



Energy Star - The new marketing threshold

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Recently there was a published article featuring Energy Star designated office buildings which were part of a large New York City portfolio of properties. The marketing implications of this article which listed the Energy Star buildings by address are clear. Buildings with Energy Star designations are now being promoted as the threshold point for qualified tenants looking for quality office space.

What is Energy Star and what does it mean? Commercial buildings which achieve high benchmarking ratings (75 or above on a scale of 1 to 100) can qualify for Energy Star designation. The Energy Star application process, which is separate and distinct from Local Law 84 compliance, is more exacting than Benchmarking and requires the services of a qualified consultant/engineer to both inspect the property as well sign and seal the application. The Energy Star qualifying process involves the verification of indoor ventilation rates, air quality, illumination of interior spaces and thermal conditions. These steps are in addition to the other informational input required for Local Law 84 compliance.

The advantages of an Energy Star designation are numerous, both real and perceived. From a tenant's perspective an Energy Star designation might suggest an environmentally responsible building that is well run. For a landlord, Energy Star designation offers assurance that the building is operating efficiently - low energy consumption as compared to peer buildings. Energy Star can also trigger exemptions from having to perform the energy audit portion of Local Law 87 compliance - real world cost savings.

If your building does not have Energy Star designation, now may be the time to check and see if your building might qualify. Covered buildings (50,000 s/f or larger) are required to file their Benchmarking Reports by May 1, 2013, so your current benchmarking score is (or soon will be) available. If your commercial building's score is 75 or better, your building may well qualify for Energy Star. If your Benchmarking score is just below 75, then have your Benchmarking input checked by a qualified consultant. There is still time to correct any benchmarking inaccuracies and revise your filing. The correction of some seemingly small mistakes can make a big difference. You can also improve your score by taking steps which are either low cost or involve a quick pay back - usually energy efficient lighting or improved controls.

See Energy Star as your new best marketing partner.

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