



BERDO REGULATIONS PHASE 3 LISTENING SESSION

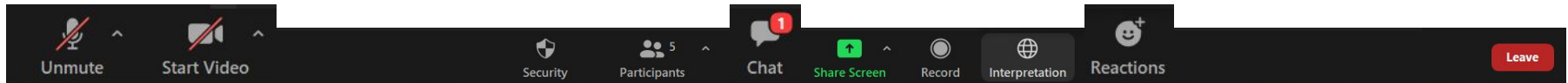
March 6, 2023



Welcome



- Update your name in Zoom to include your preferred name and your pronouns.
- Your microphones are turned off to start. You will need to unmute to speak. Joining via phone? Press ***6** to unmute.
- You can use non-verbal feedback options. Raise your hand or leave a message in the chat box if you would like to contribute to the discussion. If you called into the meeting, use ***9** to raise your hand.
 - When speaking, please make sure to introduce yourself.
 - Note: due to the number of participants, we will not be answering individual questions in the chat.



BERDO Team Members

City of Boston Staff



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Agenda

- **Introductions**
- **Regulations development process**
 - *Community engagement approach*
 - *Proposed timeline*
- **Introduction to Phase 3 regulations topics**
- **Listening Session**
- **Next steps & Reminders**

The background of the slide is a dark blue wireframe illustration of a cityscape, showing various buildings and structures from an aerial perspective. The lines are light blue and create a sense of depth and architectural complexity.

Regulations Development Process

Launch of Phase 3

Regulations Process

Regulations are being developed in a phased approach:

Phase 1

- **Adopted in March 2022**
- *Reporting and data verification requirements*

Phase 2

Phase 2a (adopted in Dec 2022)

- *Review Board*
- *Blended emissions standards, designating tenant as owner, and other clarifying regulations*

Phase 2b (adopted in Jan 2023)

- *Renewable energy purchases*
- *Emissions factors*

Phase 3

- *Compliance with emissions standards*
- *Building portfolios*
- *Individual compliance schedules*
- *Hardship compliance plans*
- *Equitable Emissions Investment Fund*
- *Fines and enforcement*
- *Additional regulations as needed*

Phase 3 Community Engagement Process

Proposed components

COMMUNITY ADVISORY GROUP

Series of monthly meetings with community partners representing environmental justice communities and residents of BERDO buildings.

INVITE ONLY

COMMUNITY-WIDE MEETINGS

Series of meetings with Boston residents. Targeting residents from environmental justice communities and BERDO buildings.

PUBLIC

TECHNICAL WORKING SESSIONS

Public meetings on Zoom to discuss technical regulatory topics.

PUBLIC W/EXPERTS INVITED

FOCUS GROUPS

Ad hoc meetings to discuss specific topics with different implementing partners.

SCHEDULED W/PARTNERS AS NEEDED

APCC HEARINGS

Monthly hearings to provide regular updates on the regulations process and receive public feedback.

PUBLIC

Phase 3 Proposed Timeline

Tentative schedule subject to change



An aerial wireframe illustration of a cityscape, showing various building footprints, streets, and a central area that appears to be a stadium or arena. The entire image is rendered in a light blue color against a darker blue background.

Phase 3 Topics

Phase 3 Regulatory Topics



COMPLIANCE WITH EMISSIONS STANDARDS

- Compliance rules for buildings in special circumstances (e.g., vacant buildings, demolitions)



BUILDING PORTFOLIO COMPLIANCE

- Two or more Buildings with the same Owner or that are part of an approved Institutional Master Plan may comply with BERDO by using a blended emissions standard. Building portfolios are approved by the Review Board.



INDIVIDUAL COMPLIANCE SCHEDULES

- Alternative emissions standard reduction schedules approved by the Review Board. Available to any building that applies to the Review Board.



HARDSHIP COMPLIANCE PLANS

- Alternative emissions reduction targets and/or timelines approved by the Review Board. Available for buildings that experience a hardship in complying with BERDO (e.g., historic building designations, affordable housing refinancing timelines, pre-existing long-term energy contracts without reopeners, financial hardship, and any other factors detailed in the upcoming regulations).



EQUITABLE EMISSIONS INVESTMENT FUND

- New investment fund that will collect all Alternative Compliance Payments and penalties made to BERDO and invest them in local building carbon abatement projects that prioritize environmental justice communities in Boston. The Review Board is responsible for evaluating local carbon abatement proposals, and making recommendations for expenditures from the Fund.



FINES AND ENFORCEMENT

- Fines and penalties for non-compliance.



