



Energy-Efficient Buildings

Maryland PIRG
Standing Up
To Powerful Interests

Marylanders deserve affordable, clean and reliable energy.

Wasteful energy use costs Marylanders money and pollutes our environment. Making our homes and businesses more energy efficient must be part of the solution—in 2011, buildings' share of total U.S. electricity consumption is projected to reach 73 percent.¹

Consumers bear the burden of this wasteful energy use. In 2009, the average household spent as much on utility bills as groceries, making them the fourth-highest household expense.² Between 2006 and 2010, residential electricity prices in Maryland increased 51 percent.³

Unfortunately, the real estate market fails to give buyers access to basic information about a building's energy use, leaving consumers without the tools they need to factor energy costs into their decision-making when renting or buying a home or business.

We must empower consumers to make smart energy choices.

HB718 / SB261 requires a seller or landlord of a commercial property to disclose a building's energy use to a potential buyer or tenant at the time of sale or lease. It also requires the building's energy use to be compared to similar properties using EPA's Energy Star Portfolio Manager.

Similarly, **HB719 / SB606** requires a seller or landlord of residential properties to disclose a building's energy use to a potential buyer or tenant at the time of sale or lease. The seller may report energy usage by presenting the past 12 months of utility bills.

Buyers, owners and the economy benefit from transparency in energy use:

Buyers can make informed decisions and better anticipate the costs associated with a particular building.

Building owners can benchmark their properties against similar buildings, allowing them to continuously improve building energy performance and measure performance comparatively.

Contractors benefit from greater market demand for renovations and retrofits, creating more jobs.

Developers of energy-efficient buildings will see the value of their properties increase, and this will create incentives to make efficiency a priority.

Energy service companies can identify buildings with the greatest potential for energy savings and offer services directly to their owners.

Utilities will see greater participation in energy-efficiency programs.

Commercial building energy use disclosure policies are in place in Washington, D.C., New York City, Austin, and the states of California and Washington. Residential building energy use disclosure policies are already in place in Montgomery County. Additional policies are in place or are currently being developed in the cities of Austin and Santa Fe, and the states of Maine, New York and Nevada.

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1. Department of Energy, Office of Energy Efficiency and Renewable Energy. (2008). Buildings energy data book. Washington, DC: Retrieved from <http://buildingsdatabook.eren.doe.gov/TableView.aspx?table=1.1.9>

2. U.S. Bureau of Labor Statistics, Mid-Atlantic Information Office. (2011). Consumer expenditures for the Baltimore area. Philadelphia, PA: Retrieved from <http://stats.bls.gov/ro3/cehbalt.htm>

3. Energy Information Administration, Independent Statistics and Analysis. (2010). State energy consumption, price, and expenditure estimates (seds). Retrieved from http://tonto.eia.doe.gov/state/SEP_MorePrices.cfm