

Union Calendar No. 277

113TH CONGRESS
2^D SESSION

H. R. 2126

[Report No. 113-371]

To facilitate better alignment, cooperation, and best practices between commercial real estate landlords and tenants regarding energy efficiency in buildings, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2013

Mr. MCKINLEY (for himself and Mr. WELCH) introduced the following bill;
which was referred to the Committee on Energy and Commerce

FEBRUARY 28, 2014

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 23, 2013]

A BILL

To facilitate better alignment, cooperation, and best practices between commercial real estate landlords and tenants regarding energy efficiency in buildings, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Better Buildings Act*
5 *of 2014”.*

6 **SEC. 2. ENERGY EFFICIENCY IN FEDERAL AND OTHER**
7 **BUILDINGS.**

8 (a) *DEFINITIONS.—In this section:*

9 (1) *ADMINISTRATOR.—The term “Adminis-*
10 *trator” means the Administrator of General Services.*

11 (2) *COST-EFFECTIVE ENERGY EFFICIENCY MEAS-*
12 *URE.—The term “cost-effective energy efficiency meas-*
13 *ure” means any building product, material, equip-*
14 *ment, or service, and the installing, implementing, or*
15 *operating thereof, that provides energy savings in an*
16 *amount that is not less than the cost of such install-*
17 *ing, implementing, or operating.*

18 (3) *COST-EFFECTIVE WATER EFFICIENCY MEAS-*
19 *URE.—The term “cost-effective water efficiency meas-*
20 *ure” means any building product, material, equip-*
21 *ment, or service, and the installing, implementing, or*
22 *operating thereof, that provides water savings in an*
23 *amount that is not less than the cost of such install-*
24 *ing, implementing, or operating.*

1 **(b) MODEL PROVISIONS, POLICIES, AND BEST PRAC-**
2 **TICES.—**

3 **(1) IN GENERAL.—***Not later than 180 days after*
4 *the date of enactment of this Act, the Administrator,*
5 *in consultation with the Secretary of Energy and*
6 *after providing the public with an opportunity for*
7 *notice and comment, shall develop model leasing pro-*
8 *visions and best practices in accordance with this*
9 *subsection.*

10 **(2) COMMERCIAL LEASING.—**

11 **(A) IN GENERAL.—***The model commercial*
12 *leasing provisions developed under this sub-*
13 *section shall, at a minimum, align the interests*
14 *of building owners and tenants with regard to*
15 *investments in cost-effective energy efficiency*
16 *measures and cost-effective water efficiency meas-*
17 *ures to encourage building owners and tenants to*
18 *collaborate to invest in such measures.*

19 **(B) USE OF MODEL PROVISIONS.—***The Ad-*
20 *ministrator may use the model provisions devel-*
21 *oped under this subsection in any standard leas-*
22 *ing document that designates a Federal agency*
23 *(or other client of the Administrator) as a land-*
24 *lord or tenant.*

1 (C) *PUBLICATION.*—*The Administrator*
2 *shall periodically publish the model leasing pro-*
3 *visions developed under this subsection, along*
4 *with explanatory materials, to encourage build-*
5 *ing owners and tenants in the private sector to*
6 *use such provisions and materials.*

7 (3) *REALTY SERVICES.*—*The Administrator shall*
8 *develop policies and practices to implement cost-effec-*
9 *tive energy efficiency measures and cost-effective*
10 *water efficiency measures for the realty services pro-*
11 *vided by the Administrator to Federal agencies (or*
12 *other clients of the Administrator), including periodic*
13 *training of appropriate Federal employees and con-*
14 *tractors on how to identify and evaluate those meas-*
15 *ures.*

16 (4) *STATE AND LOCAL ASSISTANCE.*—*The Ad-*
17 *ministrator, in consultation with the Secretary of En-*
18 *ergy, shall make available model leasing provisions*
19 *and best practices developed under this subsection to*
20 *State, county, and municipal governments to manage*
21 *owned and leased building space in accordance with*
22 *the goal of encouraging investment in all cost-effective*
23 *energy efficiency measures and cost-effective water ef-*
24 *iciency measures.*

1 **SEC. 3. SEPARATE SPACES WITH HIGH-PERFORMANCE EN-**
2 **ERGY EFFICIENCY MEASURES.**

3 (a) *IN GENERAL.*—Subtitle B of title IV of the Energy
4 Independence and Security Act of 2007 (42 U.S.C. 17081
5 *et seq.*) is amended by adding at the end the following:

6 **“SEC. 424. SEPARATE SPACES WITH HIGH-PERFORMANCE**
7 **ENERGY EFFICIENCY MEASURES.**

8 “(a) *DEFINITIONS.*—In this section:

9 “(1) *HIGH-PERFORMANCE ENERGY EFFICIENCY*
10 *MEASURE.*—The term ‘high-performance energy effi-
11 ciency measure’ means a technology, product, or prac-
12 tice that will result in substantial operational cost
13 savings by reducing energy consumption and utility
14 costs.

