

Seattle's Building Emissions Performance Standard (BEPS) Rulemaking

Technical Rulemaking Workgroup – Meeting #8

April 10, 2025



Seattle
Office of Sustainability
& Environment

Welcome & Recap



Seattle
Office of Sustainability
& Environment

Agenda

- **Welcome + Recap** (15 minutes)
 - Permission to record
- **Select Outcomes of Technical Rulemaking Work Group Discussions** (45 minutes)
- **Break** (5 minutes)
- **Open Discussion** (45 minutes)
- **Conclusion** (10 minutes)

Charter Agreements

- **Mutual respect** - All working group participants and facilitators are respectful of each other. Members will value each other's time, listen when people are speaking, and speak kindly to each other.
- **Open-mindedness** - Members are open to new ideas and perspectives, and do not disregard ideas they disagree with.
- **Equity** - All members are treated fairly, both by the facilitation team and by one another. Efforts are made to eliminate any real or perceived barriers to participation.
- **Be present** - You reserved the time to be here. Avoid outside distractions as much as possible but take care of your personal needs.
- **Accountability for Accuracy** - When sharing data and information make sure it is accurate and be prepared to provide a credible reference.
- **Chatham House Rule** - Participants are free to use the information received in meetings but should not identify the speaker or their affiliation.

Last meeting we discussed...

- Overview of decarbonization plans
- Eligibility criteria for net-zero & low emissions plans
 - Defining “low emissions”, “infeasible in low-income multifamily” and “no practicable low and/or zero GHG alternatives on market for a necessary function”
- Research updates on multifamily normalization factors

OSE met with low-income housing reps on March 25th



This is our last meeting!

What's next for BEPS rulemaking?

