



New Rules for 2018 ENERGY STAR Certification before Metric Updates

Leslie Cook & Stacy Glatting

US EPA ENERGY STAR

May 30, 2018

Agenda

- Overview of metric updates
- New Rules
 - Apply by July 26
 - Earlier Year Ending Date of 4/30
- Example timelines of scenarios for preparing & submitting applications
- FAQs
- Site Visit Clarifications
 - Who can perform the site visit
 - Timing of site visit
 - Frequency of site visit
- Tips for applying
- Preparing for the Updates
- Q&A

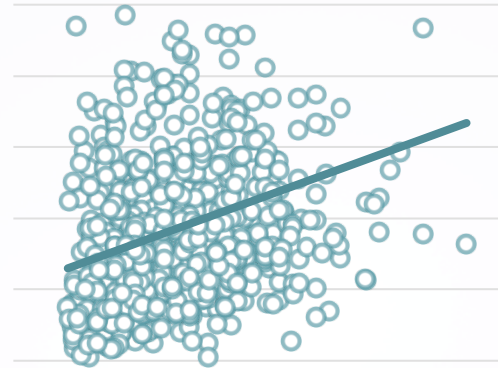
Why are we updating metrics?

- EPA is committed to providing information about building performance based on the most up-to-date market data available.
- When updated data sources become available, we refresh our ENERGY STAR metrics accordingly
- EPA's basic approach is **not** changing
 - Provide a national level benchmark
 - Use source energy to provide equitable scores for all fuel mixes
 - Incorporate variables that capture weather and business activity
 - Exclude from analysis terms about technology, in order to reward technology that saves energy

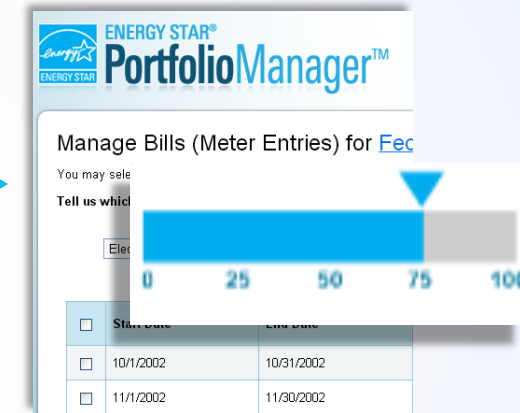
EPA's 1 – 100 ENERGY STAR scores are based on market data



Nationally representative survey
- CBECS gathers data on building characteristics and energy use from thousands of buildings across the U.S.

