the Distribution Company/Municipal Utility and not the building owner. A Better City recommends lessee energy usage from Distribution Companies/Municipal Utilities be the reporting responsibility of Distribution Companies/Municipal Utilities, not building owners.



- 27.05: Reporting Exemptions (1) Buildings Exempt from Reporting Requirements: In addition to the exemptions listed, A Better City recommends including an exemption for a new building that has not received an occupancy permit by July 1st (or half of the year). A Better City recommends that a new building that has not received an occupancy permit by July 1st (or half of the year) should not be required to report their energy usage.
- 27.08: Data Verification: (2) Third Party Data Verification: As Distribution Companies and Municipal Utilities are obligated to report energy data, it is unclear why they would not be required to have this data verified by a 3rd party. If it is the responsibility of the Distribution Companies and Municipal Utilities to report, then it should also be their responsibility to have the data 3rd party verified, with building owners and lessees being able to challenge the data submitted and verified. For building owners that have energy usage in addition to that supplied by Distribution Companies and Municipal Utilities, like delivered oil or propane, or third-party supplies of electricity and natural gas, A Better City requests the 3rd party verified data used in BERDO and BEUDO be accepted so that no additional burden and cost is imposed on large building owners. A Better City recommends Distribution Companies and Municipal Utilities be responsible for 3rd party verification of the energy they supply/distribute, and that building owners and lessees can challenge this data. In addition, for a building owner's energy usage not supplied/distributed by Distribution Companies and Municipal Utilities, we request 3rd party verified data under other municipal energy or emissions reduction reporting regulations be accepted so an additional burden and cost is not placed on building owners.
- 27.11: Enforcement and Penalties (3) Building Owners, and (4) Lessees: Building owners and lessees will be fined \$150/day for not submitting data; in addition, building owners will be fined \$150/day for not submitting 3rd party verified data, or for a discrepancy in the data after a 30-day notification period. If energy usage data to be reported is from Distribution Companies/Municipal Utilities, building owners and lessees should not be penalized for not submitting data, not submitting verified data, nor discrepancies in data. In addition, building owners should be able to challenge the data submitted on their behalf as frequent mistakes have been found in Distribution Company/Municipal Utility data. If fines are applied to building owners for not submitting data, 3rd party verified data, or data discrepancies in energy usage other than energy supplied/distributed by Distribution Companies/Municipal Utilities, then A Better City asks for clarity about how/if DOER will be coordinating with municipalities already imposing fines on building owners for the same data requirements not being met. Finally, A Better City recommends that the funds collected via fines and penalties not revert to the General Fund, but instead, go directly to a dedicated fund for large building energy retrofits. A Better City recommends any penalties for data submission, verification, and discrepancies that relate to data from Distribution Companies/Municipal Utilities be borne by the Distribution Companies/Municipal Utilities. For penalties for data submission, verification, and discrepancies that relate to data not from Distribution Companies/Municipal Utilities, we request clarity on how DOER will coordinate with municipalities already imposing fines for the same requirements. A Better City also recommends funds from fines and penalties be dedicated to a large building energy retrofit fund.