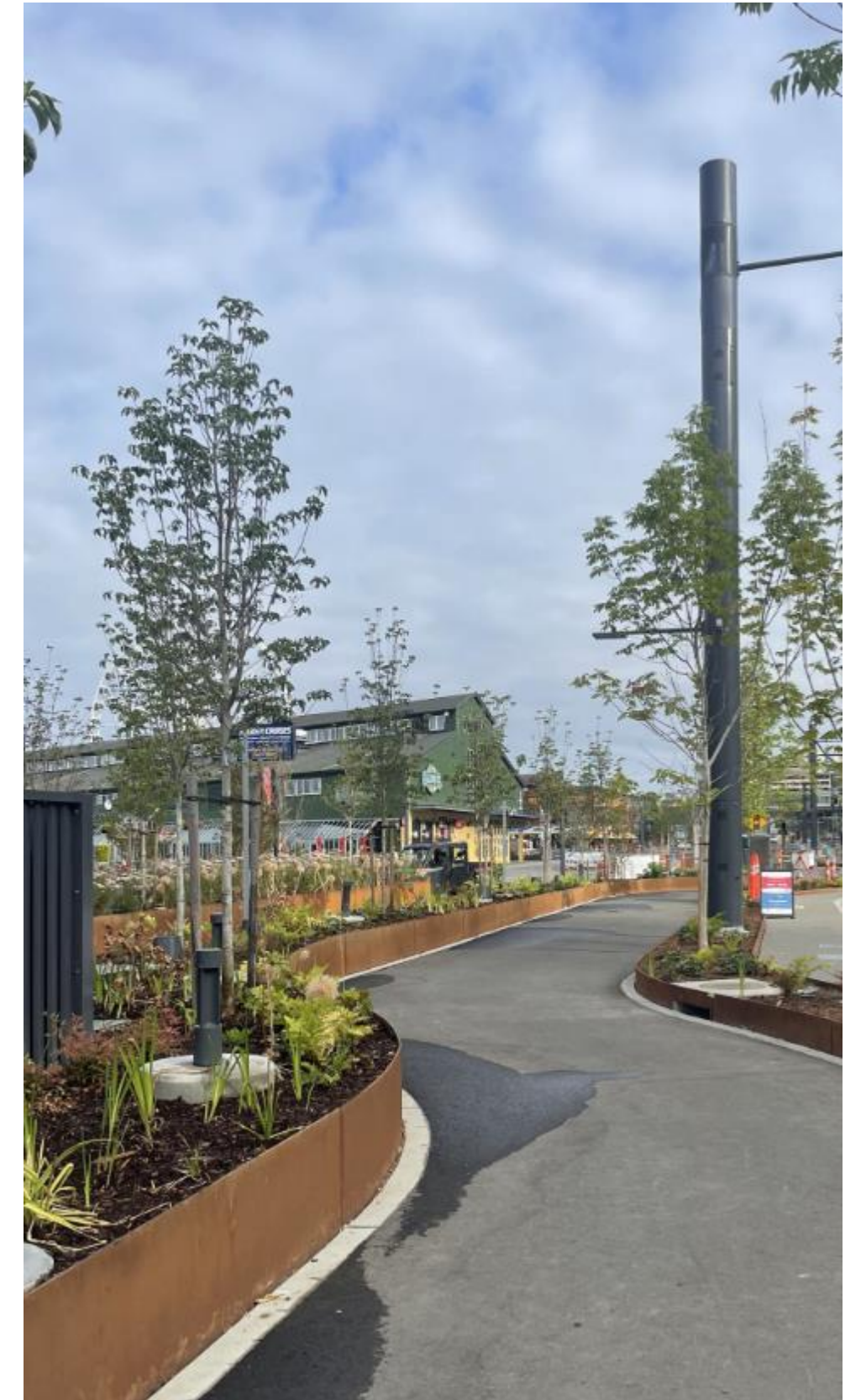
- **Public webinars**

- *Tuesday, May 8:* Policy Background, Benchmarking Verification, Compliance with One Building, End Use Deductions
- *Thursday, May 22:* Extensions, Aggregate GHGIT, Alternate GHGIT, Alternative Compliance Payment, Multifamily Prescriptive Path, Decarbonization Plans, Penalties/Enforcement

- **Public Comment Period**

- Three-week public comment period pending in June

- **Future Rule by 12/31/27** (Lab target and emissions factors)



What's next for this group?

Thank you for your participation! Please...

- Encourage your organizations to participate in public comment period
- Let us know if you are interested in future opportunities to review technical guidance, reporting tools, or other BEPS materials
- Share your feedback by **filling out this [survey](#)**



Technical Support & Funding!

- **Grants** - Up to \$4.5M for engineering design and/or implementation! Affordable housing and nonprofits are prioritized. **Application opening soon!**
- **Multifamily group training** for BEPS and CBPS compliance starts April 29.
- **Contact Amy Fowler** - amy.fowler@seattle.gov

Reminder: 40% of future revenue from payments or penalties will be prioritized towards buildings serving people with low or no incomes and communities harmed by racial or climate injustice.



LIHI's Denny Park and SHA's Jefferson Terrace and Lake City Court were among the funded buildings in 2024.

Select Outcomes of Technical Rulemaking Workgroup Discussions

Note: *This summary presents a selection of BEPS draft rule proposals informed by feedback from the technical workgroup and several focused meetings. These proposals may be updated or changed pending on-going stakeholder reviews, as well as the forthcoming official public comment period in planning for June 2025*



Seattle
Office of Sustainability
& Environment

Select Outcomes of Technical Rulemaking Workgroup Discussions

- Adding building activity types
- Normalization factors
- Handling all-electric buildings
- Verifying building gross floor area
- Site visits for benchmarking verification
- Extension for high rental vacancy
- Extension for change of owner
- Defining “low emissions”

Q: Add more building activity types (BATs)?

What we discussed...

- Three additional building types were recommended by stakeholders: **data center, medical office, and museum**
- These types had enough reported energy benchmarking data and distinct energy usage to warrant their own targets
- Strong support among working group for adding these BATs to the rule



Q: Add more building activity types (BATs)?

What we discussed...

- Three additional building types were recommended by stakeholders: **data center, medical office, and museum**
- These types had enough reported energy benchmarking data and distinct energy usage to warrant their own targets
- Strong support among working group for adding these BATs to the rule



A: Yes - Add 3 BATS

Proposal for Rule

- Add data center, medical office, and museum to list of building activity types
- No changes to other targets

Reminder: 2036 and later “provisional targets” may be revised by rule.