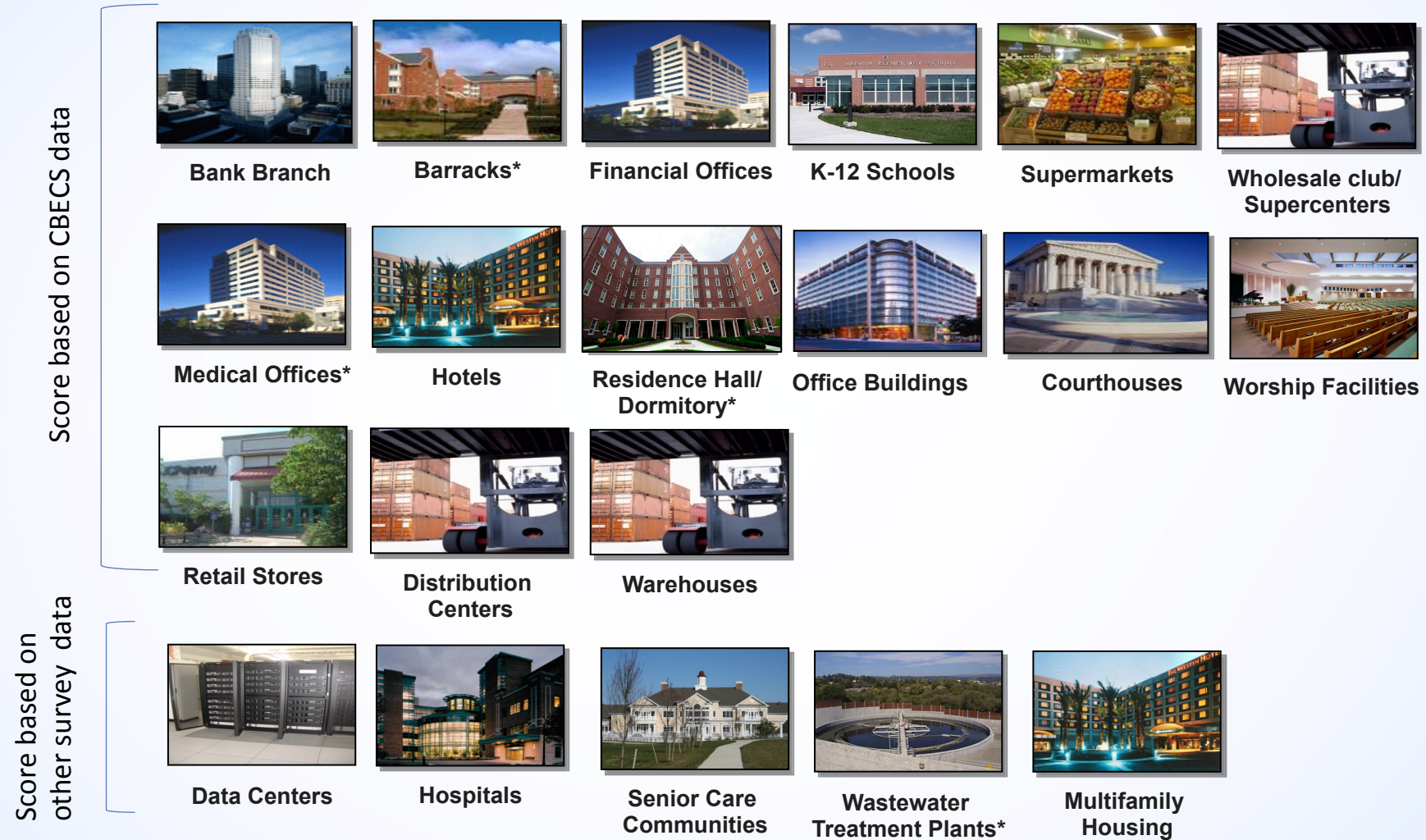


EPA creates a **statistical model** that correlates the energy data of the property use details to identify the key drivers of energy use, accounting for weather variations



Compares the actual energy data for a building to the modeled estimate to determine where the building ranks relative to its peers on a 1-100 scale

