

City of Ann Arbor

# COMMERCIAL BENCHMARKING & TRANSPARENCY

*Empowering Ann Arbor with the data they need*



# Why benchmarking?

Buildings are the single-largest user of energy in the United States and account for over two-thirds of total greenhouse gas emissions in Ann Arbor. When we make our buildings more energy efficient, owners and tenants can save money on utilities, business can reduce operating costs, and we can all reduce the pollution that threatens our air and climate. To gain these benefits at scale, we need to know how energy efficient our buildings are and share that information with the community. That's where a benchmarking and transparency policy comes in.

In June 2020, City Council unanimously adopted the A<sup>2</sup>ZERO Living Climate Action Plan to reach community-wide carbon neutrality by 2030. The plan addresses decarbonizing buildings and securing renewable energy sources, but energy efficiency also plays a crucial role. Strategy 3 of the A<sup>2</sup>ZERO Plan focuses on significantly improving the energy efficiency of our buildings, specifically through community-wide benchmarking and transparency to make sure decision makers have the data and information they need to start making improvements.

**BENCHMARKING** means tracking the energy and water use in our buildings. This gives building owners the information they need to become more energy efficient, compare their energy use to similar buildings, and track their progress over time.

**TRANSPARENCY** means reporting benchmarking information to the city, which is then shared with the community. Similar to miles-per-gallon ratings on cars, this fills an information gap in the market, improving consumer choice rewarding energy efficiency in buildings.

## Who benefits?

**RENTERS AND BUSINESS OWNERS** can use benchmarking information to make choices that help them save on monthly energy bills



**BUILDING OWNERS** can improve the value of their properties by improving energy efficiency



**BUSINESSES AND WORKERS** trained in energy efficiency improvements, electrical work, and engineering



**UTILITIES** that can use the data to target energy efficiency programs and provide better customer services



**EVERYONE** will benefit from cleaner air, reduced greenhouse gas emissions, and healthier, more comfortable buildings



## It works!

30% of energy in buildings is used inefficiently or unnecessarily



The most energy-inefficient buildings use **3 to 7 times** more energy than the most efficient buildings, representing a huge opportunity for investment and resulting savings

Buildings that benchmarked consistently saved, on average, 7% energy use over a 3-year period. For a 500,000 sq ft office building, this could result in cumulative energy cost savings of **\$120,000**



For more information visit [a2gov.org/sustainability](http://a2gov.org/sustainability)



# Benchmarking Process

Local Jurisdiction

**BENCHMARKING:** On-going review of building energy performance compared to itself as well as other buildings of similar size

Tenants

Provides space use data

Building Owner/ Manager

Utilities

Provides whole building data

Submits data to local jurisdiction



- Fast and easy process, takes 4 - 8 hours once a year
- Free and web-based tool, no out of pocket costs to comply

Local Jurisdiction Data Management System

**REPORTING:** Submitting a building's energy and water use to the City annually

Performance Metrics and Report

Individualized and actionable info

Building Owner/ Manager

Identify underperformers in your portfolio and set priorities for staff time and investment capital

Public Website

Public

**TRANSPARENCY:** Public disclosure of specific pieces of benchmarking data