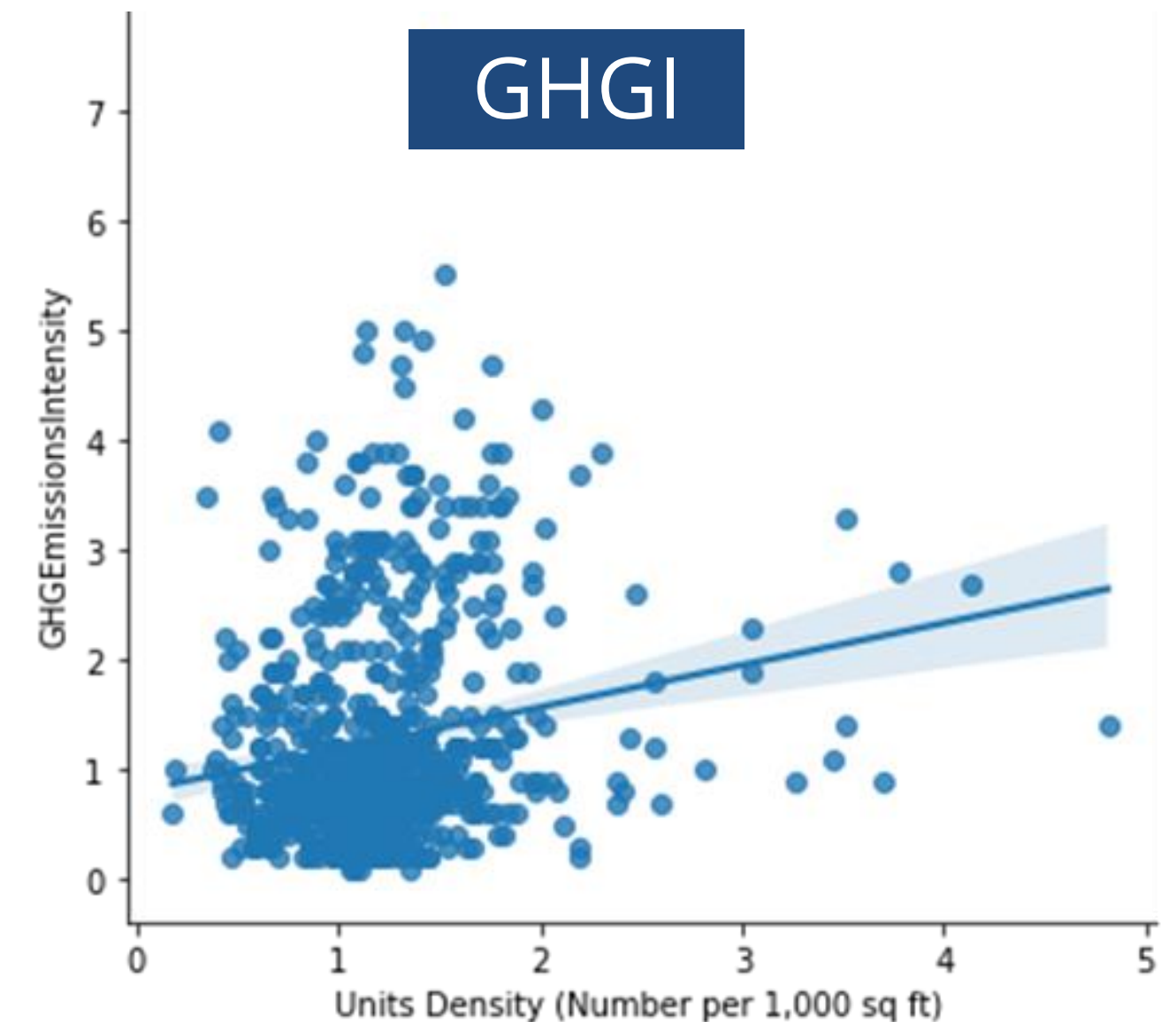
Building Activity Type	2031 - 2035	2036 - 2040 ¹	2041 - 2045 ^{1, 2}	2046 - 2050 ^{1, 3}
College/University	2.69	1.57	0	0
Data Center	1.43	0.83	0	0
Entertainment/ Public Assembly	1.18	0.69	0	0
Fire/Police Station	2.23	1.30	0	0
Hospital	4.68	2.73	0	0
Hotel	2.06	1.20	0	0
K-12 School	0.95	0.56	0	0
Laboratory	6.30	3.68	0	0
Medical Office	2.11	1.23	0	0
Multifamily Housing	0.89	0.63	0.37	0
Museum	2.11	1.23	0	0
Non-Refrigerated Warehouse	0.77	0.45	0	0

Q: Add Normalization Factors?

