

# TOP 10

## Answers to Your Questions about MD's Building Energy Performance Standards

### The Shifting Energy Environment

The State of Maryland has instituted new regulations that will impact building owners, managers, engineers, property management firms and more. The Building Energy Performance Standards (BEPS) are a new regulatory tool that the State of Maryland will use to help meet its green building and climate goals between now and 2030.

Based on Maryland's goal to make the State of Maryland more sustainable, the standards outline actions that need to be taken to meet the State of Maryland's greenhouse gas (GHG) reduction targets. Since buildings account for a large portion of GHG emissions, reducing the amount of energy used in buildings is central to the State of Maryland's climate goals.

# 1

## What is a Building Energy Performance Standard?

A Building Energy Performance Standard (BEPS) sets a minimum threshold for the energy performance of existing buildings. These standards are based on and measured against the building's energy performance, as demonstrated in its benchmarking data.

Building Energy Performance Standards (BEPS) were established to achieve the energy and climate goals by reducing greenhouse gas emissions and energy consumption over time for buildings 35,000 square feet or larger.

In Maryland, building owners who have buildings that meet this 35,000+ square feet threshold will be required to benchmark energy performance. This information will be reported annually to the state using [ENERGY STAR Portfolio Manager](#).

Under BEPS, the state will aggregate individual building performance information per property type to establish a standard for buildings to meet. Buildings that do not meet the standard for their property type must improve their performance over a compliance period by demonstrating improvements. Compliance is not optional, and penalties could be severe.



# 2

## Does BEPS apply to my building(s)?

Buildings in the state of Maryland **over 35,000 sq. ft.** (excluding parking garage area) are subject to Maryland BEPS, except for historic properties, public and non-public elementary and secondary schools, and facilities primarily used for agriculture or manufacturing.

# 3

## What is required for reporting?

**Starting on June 1, 2025**, covered buildings must submit their initial Benchmarking report for the previous calendar year to [Maryland Department of the Environment \(MDE\)](#) using ENERGY STAR Portfolio Manager.



*To compile this report building information required will include:*

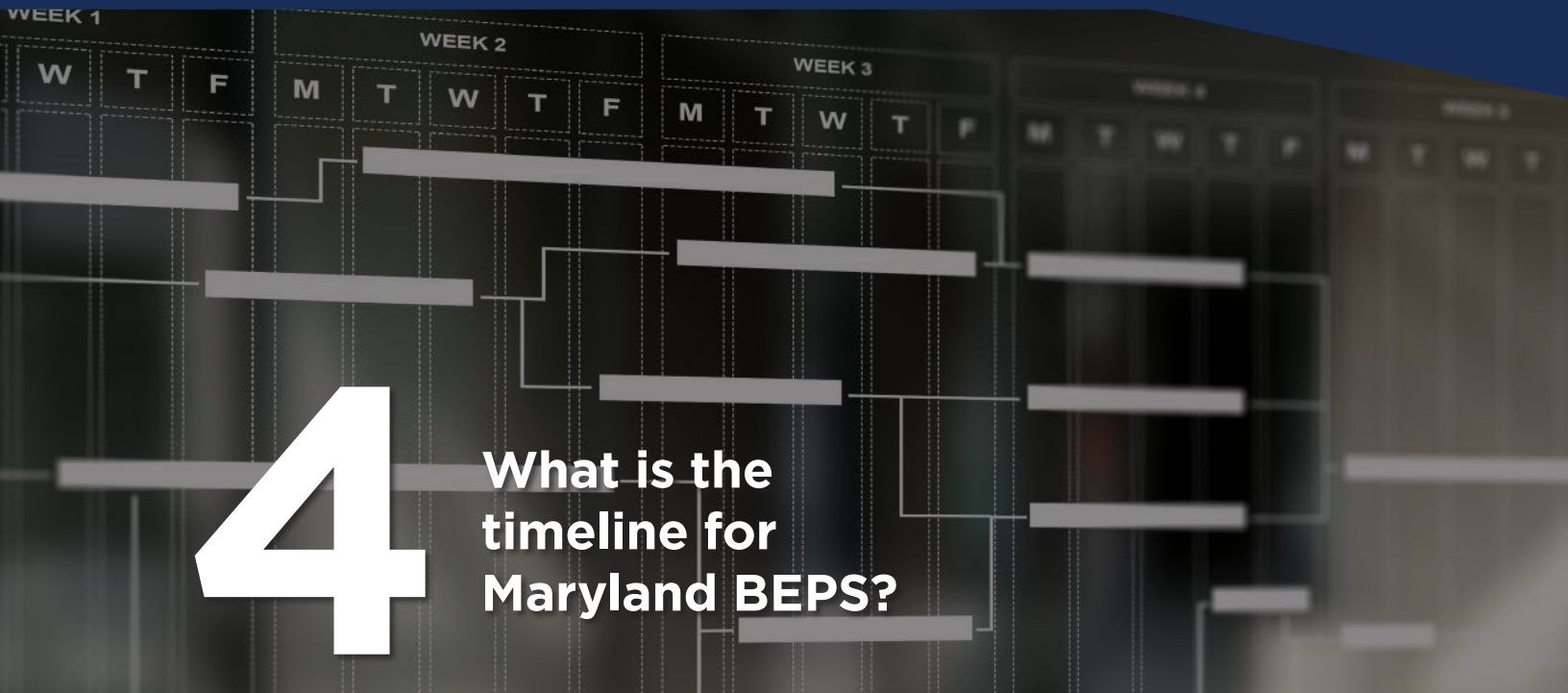
- Property type
- Gross floor area
- Hours of operation
- Occupancy
- Building wide usage for all meters, including tenants
- Non-utility provided fuels such as diesel, propane, or photovoltaic.

