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September 22, 2011

Ms. Brenda Edwards
U.S. Department of Energy
Building Technologies Program
Mailstop EE-2J
Revisions to Energy Efficiency Enforcement Regulations
EERE-2011-BT-NOA-0049
1000 Independence Avenue, SW
Washington, DC 20585-0121
VIA EMAIL: AssetRatingRFI-2011-NOA-0049@ee.doe.gov

RE: Docket #EERE-2011-BT-NOA-0049
Commercial Building Asset Rating Program

Dear Ms. Edwards:

On behalf of the Building Owners and Managers Association (BOMA) International, I am pleased to submit comments pursuant to the Request for Information (Federal Register, Vol. 76, No. 152, Aug. 8, 2011).

Founded in 1907, the Building Owners and Managers Association (BOMA) International is an international federation of more than 100 local associations and affiliated organizations. BOMA International's members are building owners, managers, developers, leasing professionals, medical office building managers, corporate facility managers, asset managers, and the providers of the products and services needed to operate commercial properties. Collectively, BOMA members own or manage more than nine billion square feet of office space, which represents more than 80 percent of the prime office space in North America.

BOMA International is proud of our association's role as one of the leading voices on energy efficiency, sustainability and market transformation. For the past decade and more, we have diligently worked to create incentives and overcome barriers to making our nation's stock of existing buildings more energy efficient. We have educated building owners and managers across the country to help them understand that the triple bottom line of reducing energy consumption and implementing "green" management practices is a social and environmental responsibility that can result in a positive return on investment (ROI). We have actively promoted the EPA ENERGY STAR's Portfolio Manager to our membership; for our efforts we were honored with the ENERGY STAR Partner of the Year Award in 2007 and 2008 and the Sustained Excellence Award in 2009 and 2010.

BOMA and its members believe that voluntary programs, combined with incentives, will result in market transformation. We believe that government mandates will not achieve the desired results and will, in fact, impede the growth of creative and innovative marketplace solutions. To that end, we commend the Department of Energy for voluntary public-private programs, such as the Commercial Real Estate Energy Alliance (CREEA), of which BOMA is proud to have been a founding member.

Thank you for the opportunity to provide BOMA International's input on DOE's proposed Asset Rating Program.

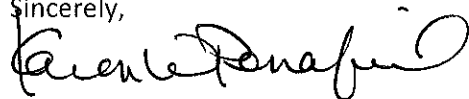
Comments and Recommendations:

1. **Any Asset Rating Program must be strictly voluntary.** Although the RFI clearly states that DOE's intent is to create a voluntary program, DOE also states their intent to work with state and local governments "to develop ways to use the AR Program to promote market transformation." We have already seen the evolution of EPA's ENERGY STAR Portfolio Manager into growing state and local mandatory benchmarking and disclosure requirements. While we fully support voluntary benchmarking, we adamantly oppose this type of mandate. Already, California and Massachusetts are in the process of designing asset rating programs of their own, and many others are simply waiting for a model to become available. In time, these programs will become mandatory, and building owners and managers may even see mandatory retrofit requirements as a result of the information obtained through the benchmarking and asset rating exercises.
2. **Any and all information must be kept confidential, including the Asset Rating and tenant data.** An asset rating program could prove to be a powerful tool to identify cost-effective retrofit opportunities. However, this tool is intended for the building owner and operators, and we do not believe that this information should be shared publicly without the consent of the owner. The building rating should be kept confidential to avoid negatively impacting the building's financial operations and to prevent other buildings from using it to their advantage. If the rating is made public, there needs to be a mechanism to dispute, revise, reapply with changes and periodically review the information and the ratings. We also fear that the "public" may not understand the metrics and scale used, and a building with a "C" or a "60" may face a competitive disadvantage without the opportunity to explain any unique qualities of the building that may impact the rating.
3. **Any AR Program must clearly articulate how it complements ENERGY STAR Portfolio Manager to avoid confusion.** Portfolio Manager is finally gaining significant traction in the office building industry. Over time, benchmarking has become an industry best practice and, from the data that has been shared with BOMA, the industry is using the tool to successfully reduce energy consumption. For another voluntary program to achieve this same level of success, it must be clear how the programs are integrated.
4. **In order to drive market transformation, opportunities must be expressed in terms asset managers understand.** Though the immediate target audience may be the building operator, the AR Program must also generate information relevant to the asset manager, such as opportunities for investment based upon real life scenarios including conservative financing terms, lifecycle costs and tax implications such as amortization of leasehold improvements.

5. **Program cost may present a barrier to participation.** While BOMA fully understands the benefit of third party verification, requiring a credentialed professional, such as a PE or a LEED AP, and/or third party verification may prove costly enough to dissuade participation (especially if the building has already achieved LEED or Green Globe certifications, for example). If third party verification is employed, BOMA recommends that only a credentialed professional or third party verification be used in the process, but not both.
6. **Ease of use vs. quality of data.** The RFI notes that its goal is to create a “useful rating with minimal data collection.” Unfortunately, in reality that appears contradictory. BOMA recommends that DOE place significant focus on training users to populate the AR tool, and have a clear individual in mind for this task (is it the property/facility manager? operating engineer?) Training may need to be tailored to the specific intended audience. Also, what if the building manager/operator does not have all of the required information? Lack of records or missing files could severely compromise the ability to rate the building.
7. **Portfolio approach vs. individual building approach.** BOMA has always urged its members to reduce their energy consumption *across their portfolio*, instead of setting individual building goals. A small building with a high energy use intensity (EUI) may have the potential to improve its energy performance, but the investment may be better focused on a larger building with a lower EUI. Building owners must look at their entire portfolios and allocate scarce resources accordingly.
8. **With so many competing/duplicative programs, is there a need for DOE’s Asset Rating Program?** The RFI notes the existence of other rating systems and standards, including ASHRAE’s Building eQ, LEED, Green Globes, ASTM Building Energy Performance Assessment, COMNET Commercial Buildings Energy Modeling Guidelines and Procedures, and ISO 50001. BOMA believes that the private sector voluntary marketplace is already meeting the commercial real estate industry’s needs for diagnostic tools to evaluate a building’s energy efficiency and sustainable attributes, and to serve as a market driver for identifying and implementing retrofitting opportunities. Especially in our current environment where cutting government spending and/or raising taxes is very much on the minds of policy makers, is this the best use of scarce financial resources?

Thank you for the opportunity to provide comments. BOMA International looks forward to working with the DOE as it shapes the Asset Rating Program and launches the pilot program over the next several months. Please do not hesitate to contact Karen Penafiel, Vice President of Advocacy, at kpenafiel@boma.org or 202-326-6323 if you have any questions or if there is any way BOMA International can assist you.

Sincerely,



Karen W. Penafiel, CAE
Vice President, Advocacy