What we discussed...

Pacific Northwest National Laboratory (PNNL) and SBW data analyses:

- PNNL could not find reliable factor for occupancy density (units/1000 ft²).
 - Results showed buildings with gas that are subsidized low-income housing have a higher GHGI than non-subsidized
- SBW found that GHGI for mid-rise buildings is lower than low- and high-rise buildings

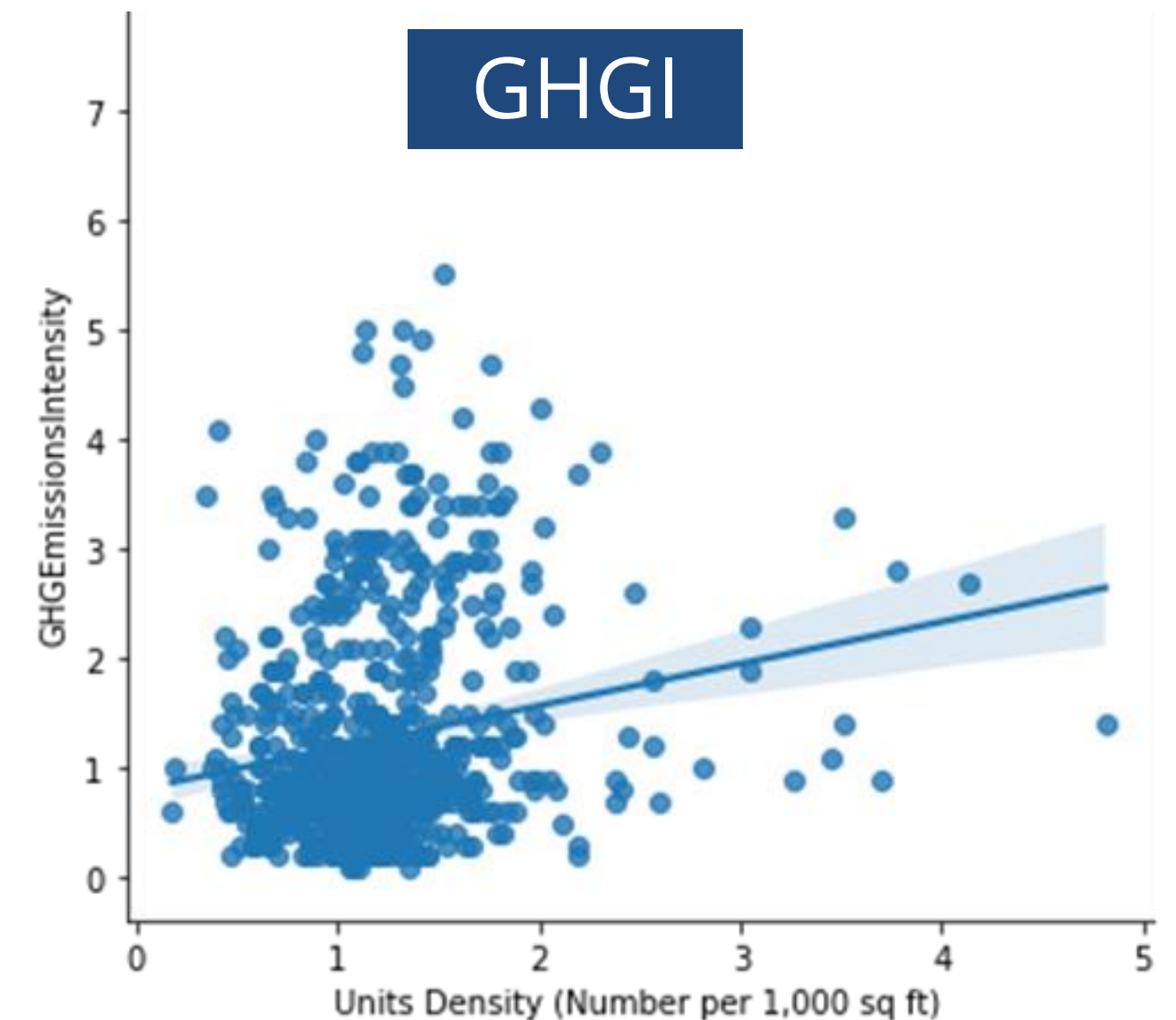


Q: Add Normalization Factors?