Data from January 1, 2024 - December 31, 2024, will be included in the Initial Benchmarking Report.

The Baseline Benchmarking Report, or the report used to set improvement metrics must be reported to MDE by June 1, 2026, with data from January 1, 2025 - December 31, 2025. The Baseline Benchmarking Report will establish the baseline metrics for covered buildings to inform BEPS standards and compliance into the future.

Furthermore, to ensure accuracy and data quality, MDE has mandated that data for the 2025 year and every 5 years thereafter must be verified by a third party.





## 4 What is the timeline for Maryland BEPS?

MILESTONES	KEY DATES
Initial Benchmarking Period	January 1 - December 31, 2024
2024 Reporting	June 1, 2025
Baseline Benchmarking Period	January 1 - December 31, 2025 - <i>(Baseline Year - Data Verification Required)</i>
2025 Reporting	June 1, 2026
2026 Reporting	June 1, 2027
2027 Reporting	June 1, 2028
2028 Reporting	June 1, 2029
2029 Reporting	June 1, 2030
2030 Reporting	June 1, 2031 <i>Compliance Year - Data Verification Required</i>
<b>CYCLE REPEATS EVERY FIVE YEARS UNTIL THE NEXT COMPLIANCE YEAR</b>	
2035 Reporting	June 1, 2036 <i>Compliance Year - Data Verification Required</i>
<b>CYCLE REPEATS EVERY FIVE YEARS UNTIL THE NEXT COMPLIANCE YEAR</b>	
2040 Reporting	June 1, 2041 <i>Compliance Year - Data Verification Required</i>

## 5 How will I know if my building meets the standards?

Maryland buildings covered by BEPS will have to meet two metrics to measure a building's energy performance and evaluate buildings based on these standards.

### Net Direct Greenhouse Gas Emissions (kg/CO<sub>2</sub>e/ Sq Ft)

Net direct greenhouse gas emissions, or net direct emissions, are the sum of all direct greenhouse gas emissions emitted by the building directly.

This method incentivizes electric forms of heating and encourages abandoning fossil fuels. Complying with this standard is required for the Final Net Direct Emissions reduction of 20% by 2030 and standard of 0 by 2040.

### Site Energy Use Intensity (kBtu/sq ft)

Site EUI is a metric of energy consumption per square foot of building space. This metric allows buildings of different sizes to be compared and is a pure metric of energy efficiency. Site EUI refers to energy used directly on-site. In other words, it is energy used by the building.

MDE will conduct an updated analysis after the 2025 benchmarking data are submitted in 2026 to determine if the interim and/or final standards need to be modified based on actual 2025 benchmarked building energy performance.

## 6 What if I just built a new building, am I required to comply with BEPS?

A new building becomes an existing building as soon as it is built. Therefore, even if it was just built, the building must comply with BEPS, per the guidelines. If your building meets the threshold for benchmarking (*see answer #1*) you must begin benchmarking your building starting the calendar year after receiving your Certificate of Occupancy; and once a full calendar year of utility data can be collected. After a full calendar year of benchmarking data has been reported the new building must meet the standard at the start of the next BEPS period.



## 7 What are the penalties for non-compliance?

Penalties for non-compliance with BEPS requirements have not been established. However, based on BEPS programs in other jurisdictions, like the District of Columbia and Montgomery County, we can be sure they will be announced. The impending penalties are just another reason to get a head start on benchmarking.

## 8 Where can I find information about the specific rules for compliance and how to do so?

Maryland BEPS rulemaking is in process. The most up-to-date information about BEPS from MDE can be found [here](#).

## 9 What should I do right now?



It's a lot to digest, MD Energy Advisors is here to help. Our work with clients provides us with in-depth knowledge about the time and process involved in enhancing your building's energy solutions. Be sure you know your building's ENERGY STAR score and compare it to the Building Energy Performance Standards to see if your building meets the standard for your property type. If you do not know how your building is performing, please contact your MD Energy Advisors consultant for assistance.

Since 2010, MD Energy Advisors has helped make energy choices simple for everyone. We connect with our clients where they are so we understand what matters to them. Coupled with our expertise in real estate, finance and energy, MD Energy Advisors delivers custom solutions for your unique circumstances.

## We'll help you with:

1. Understanding what your jurisdiction requires and determine whether the property meets the criteria.
2. Benchmarking your portfolio or building and submitting your Energy Star Benchmarking score to your jurisdiction.
3. Assessing your building to identify and quantify energy saving opportunities and improvements
4. Selecting the right compliance approach your situation.
5. Obtaining financing solutions.

With this data, you and your team should strategically evaluate available options, assess expenditures, prepare for permitting processes and begin to make the necessary hires to do improvements and generate the record of improved performance that you will need to get full credit for them.

You need a thoughtful, strategic approach to improve your building's energy performance as soon as possible. Check out a few [case studies here](#) to see how MDEA supports the process.

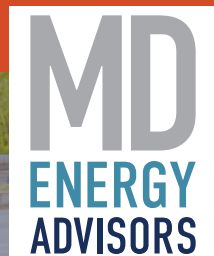


# 10

## How do I stay connected and informed?

Knowledge, combined with action is power.

To speak with an advisor for expert advice and insights, contact Jared Lyles, C.E.M., Mechanical Engineer for MD Energy Advisors, at [JLyles@mdenergyadvisors.com](mailto:JLyles@mdenergyadvisors.com) or call 410-995-8477.



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