

# BESO: LARGE BUILDING EXEMPTIONS AND DEFERRALS SUMMARY

This document provides a high-level overview of BESO exemptions and deferrals for large buildings (25,000+ sq ft) and, where noted, medium buildings (15,000–24,999 sq ft). Energy assessment deferrals apply only to large buildings, while energy benchmarking exemptions apply to both medium and large buildings.

All requests must be submitted and approved by the City before the applicable compliance deadline. Annual energy benchmarking is required unless specifically exempted. For additional deferrals or exemptions not listed here, contact BESO staff. Refer to the [BESO Administrative Regulations](#) for full eligibility, documentation, and timing requirements.

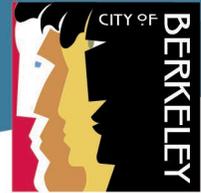
## Energy Assessment Deferrals and Exemptions:

The following options defer the energy assessment requirement for large buildings (25,000 sqft and greater) for the current 5-year compliance cycle. Annual energy benchmarking is still required unless otherwise exempted.

- **Low Energy Use Deferral (Section I.5.IV.C):** Available to large buildings that demonstrate exceptionally low energy use through one of the following pathways:
  - A verified or certified ENERGY STAR Portfolio Manager Performance Score of 80 or higher, or
  - For building types not eligible for an ENERGY STAR score, a verified Site Energy Use Intensity (Site EUI) at least 25% below the national median for the applicable property type.

Verification must be completed by a Professional Engineer or Registered Energy Assessor using the ENERGY STAR Data Verification process (Indoor Air Quality section not required).

- **Electrification Project Deferral (Section I.5.IV.D):** Available to buildings that have recently completed an electrification project that transitions the whole building's water and/or space heating from natural gas to electric heat pump(s). Deferral may apply to full 5-year reporting cycle.
- **Deferral for Long-Term Tenancy under Rent Control (Section I.5.IV.F):** As defined in BMC Chapter 13.76. Deferral may apply to full 5-year reporting cycle.
- **Deferral for Planned Demolition or Extensive Renovation (Section I.5.IV.G):** Available to buildings that are scheduled for demolition or a qualifying Extensive Renovation, defined as a project that will replace all energy-related equipment and at least 50% of



the building envelope. This deferral postpones the assessment requirement for up to two years, allowing time for permitted work to be completed..

- **New Construction Deferral:** Newly constructed buildings, as well as buildings that undergo qualifying extensive renovations, may defer their first required energy assessment for up to two full 5-year compliance cycles (10 years total). The deferral period begins upon issuance of a Certificate of Occupancy for the new construction or qualifying renovation. Buildings must complete their first energy assessment by the end of the 10 year deferral period.

## Benchmarking Deferrals:

The following options exempt **medium (15,000–24,999 sq ft)** and **large (25,000+ sq ft)** buildings from submitting annual energy benchmarking data for a single calendar year. Buildings must reapply annually if conditions persist. For buildings over 50,000 sq ft, the City will report approved exemptions to the State to satisfy AB 802 requirements. A benchmarking exemption does not eliminate energy assessment requirements unless separately deferred or exempted.

- **Data Unavailable Exemption (Section I.6.III.B):** Energy benchmarking can be deferred if:
  - A building has less than five residential active utility accounts or less than three non-residential utility accounts AND the Building Owner can demonstrate that a tenant refused data authorization
  - A building occupant demonstrates to the Administrator that such disclosure may result in the release of proprietary information which can be characterized as a trade secret
- **Low Occupancy Exemption (Section I.6.III.C):** Available for a single calendar year if the building did not have a Certificate of Occupancy or Temporary Certificate of Occupancy for more than half of the reporting year.
- **New Construction Exemption (Section I.6.III.D):** Newly constructed buildings are exempt from annual energy benchmarking for up to two years following issuance of the Certificate of Occupancy. Benchmarking must begin with the first full calendar year of energy use after the exemption period. *Example: If a Certificate of Occupancy is issued in 2026, the first benchmarking report is due July 1, 2028, covering 2027 energy use.*