

BOSTON'S BUILDING EMISSIONS, REDUCTION, AND DISCLOSURE ORDINANCE (BERDO)

Beantown Aims to be Carbon Neutral by 2050

Urban areas contribute to nearly 70%* of global greenhouse gas emissions prompting major cities to take proactive steps to improve their environmental impact. In 2013, the City of Boston passed a climate action plan including BERDO which requires all commercial and residential buildings to report their energy and water use to the city. In 2021, an amendment called "BERDO 2.0" gave the city the authority to set emission standards for large existing buildings starting in 2025. These targets will grow progressively stricter to decrease building emissions each year to achieve zero emissions by 2050.

BERDO POLICIES:

- Establishes a schedule of maximum allowable emissions for buildings over 20,000 sq. ft., which will gradually decline to net zero carbon emissions by 2050
- Requires annual compliance filings, third-party verification of building consumption, and filing accuracy. The first report was required by June 15, 2022
- Sets fines from $300 per day for failure to submit timely and accurate filings to **$1,000 per day** for failure to comply with the emissions targets
- Permits the city to force compliance via an assessment of the building owner's tax bill or a lien on the building itself
- Permits buildings to buy out of non-compliance at an alternative compliance rate of **$234 per metric ton of CO_2**

EMISSION STANDARD ($kgCO_2e/SF/yr$)						
BUILDING USE	2025-2029	2030-2034	2035-2039	2040-2044	2045-2049	2050-
Assembly	7.8	4.6	3.3	2.1	1.1	0
College/University	10.2	5.3	3.8	2.5	1.2	0
Education	3.9	2.4	1.8	1.2	0.6	0
Food sales & service	17.4	10.9	8.0	5.4	2.7	0
Healthcare	15.4	10.0	7.4	4.9	2.4	0
Lodging	5.8	3.7	2.7	1.8	0.9	0
Manufacturing/ Industrial	23.9	15.3	10.9	6.7	3.2	0
Multifamilly housing	4.1	2.4	1.8	1.1	0.6	0
Office	5.3	3.2	2.4	1.6	0.8	0
Retail	7.1	3.4	2.4	1.5	0.7	0
Services	7.5	4.5	3.3	2.2	1.1	0
Storage	5.4	2.8	1.8	1.0	0.4	0
Technology/Science	19.2	11.1	7.8	5.1	2.5	0

Major climate milestones

FIRST ENERGY & WATER USE **REPORT** DUE	START OF COMPLIANCE - EMISSIONS STANDARD	EMISSIONS STANDARD APPLIES TO 20-30K SQ. FT. BUILDINGS AND LARGER	INCREASED EMISSION STANDARD
JUNE 15, 2022	**JAN 1, 2025**	**JAN 1, 2030**	**JAN 15, 2035**
Buildings 20K sq. ft. and larger	Buildings 35K sq. ft. and larger	Buildings 20K sq. ft. and larger	Buildings 20K sq. ft. and larger

What should you do if you own a building in Boston?

As a building owner, you should have already submitted two years of emissions data to BERDO and have a clear understanding of your obligation to meet BERDO emission standards. If your building has a higher emission footprint than the listed benchmark, you have three options:

1. Retrofit and fuel switch – undertake measures to improve energy efficiency and reduce emissions
2. Purchase renewable electricity from non-emitting renewable sources to bring buildings into compliance
3. Make costly alternative compliance payments to mitigate residual emissions

PENALTIES FOR NON-COMPLIANCE

- ⚠ Fines of $1,000 per day for large buildings and $300 per day for small buildings with a maximum annual penalty of $365,000/year for non-compliance
- ⚠ No submission after 30 days results in a $300 fine per day
- ⚠ Inaccurate submission results in a $1,000 to $5,000 fine

Start today to achieve climate goals for the future

While the first compliance emission standard doesn't start until 2025, decarbonizing your building takes time. Emissions thresholds drop every five years and the fines for non-compliance significantly increase. Use this time to prepare your building to meet the thresholds and determine a long-term carbon reduction strategy ahead of your due date.

Regulatory policies are a lot to digest, but that's where we come in. You've already been measuring your climate impact under BERDO. Now, we can help you find solutions that not only meet BERDO requirements but also save you money on your compliance journey.

Let's talk about how NRG can help meet your sustainability goals with cost-saving solutions.

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* https://www.boston.gov/departments/environment/boston-climate-action

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