What we discussed...

Pacific Northwest National Laboratory (PNNL) and SBW data analyses:

- PNNL could not find reliable factor for occupancy density (units/1000 ft²).
 - Results showed buildings with gas that are subsidized low-income housing have a higher GHGI than non-subsidized
- SBW found that GHGI for mid-rise buildings is lower than low- and high-rise buildings



A: Don't add Normalization Factors Now

Proposal for Rule

- Do not adopt a multifamily (or NR) factor in Rule now.
- OSE may revisit MF after verified benchmarking data is available.
- *2036 and later “provisional targets” may be revised by rule.*

Rationale

- Technical Workgroup consensus to not adopt nonresidential (NR) normalization factor.
- No consensus about multifamily factor.
- MF normalization factor research is inconclusive - doesn't justify adding as another flexibility measure.
 - PNNL and SBW did not find strong correlations.
 - No other BPS jurisdictions use normalization factors.
- Normalization factor does not change net-zero goal.
 - Only makes incremental targets less stringent (higher) for some buildings and more stringent (lower) for others.

A: Don't add Normalization Factors Now

Proposal for Rule

- Do not adopt a multifamily (or NR) factor in Rule now.
- OSE may revisit MF after verified benchmarking data is available.
- *2036 and later “provisional targets” may be revised by rule.*

Rationale

- Technical Workgroup consensus to not adopt nonresidential (NR) normalization factor.
- No consensus about multifamily factor.
- MF normalization factor research is inconclusive - doesn't justify adding as another flexibility measure.
 - PNNL and SBW did not find strong correlations.
 - No other BPS jurisdictions use normalization factors.
- Normalization factor does not change net-zero goal.
 - Only makes incremental targets less stringent (higher) for some buildings and more stringent (lower) for others.

Q & A: Handling All-Electric Buildings in Building Portfolios

Proposal for Rule

Building owners can choose between two options for managing all-electric buildings in multi-building reporting:

Option 1: Take All-Electric Building Exemption

- Buildings that are verified as using only electric energy are exempt from GHGIT requirements & GHG reporting
 - Assumed to meet GHGIT because of low emissions factor for electricity
- Exempted all-electric buildings cannot be included in aggregate GHGIT

Option 2: Include in Multi-Building Report (Don't take all-electric building exemption)

- Building owners have the option to include all-electric buildings in their multi-building report aggregate GHGIT
- If all-electric buildings are included, they must:
 - a) Meet all GHG/GHGIT reporting requirements
 - b) Use electric emissions factor set in ordinance

Q & A: Verifying Building Gross Floor Area

What we discussed...

Accurate GFA is critical for calculating GHGI, GHGIs, ACP, and penalties.

Proposal for Rule

When will GFA documentation be required?

- OSE seeks to minimize reporting burden – will not require for all reports.
- Only require GFA documentation if Qualified Person finds that the GFA is +/- 10% different than OSE's records. Or if data validation errors are found by OSE.

Objective:

- GFA from initial benchmarking verification is the BEPS official record for future compliance (unless a change is later verified).

King County Assessor (KCA) Data Notes

- KCA records have some data accuracy issues
- Per Ordinance: If a verified benchmarking report has not been submitted, the BEPS fine is based KCA's property detail GFA

Q & A: Acceptable sources for validating building GFA?

Proposal for Rule

If **GFA documentation is required**, multiple data sources will be allowed to maximize flexibility:

- **BOMA Floor Measurement Standard** or **International Property Measurement Standards (IPMS)**, with architectural drawings, plats, or site surveys as required by the standards
- **Architectural drawings** that are dimensioned or have a scale bar
- **Survey documents** with actual building measurement
- **Onsite measurement** or drawings calibrated with onsite measurement
- **King County Assessor** property detail record for “building gross square feet”
- Other documentation that clearly **aligns with ENERGY STAR Portfolio Manager** definition of how to measure GFA

Clarifying Questions?



Seattle
Office of Sustainability
& Environment

Q: Require Site Visits by Qualified Providers?

What we discussed...

Should site visits be required for benchmarking verification?

