



Watertown City Council

**Committee on Rules and Ordinances Meeting
Monday, March 10, 2025 at 6:00 PM
Richard E. Mastrangelo Council Chamber - Second
Floor**

Agenda

Pursuant to Chapter 2 of the Acts of 2023, the meeting and public hearing will be conducted with remote opportunities for participation. Remote participation and access methods include:

ACCESS INFORMATION:

- A. This meeting will be held on March 10, 2025 at 6:00 P.M. Location: Richard E. Mastrangelo Council Chambers
- B. The meeting will be televised through WCATV (Watertown Cable Access Television): <http://vodwcatv.org/CablecastPublicSite/watch-now?site=3>
- C. The Public may join the virtual meeting online: <https://watertown-ma.zoom.us/j/89707047441>
- D. Public may join the virtual meeting audio only by phone: (877) 853-5257 or (888) 475-4499 (Toll Free) and enter Webinar ID: 897 7074 7441
- E. Public may comment through email: lfeltner@watertown-ma.gov

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1. Call to Order
 2. Discussion
 - A. Continued discussion of proposed Building Emission Reduction and Disclosure Ordinance (BERDO)
 3. Adjournment

ELECTED OFFICIALS

John G. Gannon,
Chair

John M. Airasian,
Vice Chair

Lisa J. Feltner,
Secretary



George J. Proakis
City Manager

CITY OF
WATERTOWN
Office of the City Manager

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To: Honorable City Council

From: George J. Proakis, City Manager

Date: January 9, 2025

RE: Agenda Item – Building Emission Reduction Disclosure Ordinance Regulations

The Building Emissions Reduction and Disclosure Ordinance (BERDO) is being submitted to implement the City of Watertown's Climate Plan. The Watertown Town Council, in 2019, passed a resolution committing to 100% renewable energy by 2050. Additionally, in May 2021, the council declared a climate crisis, with a goal of ending town-wide greenhouse gas emissions as soon as possible.

The City of Watertown's 2022 Climate and Energy Plan details strategies to reduce carbon emissions from buildings, including the necessity of a building performance standard ordinance. As a leader in combating global climate change, Watertown was the first city in New England to pass a solar ordinance and the first in Massachusetts to adopt the specialized energy stretch code. The city has demonstrated its commitment by building two zero net energy registered elementary schools and is currently constructing a new high school designed to be one of the first LEED 4.1 platinum zero net energy high school in the country.

Environmental justice communities in Watertown are disproportionately affected by climate change through increasing heat island exposure, rising sea levels, and stormwater flooding. Buildings contribute approximately 50% of greenhouse gas emissions in the City of Watertown, with a small number of large buildings contributing a disproportionate amount of those emissions.

The BERDO was developed through the hard work of the Watertown Environment & Energy Efficiency Committee (WE3C), with significant contributions from Ernesta Krackiewicz, Brian Hebeisen, Pat Rathbone, and Jolly Tager, in collaboration with Silas Fyler and Laurel Schwab.

This ordinance is being submitted tonight for committee discussion. A companion regulation document will be provided before the committee meeting, with the draft currently under staff review.

The version being submitted tonight is, in substance, very similar to the volunteer draft from earlier in 2024. Changes are primarily to align the document with the standard format for city ordinances, including:

- a. Establishing a general purpose statement at the start of each ordinance.
- b. Ensuring the definitions section does not include regulatory language, and regulatory sections do not include definitions.
- c. Ensuring that regulatory directions are covered only once in city ordinances, so future edits do not require adjustments in multiple places.

The BERDO will require just over 150 buildings in Watertown, including most city buildings, to reach net-zero status by 2035 or 2050. It ensures the largest buildings in Watertown meet our climate goals, provides a reasonable timeframe for compliance, and establishes the BERDO Review Board to consider and make determinations on hardship cases.

Given the above, I respectfully request that this matter be included on the agenda for the City Council meeting scheduled for January 14, 2025, for your consideration and action.

Thank you for your attention to this matter.