Compliance with Emissions Standards

Topic #1

Summary

Compliance rules for buildings in special circumstances (e.g., vacant buildings)

Adopted regulations:

Third-party verification for reporting data is not required for Buildings that were vacant for an entire compliance period.

Adopted policies:

A vacant building shall be demonstrated by one or more of the following: demolition permits, insurance policies, no active water or gas utilities, transfer of all utilities to a construction company with an active construction permit, or if energy use is less than 5% of previously reported annual BERDO data.

Example of regulatory questions:

- *Should vacant buildings be required to comply with an emissions standards?*



Building Portfolios

Topic #2



Summary

Regulations will establish the process and rules to apply for and approve a building portfolio.

Ordinance:

Two or more Buildings with the same Owner or that are part of an approved Institutional Master Plan may comply with BERDO by using a blended emissions standard.

Building Portfolios must apply to be approved by the Review Board.

The Review Board may set conditions on the approval of a building portfolio, including prioritizing emissions reductions in Buildings located in or near environmental justice populations.

Examples of regulatory questions:

- *What should be the process to apply for a building portfolio?*
- *What documents should be required for the approval of a building portfolio?*
- *What criteria should the Review Board use to review and approve building portfolios? What guardrails are needed?*
- *What other conditions should the Review Board be able to set for the approval of a building portfolio? How would compliance be monitored?*
- *When and how can buildings be added or removed from a building portfolio?*



Individual Compliance Schedules

Topic #3

Summary

Regulations will establish the process and rules to apply for and approve Individual Compliance Schedules (ICS).

Ordinance:

ICS are alternative emissions standard reduction schedules that allow building owners to decrease their emissions at a different rate than the emissions standards in the Ordinance. Any building owner may apply for a ICS.

All ICS must establish emissions standards with 5-year increments. Those standards must:

- (i) decline on a linear or better basis
- (ii) reduce Emissions 50% by 2030
- (iii) reduce Emissions 100% by 2050

ICS are approved by the Review Board. The Review Board may set conditions on the approval of an ICS.

Examples of regulatory questions:

- *What should be the process to apply for ICS?*
- *What documents should be required for the approval of ICS?*
- *What criteria should the Review Board use to to review and approve ICS? What guardrails are needed?*
- *What conditions should the Review Board be able to set for the approval of ICS? How would compliance be monitored?*

Example of Individual Compliance Schedule



- Affordable housing
- Multifamily building with 16 units
- 10,000 SF
- First reporting year: 2021
- Emissions in 2021: 50,000 kgCO₂e
- Refinancing in 2028.

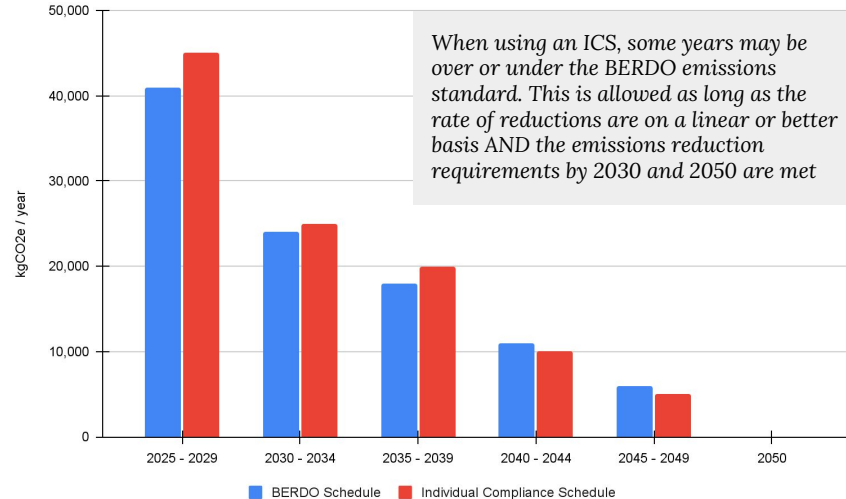
EMISSIONS STANDARDS SET IN THE ORDINANCE (kgCO₂e/SF/year)

2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045 - 2049	2050
4.1	2.4	1.8	1.1	0.6	0

	BERDO Schedule (kgCO ₂ /year)	Individual Compliance Schedule (kgCO ₂ /year)
2021	50,000	50,000
2025 - 2029	41,000	45,000
2030 - 2034	24,000	25,000
2035 - 2039	18,000	20,000
2040 - 2044	11,000	10,000
2045 - 2049	6,000	5,000
2050	0	0

50% reduction from baseline by 2030

No net emissions by 2050



* These are fictitious numbers for demonstration purposes only.

