

## BERDO FAQs 8-2-2022

### Q. I didn't see the recordings of previous sessions posted - will the recordings be posted?

A. Yes, recordings have been posted on the [Newton BERDO website](#).

### Q. What do you mean by "greening electricity use"?

A. "Greening electricity use" can be accomplished in three ways:

1. Under state law New England's electric grid is getting greener every year. The more renewable resources like solar, wind, and hydro are used to power the electric grid, in place of fossil fuels like coal, oil, and natural gas, the "greener" the electricity grid is. Eversource is already 20% green and will get greener each year.
2. The term can also be used to refer to locally-generated on site "green" electricity—e.g., rooftop solar.
3. Purchasing of RECs (Renewable Energy Certificates). A building owner can purchase RECs on the REC market or in Newton you can purchase electricity through the City's Newton Power Choice (NPC) program. NPC is 80% green electricity with an option to go up to 100%. More information and the sign up for NPC can be found on the [NPC website](#). The City of Newton purchases RECs on the REC market for its own buildings.

The Newton BERDO program will give building owners the option of purchasing Massachusetts Class 1 RECs. These RECs are certified and accounted for by the NEPOOL GIS (New England Power Pool Generation information system) before they can become a commodity on the REC market. The building owner can match its kWh use with RECs which offsets their electricity use. RECs give purchasers the ownership over the renewable energy attributes of a megawatt hour (equivalent to 1000 kWh) of electricity produced by a renewable energy generation plant such as solar or wind. For example, if a building owner uses 100,000 kWh (this is equal to 100 MWhs) per year, then they would have to purchase 50 RECs to green their electricity by 50%. However, since the state requirement is already at 20% then the building owner's electricity will actually be at 70%.

A building owner can also construct on site renewable energy projects such as solar as long as they are able to retain the RECs. Under the state's SMART incentive programs, the RECs are retained by the utilities so this program is not a path for retaining RECs, however there are other options for developing on site renewable energy projects where the owner can retain the RECs.

The City is considering additional options for building owners, including something called VPPAs, which is allowed under Boston BERDO and we will be discussing in our BERDO sessions as we go along.

**Q. How is the building size calculated?**

- A. The square footage data is from the assessor's data base. This is based on exterior measurements. There will be an opportunity during the implementation phase of this ordinance for building owners to request a review of this information if you think it is incorrect.

**Q. Will the City impose fines or provide incentives for tenants that don't comply with the landlord's requests for utility bills or that don't comply with energy saving measures?**

- A. The City has no current plans to impose fines in these circumstances. This will be a matter for negotiation between landlords and tenants, presumably to be reflected in lease terms in the future.

**Q. Is Newton considering any type of tax break to help building owners defray costs?**

- A. The City is not currently considering a tax break for this purpose.

**Q. Our building is not required to have a capital needs assessment, but it sounds like we may need one. Does the city partner with any firms that can supply?**

- A. The City contracts with firms that do this work for its own buildings. However, it is up to building owners to select firms to do this work for them.

**Q. In the City of Boston we are having difficulty with the City accepting benchmarking from a third-party company on the owner's behalf. Will the City of Newton accept third-party benchmarking data?**

- A. If it would be helpful to property owners, the City can accept third-party benchmarking data from accepted sources.

**Q. How will this affect new construction?**

- A. Since new buildings will become existing buildings subject to BERDO as soon as they are built, they will be held to the BERDO emissions reduction glide path. Constructing new buildings that are highly energy efficient and that rely on electricity is much easier and less expensive than retrofitting existing buildings.

**Q. The building we manage is over 100 years old and the tenants use diverse energy sources. What if the electrical capacity available to the building is insufficient to meet the increased electrical load needed to transition to all electric? Will the City assist in upgrading the electrical service to the building?**

- A. The cost of upgrading the electrical service to the building will be one of the costs that will fall on property owners, and also on tenants to the extent lease terms allow.

**Q. Would it be helpful to have reporting functionality to allow building owners to view each tenant's share of emissions?**

- A. Building owners may be able to obtain aggregate tenant data from the utilities. The City is in discussions with the utilities about this now. Where the utilities are unable to provide this tenant data, the building owner may request it from the tenant. If the

tenant does not comply, then the City will provide standard methodologies for estimating tenant energy use.

**Q. The list of compliance pathways seems like a good start, but don't they only get you part of the way to the final goal/requirement?**

- A. In most buildings, more than one “pathway” approach will be needed to meet the final goal of zero carbon emissions in 2050. They can be applied in parallel or consecutively over time, depending on the situation. For example, heating electrification, which is the most capital-intensive step, might be deferred until the existing heating system comes to the end of its useful life; in the meantime, energy efficiency, buying RECs (Renewable Energy Certificates) or joining Newton Power Choice may suffice to meet one of the earlier emission standards. Only the Alternative Compliance Payments pathway does not lead to any reductions of emissions. It is a way to buy more time for building owners in complicated and difficult cases.

