

Newton City Council

#### **Committee of the Whole Report**

#### Monday, March 21, 2022

**Present:** Councilors Baker, Bowman, Crossley, Danberg, Downs, Gentile, Greenberg, Grossman, Humphrey, Kalis, Kelley, Krintzman, Laredo, Leary, Lipof, Lucas, Malakie, Markiewicz, Noel, Norton, Oliver, Ryan, Wright & Albright.

**Also Present:** City Staff: William Ferguson, Co-Director of Sustainability; Ann Berwick, Co-Director of Sustainability; Michael Gevelber, Newton Citizens Commission on Energy member

#### **Clerk's Note: The full Council meeting can be viewed on the following link:** https://newtv.org/recent-video/63-newton-city-council-meetings/7419-city-councilcommittee-of-the-whole-march-21-2022

The City Council went into a Committee of the Whole to hear the Newton's Co-Directors of Sustainability and the Citizens' Energy Commission present on the regulating of building energy reporting and reduction.

#### #184-22 Discussion on Regulating Building Energy Reporting and Reduction

<u>COUNCILOR CROSSLEY ON BEHALF OF THE ZONING & PLANNING COMMITTEE</u> requesting that Newton's Co-Directors of Sustainability and the Citizens' Energy Commission, join the Council to present the key elements and expected timeline and resources necessary to create a program ordinance that would regulate building energy reporting and reduction by large property owners in the city. **Committee of the Whole voted No Action Necessary 24 yeas, 0 nays** 

Co- Director Ferguson and Michael Gevelber presented (attached) an overview of the proposed Building Emissions Reduction & Disclosure Ordinance (BERDO) for Newton. The presentation included Newton's current Green House Gas emissions and ways to meet climate objectives, definition of a building performance standard and the elements of the new BERDO Policies.

Councilors discussed and asked questions of the presenters for a clearer picture on program ordinance.

Respectfully submitted, Susan Albright, President A BERDO for Newton. (Building Emissions Reduction and Disclosure Ordinance.)

Bill Ferguson, Co-Director of Sustainability

Michael Gevelber, Newton Citizens Energy Commission.

- Boston BERDO.
- A BERDO for Newton.
- GHG in Newton Buildings.
- Pathways to compliance.
- Summary



#### Boston BERDO

(Building Emissions Reduction and Disclosure Ordinance)

- For <u>existing</u>-and effectively newbuildings.
- For large commercial and large residential buildings.
- Two phases: BERDO 1.0 and 2.0.



#### Boston BERDO 1.0

(Building Energy Reporting and Disclosure Ordinance)

- Boston BERDO 1.0 passed in 2013.
- BERDO 1.0 requires reporting of energy use (not emissions).
- BERDO 1.0 failed to produce desired results.
- Boston BERDO 2.0 passed in September 2021.



Boston BERDO 2.0

(Building Emissions Reduction and Disclosure Ordinance)

- Covers same buildings as 1.0.
- Requires buildings to achieve net zero emissions by 2050.
- Sets mandatory milestones for emissions reductions over time.
- Offers compliance pathways to achieve performance standards.





- City staff are working on a BERDO for Newton. It will combine 1.0 and 2.0. but phase implementation.
- Will be based on Boston's BERDO but tailored to Newton.
- Decisions:

scope, timelines, fines, fees, enforcement, data, administration.

BERDO 1.0 and 2.0

The wisdom of phasing.

- Why a two-year Phase 1?
- Data quality: Accurate input = accurate output.
- Assistance to building owners.



Why pass BERDO 1.0 & 2.0 at the same time if not implementing for two years?

- Set clear expectations so property owners can plan.
- Provide education/ assistance to building owners on pathways to compliance.



What do we need to do before passing a Newton Ordinance?

- Critical Stakeholder involvement.
- Write the ordinance: determine scope, enforcement, fines, admin. procedures, timelines.
- Determine budget, resources needed.



### Building Emissions Reduction & Disclosure Ordinance (BERDO) for Newton

#### Michael Gevelber gevelber@bu.edu

Associate Professor, Mechanical Engineering, Boston University

Member of Newton Citizens Commission on Energy

#### Topics:

- Newton's Green House Gas emissions
- Characteristics of Newton's commercial buildings
- How does BERDO work?: compliance pathways & cost

# Newton's GHG emissions & how meet climate objectives



Newton 2019 GHG Emissions: 717,500 MT

BERDO applies to large buildings (GHG emissions labeled "Commercial")

# Why is BERDO important for meeting Newton's climate objectives?

~400 buildings account for 27% of Newton's emissions.