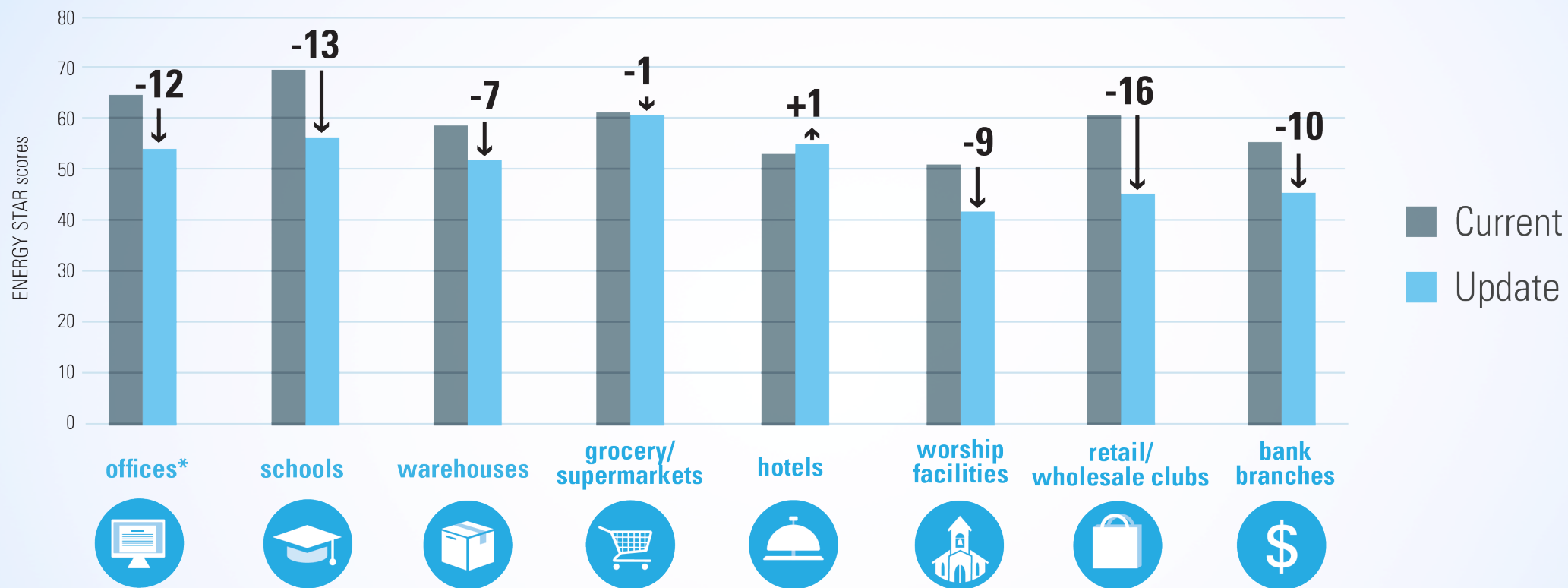
Property types with 1-100 ENERGY STAR scores



What's getting updated?

- 1-100 ENERGY STAR score models (based on CBECS 2012)
 - **Offices**
 - Financial offices
 - Bank branches
 - Courthouses
 - **K-12 Schools**
 - **Retail**
 - Retail store
 - Warehouse club/ supercenter
 - **Supermarkets**
 - **Hotels**
 - **Warehouses**
 - Refrigerated
 - Non-refrigerated
 - Distribution centers
 - **Houses of Worship**
- National source energy factor
- Data center benchmarking options
- Target finder, used to evaluate *energy design targets of new construction*

Working estimated average ENERGY STAR score change by space type



*office, financial office, courthouse

These are average score changes for these building types. An individual building's score change is likely to differ from the average change shown above.

Impact on historical scores

- When we update the methodology, the new calculations will be applied to all time periods
- Users will maintain the ability to compare performance over time
 - Even if scores go down, users will still see their improvement between the baseline and the current periods
 - Continue to analyze differences that are a result of their own activities, not EPA's methodology

Metrics Summary			
Metric	Dec 2014 (Energy Baseline)	Mar 2017 (Energy Current)	Change
ENERGY STAR Score (1-100)	39	48	9.00 (23.10%)
Source EUI (kBtu/ft ²)	294.9	264.4	-30.50 (-10.30%)
Site EUI (kBtu/ft ²)	118.7	95.8	-22.90 (-19.30%)
Energy Cost (\$)	581,581.78	540,588.06	-40993.72 (-7.00%)
Total GHG Emissions Intensity (kgCO ₂ e/ft ²)	11.3	9.9	-1.40 (-12.40%)
Water Use (All Water Sources) (kgal)	3,373.9	3,228.1	-145.80 (-4.30%)
Total Waste (Disposed and Diverted) (Tons)	879.99	836.75	-43.24 (-4.90%)

Schedule for metric updates

- **Perform detailed analysis**
 - Started May 2016
 - Hundreds of regression model formulations
 - Explore new variables captured by CBECS
 - Compare CBECS and Portfolio Manager Data
 - Determine appropriate changes to regression models used for score calculations
- **Program metric updates into Portfolio Manager**
 - Ongoing
 - Document software requirements
 - Program code changes to the tool and perform extensive testing
- **Release updated metrics in Portfolio Manager**

