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## Green performance standards are still evolving

**G**reen construction offers the opportunity to cut operational costs, reduce greenhouse gas emissions and improve the overall health of building occupants.

Given the challenging economic environment, a frequently asked question is whether green projects are delivering the promised savings. Available data to date are both incomplete and contradictory.

### LEGAL PERSPECTIVE



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A study released by the New Buildings Institute suggests green buildings are less energy efficient than initially intended. Forty-two percent of the 121 LEED-NC (New Construction) certified buildings included in the study fell short of their projected energy savings after occupancy.

However, one local study performed by the Cascadia Region Green Building Council reached a different conclusion. A majority of the 11 LEED-certified buildings constructed in the Cascadia Region, which includes Washington, experienced greater savings in energy and water consumption when compared to pre-construction models.

Both studies demonstrate one thing: Not enough has been done to monitor energy performance.

The United States Green Building Council (USGBC) is taking performance seriously. Earlier this year, the USGBC launched a new version of its popular LEED rating system. Buildings seeking certification are now required to record operational performance on a regular basis and to submit data to the USGBC for at least five years.

Failure to monitor performance and report the data will require the building owner to seek recertification every two years.

Reporting and monitoring building performance soon may become mandatory. Forty-three states, 190 localities and 12 federal agencies have initiatives that

### FORECAST: 7.9M GREEN BUILDING JOBS

Green building could create an economic boom when the real estate market recovers, according to a study by the U.S. Green Building Council, which says the industry could generate 7.9 million jobs in the next four years.

The study, released in November at the council's Greenbuild International Conference and Expo in Phoenix and conducted with consulting firm Booz Allen Hamilton, said green building could generate about \$554 billion in gross domestic product between now and 2013, with about \$396 billion of that coming in wages.

That would be a big increase from the roughly 2 million people employed nationwide by the green building industry, which currently pumps about \$100 million into the GDP. Between 2000 and 2008, green building contributed \$173 billion to the economy.

"Our goal is for the phrase 'green building' to become obsolete, by making all building and retrofits green and transforming every job in our industry into a green job," said Rick Fedrizzi, president, CEO and founding chairman of USGBC.

The study looked at the total value of green buildings from the architects to the laborers.

Green building has increasingly become an industry standard as more companies adopt the USGBC's Leadership in Energy and Environmental Design, or LEED, standards.

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incorporate some form of LEED in building codes or required performance standards.

The federal government's Energy Star program is being expanded. If the American Clean Energy and Security Act currently under consideration in Congress becomes law, a uniform performance labeling standard describing a nonresidential building's energy efficiency and greenhouse gas emissions would be implemented.

Earlier this year, the Washington Legislature acted to require the Washington State Building Code Council to adopt building code changes to begin monitoring building performance.

Utilities must begin maintaining energy performance data on nonresidential and qualifying public agency buildings to which they provide service no later than January 1, 2010.

Starting in 2011, owners or operators of larger nonresidential buildings must disclose energy performance data to prospective buyers, lessees or lenders.

Monitoring and reporting on building performance appears to be the wave of the future. Simply obtaining certification will no longer be sufficient.

Greater emphasis on energy efficiency and building performance means that a failure to achieve promised performance may lead to legal disputes. Litigation over building performance issues is increasing. The consequences of not allocating this risk beforehand may be severe.

The good news is that such trouble is avoidable with modest preparation.

While the challenge is significant, the promises of green construction can indeed be achieved.

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