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SENATE BILL NO. 452

Offered January 12, 2022

Prefiled January 11, 2022

A *BILL to amend the Code of Virginia by adding in Article 5 of Chapter 9 of Title 15.2 sections numbered 15.2-987 through 15.2-990, relating to powers of local governments; additional powers; energy efficiency of buildings.*

Patron—Boysko

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 5 of Chapter 9 of Title 15.2 sections numbered 15.2-987 through 15.2-990 as follows:

§ 15.2-987. Energy efficiency standards; more stringent energy efficiency requirements.

A. The Board of Housing and Community Development (the Board) shall consider and adopt optional building energy efficiency standards designed to increase energy conservation beyond the generally applicable standards in the Uniform Statewide Building Code (USBC) (§ 36-97 et seq.). The optional energy conservation standards shall be designed to reduce energy use in buildings by approximately 15 percent compared to projected energy use under the current International Code Council's International Energy Conservation Code (IECC) or successor standards.

B. The Board shall adopt and publish the optional building energy efficiency standards by July 1, 2023, and shall update such standards within 12 months from each newly published version of the IECC. The standards shall be published as appendices to the USBC.

C. Any locality may adopt and enforce the optional building energy efficiency standards within its jurisdictions after giving written notice to the Board and the public.

D. The Board shall maintain and publish a list of local jurisdictions adopting such standards.

§ 15.2-988. Building energy efficiency; point of sale disclosure.

A. As used in this section:

"Building" means any residential or non-residential covered building.

"Energy" means (i) electricity, natural gas, or water sold by a utility to an account of a covered building; (ii) energy that is generated, from renewable or other sources, on the premises of a covered building from a facility not owned by a utility and that is used to provide heating, cooling, lighting, or water heating, or for powering or fueling other end uses captured by the Energy Star Portfolio Manager; or (iii) any other sources of energy that a locality may designate.

"Energy audit" means an assessment of available information regarding energy use of a building that is representative of such energy use for a given period of time, with procedures and criteria created by a locality by ordinance.

"Energy Star Portfolio Manager" means the tool developed and maintained by the U.S. Environmental Protection Agency to track and assess the energy performance of covered buildings.

"Energy use intensity information" means information and data pertaining to the consumption of energy in a building

B. Any locality may by ordinance require any building owner or operator to disclose energy use intensity information for the building to a prospective buyer, lessee, or lender at the time of sale and prior to its completion.

C. Such ordinance shall create guidelines for the criteria, collection, and disclosure of such information, such as requiring the use of Energy Star Portfolio Manager. Such ordinance shall also specify procedures for an energy audit.

D. Such ordinance may require an energy audit, to be disclosed to the prospective buyer, lessee, or lender, prior to completion of the sale should there be less than 12 months of existing energy use information available or upon request by the prospective buyer, lessee, or lender.

§ 15.2-989. Energy benchmarking.

A. As used in this section:

"Account holder" means a utility's customer with a utility account that receives utility service at a covered building.

"Aggregated data" means the combined measured energy usage data for multiple utility accounts of customers receiving service in a covered building across a given period.

"Benchmarking" or "energy benchmarking" means obtaining information on the energy usage of a covered building for a specific period to enable the energy usage to be tracked or compared against the

59 *energy usage of other buildings.*

60 *"Covered building" means any building, including public, private, and multi-family buildings, with*
61 *one or more utility accounts and a gross floor area of not less than 50,000 square feet.*

62 *"Department" means the Department of Energy.*

63 *"Energy" means (i) electricity, natural gas, or water sold by a utility to an account of a covered*
64 *building; (ii) energy that is generated, from renewable or other sources, on the premises of a covered*
65 *building from a facility not owned by a utility and that is used to provide heating, cooling, lighting, or*
66 *water heating, or for powering or fueling other end uses captured by the Energy Star Portfolio*
67 *Manager; or (iii) any other sources of energy that a locality may designate.*

68 *"Energy scorecard program" means a program developed by a locality using Energy Star Portfolio*
69 *Manager that tracks performance of buildings based on information disclosed by owners.*

70 *"Energy Star Portfolio Manager" means the tool developed and maintained by the U.S.*
71 *Environmental Protection Agency to track and assess the energy performance of covered buildings.*

72 *"Owner" means the person owning a covered building as reflected in the land records of the circuit*
73 *court clerk where the covered building is located or such person's designee.*

74 *"Utility" means a person that sells electricity, natural gas, or water services consumed in a covered*
75 *building.*

76 *"Utility account" means an agreement between a utility and its customer under which the utility*
77 *provides energy to a specified location.*

78 *B. Any locality may by ordinance require energy benchmarking under which a utility shall collect*
79 *and provide aggregated data for a covered building to the owner.*

80 *C. Any locality may by ordinance require a utility to maintain aggregated data for all buildings with*
81 *at least one active utility account for at least the most recent 12 months.*

82 *D. Any locality may by ordinance develop and implement energy scorecard programs for covered*
83 *buildings and require owners to disclose information to Energy Star Portfolio Manager subject to*
84 *guidelines established in the program in such ordinance.*

85 ***§ 15.2-990. Building energy use intensity; reporting, reduction, requirements, and incentives.***

86 *A. Any locality may by ordinance create incentives for an owner, operator, or an agent of one of*
87 *them, of buildings of specified parameters to report the energy use intensity (EUI) or reduce EUI*
88 *amounts by specific parameters. Such ordinance shall identify the size, use, and type of building that*
89 *makes an owner, operator, or agent eligible for such incentives. Such ordinance shall also identify the*
90 *specific percentage of EUI reduction that makes an owner, operator, or agent eligible for such*
91 *incentives.*

92 *B. Any locality may by ordinance establish EUI requirements for specific buildings based on type,*
93 *size, and use, as identified in such ordinance.*

94 *C. Such an ordinance may also allow the locality to develop incentive programs focused on*
95 *increasing building efficiency, including local changes to zoning and permitting, local tax adjustment,*
96 *and programs for green banks and commercial property-assessed clean energy (C-PACE).*