ORDINANCE

CITY OF NEW ORLEANS

CITY HALL: June 26, 2025

CALENDAR NO. 35,154

NO. 30396 MAYOR COUNCIL SERIES

BY: COUNCILMEMBER MORENO (BY REQUEST)

AN ORDINANCE to ordain Article XIV of Chapter 26 of the Code of the City of New Orleans to require owners of nonresidential and multi-family buildings to measure and disclose energy usage; and otherwise to provide with respect thereto.

WHEREAS, according to Resolution R-17-408, the New Orleans City Council "commits to work with the Administration in the further development of the concepts set forth in the Climate Action Strategy in the hopes of achieving its commitment to reduce greenhouse gas emissions dramatically by 2030"; and

WHEREAS, in 2018 and 2019 the New Orleans City Council adopted resolutions R-18-225, R-18-539, and R-19-206 that required Entergy New Orleans to allow multitenant building owners to request aggregated, anonymized whole building utility data for the purpose of benchmarking whole building energy use; and

WHEREAS, the City's 2022 Climate Action Strategy established a goal of net-zero emissions by 2050 and included the passage of a benchmarking ordinance as an essential step toward achieving that goal; and

WHEREAS, in 2022 the New Orleans City Council adopted Ordinance No. 29082 MCS that requires the City to benchmark City-owned facilities; and

WHEREAS, in 2023 the City of New Orleans joined the White House National Building Performance Standards Coalition to express its commitment to adopting a benchmarking policy and to evaluating additional building performance policies; and

WHEREAS, twenty percent of the City's greenhouse gas emissions originate from energy use in large buildings in the City; and

WHEREAS, buildings that track energy use achieve an average of two percent annual energy savings; and

WHEREAS, in July 2024 the City of New Orleans was awarded a total of \$49,975,589 from the Environmental Protection Agency's Climate Pollution Reduction Grant program, including \$1,467,525 to staff and implement a city-wide energy benchmarking program; and

WHEREAS, more than 50 local and state governments nationwide, including Atlanta, Denver, Orlando, Austin, Kansas City, Miami, Pittsburgh, and others, have adopted similar requirements, thus demonstrating the acceptability, legality and feasibility of such requirements; NOW THEREFORE

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY

- 2 ORDAINS, That Chapter 26 of the Code of the City of New Orleans, Louisiana is amended to add
- 3 Article XIV which shall read as follows:
- 4 "Chapter 26 BUILDINGS, BUILDING REGULATIONS AND HOUSING STANDARDS

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- 6 Article XIV. BUILDING ENERGY BENCHMARKING AND DISCLOSURE
- 7 Sec. 26-683. Definitions.

- 8 The following words, terms and phrases, when used in this article, shall have the meanings ascribed
- 9 to them in this section, except where the context clearly indicates a different meaning:

Administering agency means the agency or department designated by the Mayor to 10 administer the benchmarking program consistent with the provisions of this article. 11 Benchmark means to input and submit the total energy consumption of a property for a 12 calendar year, and other descriptive information for such property as required by the benchmarking 13 tool. Total energy consumption does not include separately metered uses not integral to building 14 operations, such as broadcast antennas and electric vehicle charging stations. 15 Benchmarking tool means the U.S. Environmental Protection Agency's ENERGY STAR 16 Portfolio Manager, or any additional or alternative tool adopted by the administering agency used 17 to track and assess the energy use of certain properties relative to similar properties. 18 Condominium means a property that combines separate ownership of individual units with 19 common ownership of other elements such as common areas. 20 Covered property means one or more buildings on a tax parcel that measure 20,000 or more 21 gross square feet in total combined floor area except for property owned by the state or federal 22 23 government. Energy means electricity, natural gas, steam, or other product sold by a utility to a customer 24 of a property, or renewable on-site electricity generation, for purposes of providing heating, 25 cooling, lighting, water heating, or for powering or fueling other end-uses captured by ENERGY 26 STAR Portfolio Manager. 27 ENERGY STAR Portfolio Manager means the tool developed and maintained by the U.S. 28 Environmental Protection Agency to track and assess the relative energy performance of buildings 29

Owner means any of the following:

nationwide.

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(a) An individual or entity possessing title to a covered property;

- (b) The board of managers in the case of a condominium;
- 34 (c) The master association, in the case of a condominium where the powers of an 35 owners' association are exercised by or delegated to a master association;
 - (d) The board of directors in the case of a cooperative apartment corporation; or
- 37 (e) An agent authorized to act on behalf of any of the above.
 - Tenant means a person or entity occupying or holding possession of a building, part of a building or premises pursuant to a rental or lease agreement.
 - Utility means an entity that distributes and sells natural gas, electric, or thermal energy services for buildings.
 - Whole building utility data means aggregated, anonymized energy usage data for a multitenant building provided by a utility.