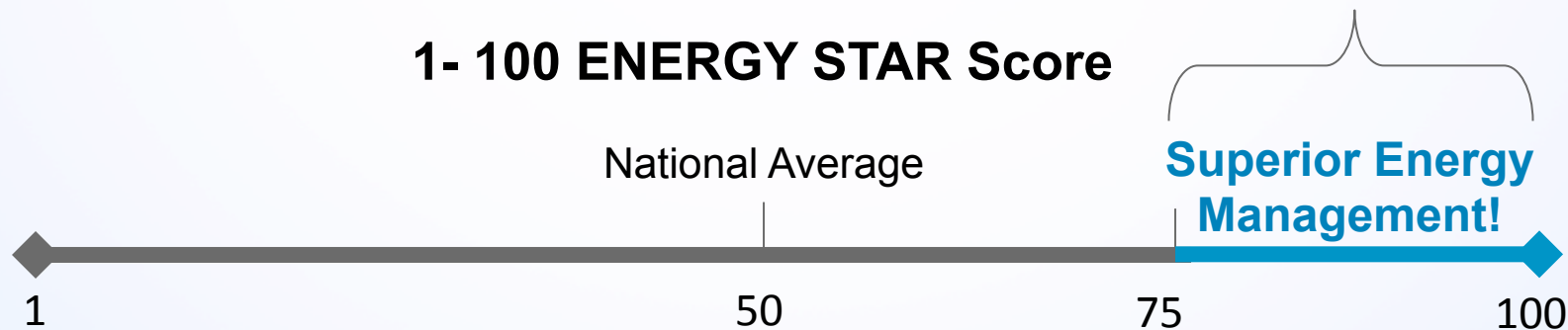
→ Target date is August 26, 2018

Learn more at www.energystar.gov/scoreupdates

- Summary of changes
- Timeline of 2018 metric updates
- Guidance on how to prepare
- Links to FAQs
- Links to register for future EPA informational webinar on 6/20
- Slides from previous webinars
 - Embedded video of recorded first webinar
 - Links to six recorded sector-specific update webinars

ENERGY STAR certification for commercial buildings

- Building must be in the United States or territories
- Achieve an ENERGY STAR score of 75 or higher
- Apply for ENERGY STAR recognition via Portfolio Manager
- Application must be verified by a licensed professional
- Awarded based on the calendar year of application



New Rule - Apply by July 26 for 2018 Certification

- Applications submitted by July 26, 2018 will be assessed using currently available (pre-update) scores.
 - **Applications received before July 26, 2018** and which require no significant follow-up or changes, are guaranteed to be reviewed prior to the score changes, and are likely to earn certification.
 - **Applications received July 26 – August 26** are not guaranteed to be reviewed prior to the score changes.
 - If your application has errors which require a resubmitted application, your application will likely be evaluated using the updated score models. Properties need a score of at least 75 to be eligible for certification.
 - **Applications received after August 26** will be evaluated using the updated score models.
- EPA will not rescind prior ENERGY STAR certifications.



New application eligibility flexibility for buildings that earned the ENERGY STAR in 2017


- To aid in the transition to updated scores, EPA is making a one-time update to eligibility rules to allow everyone to apply before the score changes are implemented.
- EPA is updating the requirement to wait at least 11 months after the “Year Ending” date of your last approved application.
- **Policy for 2018 Only** – All buildings that earned 2017 ENERGY STAR certification are now eligible to apply for 2018 certification using a “**Year Ending Date**” of **April 30, 2018** or earlier.

2018 Certification “Year Ending Date”

2017 Certification “Year Ending Date”	Next eligible “Year Ending Date”
Sometime in 2016	12/31/2017
1/31/2017	12/31/2017
2/31/2017	1/31/2018
3/31/2017	2/28/2018
4/30/2017	3/31/2018
5/31/2017	4/30/2018
6/30/2017	4/30/2018
7/31/2017	4/30/2018
8/31/2017	4/30/2018
9/30/2017	4/30/2018
10/31/2017	4/30/2018
11/30/2017	4/30/2018
12/31/2017	4/30/2018

Find the “Year Ending Date” on Your Application


OMB No. 2060-0347

 **ENERGY STAR® Application for Certification**
LEARN MORE AT energystar.gov

87
ENERGY STAR®
Score¹

Office - Test Application
Registry Name: Office - Test Application
Property Type: Office
Gross Floor Area (ft²): 128,600
Built: 1992
For Year Ending: 04/30/2016²
Date Application Becomes Ineligible: 08/28/2016

1. The ENERGY STAR Score is based on total source energy. A score of 75 is the minimum to be eligible for the ENERGY STAR.
2. Applications must be submitted to EPA within 120 days of the Year Ending Date. The award is not final until approval is received from EPA.