CITY OF WATERTOWN

Building Emissions Reduction and Disclosure Ordinance

(BERDO)

V 1.7

January 9, 2025

An Ordinance

In amendment to the Ordinance entitled “Municipal Code of the City of Watertown”

- WHEREAS:** The Watertown Town Council in 2019 passed a resolution committing to 100% renewable energy by 2050; and
- WHEREAS:** The Watertown Town Council passed a resolution in May 2021 declaring a climate crisis with a goal of ending town-wide greenhouse gas emissions as soon as possible; and
- WHEREAS:** The City of Watertown’s 2022 Climate and Energy Plan details strategies to reduce carbon emissions from buildings, including a requirement for a building performance standard ordinance; and
- WHEREAS:** The City of Watertown has exhibited leadership in combating global climate change as the first city in New England to pass a solar ordinance and the first city in Massachusetts to adopt the specialized energy stretch code; and
- WHEREAS:** The City of Watertown has acted on these commitments by building two zero net energy registered elementary schools and is in the process of building a new Watertown High School designed to be the first LEED 4.1 platinum zero net energy high school in the country; and
- WHEREAS:** Environmental justice communities in Watertown are disproportionately affected by climate change through increasing heat island exposure, rising sea levels, and storm water flooding; and
- WHEREAS:** Buildings contribute approximately 50% of greenhouse gas emissions in the City of Watertown and a small number of large

buildings contribute a disproportionate amount of those emissions; **THEREFORE, BE IT**

ORDERED: By the City Council of the City of Watertown that the Municipal Ordinances of the City of Watertown be amended by adding the following:

DRAFT

Building Emissions Reduction and Disclosure Ordinance

1 PURPOSE

This ordinance is enacted to encourage efficient use of energy, to reduce the emission of greenhouse gasses, and to implement the 2022 Watertown Climate and Energy Plan by authorizing the City to collect energy usage data to enable more effective energy and climate protection planning by the City and others; provide information to the real estate marketplace so that its members are able to make decisions that foster better energy performance; and require reductions in emissions from to achieve net zero emissions from the largest properties in Watertown by 2035 or 2050.

2 DEFINITIONS

- 2.1 Alternative Compliance Credit: A credit obtained by a Covered Property Owner to offset greenhouse gas emissions from the Covered Property. One Alternative Compliance Credit shall be equivalent to one metric ton of Greenhouse Gas Emissions.
- 2.2 Approved Verification Body: An organization accredited by the American National Standards Institute, or other accrediting body approved by the Department, to conduct verification services of energy and covered property characteristics for the reported data.
- 2.3 Baseline: The average of Greenhouse Gas Emissions of Covered Properties for two consecutive calendar years comprising the default baseline, alternative baseline, or new covered properties baseline, as set forth in section 11 for purposes of calculating emissions reduction targets necessary to meet the requirements of this Ordinance, set forth in section 11.
- 2.4 Benchmarking Information: Information collected by the Department and information generated by the Benchmarking Tool, as herein defined, including

descriptive information about the physical property and its operational characteristics.

- 2.5 Benchmarking Tool: The ENERGY STAR Portfolio Manager tool developed and maintained by the U.S. Environmental Protection Agency to track and assess the relative energy performance of buildings nationwide, and/or other tools identified by the Department to collect and track Benchmarking information necessary for compliance with this Ordinance.
- 2.6 Compliance Period A defined range of years, by which each year a Covered Property must achieve the performance requirements of section 11.
- 2.7 Condominium: A residential or non-residential condominium property established pursuant to G.L. c183A, as identified by the City of Watertown Assessor's records.
- 2.8 Cooperative: A multi-dwelling complex in which owners acquire an interest in the entire complex and a proprietary lease to their own apartment or dwelling. The complex is formed or held pursuant to Chapters 156C, 156D, 157, 157B, or 180 or similar provision in the Massachusetts General Laws.
- 2.9 Covered Property: A Residential or Non-Residential building that contains 20,000 or more Covered Square Feet.
- 2.10 Covered Square Feet: The finished area of the property as per the City of Watertown Assessor's records.
- 2.11 Department: The City of Watertown's Department of Community Development and Planning or its successor.
- 2.12 Dwelling Unit: A single residential unit, as defined by the Watertown Zoning Ordinance.
- 2.13 Emission Factors The multipliers used to determine the Greenhouse Gas Emissions produced by the production or consumption of Energy that will be established by the Director of the Department pursuant to regulations

developed per Section 15 no later than the year prior to the relevant Compliance Period.