Example of Individual Compliance Schedule



- Assembly building with uniquely high ventilation needs
- 100,000 SF
- Baseline year: 2008
- Emissions in 2021: 2,000,000 kgCO₂e

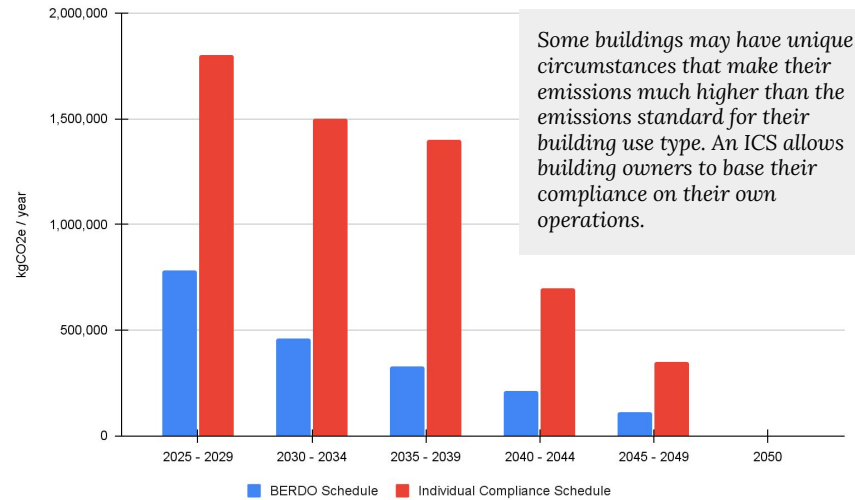
EMISSIONS STANDARDS SET IN THE ORDINANCE (kgCO₂e/SF/year)

2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045 - 2049	2050
7.8	4.6	3.3	2.1	1.1	0

	BERDO Schedule (kgCO ₂ /year)	Individual Compliance Schedule (kgCO ₂ /year)
2008	3,000,000	3,000,000
2021	2,000,000	2,000,000
2025 - 2029	780,000	1,800,000
2030 - 2034	460,000	1,500,000
2035 - 2039	330,000	1,400,000
2040 - 2044	210,000	700,000
2045 - 2049	110,000	350,000
2050	0	0

50% reduction from baseline by 2030

No net emissions by 2050



* These are fictitious numbers for demonstration purposes only.



Hardship Compliance Plans

Topic #4

Summary

Regulations will establish the process and rules to apply for and approve Hardship Compliance Plans (HCP).

Ordinance:

HCP are alternative emissions reduction targets and/or timelines for compliance. HCP are available for buildings that experience a hardship in complying with BERDO (e.g., historic building designations, affordable housing refinancing timelines, pre-existing long-term energy contracts without reopeners, financial hardship, and any other factors detailed in the upcoming regulations)

HCP are approved by the Review Board. The Review Board may set conditions on the approval of an HCP, including measures related to Employment Plans, housing stabilization, air quality monitoring, energy cost- and benefit-sharing, and disclosure of compliance status and mechanisms to tenants, as appropriate.

Examples of regulatory questions:

- *What should be the process to apply for HCP?*
- *What documents should be required for the approval of HCP?*
- *What criteria should the Review Board use to to review and approve HCP? What guardrails are needed?*
- *What other conditions should the Review Board be able to set for the approval of HCP? How would compliance be monitored?*
- *What other unique circumstances or building characteristics should be eligible for a HCP?*



Equitable Emissions Investment Fund

Topic #5

Summary

Regulations will establish the process to apply for, review, and select local carbon abatement project proposals requesting money from the Fund.

Ordinance:

The Equitable Emissions Investment Fund is a new Fund that will collect all Alternative Compliance Payments and penalties made to BERDO and invest them in local building carbon abatement projects.

The Review Board is responsible for evaluating project proposals, and making expenditure recommendations. Fund expenditures shall prioritize projects that benefit environmental justice communities.

The Regulations will establish conditions for expenditure, which may include anticipated emissions reductions, compliance with employment and contracting standards, living wage standards, language access, rent stabilization, air quality monitoring and improvements, housing stability, disclosure of compliance status and mechanisms to tenants, and compliance with Fair Housing standards.

