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Chief Julie Wormser
Cambridge Office of Sustainability
344 Broadway
Cambridge, MA 02139

RE: A Better City's Comments on BEUDO's Draft Phase 2 Regulations

Dear Chief Wormser:

A Better City's membership represents 130 of Greater Boston's business leaders across multiple sectors of the economy, including close to 20 member organizations who are property owners or operators in Cambridge. On their behalf, we are providing comments on BEUDO's Phase 2 draft regulations, and policies and procedures that relate to property ownership and configuration, third party verification, alternative baseline selections, and updates to previously drafted sections regarding emission factors and renewable energy purchases.

As many A Better City members report to both BERDO in Boston and BEUDO in Cambridge, our key goal is that regulations and policies and procedures are flexible and streamlined across jurisdictions. A recent report by the [Real Estate Roundtable](#) found that nationally "each jurisdiction with a Building Performance Standards policy seems to be doing its own thing. A confusing patchwork has emerged across the nation with laws that vary and conflict in their respective energy and emissions targets, compliance deadlines, and even the types and sizes of buildings that might be subject to or exempt from these mandates. Navigating this Building Performance Standards maze is burdensome and complicated." In Massachusetts, these standards exist in Boston, Cambridge, and Newton, with Lexington, Watertown and the state considering adopting their own versions. There should be one framework allowing consistency and flexibility across jurisdictions so covered buildings/properties can focus on emissions reduction and compliance without the added burden of navigating different frameworks, methodologies and emissions factors which is causing frustration and resistance. Specifically, our comments includes: updating the "owner" definition; streamlining the compliance process and providing guidelines for buildings that don't meet the threshold on a parcel themselves; deleting the additional 2.5% reduction requirement for alternative baselines; holding the energy provider accountable for providing baseline year data; ensuring Cambridge's approach to calculating emissions factors and the methodologies applied are consistent with BERDO; and updating language relating to Portfolio Manager.

Thank you for your ongoing leadership—we remain ready to partner and support your efforts to find solutions to the challenges and opportunities within large existing buildings to achieve our statutory climate commitments.



Sincerely,

Y. L. Torrie

Yve Torrie

Director of Climate, Energy, & Resilience

Cc: Yi-An Huang, City Manager

Susanne Rasmussen, Director of Environmental and Transportation Planning



BEUDO Phase 2 Regulations

I. Definitions

- There were significant comments in the development of the BERDO 2.0 regulations to expand the ownership definition to include the SPE/subsidiary owner structure. This has since been included in the BERDO definition.
 - **A Better City recommends including the SPE/subsidiary owner structure as an owner under BEUDO definitions.**

IV. Property Ownership and Configuration:

- Defining a Property i: As written, "All buildings on a parcel of land classified as a Covered Property per § 8.67.010 (11) are subject to and must comply with the BEUDO ordinance." This includes "One or more non-residential building(s) where such building(s) singly or together contains 25,000 or more Covered square feet." For buildings that do not on their own meet the BEUDO threshold of 25,000sf, but do so together, still need to report unless an owner applies for an Alternative Configuration. Approval of an alternative configuration needs to be received before requesting an alternative baseline. An alternative configuration approval is also required before submitting a multi-use building request. This multi-step process seems overly cumbersome, and A Better City recommends streamlining it as well as providing very clear guidance on each step, including what is required and the length of each approval step so owners can plan accordingly.
 - **A Better City recommends streamlining the compliance process for buildings that don't meet the 25,000sf threshold themselves, but do so when combined with other buildings on a parcel, and providing very clear guidelines about the timing of each step so buildings can meet compliance.**

V. Baselines:

- J. Alternative Baselines: This option allows owners to use the average emissions of two consecutive years dating back to 2010 as an alternative baseline for the property but requires an additional 2.5% reduction for every year between the start of the baseline and 2018. This seems onerous when an owner is simply averaging energy use over two years.
 - **A Better City recommends deleting the additional 2.5% reduction requirement for alternative baselines. A Better City members would also like more information on the alternative baseline application process including when it will begin and application details given 2026 is the first compliance year.**
- K. Obtaining Baseline Year Data (ii): As stated in the draft regulations, if verifiable data is not available for the default baseline years, the two most recent years of data for the property will be used as the baseline.
 - **A Better City recommends that the energy provider be held accountable for providing this data, not the property owner.**



BEUDO Phase 2 Policies and Procedures

IV. Emissions Factors: BERDO is drafting updated regulations and procedures regarding emissions factors. In the past, BEUDO regulation development process has referenced BERDO regulations to provide alignment and consistency. The electric residual emissions factors in the draft BEUDO procedures are different from those under consideration in BERDO. We are interested in understanding the rationale considered more appropriate or advantageous than average annual factors, as referenced in the evolving BERDO regulations.

A Better City appreciates the City of Cambridge's robust stakeholder engagement in developing BEUDO's emission factor methodology. The approach reflects commendable flexibility, accounting for the diverse ownership structures and the complexity of Cambridge's energy systems, including district energy and cogeneration. It also thoughtfully explores evolving methods for measuring grid emissions, such as marginal and residual emissions.

- **A Better City recommends that the City extend that flexibility to property owners covered by both BERDO and BEUDO so there can be a pathway for alignment on emission factor methods ultimately chosen by Boston. We recognize that BEUDO and BERDO ordinance differ in key ways and support flexibility in achieving net-zero goals. We recommend that property owners subject to both ordinances be given the option to use consistent emissions factors while preserving the emission factor pathways already established under BEUDO.**

A. Emissions Factor Methodology 2nd bullet: Currently, as stated, emissions for natural gas, propane, fuel, oil, diesel, oil, and kerosene will be based on the standard scientific values utilized by Energy Star Portfolio Manager."

- **A Better City recommends that BEUDO adopt recent proposed changes in BERDO regulations that relate to Portfolio Manager which are based on potential changes at the federal level. BERDO's language reads: "May designate an alternative reporting platform in the absence of Portfolio Manager."**