Pros

- **Aligns with industry standards** – ENERGY STAR Certification requires on site-visits by a licensed provider
- **Increases understanding** of building footprint, space uses, occupants, etc.
- **Mitigates inaccurate reports** by non-local service providers who tend to exclude fuel sources and meters
- Supports local **workforce development**

Cons

- **May add cost** to verification
- **May reduce the pool** of qualified persons by requiring local presence

Also... OSE is not aware of other BPS cities requiring site visits

A: Site Visits Not Required Unless...

Proposal for Rule

OSE will only require a site visit if it is needed to verify compliance or accuracy of the Benchmarking Verification or GHG Report as part of enforcement for accurate reporting.

Rationale

- Working group members recognized some benefits to site visits
- Agreed that requiring site visits for all buildings for each interval would be overly burdensome and costly
- Proposed alternatives:
 - Site visits only required if major changes
 - Buildings flagged for unusual data
 - Random selection process
 - Educational approach

Q: Extension for High Rental Vacancy %?

What we discussed...

How should OSE define high rental vacancy percent (%) and what documentation can prove it?

- Physically vacant space isn't leased, typically doesn't have equipment for tenant/business needs (except for showing or abandoned by prior tenant), and the lighting and mechanical systems may be shut down
 - Spaces in buildings where tenants primarily work from home are not considered vacant
- Commercial vacancy is currently high (average between 15-30% depending on data source) – What % makes sense for Rule?
- Consider a vacancy definition that captures all scenarios (e.g., free or subsidized rent to activate ground floor retail downtown)

A: Extension for High Rental Vacancy

Proposal for Rule

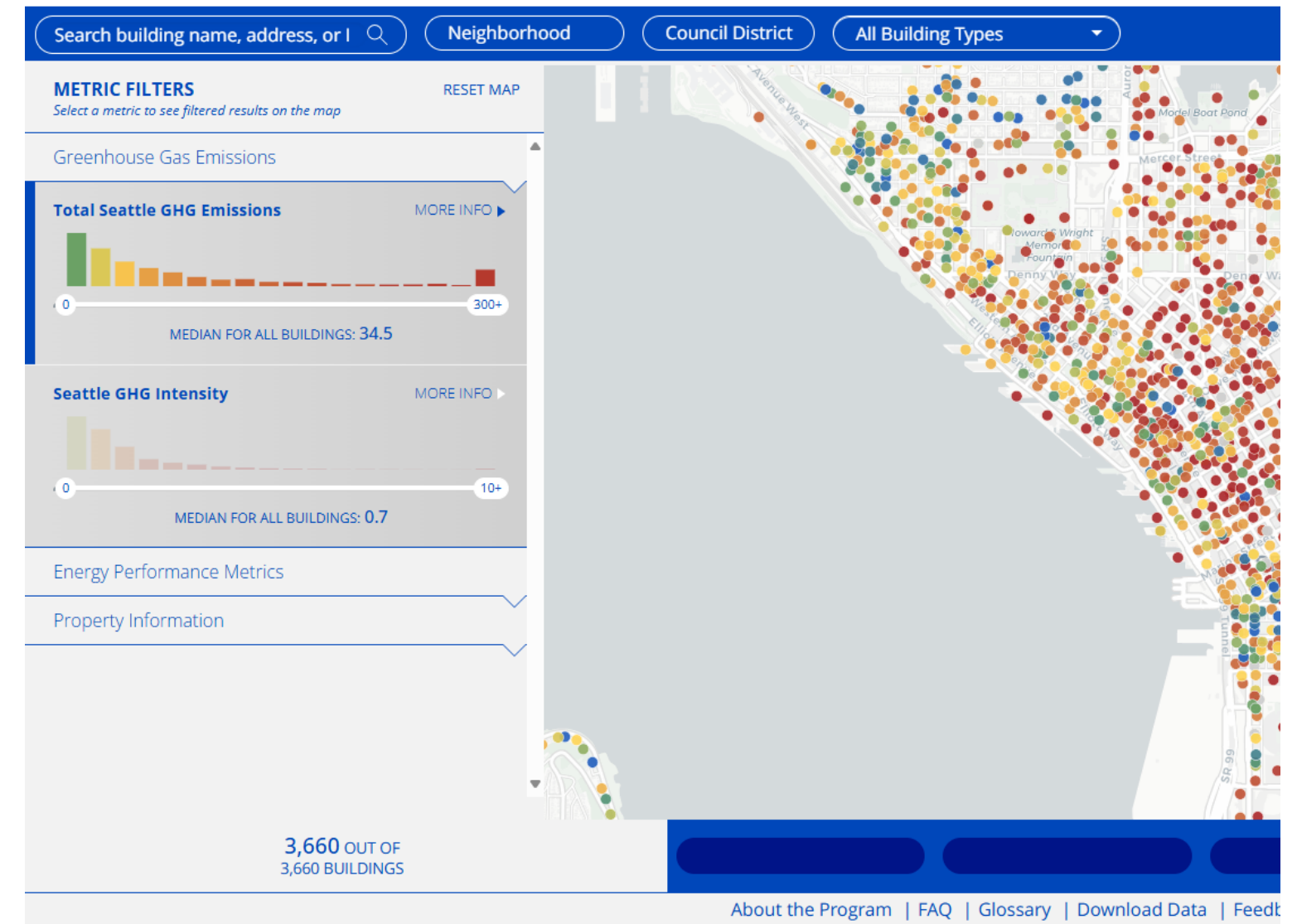
- 1. Percent vacancy threshold** will be set between **30-40%**
 1. Specific % proposal to be included in draft Rule
 2. The draft rule will clarify that commercial spaces leased free of charge can be included in a building's calculation of vacant space
 3. Vacancy will not include sub-leased spaces.
- 2. Vacancy can be documented** by submitting rent rolls, lease records, or other owner-supplied verifiable documentation that clearly demonstrates the building meets the vacancy threshold.