- 2.14 Energy: Purchased electricity, natural gas, steam, hot or chilled water, heating oil, or other product or electricity generated on site, for use in a building for purposes of providing heating, cooling, lighting, water heating, cooking, or for powering or fueling other end-uses in the building and related facilities, excluding any verified amount of electricity used for charging electric vehicles and excluding any Energy exported for consumption outside the Covered Property.
- 2.15 ENERGY STAR Portfolio Manager The tool developed and maintained by the U.S. Environmental Protection Agency to track and assess the relative energy performance of buildings nationwide.
- 2.16 Energy Use Intensity (EUI): A building's annual energy consumption measured in kBtUs (1000 British Thermal Units) used per square foot of gross floor area.
- 2.17 Fund The Equitable Emissions Investment Fund established to receive monies and expend them for the reduction of Watertown's Green House Gas Emissions.
- 2.18 Greenhouse Gas Emissions (GHG Emissions): The carbon dioxide equivalent emissions produced from the operations of the Covered Property calculated by the Department according to the following formula:
- 2.18.1 Sum of annual Energy use by fuel type, multiplied by the Emission Factor for that type of Energy, minus Alternative Compliance Credits minus any Renewable Electricity subtracted from electricity consumption, up to a limit of the total electricity consumption or the limit determined in section 11.7.
- 2.19 Hardship Compliance Plan: A detailed compliance plan to reduce Greenhouse Gas Emissions.
- 2.20 Municipal Property: A building owned by the City of Watertown that contains 5,000 or more Covered Square Feet.

- 2.21 **New Covered Property:** A Covered Property that has received a Certificate of Occupancy in 2025 or later or has completed a Substantial Rehabilitation, as defined herein, of the property in 2025 or later. New Covered Properties shall comply with the performance requirements of section 11.4.
- 2.22 **Owner:** For a Covered Property under this ordinance, an Owner is one or more of the following:
- 2.22.1 An individual or entity having title, either directly or through a legally authorized or designated affiliate or subsidiary, to a Covered Property;
 - 2.22.2 An agent authorized to act on behalf of the owner of a Covered Property, although the owner as defined in 1.22.1 remains responsible for any compliance obligations;
 - 2.22.3 The net lessee in the case of a Covered Property subject to a net lease with a term of at least forty-nine years, inclusive of all renewal options;
 - 2.22.4 The board of managers or trustees in the case of a condominium at the Covered Property; and/or
 - 2.22.5 The board of directors or trustees in the case of a Cooperative at the Covered Property.
- 2.23 **Power Purchase Agreement (PPA):** A contract by which an Owner agrees to purchase electricity from a generating facility over a fixed term of years.
- 2.24 **Regulations:** Rules generated by the Department and derived from this Ordinance.
- 2.25 **Renewable Electricity:** Purchases from specific off-site renewable electricity programs approved by the Department, or the renewable energy attributes, measured in megawatt-hours retired from renewable on-site electricity generation or from off-site zero greenhouse gas emission electricity sources.

- 2.26 Renewable Energy Certificate (REC): A certificate representing the positive environmental attributes associated with the production of one (1) megawatt hour (MWh) of electricity by a renewable energy facility.
- 2.27 Residential Property: A property containing one or more Dwelling Units and whose use is primarily (greater than 75% of the Covered Square Feet) residential.
- 2.28 Review Board The BERDO Review Board established by Administrative code and/or thorough this Ordinance as a resource for owners of Covered Properties seeking redress of reporting or reductions of energy use for reasons including hardship.
- 2.29 Site Energy: The amount of energy consumed by a Covered Property or Municipal Property as reflected in utility bills or other documentation of actual energy use.
- 2.30 Source Energy: All the energy used in delivering energy to a Covered Property, including power generation and transmission and distribution losses.
- 2.31 Substantial Rehabilitation: The act or process of repair, alterations, additions, or change of use to a building in excess of 25% of the assessed value of the building.
- 2.32 Tenant: A person or entity leasing, occupying, or holding possession of, all or a portion of a Covered Property or Municipal Property.
- 2.33 Utility: Any entity that distributes and sells Energy for Covered Properties or Municipal Properties.

