

November 21, 2011

Part of the



THE SCIENCE OF REAL ESTATE

Austin Gears Up to Join the Energy Disclosure Movement

By Jason Mandler

Joining the nationwide trend of local [energy disclosure mandates](#), Austin Texas is just over 6 months away from enforcing the [Energy Conservation Audit and Disclosure ordinance \(ECAD\)](#). The ECAD ordinance requires Austin commercial buildings (that receive electricity from Austin Electricity) to report an energy rating annually by June 1 of each year.

ECAD Overview

Under the Austin ECAD, commercial properties that are ten years or older are required to determine an energy rating annually, and submit it to the City of Austin.

The approved rating systems include the [EPA Energy Star Portfolio Manager](#) rating tool or the Austin Energy Business Energy Analysis rating tool (for buildings less than 100,000 square feet.)

Commercial energy ratings are then translated into a single number, ranging from 1 to 100, with 50 indicating the average energy use for other buildings of the same building type. The rating is coupled with **voluntary** goals in order to help the owner accurately interpret their property's rating:

1. "no action necessary" for ratings 75 and above
2. "raise score to at least 75" for ratings 63-74
3. "raise the score by 20%" for ratings 42-62; and "raise score to 50" for ratings below 42

Under the Energy Conservation Audit and Disclosure Ordinance, rating a building and submitting that building's particular rating to Austin Energy is **mandatory** (by law.) However, improving that building's rating, in an effort to make the building more efficient, is entirely **voluntary**.

Goal of ECAD

The primary focuses of the Austin ECAD ordinance, is to provide [better information on energy use](#) to owners and tenants. The ECAD serves as a mechanism to assist Austin in achieving its [goals](#) of 700 megawatt energy savings, 30% renewable energy sources, and carbon neutrality of all City facilities, vehicles and operations by 2020. In addition, by 2015, all new non-residential construction must be 75% more efficient.

Also, under ECAD, voluntary adoption of some energy efficiency measures will exempt properties owners from audit requirements.

Compliance with ECAD can result in:

1. Implementation of energy efficiency measures,
2. Lower utility bills for customers
3. Reduced greenhouse gas emissions
4. More affordable housing.

Buildings Required to Comply with ECAD

The compliance schedule for [Benchmarking](#) nonresidential buildings under the ECAD is as follows:

- June 1, 2012: Buildings that are 75,000 SF or greater
- June 1, 2013: Buildings that are 30,000 SF to 69,999 SF
- June 1, 2014: Buildings that are 10,000 SF to 29,000 SF

If a building is classified as a **manufacturing building**, it does not need an energy rating.

Violations and Penalties

Non-compliance with the Energy Conservation Audit and Disclosure Ordinance is recognized as a Class C misdemeanor and subject to a fine of \$500 or greater (dependent on the determined degree of negligence.)

More Information

For more information on Austin's Energy Conservation Audit and Disclosure Ordinance (ECAD,) visit www.austinenergy.com. or contact Partner Energy at www.ptrenergy.com.