



Newton Citizens Commission on Energy City of Newton, Massachusetts

<http://www.newtonma.gov/government/climate-and-sustainability/citizens-commission-on-energy>

Asa Hopkins, Co-Chair
Philip Hanser, Co-Chair

Michael Gevelber
Stephen Grody
Jonathan Kantar
Jon Slote
Jay Snyder
Rachel White
Ann Berwick (ex-officio)
Bill Ferguson (ex-officio)

Advisory Members:
Halina Brown, Chair
Emerita
Cory Alperstein
Peter Barrer
Beverly Craig
Ellie Goldberg
Bob Persons
Nathan Phillips
James Purdy
Philip Vergragt

September 11, 2024

Councilor Lisle Baker, Chair
Councilor John Oliver, Co-Chair
Zoning and Planning Committee

Dear Chair Baker:

The Newton Citizens Commission on Energy urges that the Zoning and Planning Committee expeditiously pass for approval to the City Council the Mayor's proposed Building Emissions Reductions and Disclosure (BERDO) ordinance with the following amendments: 1) the inclusion of large multi-family buildings (over 20,000 sq. ft.) with central heating systems, and 2) substituting a committee to review building owners' plans in cases where the owner has requested some divergence from their scheduled BERDO requirements.

With regard to the first, we support Councilor Danberg's amendment to include large multi-family buildings so they have the benefit of more time and policy clarity for compliance planning. Regarding the second, a designated and diverse committee (such as a subcommittee of the Design Review Committee) would standardize the appeals process.

The NCCE strongly supports BERDO, which is fundamental to the City's Climate Action Plan (CAP). The City cannot meet the CAP's goals without eliminating greenhouse gas emissions in residential and commercial buildings. Across the country, building performance standards are increasingly seen as the most promising policy framework to adopt to reduce and eventually eliminate emissions from large buildings. This proposal is a tailored approach to BERDO designed with Newton's buildings and their owners in mind.

Implementing BERDO will no doubt require adaptation over time, as well as additional support from City staff and outside resources. The NCCE pledges to your Committee and the Council that it will do whatever it can to ensure its success.

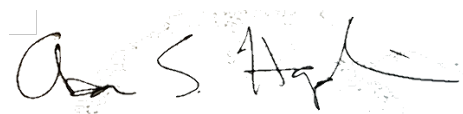
Outside resources are also available to help Newton's building owners succeed. For example, the Massachusetts Clean Energy Center has committed to establishing a Building Performance Exchange to assist building owners impacted by BERDO-like policies, using at least \$4 million in state funding. MassCEC intends to hire experts to provide free engineering expertise to each affected building.

We appreciate that the exact compliance pathway and cost for each impacted Newton building is unknown. This is the nature of a performance standard: each building is unique and, therefore, requires its own path forward. We do know, however, that costs are capped at the level of the Alternative Compliance Payment (ACP), which is set at \$234 per metric ton of CO₂e reduction shortfall. Even if BERDO were to require zero CO₂e emissions today, and all building owners paid the ACP for all of their emissions, we estimate that this would result in less than a 3 percent rent increase for both offices and multi-family buildings.

We have included two attachments with this letter. The first is a one-page summary of Newton's BERDO. The second compares Newton's BERDO to Boston's.

Again, we urge your Committee and the Council to pass the proposed amended BERDO. Please let us know if we can provide any further assistance in the Committee's action on this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Asa Hopkins". The signature is fluid and cursive, with a long horizontal stroke at the end.

Asa Hopkins

Newton Citizens Commission on Energy, Co-Chairs

A handwritten signature in black ink, appearing to read "Philip Hanser". The signature is cursive and somewhat stylized, with a prominent loop at the beginning.

Philip Hanser

Newton's BERDO Fact Sheet

Prepared by the Newton Citizen's Commission on Energy - September 2024

What is BERDO?

Newton's Building Emissions Reduction and Disclosure Ordinance requires that buildings larger than 20,000 sf **report their greenhouse gas emissions** and **meet emissions targets** annually.

1

Massachusetts state law and Newton's Climate Action Plan both require net zero emissions by 2050.

Initial BERDO Implementation Schedule

Compliance dates depend on the building type and size, as shown in green.

Why BERDO?

