Below we list 10 “Lessons from the Field.” These are taken from both successful and unsuccessful BER&D efforts, highlighting strategic and technical issues that have the potential to make the difference between adoption and rejection of BER&D policies. By understanding these lessons—the value of political leadership, the effect of bundling commercial and residential requirements together, the benefits of effective stakeholder engagement, legitimate concerns regarding rating systems (and the preparation of responses to these concerns) and the impacts on market transactions and consumer costs—proponents are more likely realize the promise of BER&D policies.

BER&D “Lessons from the Field”

Lesson 1: LAY THE POLICY GROUNDWORK
High-level policy reports played an important role in laying the groundwork for BER&D legislation

Lesson 2: KNOW YOUR BUILDING STOCK
Knowing your building stock provides vital insight that can help to define BER&D policies and implementation rules.

Lesson 3: PACKAGE LAWS APPROPRIATELY
Bundling laws can be a double edged sword.

Lesson 4: IF YOU CAN’T MANDATE, LEAD
If passing BER&D policies through legislation is not possible now, there are likely other options that can prepare the terrain for future efforts.

Lesson 5: ENGAGE LOCAL UTILITIES FROM DAY ONE
Involving utilities early in developing BER&D can help to boost compliance and effectiveness down the line.

Lesson 6: TRAIN RATERS IN TRUSTED RATING SYSTEMS
Market actors must believe that ratings accurately reflect the relative performance of homes or buildings, and trust that these ratings have been produced honestly.

Lesson 7: APPLY CLEAR MESSAGING TOOLS
The information disclosed in a rating or audit report, must be clearly and easily understood by the average consumer.

Lesson 8: ENSURE TIMELY (EARLY) DISCLOSURE
For triggered disclosure policies, such as time of sale, ratings should be available early in the process, and ideally in all advertising through tools such as the local MLS.

Lesson 9: WALK CAREFULLY ON ENFORCEMENT (BUT CARRY A STICK)
Rating and disclosure rely on high compliance rates to be effective. A combo of strong incentives, credible enforcement and dissuasive penalties are essential for success.

Lesson 10: LINK RATING RESULTS TO ACTION
BER&D laws are an important tool for promoting cost-effective energy savings in buildings, but are only a means to an end.

Example Policies from the Region:
- Berkeley, CA (2015) Building Energy Saving Ordinance
- Cambridge, MA (2014) Building Energy Usage Disclosure Ordinance
- Montgomery County, MD (2014) Energy Use Benchmarking Ordinance
- Minneapolis, MN (2012) Benchmarking and Disclosing Energy and Air Pollution
- Seattle, WA (2010) Commercial and Multi-family Building Rating and Benchmarking
- New York, NY (2009) Local Law 84 (LL84)
- Burlington, VT (1997) Residential Rental Housing Time of Sale Ordinance

Download NEEP’s BER&D reports online at http://neep.org/public-policy/building-energy-codes/building-energy-rating
For more information please contact: Carolyn Sarno, Senior Program Manager: High Performance Buildings—csarno@neep.org
Research suggests that labeling buildings with energy efficient or environmental design certifications, such as ENERGY STAR or LEED*, results in higher occupancy rates, rental rates, and sale values in the marketplace than comparable buildings - making a strong economic case for building energy rating and disclosure.

**Data from prominent studies indicates that labeled buildings can achieve:**

**HIGHER RENT:**
- ENERGY STAR-labeled buildings have rent premiums of $2.40/SF over their peers and 13 percent higher rental rates than the market average
- LEED buildings have rent premiums of $11.33/SF over their non-LEED peers

**HIGHER SALES VALUES:**
- ENERGY STAR buildings sell for an average of $61/SF more than their peers
- LEED buildings sell for an average of $171/SF more than their peers
- EPA data shows that $1 in energy efficiency can add up to $3 in asset value

**HIGHER OCCUPANCY:**
- ENERGY STAR-labeled buildings have a 3.6 percent higher occupancy rate than their peers

**INCREASED PRODUCTIVITY:**
- Tenants reported an average of 2.88 fewer sick days in their current ENERGY STAR or LEED office buildings versus their previous non-labeled offices, which translates into a net impact of nearly $5/SF occupied
- Tenants reported improved productivity, which translated into a net impact of about $20/SF occupied
- Tenants reported that healthy indoor environments positively impacted staff retention and client image

**GREATER ENERGY EFFICIENCY:**
- ENERGY STAR office buildings use about 40 percent less energy than average buildings—this means $0.50/SF per year in lower energy costs and average annual energy savings of $50,000

*While these programs have demonstrated positive results in the marketplace, NEEP advocates for a robust building energy rating system designed specifically to measure, benchmark, and disclose energy use. Green building rating systems alone do not always guarantee energy efficiency. Go to NEEP.org to find out more.*