3 APPLICABILITY

This Ordinance requires owners of Covered Properties and Municipal Properties to annually measure and disclose energy use to the Department and to achieve Greenhouse Gas Emissions reduction targets consistent with the commitments of the 2022 Watertown Climate and Energy Plan. Furthermore, this Ordinance authorizes the Department to collect energy usage data to enable more effective

energy and climate protection planning by the City and others and to provide information to the real estate marketplace so that its members are able to make decisions that foster better energy performance. The performance requirements of this Ordinance reduces emissions from Covered Properties, achieving net zero emissions from the largest Non-Residential Properties by 2035 and all Covered and Municipal Properties by 2050.

4 APPLICABLE PROPERTIES

4.1 This Ordinance applies to the following:

4.1.1 All Municipal Properties as defined in this Ordinance; and

4.1.2 All Covered Properties as defined in this Ordinance.

5 BENCHMARKING REQUIRED FOR MUNICIPAL PROPERTIES

The City of Watertown must, no later than December 31, 2025, and no later than June 30th every year thereafter, input the total Energy consumed by each Municipal Property, along with all other descriptive information required by the Benchmarking Tool, into the Benchmarking Tool for the previous calendar year. The City must report Renewable Electricity production and purchases annually to the Department on the same schedule.

6 BENCHMARKING REQUIRED FOR COVERED PROPERTIES

6.1 Owners shall annually input the total Energy consumed by each Covered Property, along with all other descriptive information required by the Benchmarking Tool, into the Benchmarking Tool for the previous calendar year. Renewable Electricity production and purchases shall be annually reported to the Department. The Owner shall input this information according to the following schedule:

6.1.1 A Non-residential Covered Property by June 30th, 2026, and by every June 30th thereafter;

- 6.1.2 A Residential Covered Property that is not a Condominium or Cooperative by June 30th, 2026, and by every June 30th thereafter;
- 6.1.3 A Residential Covered Property that is a Condominium or Cooperative by June 30th, 2027, and by every June 30th thereafter;
- 6.1.4 A new Covered Property must report by the following June 30th, when it has one full calendar year of energy use data as defined in the Regulations
- 6.2 Owners may, and are encouraged to, authorize an energy utility or other third party to report Covered Property-specific data on their behalf to the Department. Such authorization shall not create an obligation on the part of energy utilities or remove the obligation of Owners to comply with reporting requirements.

7 NOTIFICATION OF COVERED PROPERTIES

Between September 1 and December 1 of each year, the Department will notify Owners of Covered Properties of their obligation to input Energy use into the Benchmarking Tool. By March 15 of each year, the Department will post the list of the addresses of Covered Properties on a public website. Greenhouse Gas Emissions will be calculated by the Department and reported annually to the Owners along with the energy reduction requirements of section 11.

8 QUALIFICATIONS OF BENCHMARKERS

The Department may establish certification and/or licensing requirements for the users of Benchmarking Tools as a part of the Regulations established per Section 15.

9 DISCLOSURE AND PUBLICATION OF BENCHMARKING INFORMATION

- 9.1 Owners shall annually provide Benchmarking Information to the Department, in such form as established by the Department, by the date provided by the schedule in section 6.1. The City will provide owners with the opportunity to submit contextual information related to energy use and may disclose such information on its website upon request of the owner.

- 9.2 Benchmarking Information must include, but need not be limited to:
- a. Property address;
 - b. Owner and/or designated agent contact information;
 - c. Primary use type;
 - d. Gross floor area;
 - e. Energy use and production by type as defined in section 1.14;
 - f. Site Energy Use Intensity (EUI) as defined in this section;
 - g. Weather normalized source EUI;
 - h. Any Emission Factors for Energy used by the building if different from the Emission Factors in the Regulations;
 - i. The energy performance score that compares the energy use of the building to that of similar buildings, where available; and
 - j. Compliance or noncompliance with this Ordinance.
- 9.3 Any significant change in the size of a Covered Building (due to renovation, addition, reduction in size, etc.) shall be evaluated by the Department for the necessity of an adjusted Baseline.
- 9.4 The Department will make Benchmarking Information for Covered and Municipal Properties for the previous calendar year, available to the public on the City's website no later than December 31 for the year in which the data is required. The Review Board may grant an exception to public reporting for any given data at the request of an Owner or the Department.
- 9.5 The Department will make available to the public and update information at least annually which may include the following:
- 9.5.1 Summary statistics on energy consumption and greenhouse gas emissions derived from the aggregation of Benchmarking information for Municipal Properties and Covered Properties;
 - 9.5.2 Summary statistics on overall compliance with this Ordinance, including an assessment of the accuracy of this data;
 - 9.5.3 For each Municipal Property and Covered Property:
 - a. The status of compliance with the requirements of this Ordinance