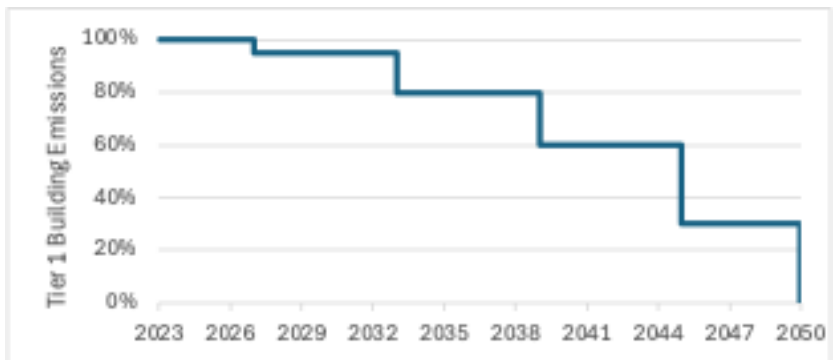
2

By 2050, a building using fossil fuels for heating will be obsolete. Smart capital planning of upgrades to a building's energy performance is necessary to maintain its value.



* Tier 3 and 5 Residential per Danberg amendment

Building emissions must be zero by 2050

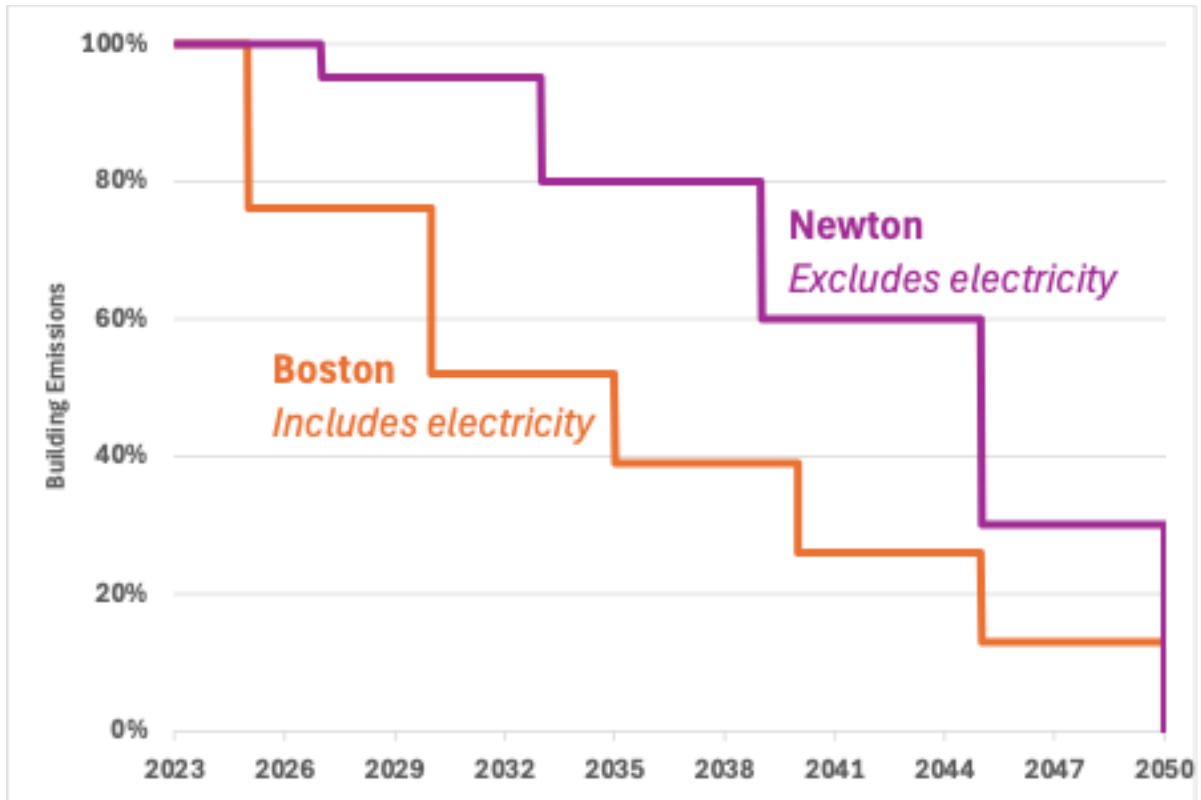


Compliance costs are capped by the Alternative Compliance Payment (ACP). If buildings had to meet BERDO's 2050 standard **today**, and were to pay the ACP, it would result in average commercial and residential rent increases of less than 3%.

Newton's BERDO Learns from Boston

Prepared by the Newton Citizen's Commission on Energy - September 2024

In Newton's BERDO, building owners have much more time to make emissions reductions than in Boston's BERDO, and compliance will be simpler and more straightforward.



Why is Complying with Newton's BERDO Easier than Boston's?

- ✓ Emission calculations are based only on the on-site use of fossil fuels and **exclude electricity**, significantly simplifying building owner's reporting requirements.
- ✓ Once a building **electrifies**, it is **fully compliant** through 2050.
- ✓ The compliance **timetable has been stretched**. Most buildings won't be required to comply with emissions standards until in 2030 or 2031.
- ✓ The rate of required emissions reductions is more gradual, allowing a **substantially more extended period** for owners to develop compliance plans.