**Q. Will the City aggregate water bills for an entire building where tenants have individual water meters? How about the utilities, will they aggregate building’s usage?**

- A. The City is not planning to include water in its BERDO.

**Q. I believe you are underestimating the need to get tenants to comply, including the issue of getting tenants with long-term leases to help absorb the added costs of needed changes. This is an issue we've heard about from Boston building owners. What if, for example, an owner wants to adopt Newton Power Choice to meet a goal, but the tenant doesn't?**

- A. This is a good question. We would be interested in hearing additional comment on this. One suggestion is the use of “green leases” where tenants have a requirement to include green power in their electricity purchase.

**Q. Has there been any thought about how this is going to affect affordable housing units since this will increase NHA costs substantially?**

- A. The City is deeply concerned about the potential financial impacts on residents in affordable housing and other fixed income communities, such as senior living. We are currently soliciting ideas of how to respond to this concern in the BERDO ordinance.

**Q. Are you bringing the utilities into this conversation as well? Many of the efficiency, electrification, and renewable energy options require cooperation and planning of the utilities.**

- A. Yes. We are working with the utilities on Newton’s BERDO program. They have resources available to help building owners with electrification including incentives for converting to heat pumps. We are also working with them on a system for providing energy use data to building owners. We are planning to have them participate in one of our BERDO sessions to present information about these programs and answer questions from building owners.

**Q. Are the utilities participating in this plan to help support the increased infrastructure needed to accomplish the type of major mechanical changes required to reach the goals in BERDO 2.0?**

A. We are talking to Eversource and ISO-NE about electrical capacity at the local and regional level for implementing BERDO in Newton.

**Q. Would alternative compliance payments go into a fund to support reductions projects at other buildings?**

A. Yes. We are discussing the details of that now and welcome input from building owners. We are particularly interested in addressing the needs of affordable housing, but we think there are other building sectors and circumstances that may merit assistance from this type of fund.

**Q. Boston is silent with respect to where the alternative payment will be earmarked; does the City of Newton have a directive as to where those monies will be earmarked for spending?**

A. As with other aspects of Newton's BERDO, Newton is soliciting input on this issue.

**Q. Are there scheduling contingencies being considered for residential buildings which are fully occupied making wholesale renovations impractical?**

A. Many of the measures that property owners will need to adopt will not require wholesale renovations. Also, recall that BERDO anticipates a glide path to net zero that extends to 2050. Buildings owners will be able to anticipate the timing of any wholesale renovations.

**Q. Electricity cost for winter heat will explode for building owners. And this will be forever. It would be great to see some scenario analysis for electrification in terms of costs for the mid-term and long-term horizons.**

A. It's impossible to predict the relative cost of gas and electric heat in the long term or even the mid-term, but it's not at all clear that electricity costs for heat will explode. The development of offshore wind in Massachusetts is expected to bring prices of electricity down in the mid-term and long term compared to the current heavy dependence on gas fired electricity generation.

**Q. Are there grants or programs available to help offset the cost of designing and implementing the engineering changes needed for building owners to retrofit these buildings?**

A. National Grid has support for their gas customers to electrify their heat. Click to learn more about their [commercial heating](#) and their [multifamily](#) programs.

Eversource has energy efficiency programs for [existing buildings](#) and for [commercial construction and renovation](#).

Other resources include:

- a. [A website of resources](#) compiled by the City of Boston BERDO
- b. [Mass Save incentives](#)

c. [U.S. DOE resources](#)

**Q. Will the City provide a format for owners to translate gas, oil, and electricity use into greenhouse gas emissions?**

- A. The City will be working with EPA to set that up in their Portfolio Manager (PM) platform. There are currently emissions factors included in the PM, but these may not be exactly what the City will be using. However, using the PM now will give you some indication of how where you stand relative to the emissions standards.

**Q. Would BERDO Newton cover activities within buildings? For instance, manufacturing furnaces?**

- A. BERDO emission standards are customized for 13 different types of buildings, depending on their use. One of the thirteen categories is “industrial/manufacturing” which initially has a much higher emission allowance than other types of buildings. For example, its initial emission standard is about 4 times higher than that for office buildings.

**Q. If our buildings are multi-use, recreational, food service, retail, and other as a Country Club clubhouse, which type of building would we be considered?**

- A. For multi-use buildings there will be a methodology for developing a blended emissions standard.

**Q. Is there an engineering firm available to the owners to get started with energy usage calculation and recording?**

- A. There are several energy consulting firms in this area to train in the use of Portfolio Manager or to perform the calculations and prepare a report. Either way, the building owner is responsible for collecting their annual energy bills.