- b. Annual summary statistics for the Municipal Property or Covered Property, including EUI, annual Greenhouse Gas Emissions per square foot, total annual Greenhouse Gas Emissions, and an energy performance score where available; and
- c. A comparison of Benchmarking Information, Greenhouse Gas Emissions, and other descriptive information across calendar years.

10 PROVISION OF BENCHMARKING INFORMATION BY TENANTS TO THE OWNER

- 10.1 Upon request from the Owner, a Tenant in a Covered Property shall provide information that cannot otherwise be acquired by the Owner and is needed to comply with the requirements of this Ordinance. The Tenant shall provide the information no later than February 28 of any year in which the Owner is required to report. Failure to provide information to an Owner may result in penalties to the Tenant as provided under section 15.
- 10.2 Failure of a Tenant to provide required information does not relieve the Owner of the obligation to report emissions data.
- 10.3 When an Owner of a building is unable to obtain complete data due to the failure of a Tenant to provide the required information, the Owner shall use values or formulas established by the Department to estimate data.
- 10.4 For Covered Residential Buildings, the Homeowners Association or the Management Company may input the energy use of the building into the Benchmarking Tool.

11 EMISSION REDUCTION REQUIREMENTS

- 11.1 Baseline: The default Baseline years for Covered Properties shall be calendar years 2025 and 2026.
- 11.2 Compliance Periods are as follows:
 - 11.2.1 Compliance Period 1 is the years 2027 through 2029.
 - 11.2.2 Compliance Period 2 is the years 2030 through 2034.
 - 11.2.3 Compliance Period 3 is the years 2035 through 2039.

- 11.2.4 Compliance Period 4 is the years 2040 through 2044.
- 11.2.5 Compliance Period 5 is the years 2045 through 2049.
- 11.2.6 Compliance Period 6 is the year 2050 and onwards.

11.3 Performance requirements: Each Covered Property shall comply on an annual basis with Greenhouse Gas Emissions requirements according to the following schedule of Greenhouse Gas Emissions relative to the Baseline:

11.3.1 For Non-Residential Covered Properties of 100,000 Covered Square Feet or greater:

- a. In Compliance Period 1, annual Greenhouse Gas Emissions will not exceed 80% of the Baseline.
- b. In Compliance Period 2, annual Greenhouse Gas Emissions will not exceed 40% of the Baseline.
- c. In Compliance Periods 3 through 6, annual Greenhouse Gas Emissions will not exceed zero.

11.3.2 For Non-Residential Covered Properties of 20,000 to 99,999 Covered Square Feet, or Municipal Properties and Residential Covered Properties that are greater than 20,000 Covered Square Feet and not Condominiums or Cooperatives:

- a. In Compliance Period 1, annual Greenhouse Gas Emissions will not exceed 100% of the Baseline.
- b. In Compliance Period 2, annual Greenhouse Gas Emissions will not exceed 60% of the Baseline.
- c. In Compliance Period 3, annual Greenhouse Gas Emissions will not exceed 40% of the Baseline.
- d. In Compliance Period 4, annual Greenhouse Gas Emissions will not exceed 20% of the Baseline.
- e. In Compliance Period 5, annual Greenhouse Gas Emissions will not exceed 10% of the Baseline.
- f. In Compliance Period 6, annual Greenhouse Gas Emissions will not exceed zero.