15 “(2) *SEPARATE SPACES.*—The term ‘separate
16 spaces’ means areas within a commercial building
17 that are leased or otherwise occupied by a tenant or
18 other occupant for a period of time pursuant to the
19 terms of a written agreement.

20 “(b) *STUDY.*—

21 “(1) *IN GENERAL.*—Not later than 1 year after
22 the date of enactment of this section, the Secretary,
23 acting through the Assistant Secretary of Energy Ef-
24 ficiency and Renewable Energy, shall complete a
25 study on the feasibility of—

1 “(A) significantly improving energy effi-
2 ciency in commercial buildings through the de-
3 sign and construction, by owners and tenants, of
4 separate spaces with high-performance energy ef-
5 ficiency measures; and

6 “(B) encouraging owners and tenants to
7 implement high-performance energy efficiency
8 measures in separate spaces.

9 “(2) SCOPE.—The study shall, at a minimum,
10 include—

11 “(A) descriptions of—

12 “(i) high-performance energy efficiency
13 measures that should be considered as part
14 of the initial design and construction of sep-
15 arate spaces;

16 “(ii) processes that owners, tenants, ar-
17 chitects, and engineers may replicate when
18 designing and constructing separate spaces
19 with high-performance energy efficiency
20 measures;

21 “(iii) policies and best practices to
22 achieve reductions in energy intensities for
23 lighting, plug loads, heating, cooling, cook-
24 ing, laundry, and other systems to satisfy
25 the needs of the commercial building tenant;

1 “(iv) return on investment and pay-
2 back analyses of the incremental cost and
3 projected energy savings of the proposed set
4 of high-performance energy efficiency meas-
5 ures, including consideration of available
6 incentives;

7 “(v) models and simulation methods
8 that predict the quantity of energy used by
9 separate spaces with high-performance en-
10 ergy efficiency measures and that compare
11 that predicted quantity to the quantity of
12 energy used by separate spaces without
13 high-performance energy efficiency measures
14 but that otherwise comply with applicable
15 building code requirements;

16 “(vi) measurement and verification
17 platforms demonstrating actual energy use
18 of high-performance energy efficiency meas-
19 ures installed in separate spaces, and
20 whether such measures generate the savings
21 intended in the initial design and construc-
22 tion of the separate spaces;

23 “(vii) best practices that encourage an
24 integrated approach to designing and con-
25 structing separate spaces to perform at opti-

1 *mum energy efficiency in conjunction with*
2 *the central systems of a commercial build-*
3 *ing; and*

4 *“(viii) any impact on employment re-*
5 *sulting from the design and construction of*
6 *separate spaces with high-performance en-*
7 *ergy efficiency measures; and*

8 *“(B) case studies reporting economic and*
9 *energy savings returns in the design and con-*
10 *struction of separate spaces with high-perform-*
11 *ance energy efficiency measures.*

12 *“(3) PUBLIC PARTICIPATION.—Not later than 90*
13 *days after the date of the enactment of this section,*
14 *the Secretary shall publish a notice in the Federal*
15 *Register requesting public comments regarding effec-*
16 *tive methods, measures, and practices for the design*
17 *and construction of separate spaces with high-per-*
18 *formance energy efficiency measures.*

19 *“(4) PUBLICATION.—The Secretary shall publish*
20 *the study on the website of the Department of En-*
21 *ergy.”.*

22 *(b) CLERICAL AMENDMENT.—The table of contents in*
23 *section 1(b) of the Energy Independence and Security Act*
24 *of 2007 is amended by inserting after the item relating to*
25 *section 423 the following new item:*

“Sec. 424. Separate spaces with high-performance energy efficiency measures.”.