 Please use the [Licensed Professional's Guide to the ENERGY STAR® for Commercial Buildings](http://www.energystar.gov/pguide) for reference in completing this checklist (<http://www.energystar.gov/pguide>).

Property & Contact Information

Property Address	Property Owner	Primary Contact
Office - Test Application 37 Example Street Washington, District of Columbia (D.C.) 20007	ICF International 9300 Lee Highway Fairfax, VA 22031 () -	John Smith 37 Example Street Arlington, VA 22201 703-732-2067 jon.gimber@icf.com

Property ID: 3625620

1. Review of Whole Property Characteristics

Basic Property Information

1) Property Name for Registry: Office - Test Application ☐ Yes ☐ No
Is this the official name to be displayed in the [Registry of ENERGY STAR Certified Buildings and Plants](#)?
If "No", please specify: _____

2) Property Type: Office ☐ Yes ☐ No
Is this an accurate description of the primary use of this property?

EPA Form 5900-197 Page 1 of 9 Tracking Number: APP-20160727-1-3625620
Generated On: 07/27/2016

87
ENERGY STAR®
Score¹

Office - Test Application
Registry Name: Office - Test Application
Property Type: Office
Gross Floor Area (ft²): 128,600
Built: 1992
For Year Ending: 04/30/2016²
Date Application Becomes Ineligible: 08/28/2016

Check your account for application eligibility

The screenshot displays the 'MyPortfolio' dashboard with tabs for Sharing, Reporting, Recognition, Admin, and Processing. A green notification bar at the top states 'Office Tower has been updated.' Below this, the 'Office Tower' property is listed with its address (123 Main Street, Arlington, VA 22206), Portfolio Manager Property ID (6362315), and Year Built (1975). An 'Edit' link is provided. A red circle highlights the 'Apply for ENERGY STAR Certification' button, which includes the ENERGY STAR logo. To the right, a box displays the 'ENERGY STAR Score (1-100)' with a 'Current Score' of 77 and a 'Baseline Score' of 42.

ENERGY STAR Score (1-100)
Current Score: 77
Baseline Score: 42

Example timeline for preparing & submitting application

- April 30 – year end date
- June 15 – receive energy bills for April 2018
- June 18 – enter energy bills and review application
- June 25 – conduct site visit, LP verify data, edit data as necessary
- June 26 – final edits to application
- June 29 – obtain signatures of LP and building owner/manager
- July 2 – upload and submit application
- July 16 – about 2 weeks after submission, EPA review complete, if no issues, application approved

Example 1 – Early submittal, no issues with the application

- July 2 - submit application
- EPA review time is likely 2 – 3 weeks
- July 16 – review complete, no issues found, application approved
- Property earns 2018 certification with pre-update score

Example 2 – Early submittal, issues with the application

- July 10 – submit application
- EPA review time is likely 2 – 3 weeks
- July 26 – review complete, several issues found, EPA emails applicant
- July 31 – applicant responds
- August 7 – second review finds an unresolved question, EPA emails applicant
- August 10 – applicant responds, realizes revised application is needed
- August 16 – EPA resets application
- Applicant needs to correct errors, obtain signatures again, and resubmit
- August 21 – application resubmitted
- If all issues are resolved with the resubmission, the application would be approved with pre-update metrics. If additional revisions are required, based on this timeline, those would likely happen after August 26, and thus the application would be evaluated with the new metrics. Properties need to have a score above 75 to be eligible for certification.

