



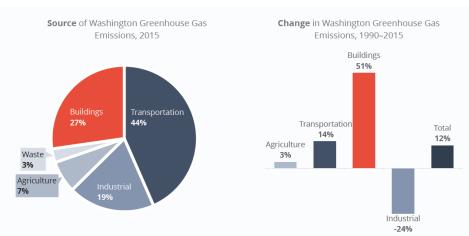
WASHINGTON CLEAN BUILDINGS ACT (HB 1257)

Overview

The Washington Clean Buildings Act was signed into law during the 2019 legislative session. The act establishes a first-of-its-kind standard that will improve the energy performance of thousands of large commercial buildings while lowering costs and pollution from fossil fuel consumption.

The act provides incentives and regulations that encourage greater energy efficiency in all aspects of new and existing buildings, including building design, energy efficiency standards, retrofit incentives, utility programs, and building codes.

The law was enacted because buildings account for 27 percent of Washington's greenhouse-gas emissions. They are the fastest growing and second largest source of emissions — up 50 percent since 1990 — and commercial buildings make up



Source: Clean Buildings Policy Brief, May 2019

approximately half of these emissions. Under the Clean Buildings Act, Washington will be the nation's leading state in commercial building energy requirements.

State Energy Performance Standard

The Washington Department of Commerce will develop and implement energy performance standards for large non-residential buildings over 50,000 square feet in stages. From 2021 to 2026, the standard will be used to administer a voluntary efficiency incentive program. Beginning in 2026, the standard will be implemented as a mandatory requirement.

All buildings will need to develop energy management plans, including creating energy benchmarking reports. The mandatory standard will require building owners to demonstrate that their buildings consume less energy than a specified energy use intensity (EUI) target or be in the process of reducing the buildings energy use intensity. An alternative compliance pathway is available for buildings unable to achieve the standard even after implementing all cost-effective measures.

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Early Adoption Incentive Program

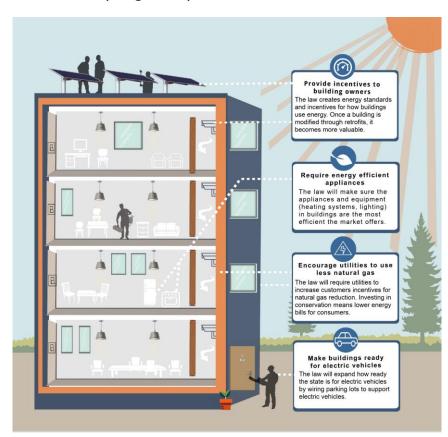
The Department of Commerce, in partnership with utilities, will administer a \$75 million early adoption incentive program for qualifying building retrofit projects. To qualify for an incentive, the building's baseline energy use must exceed its target by at least fifteen EUI units. The incentive is set at a rate of \$0.85 per gross square foot.

Natural Gas Conservation Standard & Programs

The act includes new natural gas conservation requirements to address the growing demand for gas to provide space and water heat for buildings. Utilities must also expand programs to make renewable natural gas, a cleaner alternative to fracked gas, available to customers who want to purchase it.

Electric Vehicle Infrastructure

The law directs the State Building Code Council to adopt rules by July 1, 2021 requiring all new buildings that provide on-site parking to provide electric vehicle charging infrastructure.



Source: Clean Buildings Policy Brief, May 2019

Rulemaking Process & Timeline

The Department of Commerce will host a series of stakeholder workshops during fall 2019 to gather input and technical advice on the development of the energy performance standard. Draft rules will be issued in spring 2020, final rules will be complete by November 2020, and incentives will become available by June 2021.

For more information and the latest updates, please visit the <u>Department of Commerce Clean Buildings website</u>. NEEC is actively participating in the rulemaking process, so please reach out at <u>info@neec.net</u> with any questions.

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