11.3.3 For Residential Covered Properties that are Condominiums or Cooperatives:

- a. From 2028 to 2030, annual Greenhouse Gas Emissions will not exceed 100% of the Baseline.
- b. From 2031 to 2034, annual Greenhouse Gas Emissions will not exceed 60% of the Baseline.
- c. In Compliance Period 3, annual Greenhouse Gas Emissions will not exceed 40% of the Baseline.
- d. In Compliance Period 4, annual Greenhouse Gas Emissions will not exceed 20% of the Baseline.
- e. In Compliance Period 5, , annual Greenhouse Gas Emissions will not exceed 10% of the Baseline.
- f. In Compliance Period 6, annual Greenhouse Gas Emissions will not exceed zero.

11.4 New Covered Properties: The Baseline for a New Covered Property shall be the average Greenhouse Gas Emissions of the first two calendar years following issuance of the Certificate of Occupancy. New Covered Properties shall comply with the following performance requirements on an annual basis:

11.4.1 For Residential and Non-Residential New Covered Properties of any size, Greenhouse Gas Emissions shall not exceed 80% of the Baseline in the fourth year after the Baseline period. Thereafter, the New Covered Property shall reduce Greenhouse Gas Emissions in three-year Compliance Periods that achieve a linear reduction to zero Greenhouse Gas Emissions in 2035, except no such New Covered Property shall exceed zero Greenhouse Gas Emissions in 2035 and onwards.

11.5 Alternative Baseline: An Owner may request alternative Baseline years for a Covered Property that is prior to the default Baseline years. The alternative Baseline must be the average Greenhouse Gas Emissions of two consecutive years between 2020 and the default Baseline. The request for an alternative Baseline must be submitted to the Department prior to the Covered Property's first Compliance Period per the Ordinance section 11.3 and, if approved, shall remain the Baseline for all future Compliance Periods. Owners shall ensure that the Energy use for the alternative Baseline years has been inputted into

the Benchmarking Tool and that Benchmarking Information and any Renewable Electricity for the alternative Baseline years have been provided to the Department. A Covered Property that uses an alternative Baseline shall comply with performance requirements that include an additional 2.5% reduction for every year between the start of the alternative Baseline and the default Baseline.

- 11.6 Use of Alternative Compliance Credits: Alternative Compliance Credits must be obtained in the same calendar year during which reporting is required. The month by which they must be obtained will be defined in the Regulations.
- 11.7 Use of Renewable Electricity: Any Renewable Electricity must be obtained in the year in which it is applied to the Covered Property, and documentation thereof must be submitted to the Department by the subsequent June 30th reporting deadline. In calculating Greenhouse Gas Emissions, a Covered Property that uses electricity from a generating facility in Watertown using combustible fuels to generate electricity for direct use by the Covered Property may subtract Renewable Electricity from that electricity only as long as the Emission Factor for the generated electricity is less than or equal to the Emission Factor for electricity purchased from the grid. The Director of the Department will promulgate regulations pursuant to section 15 to establish a methodology for evaluating the Emission Factor for generated electricity compared to grid electricity.
- 11.8 Deferral: A Covered Property may apply to the Review Board with a detailed plan to defer compliance with any Greenhouse Gas Emissions requirements for up to five years such that the cumulative Greenhouse Gas Emissions of the Covered Property from the start of the deferred compliance through 2050 do not exceed what they would be without such deferral. Such plans must detail the expected measures that will result in compliance within five years and must comply with the Regulations. The Review Board may issue its approval of such plans for one or more years, upon which such Covered Property is deemed to be in compliance for those years. The approved deferred compliance plan must not result in Greenhouse Gas Emissions being above zero in 2050 or beyond. After the conclusion of the approved deferral period of five years or less, the Covered Property shall annually purchase Alternative Compliance Credits for any Greenhouse Gas Emissions in excess of the amount proposed

in the deferral plan. The Director of the Department will promulgate regulations pursuant to section 15 that establish minimum performance requirements that a Covered Property must meet during the deferral period.