Example 3 – On-time* submittal, issues with the application

- July 26 – application submitted
- EPA review time is likely 2 – 3 weeks
- August 10 – review complete, issues found, EPA emails applicant with follow-up questions
- August 14 – applicant responds
- EPA second review may take 1 – 2 weeks, and additional clarifications may be required
- Application may or may not be approved with pre-update score, depending on if a resubmitted application is required

*on-time means application submitted by July 26

Example 4 – Late submittal, no issues with the application

- August 23 - Submit application for an office with score of 85
- EPA review time is likely 2 – 3 weeks
- August 26 – metric updates take effect, score drops to 73
- September 13 – EPA review complete, no issues found, the original submitted application is still valid because no revisions to the application were required
- Property earns 2018 certification with pre-updated metrics

Example 5 – Late submittal, issues with the application

- August 10 - submit application
- EPA review time is likely 2 – 3 weeks
- August 26 – metric updates, EPA review may or may not be complete
- If review is complete before August 26, application evaluated under pre-update score
- If review is complete after August 26, application will be evaluated under post-update metrics, and may no longer qualify if score drops below 75

FAQs

- How is the July 26 deadline different from the normal November 15 deadline?
- My April bills came in late and I can't meet the July 26 deadline, what should I do?
- Why can't all applications submitted before August 26 be evaluated with the current models?
- How will I know what EPA's average application review time is?

Q: How is the July 26 deadline different from the normal November 15 deadline?

A:

- **July 26** is the deadline for 2018 certifications using the existing scores
- **November 15** is the deadline for all 2018 certifications
- Applications submitted **between July 26 – August 25** are not guaranteed to be reviewed prior to the score changes, and may be evaluated using the post-update score models
- Applications received **between August 26 – November 15** will be evaluated using the post-update score models
- The deadline for 2018 certifications is November 15, 2018
- Applications submitted after November 15, 2018 will be considered for 2019 certification

Q: My April bills came in late and I can't meet the July 26 deadline, what should I do?

A:

- Prepare your application for a quicker review by the LP
 - Enter all bills for other months
 - Double check your basic property information, document how you collected data such as number of occupants, number of computers
- Use the notes field to explain unusual data
- Ask your property manager in advance for a fast turnaround time on signing the application
- Submit your application as soon as you can

Q: Why can't all applications submitted before August 26 be evaluated with the current models?

A:

- After August 26 the application module with pre-update score data will no longer be available, not even to EPA
- Thus, if a submitted application has not been approved, and a resubmission is required after August 26 to correct errors, EPA will only be able to assess it with post-update metrics. If the property's score drops below 75, it will no longer be eligible for certification.

Q: How will I know what EPA's average application review time is?

A:

- Before July 1, EPA's timeframe to review submitted applications will be about 4 business days
- After July 1, processing times will likely be longer, about 2 – 3 weeks due to the volume of anticipated applications and a growing backlog. The amount of time is subject to change and will be dependent on the volume of submitted applications.
- You can check the status of your application in Portfolio Manager

Tips to speed application submission while maintaining quality

- Prepare your application for a quicker review by the LP
 - Enter all bills for all months that you have data for now
 - Double check your basic property information, document how you collected data such as number of occupants, number of computers
- Use the notes field to explain any unusual data
- Run the data quality checker
- Conduct the site visit in June, if you haven't already
- Schedule time for the LP to conduct the final review of the application, 1 week after you anticipate receiving your April bills
- “Re-use” a site visit from 2017, if applicable
- Ask your property manager in advance for a fast turnaround time on signing the application

Site Visit Clarifications

- Who can perform the site visit
- Timing of site visit
- Frequency of site visit

Who Can Perform the Site Visit

- Licensed Professionals: either Professional Engineers or Registered Architects
- Another individual under the supervision of the LP. This person is allowed to work for the company that is applying for certification.
- The LP is held solely responsible by EPA for any errors in an application, regardless of who conducted the site visit

