

REAL ESTATE

ALERT

ARE YOU READY FOR PHILADELPHIA ENERGY BENCHMARKING BEGINNING OCTOBER 31

By: Philip L. Hinerman

On October 31, 2013, the first step of Philadelphia's building energy benchmarking begins and may require you to take action. Energy benchmarking is a method used to measure and compare the energy performances of buildings and provides a standard to compare the energy efficiency of similar buildings. This process is like the miles per gallon numbers used by car manufacturers.

Under the new law, any commercial building owner or manager with indoor floor space of 50,000 square feet or more, or any owner or manager of a mixed-use building where the commercial portion is at least 50,000 square feet, must register information regarding the use of utilities for the building. The requirements begin with the entry of information on EPA's EnergyStar Portfolio Manager System, an online tool available at www.energystar.gov/buildings.

The EnergyStar Portfolio Manager requires entry of information regarding the building's energy expenses, water

efficiency and carbon emissions. Building owners need to enter information from billings on energy meters and water meters. The Portfolio Manager will then calculate an EnergyStar rating for the building.

Philadelphia will create an information registry for all the buildings subject to the new ordinance. A prospective purchaser or lessee, upon request, may get a copy of the statement of Energy Performance generated by the Portfolio Manager. Also, the public will have access to the newly created database. The ordinance is intended to allow tenants, prospective purchasers, lessees and the public to compare the energy profiles of large buildings in the City.

Failure to comply with the ordinance is subject to a fine and penalties, calculated on a daily basis.

If you have any questions, please call Philip L. Hinerman of our [Real Estate Practice](#) at 215-299-2066.