- 11.9 Hardship: A Covered Property may submit a Hardship Compliance Plan for consideration to the Review Board. Hardship Compliance Plans must comply with the Regulations. The Review Board may issue its approval of a Compliance Plan for one or more years. During those years the Covered Property is deemed to be in compliance.
- 11.10 Energy Use that is Exempt from Emissions Requirements: Building Owners may choose to deduct Energy used by Emergency Backup Generators or other Backup Power and Electrical Vehicle Supply Equipment (EVSE) from a Building's total Energy use, as long as it meets the CO₂e Emission Factors in this Ordinance and the Regulations, and provided that:
- 11.10.1 Emergency Backup Generation/Backup Power provides Energy only to the Covered Building during emergency outages or exercising for operational testing.
 - 11.10.2 Electrical Vehicle Supply Equipment is separately metered or capable of tracking and accurate reporting of energy usage.
 - 11.10.3 Building Owners annually report Energy used by Emergency Backup Generation and EVSEs and the dates, hours and conditions that required Emergency Backup power. Such reporting is subject to the self-certification and third-party verification procedures in section 12.
 - 11.10.4 Energy used by Emergency Backup Generation will not be exempted after 2030, except as follows: a) energy usage by a healthcare institution will continue to be exempted for as long as the institution is required to install and maintain Emergency Backup Generation to ensure reliable operations or as a condition of accreditation; b) Emergency Backup Generation in specific Covered and Municipal Properties may be granted by the Review Board.
 - 11.10.5 Upon recommendation from the Review Board, these exemptions may be revised or additional exemptions added by the Department.

11.10.6 The Department may further define acceptable uses of generators in the Regulations.

12 RENEWABLE ELECTRICITY

12.1 Renewable Electricity must meet the following standards:

12.1.1 The off-site renewable energy procurement shall support a renewable energy project that is new, meaning that the Covered Property Owner enters into a contract to purchase Renewable Electricity from a newly built renewable energy generating source that is not operational at the time of contract execution. This includes contracts that lead to construction of a new project, as well as contracts that lead to expansion of existing projects with new renewable capacity.

12.1.2 Renewable Energy Certificates (Class I RECs only) and other environmental attributes associated with the procured off-site renewable energy shall be assigned to the Covered Property in Watertown for the duration of the contract and made available for inspection by the City of Watertown upon request. The Owner shall maintain transparent accounting that clearly assigns renewable energy production in the form of RECs in megawatt-hours to the Covered Property in Watertown for the duration of the procured off-site renewable energy contract.

12.1.3 The renewable energy generating source shall be local (New England) photovoltaic systems, solar thermal power plants, wind turbines, geothermal power plants, small hydro-power or other renewable energy generating sources (excluding biomass) that may be submitted to and certified by the Department.

12.1.4 Commonwealth of Massachusetts mandated green products (such as class II RECs in Utility standard offerings) will be allowed.

13 MAINTENANCE OF RECORDS AND DATA VERIFICATION

- 13.1 Owners shall maintain records as the Department determines is necessary for carrying out the purposes of this Ordinance, including but not limited to, energy bills and other documents received from Tenants and/or Utilities. Such records shall be preserved by Owners for a period of seven years. At the request of the Department, records shall be made available for inspection and audit by the Department.
- 13.2 Owners shall self-certify their reporting data every year.
- 13.3 For the two Baseline years, Owners shall provide a third-party verification of their reporting data, submitted by the benchmarking deadline for the first year of the first Compliance Period.
- 13.4 For the first year of each Compliance Period, Owners shall provide, by the benchmarking deadline for that year, a third-party verification of their reporting data.
- 13.5 For any year in which any Covered Building is transferred to new ownership, the Review Board may request that the Owner provide a third-party verification of their reporting data by the benchmarking deadline for that year.
- 13.6 For the generation of steam, hot water, chilled water, or electricity, other than Renewable Electricity, the owner of the generating facility shall provide annual third-party verification of the facility's Energy inputs and outputs and the calculated Emission Factor for each output.
- 13.7 All verifications must be performed by an Approved Verification Body.
- 13.8 At the time any occupied Covered Building is transferred to new ownership, the buyer and seller will arrange for the seller to provide to the buyer, all energy information necessary for the buyer to report complete Benchmarking information for the entire year. A seller that fails to provide any such information within 30 days of request by the buyer may be deemed in violation of this ordinance.