Can achieve significant reductions with focused effort. This is next easiest area after NPC

# Newton's GHG emissions from commercial buildings by size

Non-Residential Buildings (NRB): ~18 million sq ft

S <u>ize (sqft.)</u>	<u>Number of bldgs</u> .	<u>% of Newton's total emissions</u>		
>100,000	51	12%		
50,000 -100,000	61	5%		
20,000 – 50,000	<u>153</u>	<u>6%</u>		
	265	23%		

- Provides insight where one might focus initial emission limits & phasing
- 42% of NRB GHG emissions are from electricity: easier and cheaper to green

Large Residential buildings: a variety of different types (for profit, dorms, assisted living, low income). 120 buildings contributing 4.3% to Newtons GHG emissions.





requirement every 5 years

#### Despite high compliance, emissions did not decline

#### BERDO 2.0 WHAT AND WHY

A building performance standard sets carbon targets for existing <u>large</u> buildings that decrease over time.

- Directly targets largest source of emissions;
  - Sets long planning horizons;
  - Provides flexibility in how buildings meet targets and when they make investments.



## **NEW POLICY ELEMENTS (Boston BERDO 2.0)**

- Different requirements by building type
- Many pathways to achieve targets:
  - Energy efficiency
  - Electrification and fuel switching
  - Renewable energy
  - Alternative compliance payments

#### • Additional flexibility:

- Portfolio
- Individual compliance schedule
- Hardship compliance plan
- Staff supported Review Board

#### GHG Emission targets for 13 building types

Emissions threshold (kgCO2e/SF)					
2025	2030	2035	2040	2045	2050
7.8	4.6	3.3	2.1	1.1	0.0
10.2	5.3	3.8	2.5	1.2	0.0
3.9	2.4	1.8	1.2	0.6	0.0
17.4	10.9	8.0	5.4	2.7	0.0
15.4	10.0	7.4	4.9	2.4	0.0
5.8	3.7	2.7	1.8	0.9	0.0
23.9	15.3	10.9	6.7	3.2	0.0
4.1	2.4	1.8	1.1	0.6	0.0
5.3	3.2	2.4	1.6	0.8	0.0
7.1	3.4	2.4	1.5	0.7	0.0
7.5	4.5	3.3	2.2	1.1	0.0
5.4	2.8	1.8	1.0	0.4	0.0
19.2	11.1	7.8	5.1	2.5	0.0
	2025 7.8 10.2 3.9 17.4 15.4 5.8 23.9 4.1 5.3 7.1 5.3 7.1 7.5 5.4 19.2	Emission     2025   2030     7.8   4.6     10.2   5.3     3.9   2.4     17.4   10.9     15.4   10.0     5.8   3.7     23.9   15.3     4.1   2.4     5.3   3.2     7.1   3.4     7.5   4.5     5.4   2.8     19.2   11.1	Emissions thresh     2025   2030   2035     7.8   4.6   3.3     10.2   5.3   3.8     3.9   2.4   1.8     17.4   10.9   8.0     17.4   10.9   8.0     15.4   10.0   7.4     5.8   3.7   2.7     23.9   15.3   10.9     4.1   2.4   1.8     5.3   3.2   2.4     7.1   3.4   2.4     7.5   4.5   3.3     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.4   3.3     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.8   1.8     5.4   2.8   1.8     19.2   11.1   7.8	Emissions threshold (kgC     2025   2030   2035   2040     7.8   4.6   3.3   2.1     10.2   5.3   3.8   2.5     3.9   2.4   1.8   1.2     17.4   10.9   8.0   5.4     15.4   10.0   7.4   4.9     5.8   3.7   2.7   1.8     23.9   15.3   10.9   6.7     4.1   2.4   1.8   1.1     5.3   3.2   2.4   1.8     7.5   4.5   3.3   2.7     5.4   2.4   1.8   1.1     5.3   3.2   2.4   1.6     7.1   3.4   2.4   1.5     7.5   4.5   3.3   2.2     5.4   2.8   1.8   1.0     19.2   11.1   7.8   5.1	Emissions threshold (kgC)/SE202520302035204020457.84.63.32.11.110.25.33.82.51.23.92.41.81.20.617.410.98.05.42.715.410.07.44.92.45.83.72.71.80.923.915.310.96.73.24.12.41.81.10.65.33.22.41.60.87.13.42.41.50.77.54.53.32.21.15.42.81.81.00.419.211.17.85.12.5