1 **SEC. 4. TENANT STAR PROGRAM.**

2 (a) *IN GENERAL.*—Subtitle B of title IV of the Energy
3 *Independence and Security Act of 2007 (42 U.S.C. 17081*
4 *et seq.) (as amended by section 3) is amended by adding*
5 *at the end the following:*

6 **“SEC. 425. TENANT STAR PROGRAM.**

7 “(a) *DEFINITIONS.*—*In this section:*

8 “(1) *HIGH-PERFORMANCE ENERGY EFFICIENCY*
9 *MEASURE.*—*The term ‘high-performance energy effi-*
10 *ciency measure’ has the meaning given the term in*
11 *section 424.*

12 “(2) *SEPARATE SPACES.*—*The term ‘separate*
13 *spaces’ has the meaning given the term in section*
14 *424.*

15 “(b) *TENANT STAR.*—*The Administrator of the Envi-*
16 *ronmental Protection Agency, in consultation with the Sec-*
17 *retary of Energy, shall develop a voluntary program within*
18 *the Energy Star program established by section 324A of the*
19 *Energy Policy and Conservation Act (42 U.S.C. 6294a),*
20 *which may be known as Tenant Star, to promote energy*
21 *efficiency in separate spaces leased by tenants or otherwise*
22 *occupied within commercial buildings.*

23 “(c) *EXPANDING SURVEY DATA.*—*The Secretary of*
24 *Energy, acting through the Administrator of the Energy In-*
25 *formation Administration, shall—*

1 “(1) collect, through each Commercial Buildings
2 *Energy Consumption Survey of the Energy Informa-*
3 *tion Administration that is conducted after the date*
4 *of enactment of this section, data on—*

5 “(A) categories of building occupancy that
6 *are known to consume significant quantities of*
7 *energy, such as occupancy by data centers, trad-*
8 *ing floors, and restaurants; and*

9 “(B) other aspects of the property, building
10 *operation, or building occupancy determined by*
11 *the Administrator of the Energy Information*
12 *Administration, in consultation with the Admin-*
13 *istrator of the Environmental Protection Agency,*
14 *to be relevant in lowering energy consumption;*

15 “(2) with respect to the first Commercial Build-
16 *ings Energy Consumption Survey conducted after the*
17 *date of enactment of this section, to the extent full*
18 *compliance with the requirements of paragraph (1) is*
19 *not feasible, conduct activities to develop the capa-*
20 *bility to collect such data and begin to collect such*
21 *data; and*

22 “(3) make data collected under paragraphs (1)
23 *and (2) available to the public in aggregated form*
24 *and provide such data, and any associated results, to*

1 *the Administrator of the Environmental Protection*
2 *Agency for use in accordance with subsection (d).*

3 “(d) *RECOGNITION OF OWNERS AND TENANTS.*—

4 “(1) *OCCUPANCY-BASED RECOGNITION.*—*Not*
5 *later than 1 year after the date on which sufficient*
6 *data is received pursuant to subsection (c), the Ad-*
7 *ministrator of the Environmental Protection Agency*
8 *shall, following an opportunity for public notice and*
9 *comment—*

10 “(A) *in a manner similar to the Energy*
11 *Star rating system for commercial buildings, de-*
12 *velop policies and procedures to recognize ten-*
13 *ants in commercial buildings that voluntarily*
14 *achieve high levels of energy efficiency in sepa-*
15 *rate spaces;*

16 “(B) *establish building occupancy categories*
17 *eligible for Tenant Star recognition based on the*
18 *data collected under subsection (c) and any other*
19 *appropriate data sources; and*

20 “(C) *consider other forms of recognition for*
21 *commercial building tenants or other occupants*
22 *that lower energy consumption in separate*
23 *spaces.*

24 “(2) *DESIGN- AND CONSTRUCTION-BASED REC-*
25 *OGNITION.*—*After the study required by section 424(b)*

1 *is completed, the Administrator of the Environmental*
2 *Protection Agency, in consultation with the Secretary*
3 *and following an opportunity for public notice and*
4 *comment, may develop a voluntary program to recog-*
5 *nize commercial building owners and tenants that use*
6 *high-performance energy efficiency measures in the*
7 *design and construction of separate spaces.”.*

8 *(b) CLERICAL AMENDMENT.—The table of contents in*
9 *section 1(b) of the Energy Independence and Security Act*
10 *of 2007 is amended by inserting after the item relating to*
11 *section 424 (as added by section 3(b)) the following new*
12 *item:*

“Sec. 425. Tenant Star program.”.

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