Sec. 26-684. – Benchmarking required.

- (a) Benchmarking required. On or before May 31 each year, the owner of a covered property shall benchmark energy use for such property and submit to the administering agency, in electronic format through U.S. EPA ENERGY STAR Portfolio Manager, or as established by the administering agency, the total energy consumed by the covered property and any other descriptive information for the property as required by the administering agency, for the prior calendar year. The owner of the covered property shall ensure the accuracy of the data submitted in accordance with this section and shall amend any submission upon learning of the inaccuracy.
- (b) Multitenant property benchmarking. If a covered property has more than one tenant, the owner shall comply with this section using whole building utility data. If whole building utility data is not available, the owner may enter data using another method that captures

energy use for the covered property, including but not limited to, compiling data from individual tenants or from a master meter. The owner shall make all reasonable efforts to obtain and ensure submission of all information required to comply with this section. If the owner is unable to obtain data from all tenants, the owner shall still provide a benchmarking submission containing all available information. No provision of this article shall require any person to interfere with any tenant's quiet enjoyment of premises they have leased. No provision of this article amends, abrogates, or limits any right granted to tenants by any other article of this Code or by the laws of the State of Louisiana.

- (c) Vacating nonresidential tenant. At the completion of a nonresidential tenant's occupancy of a covered property, the owner shall request the tenant's energy use for any period of occupancy relevant to the owner's obligation to benchmark, but only if whole building utility data is not available.
- (d) *Transfer of ownership*. The owner of a covered property shall transfer to the new owner all benchmarking data not yet reported pursuant to this section upon transfer of ownership of the property.
- (e) Maintenance of benchmarking records. The owner of a covered property shall maintain such records as established by the administering agency, which shall include, but need to be limited to, the energy bills and reports or forms received from tenants or utilities. Such records shall be preserved for a period of at least three years and, at the request of the administering agency, shall be made available for inspection and audit by the administering agency. Such records may be kept in electronic form.

(f) *Exemptions*. The administering agency may exempt the owner of a covered property from submission of the benchmarking data as required by this section, upon request of the owner, under the following circumstances:

- (1) The covered property does not have a certificate of occupancy or temporary certificate of occupancy, and did not have either a certificate of occupancy or temporary certificate of occupancy at any point during the calendar year being benchmarked;
- (2) The city issued a full demolition permit for the covered property during the previous calendar year, if demolition work has commenced, some energy-related systems have been compromised, and a certificate of occupancy will not be issued before May 31;
- (3) The covered property does not receive utility services;
- (4) The covered property qualifies as having a financial hardship, meaning that the property is (i) controlled by a court appointed receiver; (ii) owned by a financial institution by borrower default; (iii) acquired by deed in lieu of foreclosure; or (iv) has a senior mortgage subject to a notice of default; or
- (5) The covered property is used primarily for manufacturing or other industrial purposes such that the majority of energy used is process energy, generally defined as energy used in the actual manufacturing, production, or processing of a good, commodity, or other material and does not include energy used for heating, cooling, ventilation, domestic hot water, cooking, lighting, office equipment, data centers, or other plug loads.

The administering agency may only grant an exemption if the owner provides documentation reasonably necessary to substantiate the request or otherwise assist the administering agency in its review. Any exemption granted shall be limited to the benchmarking submission date for which the request was made and does not extend to past or future submittals.

Sec. 26-685. – Identification of covered properties, courtesy notice required.

- (a) List of covered properties. The administering agency shall identify and compile a list of all covered properties required to comply with this chapter. The administering agency shall publish the list in a downloadable comma-separated values or similar spreadsheet format on the city's website, and shall ensure that the list is maintained and updated, at least annually.
- (b) Courtesy notice to owners. Between January 1 and March 1 of each year, the administering agency shall provide the owner of a covered property a courtesy notice in writing of the requirements of this chapter. Failure of the administering agency to provide such courtesy notification shall not relieve the owner of any obligation required by this article.

Sec. 26-686. – Sharing and analysis of benchmarking information.