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#### Boston's Estimated Current Emissions and Compliance Level Time Frames

Boston BERDO 2.0 GHG Emission Requirements



Year

\*Buildings under 35,000 sqft do not need to meet these GHG emission requirements until 2030

#### Example: Estimated Compliance Time Frame & Costs at Boston **University under Boston BERDO 2.0**



Carbon Emissions (kgCO2e/SF/yr)

# Tasks

- Develop and implement an engagement plan for building owners and stakeholders.
- Coordinate with City Council, EDC, and Chamber of Commerce.
- Develop the ordinance.
- Determine needs for consultants and staff.
- Develop data collection and management plan/tool.
- Determine a budget.



More Tasks

- Identify resources in the public domain.
- Find and apply for grants.
- Hire consultants.
- Hire staff as necessary.
- Develop regulations.



### Summary

- BERDO is impactful: 400 bldgs.=27% of emissions.
- Flexibility: pathways, individualized plans.
- Council support.
- Engagement of stakeholders.
- Phased approach.
- A good data management plan/tool.
- Many tasks.



#### Backup Data Slides

#### Newton Non-Residential Building GHG Emissions by Type (> 20,000 sqft)

Building Types	Total GHG Emissions (MT)	GHG Emissions Ranking for NRB	% of Newton's GHG Emissions	Sqft	Area Ranking	Number of buildings	Assumed avg GHG emission intensity: 80% (kg/sqft) <sup>2</sup>
Office	47,900	1 <sup>st</sup>	6.7%	4,790,000	1 <sup>st</sup>	63	10
Healthcare	34,100	2 <sup>nd</sup>	4.8%	1,140,000	5 <sup>th</sup>	5	30
Education K-12	19,200	3 <sup>rd</sup>	2.7%	3,830,000	2 <sup>nd</sup>	52	5
Assembly	14,400	4 <sup>th</sup>	2.0%	1,440,000	4 <sup>th</sup>	36	10
Retail	11,100	5 <sup>th</sup>	1.5%	2,220,000	3 <sup>rd</sup>	35	10
Colleges/Universities	10,900	6 <sup>th</sup>	1.5%	1,090,000	6 <sup>th</sup>	29	5
All other buildings <sup>1</sup>	26,100		3.6%	2,850,000		45	8.3
Total (>20K ft <sup>2</sup> )	164,000		23%	17,400,000		265	9.4

<sup>1</sup> All other buildings includes the building types: Manufacturing/Industrial, Services, Lodging, Food Sales/Service, and Storage.
<sup>2</sup> Values obtained from <u>Boston Building Emissions Performance Standards: Technical Methods Overview</u>, Prepared for Boston 2/18/2021

### Residential Buildings GHG Emissions by Type Residential Buildings >20k sf

Residence Types	Total GHG Emissions (MT)	GHG Emissions Ranking for Residences	% of Newton's GHG Emissions	Sqft	Area Ranking	Number of buildings	Assumed avg GHG emission intensity: 80% (kg/sqft) <sup>2</sup>
For Profit	13,600	1 <sup>st</sup>	1.9%	2,710,000	1 <sup>st</sup>	45	5
Dormitories	6,860	2 <sup>nd</sup>	0.96%	1,370,000	2 <sup>nd</sup>	31	5
Assisted Living and Skilled Nursing	5,360	3 <sup>rd</sup>	0.75%	1,070,000	3 <sup>rd</sup>	15	5
Residential Style Living	2,160	4 <sup>th</sup>	0.30%	433,000	4 <sup>th</sup>	16	5
Non-Profit	1,370	5 <sup>th</sup>	0.19%	275,000	5 <sup>th</sup>	7	5
Low-income	1,110	6th	0.15%	222,000	6 <sup>th</sup>	6	5
Total	30,400		4.3%	6,090,000		120	5

Boston BERDO advised that only multifamily residences or residences over 20,000 sqft are addressed in the first stage to be achieved by 2025. Therefore we didn't include single family residences or residences smaller than 20,000 sqft.

<sup>2</sup> Values obtained from Boston Building Emissions Performance Standards: Technical Methods Overview, Prepared for Boston 2/18/2021