14 REVIEW BOARD

- 14.1 The Review Board shall consist of five voting members as defined in the Regulations. Members are appointed by the City Manager and confirmed by City Council for terms of up to five years.
- 14.2 The Review Board will be supported by a staff member assigned by the Department.
- 14.3 The members of the Review Board shall elect a member every three years to serve as Chair.
- 14.4 A Building Owner may apply to the Review Board for a Hardship Compliance Plan if there are Building characteristics or circumstances that present a hardship in complying with the Emissions standards in this Ordinance. Such characteristics or circumstances, to be detailed in the Regulations, may include, but not be limited to, historic Building designations, affordable housing refinancing timelines, or pre-existing long-term Energy contracts without reopeners. The application, review process and conditions for Hardship Compliance Plans shall be set forth in the Regulations. The Review Board shall have sole discretion in issuing Hardship Compliance Plans; such plans must include alternative timelines for meeting Emissions standards and alternative Emissions standards.
- 14.5 Emissions Standards established under the Regulations shall meet the following standards:
- 14.5.1 For the combustion of fuels such as oil and gas, the Emission Factors will be based on standard scientific values published by federal agencies.
- 14.5.2 For the use of all electricity purchased from the grid other than Renewable Electricity, the Emission Factors will reflect the emissions intensity of electricity consumed in Massachusetts.
- 14.5.3 For the generation of steam, hot water, and chilled water, and the generation of electricity other than Renewable Electricity, the Emission Factors for each output from the generation facility will be calculated using the Greenhouse Gas Protocol methodology jointly developed by the World

Resources Institute and World Business Council for Sustainable Development, or similar methodology acceptable to the Department, using data provided by the generation facility owner.

14.5.4 Any RECs created for onsite solar arrays or other renewable energy generation must be retired in order for the electricity from that source used onsite to qualify as zero emission.

14.5.5 If a building is supplied with power through a PPA from a solar array or other renewable energy generator, the associated RECs must be retired for the electricity from that source to qualify as zero emissions.

14.5.6 If requested by an Owner and approved by the Department, Greenhouse Gas Emission Factors other than those in the Regulations may be used.

15 ENFORCEMENT AND ADMINISTRATION

15.1 The Director of the Department or his or her designee shall be the Chief Enforcement Officer of this Ordinance.

15.2 The Director of the Department will promulgate regulations relative to the administration of the requirements of this Ordinance.

15.3 The Review Board is a resource for owners of Covered Properties seeking redress of reporting or reductions of energy usage, for example, for reasons of hardship.

15.4 If any person or entity violates any provision of this Ordinance, enforcement measures may be taken. A violation can include but is not limited to the following:

15.4.1 Any person or entity fails to report the Benchmarking Information.

15.4.2 A third-party verification of Benchmarking Information reported by an Owner identifies a discrepancy with an Owner's self-certified reporting that the Owner does not correct within 30 days

15.4.3 An Owner neglect to obtain third-party verification.

15.4.4 An owner misrepresents any material fact reported as a part of this ordinance.

15.4.5 Any person or entity fails to meet the emissions reduction requirements.

15.5 Enforcement measures for violations are as follows:

15.5.1 For the first violation, a written warning may be issued; and

15.5.2 For any subsequent violation the Department may issue a fine of up to \$300.00 per violation per day, pursuant to the provisions of Chapter 10.99 (Watertown Code General Penalty) herein. Each day that the property remains in violation shall constitute a separate offence.

15.5.3 The Department may adjust the amount of the fine on an annual basis up to the maximum allowed by law.

16 EQUITABLE EMISSIONS INVESTMENT FUND

The City Auditor shall establish the Fund as a revolving fund under MGL 44 53 E½ , and credit to the Fund all Alternative Compliance Payments and penalties made pursuant to this Ordinance; the City Council may direct other monies to the Fund at its discretion. The Director of the Department is responsible for evaluating local Greenhouse Gas Emissions abatement proposals and determining expenditures from the Fund.

Money in the Fund must be expended only for the support, implementation, and administration of local Greenhouse Gas Emissions abatement projects that benefit the City of Watertown's reduction goals. Fund expenditures should consider first projects that benefit Environmental Justice Populations and populations disproportionately affected by air pollution.

17 REVIEW OF ORDINANCE

The Department shall review the implementation of this Ordinance after three years and thereafter every five years. As part of such review, the Department will hold at least one public hearing and solicit comments from the public.

18 APPLICABILITY

If any provision of this Ordinance imposes greater restrictions or obligations than those imposed by any other general law, special law, regulation, rule, ordinance, by-law, order, or policy, then the provisions of this Ordinance control.

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