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## **The change in momentum: LEED certification vs. Energy Star**

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I once attended a symposium on wind energy. At the meeting Jim Gordon, Cape Wind's president tossed out an unimaginable idea, a ground breaking future event that would produce free energy, energy so inexpensive we would have no regard for its cost.... Until then we need to pay attention. For years the LEED certification has been a coveted indication of the care and environmentally friendly manner in which a building has been newly constructed. LEED has done a wonderful job heightening the attention to sustainable building, however gaining in popularity is the Energy Star designation. Energy Star is a government program that quantifies relative energy usage based on the type of building being scored. It focuses on building operating costs, methods and systems employed in the buildings to achieve these costs. An OpEx less than 35% of "normal building operations" achieves the rating of Energy Star. The Energy Star service also goes beyond a one-time analysis and provides building owners and managers tools with which to continually analyze their buildings and include variables such as fuel sources and systems. There are many perspectives and priorities for building owners including public relations, political capital, upfront cost and operating cost. We are seeing far greater emphasis on the Energy Star rating now than we have in the past due to increased sensitivity to operating costs vs. building sustainability during planning and construction. If it costs less to run a building the NOI is going to be higher, thus increasing the building's value.

LEED and Energy Star are both helping to move construction in the right direction but from two different approaches. (Here comes the editorial comment). For a bottom line operating analysis and building valuation perspective, Energy Star is the leading indicator. Energy Star also has a far greater impact and application for existing construction vs. new construction. From the perspective of what is good for the planet long term with less regard for the cost of construction and certification for new construction, LEED is your certification. Better yet, both.

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