



# nerej

## **Real estate gets green with ENERGY STAR, the government certification for energy efficiency**

March 20, 2008 - Spotlights

Energy Star, much like awareness of climate change--the environmental challenge that Energy Star is designed to address--is nearly ubiquitous in the mind of the American consumer. As a government certification mark of superior energy efficiency for over 50 product categories and 12 different building types, Energy Star provides American businesses and consumers a resource that assists in pursuing financially superior environmental strategies. In 2006 alone, with the help of Energy Star, U.S. businesses and consumers saved over \$14 billion on their utility bills while also avoiding emissions of greenhouse gases equivalent to that of 25 million vehicles.

According to a Good Housekeeping study, only the certification marks from the Food and Drug Administration, the American Heart Association, and Good Housekeeping are more influential to Americans than Energy Star; and, Energy Star is the most recognized symbol of environmental protection, except for the green recycling logo, another study has found.

### **Energy Star for Real Estate**

In commercial property markets, Energy Star is more than a government certification that a building's energy performance is superior to its peers. Energy Star's partnership with over 8 billion square feet of commercial property stakeholders results in the development of strategies and best practices that help businesses identify and pursue, through energy efficiency, continuous improvements in their financial and environmental performance.

Managed by the Environmental Protection Agency, Energy Star's commercial property program has recognized over 4,000 buildings for superior environmental performance through energy efficiency. More importantly, owners and operators of over 60,000 buildings are using the Energy Star performance rating tool, Portfolio Manager, to pursue and track continuous improvements across their entire real estate portfolios.

Nearly 50% of U.S. greenhouse gas emissions comes from power used to operate commercial and residential buildings. With the high rates of financial return achieved through energy efficiency strategies, continuous improvements in the existing 70 billion s/f of commercial space are an unsurpassed financial and environmental proposition. With goals and assumption of energy efficiency in new buildings and green buildings often falling short of targets, Energy Star helps all properties strengthen their environmental strategies in all assets.

Of the 4,100 properties to have earned the Energy Star Label, on average these properties are consuming nearly 40% less energy than average buildings. In the process of avoiding emissions of 25 billion pounds of greenhouse gases annually, these buildings' owners and tenants are saving nearly \$1.5 billion on their energy bills.

New England is no stranger to this success story. From a college dormitory in Durham to an historic hotel and trophy office towers in downtown Boston, to supermarkets and schools from Maine to

Conn., New England's 188 buildings that have earned the Energy Star are a testament to the opportunity for superior carbon and environmental performance to be achieved in all properties types, regardless of age, size, location, or the prior presence of the most promising advanced technologies.

The biggest opportunities to improve the environmental performance of buildings start by acknowledging that operations and management practices are the leading contributors to energy and environmental performance.

Successful Energy Star are adopting strategies to optimize the operation of existing systems and invest judiciously in new technologies through a specific sequenced approach. The same rigor that any company would apply to developing a new product line should be at the center of an organizations approach to managing environmental assets.

#### Energy Star Resources

The EPA has developed guides and other resources used in pursuit of sustained business practices. Integrated in to many of these resources are the best practices culled from 15 years of partnerships.

Among the most frequently valued Energy Star tools are four highlighted here:

First: The Guidelines for Strategic Energy Management offer a proven strategy and road map for superior energy management with analytical tools, communications templates and other resources to help in each step of an implementation process.

Second: The Energy Management Assessment Matrix is designed to help executives and managers compare their practices to those outlined in the Guidelines.

Third: Portfolio Manager is an interactive management tool that compares a single building or portfolios to the existing national building stock. Real estate companies use the tool to help set investment priorities, identify under-performing buildings, verify efficiency improvements, and earn EPA recognition for superior or continuous improvements.

Fourth: Target Finder helps architects and building owners set aggressive, realistic energy targets and rate a design's intended energy use.

These four resources are only the start of the list of analytical tools, management guides, communications templates, and training resources that are available, free of charge, to all commercial property operators. See the "buildings and plants" section at [energystar.gov](http://energystar.gov) for links to these tools.

Because Energy Star resources are developed by the government and are based on unbiased federal data sources, the evaluation tools are valued as independent sources that the private sector can rely on. BOMA and other leading industry associations have integrated Energy Star programs, such as the Energy Star CHALLENGE, in to their training curriculum.

Stuart Brodsky is with the Climate Protection Partnerships Division of Environmental Protection Agency. He is Energy Star's National Program Manager for Commercial Property Markets.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540