Timing of Site Visits

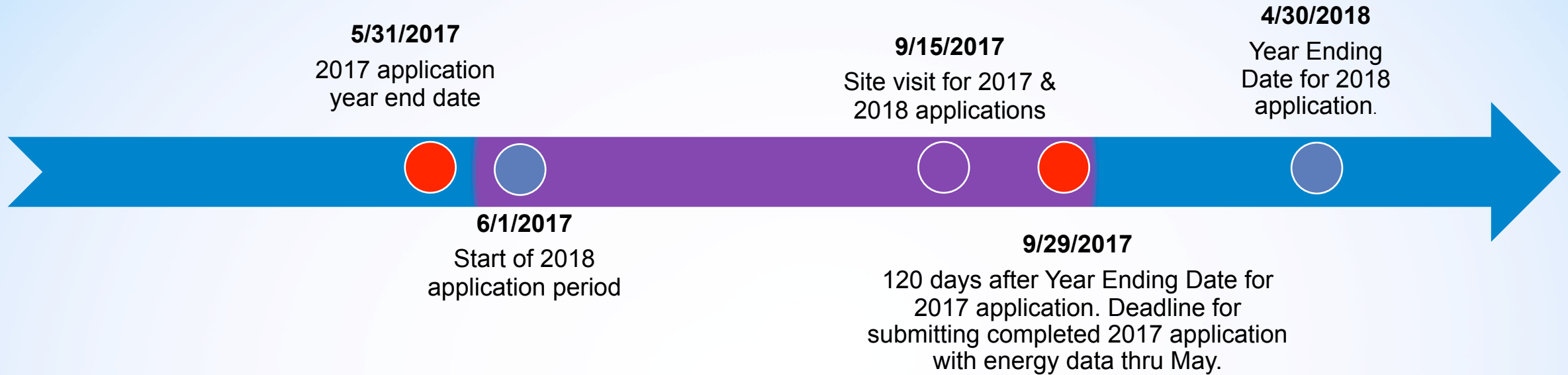
Site visits may take place:

- anytime within the 12-month application period, or
- within 120 days following the year ending date.

The purpose of site visits is to verify conditions during the application period, so it is fine for a site visit to be conducted at any point during the application period.

If the site visit is done prior to the end of the period, the LP is still responsible for ensuring that the data entered in Portfolio Manager and the energy data is correct for the entire period, as operational data may have changed since the site visit.

Frequency of Site Visits



- One site visit can be performed for two consecutive application years, as long as the date of the site visit meets the requirements for both certification years (meaning the site visit occurs within the 120 days after the first certification year, and within the 12-month application period for the second certification).
- As the example above shows, a building that earned 2017 ENERGY STAR certification for the 12 months ending May 2017 with a site visit on September 15, 2017 can “re-use” that site visit as long as the 2018 application year includes the month of September 2017.
- The LP is still responsible for verifying that nothing has changed in terms of the operations, confirming that data entered into Portfolio Manager is accurate, and verifying energy bills.

Tips for Applying

- Review alerts in application
- Use the notes field in your application to describe unusual values
- If you have questions
 - Review posted FAQs
 - Submit questions to help desk

Key takeaways

- Apply for 2018 certification as early as possible, by July 26
- Start preparing your application now so you are ready to apply when you receive your April energy data
- If an application is submitted after July 26, EPA cannot guarantee it will be reviewed before August 26
- Applications submitted after July 26 but not approved by August 26 will not be eligible for certification if resubmission is required, and the score then drops below 75
- Try to submit an application without errors to ensure a faster **review** (search the FAQs, submit a question to the help desk, use Notes field in application to explain unusual data)

Upcoming Webinars

Date	Webinar
Tuesday, June 5, 1:00 pm EDT	What you should know about financing energy efficiency upgrades
Wednesday, June 6, 1:00 pm EDT	Engaging commercial tenants and occupants in energy efficiency
Wednesday, June 20, 1:00 pm EDT	Preparing for EPA's ENERGY STAR metric updates
Tuesday, June 26, 1:00 pm EDT	Portfolio Manager web services: August 2018 schema changes
Wednesday, June 27, 1:00 pm EDT	Success stories on energy efficiency competitions

Register at <https://esbuildings.webex.com/>

Questions and Discussion

Learn more at www.energystar.gov/scoreupdates