

# Chicago Energy Rating System Overview

Amendment of Municipal Code Chapter 18-14 regarding energy benchmarking and implementation of energy performance rating system

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October 15<sup>th</sup>, 2019



CITY OF CHICAGO  
**CHICAGO ENERGY RATING**

# AGENDA

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Part 1: Ordinance Updates Overview

Part 2: Purpose

Part 3: Compliance Requirements

Part 4: Water Data

Part 5: Energy Rating Placards

Part 6: Support Resources

Part 7: Take Action

Part 8: Live Q&A



# PART 1: ORDINANCE UPDATES OVERVIEW

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- **Summary**

- In 2017 Chicago City Council voted to update existing benchmarking ordinance to new **Chicago Energy Rating System (effective 2019)**
  - The new system is a **zero to four-star scale rating** – based on **ENERGY STAR score**
  - Buildings that are unable to receive an ENERGY STAR score will receive a rating based on energy use intensity (EUI) (about 15% of buildings)
- Each building will receive its rating on a ***Chicago Energy Rating Placard*** and is **required to post their placard** in a prominent location on the property
- Property owners will also be **required to share this information** at the time of sale or lease **listing**
- Chicago is the **first US city** to **assign buildings an energy performance rating** and **require properties to post their rating**



# PART 1: ORDINANCE UPDATES OVERVIEW

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- **Summary (Continued)**

- The new rating system will be based on the 1-100 ENERGY STAR score for each building
- A building can earn an extra star by improving its score by 10 points within the past two years

## CHICAGO ENERGY RATING SYSTEM (WITH HALF-STARS)



\*Note: Any building with ENERGY STAR certification also receives four stars.



# PART 1: ORDINANCE UPDATES OVERVIEW

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- **Summary (Continued)**

- Approximately 15% of buildings subject to the ordinance are not able to receive a 1-100 ENERGY STAR score
- These properties will still receive an Energy Rating based on **source energy use intensity (EUI)**, in comparison to national percentiles for buildings of the same property type:
  - **4 Stars:** 1st to 25th percentile for Source EUI
  - **3 Stars:** 25th to 50th percentile for Source EUI
  - **2 Stars:** 50th to 75th percentile for Source EUI
  - **1 Star:** Above the 75th percentile for Source EUI
- In addition, any building with 1, 2, or 3 stars with a **10 point improvement in the past two years will earn an additional star**



# PART 1: ORDINANCE UPDATES OVERVIEW

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- Summary (Continued)
- Results of the 2019 Ratings
  - 0 Stars (Did not report energy information): 447 buildings
  - Exempt (Low occupancy, new construction, etc.): 303 buildings
  - Received a one-to-four star rating:

Number of Stars Received	Number of Buildings	Percentage
1 or 1.5	712	26%
2 or 2.5	578	21%
3 or 3.5	556	21%
4	845	31%
<b>TOTAL:</b>	<b>2,691</b>	<b>100%</b>



## PART 2: PURPOSE

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- The primary intent of this update is **to help improve the visibility and transparency of information that is already publicly available**
  - The new four-star system is designed to help translate energy performance information into a form that is **easier to understand by all building stakeholders**
  - The intent is not to make poor performers look bad rather **improve the transparency and visibility** of information that is already publicly available



# PART 3: COMPLIANCE REQUIREMENTS

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- There are **NO**:
  - **Additional costs** to building owners or managers through the update
  - **Additional requirements to report any new information** since the ratings are based on information already required to be reported
  - **Mandatory improvements, audits, or retrofits** for low performing buildings – however, these actions are strongly encouraged to improve ratings and might lead to a building earning an additional star





## PART 3: COMPLIANCE REQUIREMENTS (CONTINUED)

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- The Chicago Energy Rating Placard must be posted in a prominent location at the building
- The ordinance states that **energy ratings on the current placard OR the 1-100 ENERGY STAR score must be:**
  - Included in any advertisements for sale or lease at the time of listing i.e. property websites
  - Used for any required disclosures until the next placard is issued the following year



## PART 3: COMPLIANCE REQUIREMENTS (CONTINUED)

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- Disclosure applies to **both** building owners looking to sell or lease the **entire building and/or any portion of the building** i.e. (not limited to):\*
  - Commercial leases within a building
  - Multifamily residential housing with commercial/retail tenants
  - Condominium owners
  - Apartment renters

\*The only exception to this requirement applies to buildings or the units subject to the previously existing Chicago Heat Disclosure Law



## PART 4: WATER DATA

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- The **City is authorized to collect each building's water usage information** from the Department of Water Management and/or the Department of Finance, and **publish that information, along with reported energy use information**
  - **Data on water costs will not be shared** – only the total water usage data will be collected and published
  - Building owners are **not required to gather and report water usage information** using the energy benchmarking tool, although they can voluntarily choose to do so
  - Building owners **can opt out of having their water data shared publicly** by filling out a request form online



# PART 5: ENERGY RATING PLACARDS

- **Placards will be:**
  - 11" X 17"
  - Printed on a thick piece of paper with an adhesive backing that can be attached to a wall or window
- **Building owners may:**
  - Frame it or use their own adhesive to attach it to a prominent location at the building
  - Use other materials to create a placard (i.e. metal), so long as the information matches the mailed current placard
  - Download placards as a PDF and print out as needed (available online soon)



# PART 5: ENERGY RATING PLACARDS (CONTINUED)

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- **Where will my placard(s) be mailed?**
  - Based on stakeholder feedback, the City of Chicago is sending placards to the property manager on file, if available, instead of sending the placard to the building owner.
  - In July 2019, the City sent a hard copy letter and an email to each placard recipient notifying them that they would be receiving their placard in the coming weeks.
  - The City mailed the placards in August and September, 2019.
  - **If you'd like your placard mailed to a different address or you are not the correct placard recipient, we are happy to make this update to our records**
    - Contact our Help Center, which is open 9am – 5pm, Monday through Friday (except major holidays) at: (855) 858-6878 or by email to: [Info@ChicagoEnergyBenchmarking.org](mailto:Info@ChicagoEnergyBenchmarking.org)



## PART 6: SUPPORT RESOURCES

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- Please visit the City's Energy Rating website at: [www.ChicagoEnergyRating.org](http://www.ChicagoEnergyRating.org).
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# PART 7: TAKE ACTION

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- The Chicago median Energy Rating for buildings subject to the ordinance is 3 out of 4 stars (63 ENERGY STAR score)
  - **Not satisfied with your rating?** Earn an extra star by improving your buildings ENERGY STAR score (or EUI) by 10 points within two years

## Local Energy Company (Utility) Rebates and Programs –

Commonwealth Edison (ComEd)

[Multi-Family](#)

[Income Eligible](#)

[Commercial](#)

[Industrial](#)

Peoples/North Shore Gas

[Multi-Family](#)

[Commercial and Industrial](#)

## Other Financing Resources –

[Commercial Property Assessed Clean Energy \(PACE\)](#)



# PART 8: Q&A (LIVE)

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# THANK YOU

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