Q: Extension for Change of Ownership?

What we discussed...

Should OSE add a one-year BEPS extension for change of ownership?

- What we heard:
 - Yes, but some jurisdictions require sellers to notify purchasers of the building's compliance status
- What we can/can't do:
 - A seller-to-buyer disclosure requirement would require an ordinance change – can't be done by Rule
 - The **Seattle Benchmarking Map** allows visibility into building performance



www.seattle.gov/energybenchmarkingmap

A: Extension for Change of Ownership

Proposal for Rule

A covered building with **a date of purchase that is within one year of the compliance deadline** is eligible for **a one-year extension** from all BEPS requirements (Benchmarking Verification, GHG Report, and meeting the GHGIT).



Q: Definition of “Low Emissions” for Low Emissions Decarbonization Compliance Plans

What we discussed...

Should “low emissions” be defined and how so?

- 1. A target can help clarify timeline and goal**
 - a) Plan required before 2031-2035.
 - b) Buildings must meet specified low emissions threshold by 2050 (20 years).
 - c) Buildings are expected to meet interim custom targets in earlier compliance cycles.
- 2. Align on a percentage as the “last mile” for emissions reductions (e.g., 90% reduction from baseline)**
 - a) Are there potential exceptions to handle administratively?

A: Defining “Low Emissions”

Proposal for Rule

For the **low-emissions decarbonization plan**, owners’ Qualified Person must submit a plan that maps a path to achieve a 90% reduction in building emissions by 2050 from the baseline.

- If there are barriers to 90%, identify what needs to change before 2050 to remove the barrier (e.g., funding source, technology not yet available, historic variance required.)
- **Objective: Encourage emissions reduction potential**, while recognizing that **extenuating circumstances** may be insurmountable.
- **OSE may approve the initial plan** (e.g., if barrier can never be removed) or **provide conditional approval** for less than 90% pending future updates to the plan.

Eligible Extenuating Circumstances for Low-Emissions Plan
Concurrent substantial alteration
No practicable low and/or zero GHG emissions alternatives on market
Historic landmark building
Structural or electrical capacity upgrade barrier
When upgrades necessary to meet net-zero emissions in a low-income housing multifamily building are infeasible.
Analysis demonstrates meeting net-zero would create financial distress

An aerial photograph of Seattle, Washington, showing the city skyline, the waterfront, and the Space Needle. The word "Break" is overlaid in the center.

Break



Seattle
Office of Sustainability
& Environment

Open Discussion



Seattle
Office of Sustainability
& Environment

Conclusion

- We will share a meeting summary to ensure notes are accurate
- Questions or comments? Email cleanbuildings@seattle.gov

THANK YOU!



Seattle
Office of Sustainability
& Environment