Examples of regulatory questions:

- *Who should be eligible to apply to receive money for the Fund?*
- *What projects should be prioritized?*
- *What should be the process to apply to receive money from the Fund?*
- *What criteria should the Review Board use to to review and select proposals?*
- *What conditions for expenditure should the regulations establish? How would compliance be monitored?*



Fines and Enforcement

Topic #6

Summary

Regulations will establish several processes related to fines and penalties for non-compliance with reporting requirements, the emissions standards, or for failure to accurately report information (e.g., appeals, fine reductions, etc.).

Ordinance:

Regulations shall provide options for administrative appeals for fines.

Regulations will set a process for reconciling discrepancies in reported and third-party verification of data.

The Review Board may grant penalty reductions or waivers. Regulations will establish details regarding petitions, review process and conditions for penalty reductions or waivers.

Examples of regulatory questions:

- *What should be the process to administratively appeal fines?*
- *What should be the process to reconcile discrepancies between reported and third-party verified data?*
- *What should be the process for the Review Board to reduce and waive penalties?*



Listening Session

We want to hear from you

Listening Session

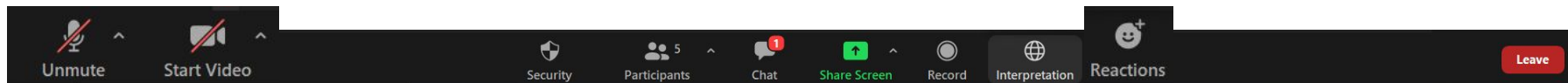
Questions, feedback and ideas on Phase 3 regulations.

- Compliance with Emissions Standards
- Building Portfolios
- Individual Compliance Schedules
- Hardship Compliance Plans
- Equitable Emissions Investment Fund
- Fines and Enforcement

You can also email question, feedback and ideas to Claudia Diezmartinez, BERDO Policy Fellow, at claudia.diezmartinez@boston.gov

How to Participate

- **Please raise your hand** if you want to speak and we will call your name to unmute.
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Next Steps

- Please share additional feedback by emailing Claudia Diezmartinez, BERDO Policy Fellow, at claudia.diezmartinez@boston.gov
- Slides and meeting notes will be posted on BERDO regulations page boston.gov/berdo-regulations.

BERDO Reporting Reminders

2023 Reporting is due May 15

- We will release updated reporting guidance later this month.
- We will be using a new software platform, but it will look very similar to 2022 reporting.

2022 Reporting is past due

- If you are still working on 2022 reporting, please get as much done **before 3/17**. We are planning to transition to our new platform after that date and will require a shutdown of our current reporting form.

Review Board Member Nominations are Open

Link to the online nomination form also available on boston.gov/berdo



BERDO 2.0 Review Board Member Nomination Form

Please use this form to nominate an individual to serve as a member of the Building Emissions Reduction and Disclosure (BERDO) Review Board. This form collects information to assess whether and how nominees meet the requirements for Review Board members defined by Section 7-2.2(s) of the Ordinance and adopted regulations.

NOMINATE AN INDIVIDUAL TO SERVE FOR THE BERDO REVIEW BOARD [HERE](#)

Nominations for Review Board members are open until **March 10, 2023**. After this date, nominations will be accepted on a rolling basis.

This means that the first set of nominees will be reviewed right after the deadline and on a rolling basis afterwards.

Applications to Qualify as a Nominating CBO Close March 31

Link to online application form also available on boston.gov/berdo



BERDO 2.0 Nominating Community-Based Organizations Qualification Form

Please use this form to submit an application to qualify as a nominating Community-Based Organization (CBO) under BERDO 2.0. Qualified nominating CBOs will be able to nominate individuals to serve as members of the BERDO 2.0 Review Board, subject to the Mayor's selection and the City Council's approval.

APPLY [HERE](#) TO QUALIFY AS A NOMINATING CBO.

Applications to qualify as a nominating CBO are open until **March 31, 2023**.

Applications will not open again until 2028.

Resources

Visit boston.gov/berdo for regular updates on BERDO and key resources for reporting.

- *Sign up for the BERDO newsletter to be notified of latest updates.*
- *Upcoming events including regular reporting office hours.*
- *Recorded webinars on BERDO basics, how to report, building decarbonization strategies, and more!*

Visit boston.gov/berdo-regulations for more information on the regulations development process.

- *Process updates, events, and opportunities to engage.*

The [Retrofit Resource Hub](#) is your one stop resource for reducing energy use and emissions.

- *Find technical and financial resources about renewable energy, electrification, and efficiency measures.*

THANK YOU!

Please visit boston.gov/berdo and boston.gov/berdo-regulations for more information and updates.

