



City of San José Energy and Water Building Performance Ordinance (BPO)

BayREN Forum: The Confluence of Water, Energy, and Climate
March 2024



Environmental Services



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to improve our health, environment, and economy.



BPO Overview

- Building on [CA AB802](#), San José voted to adopt the BPO in December 2018.
- First compliance deadline was May 1, 2019.
- To develop the ordinance and collect stakeholder feedback, City staff convened a [task force](#) throughout 2018.
 - Over 100 individuals and over 50 organizations.
- Developing the BPO was partially made possible by a grant from the [City Energy Project](#), a joint initiative between the Natural Resources Defense Council and the Institute for Market Transformation.
- The BPO helps meet some of the goals set out in [Climate Smart San José](#) as well as the City's [Pathway to Carbon Neutrality by 2030](#) goal.



BPO Overview

- **BPO applies to:**
 - City-owned buildings that 15,000 square feet or more.
 - Privately-owned commercial and multi-family buildings that are 20,000 square feet or more.
 - Presently, about 2,050 San José buildings in total.
- **Annually by May 1st, buildings must:**
 - Submit 12 months of their previous calendar year's energy and water data to the City through the Environmental Protection Agency's (EPA) free online tool Energy Star Portfolio Manager (ESPM).
 - Pay a \$150 invoice.

What is Beyond Benchmarking?

- Starting in 2023, [Beyond Benchmarking](#) began...
- In annual cohorts, building owners are now required to demonstrate either:
 - Satisfactory building energy and water efficiency OR
 - Efficiency improvement projects, as specified by the Ordinance ([San José Code of Ordinances, Chapter 17.85](#)).
- Phased roll-out by cohorts 2023 through 2028.
 - Cohorts based on gross floor area (GFA) and last digit of the Assessor's Parcel Number (APN).
- An every 5-year requirement for buildings.

Beyond Benchmarking

- By demonstrating that a building meets key performance standards through prior-year benchmarking, the owner can complete the Performance Pathway.
- If a building is not able to meet these standards, the owner must complete the Improvement Pathway.
- Using a qualified licensed professional is necessary for both pathways.
- Energy and water are treated separately.





Performance Pathway Energy Standards

- Property is new and has been occupied for less than 5 years from its first compliance due date.
- Holds a LEED Existing Buildings Operations and Maintenance v4 Certification.
- Has achieved at least 1 of the following for at least 2 of the 3 years preceding its compliance due date:
 - Has received an Energy Star Score of 75 or greater;
 - Has improved its Energy Star Score by 15 points or more relative to its baseline year;
 - Has a weather normalized site Energy Use Intensity (EUI) that is 25% below the calculated mean for that property type;
 - Has reduced its EUI by at least 15% relative to its baseline year.



Performance Pathway Water Standards

- Property is new and has been occupied for less than 5 years from its first compliance due date.
- Has achieved at least 1 of the following for at least 2 of the 3 years preceding its compliance due date:
 - Has received a US EPA Water Score of 75;
 - Has improved its US EPA Water Score by 15 points or more relative to its baseline year;
 - Has a Water Use Intensity (WUI) (gal/ft²) that is 25% below the locally calculated mean for that property type;
 - Has reduced its WUI by at least 15% relative to its baseline year.

Improvement Pathway

- If Performance Pathway is not met.
- Options:
 - Conducting an Audit.
 - Performing Retro-Commissioning (RCx).
 - Adopting Efficiency Improvement Measures.
 - 2 needed per energy or water.
- BPO [Section 17.85.420](#) for more information.



BPO Compliance Rates (% in compliance)

Compliance Year	Annual Benchmarking	Beyond Benchmarking
2019	42.5%	N/A
2020	28.2%	N/A
2021	66.9%	N/A
2022	73.4%	N/A
2023	88.1%	~ 70-75%
2024	TBD	TBD

Resources

- [Building Performance Ordinance Webpage](#)
- [Beyond Benchmarking Webpage](#)
- [Municode Chapter 17.85](#)
- [Info on policy development](#)
- For questions:
 - Email: *benchmarking@sanjoseca.gov*



Thank you! Any Questions?



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