No later than December 1 of each year, the administering agency shall publish on the city's website a report for the prior calendar year on benchmarking of all covered properties, including an assessment of compliance rates, an assessment of accuracy and issues affecting accuracy, summary energy consumption statistics, and trends observed, and an assessment of changes across the portfolio over time. In conjunction with the report's publication, the administering agency shall publish on the city's website for each covered property, for the prior calendar year, the information generated by the benchmarking tool. The published data shall include, but need not be limited to

122	the following: (i) address; (ii) primary use type; (iii) gross floor area; (iv) site energy use intensity;
123	(v) total annual greenhouse gas emissions; and (vi) whether the owner complied with the
124	requirements of this article.
125	Sec. 26-687. – Enforcement and penalties.
126	(a) Failure of an owner of a covered property to comply with any provision of this article shall
127	be in violation and subject to penalties in accordance with chapter 6.
128	(b) The penalty for each violation of this article adjudicated in accordance with chapter 6 shall
129	not exceed the monetary limit established by section 6-37.
130	(c) Each day that the owner of a covered property fails to comply with this article shall
131	constitute a separate and distinct violation.
132	(d) Penalties shall be assessed according to the following schedule:
133	(1) The penalty for the first violation shall be no less than the maximum established
134	by section 6-37.
135	(2) The penalty for subsequent violations after the first violation shall be \$60 per
136	violation.
137	(3) The combined penalty amount for all violations shall not exceed \$3,000.
138	(e) Penalties shall be waived during the first year that a covered property is subject to the
139	requirements of this article.
140	(f) The owner of a covered property found in violation of this article may appeal this
141	determination pursuant to chapter 6."
1	SECTION 2. That the provisions of Section 1 of this ordinance applicable to the owner of
2	a covered property shall be effective January 1, 2026 for covered properties measuring at least
3	50,000 gross square feet in total combined floor area and shall be effective January 1, 2027 for

- 4 covered properties measuring at least 20,000 but not more than 49,999 gross square feet in total
- 5 combined floor area.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS JULY 10, 2025

JP MORRELL PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON JULY 11, 2025

APPROVED:

DISAPPROVED: JULY 14, 2025

LATOYA CANTRELL MAYOR

RETURNED BY THE MAYOR ON JULY 14, 2025 AT 2:15 P.M.

AISHA R. COLLIER
ASSISTANT CLERK OF COUNCIL

ROLL CALL VOTE:

YEAS:

Giarrusso, Green, Harris, King, Moreno, Morrell, Thomas - 7

NAYS:

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THE FOREGOING IS CERTIFIED

TO BE A TRUE AND CORRECT COPY

ABSENT: 0

RECUSED: 0

ASSISTANT CLERK OF COUNCIL

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ENGROSSED VERSION:

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That Chapter 26 of the Code of the City of New Orleans, Louisiana is amended to add Article XIV which shall read as follows:

"Chapter 26 - BUILDINGS, BUILDING REGULATIONS AND HOUSING STANDARDS

<u>Article XIV. – BUILDING ENERGY BENCHMARKING AND DISCLOSURE</u> Sec. 26-683. – Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Administering agency means the agency or department designated by the Mayor to administer the benchmarking program consistent with the provisions of this article.

Benchmark means to input and submit the total energy consumption of a property for a calendar year, and other descriptive information for such property as required by the benchmarking tool. Total energy consumption does not include separately metered uses not integral to building operations, such as broadcast antennas and electric vehicle charging stations.

<u>Benchmarking tool means the U.S. Environmental Protection Agency's ENERGY</u>

<u>STAR Portfolio Manager, or any additional or alternative tool adopted by the administering agency used to track and assess the energy use of certain properties relative to similar properties.</u>

<u>Condominium</u> means a property that combines separate ownership of individual units with common ownership of other elements such as common areas.

<u>Covered property</u> means one or more buildings on a tax parcel that measure 20,000 or more gross square feet in total combined floor area except for property owned by the state or federal government.

Energy means electricity, natural gas, steam, or other product sold by a utility to a customer of a property, or renewable on-site electricity generation, for purposes of providing

heating, cooling, lighting, water heating, or for powering or fueling other end-uses captured by ENERGY STAR Portfolio Manager.

<u>ENERGY STAR Portfolio Manager</u> means the tool developed and maintained by the <u>U.S. Environmental Protection Agency to track and assess the relative energy performance of buildings nationwide.</u>

Owner means any of the following:

- (a) An individual or entity possessing title to a covered property:
- (b) The board of managers in the case of a condominium:
- (c) The master association, in the case of a condominium where the powers of an owners' association are exercised by or delegated to a master association;
 - (d) The board of directors in the case of a cooperative apartment corporation; or
 - (e) An agent authorized to act on behalf of any of the above.

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