

# Washington Clean Buildings Performance Standard Overview



Commercial building owners throughout Washington State face rising pressures to reduce greenhouse gas emissions in the face of The Clean Buildings Performance Standard and subsequent expansion bill of 2022, which require that owners of existing buildings conform to state-mandated energy use intensity targets, or if they cannot, implement energy efficiency measures. The first of the deadlines for meeting the mandates are less than two years away.

## Who does the Clean Buildings Performance Standard impact?

The law impacts two main categories of existing (not new construction) buildings, referred to as Tier 1 and Tier 2. Tier 1 Buildings are existing covered buildings whose sum of nonresidential, hotel, motel and dormitory floor areas exceeds 50,000 gross square feet(excluding parking). Compliance and reporting for Tier 1 buildings begins June 2026 for buildings greater than 220,000 square feet. Campuses can get an exemption from their Tier 1 target if the university is implementing a decarbonization plan.

Tier 2 Buildings are existing buildings larger than 20,000 square feet. Tier 2 buildings must report on benchmarking, energy management plans, and operations and maintenance programs by July 1, 2027.

## When will the Clean Buildings Performance Standard be implemented?

| June 1 2026               | June 1 2027   | July 1 2027   | June 2028  | June 2030                                       | June 2035                | June 2040                |
|---------------------------|---|---|--|---|--------------------------|--------------------------|
| <b>Tier 1</b>             | <b>Tier 1</b>   | <b>Tier 2</b>   | <b>Tier 1</b>  | <b>Tier 1 Exemptions</b>                        | <b>Tier 1 Exemptions</b> | <b>Tier 1 Exemptions</b> |
| More than 220,000 sq. ft. | More than 90,000 sq. ft. but less than 220,001 sq. ft | 20,000 - 50,001 sq. ft (includes all multifamily greater than 20,000 sq. ft.) | More than 50,000 sq. ft. but less than 90,001 sq. ft | Progress reporting, campus wide EMP and O&M due | Progress reporting       | Compliance reporting     |

More detailed information on deadlines, requirements and exemptions can be found on the [Washington State Department of Commerce](#).

## How do I ensure my building(s) comply with the Clean Buildings Performance Standard requirements?

Understanding and navigating the new limits introduced as part of the Clean Buildings Performance Standard can be overwhelming and stressful for building owners. Each journey toward compliance may look different but rest assured, the right partner will meet you at any point. The path to compliance can be summed up in one word – decarbonization. The journey to decarbonize your building is uniquely yours and Trane® is ready to guide you.

# Taking Action

## Where do I begin?

It is essential to begin by having a clear understanding of the concept of decarbonization. Decarbonization refers to the process of reducing or eliminating greenhouse gas (GHG) emissions from buildings. Similar to vehicles that are becoming more fuel efficient or using electric batteries to cut emissions, buildings are also undergoing decarbonization. By implementing a well-considered blend of upgraded equipment, controls, and services, buildings can successfully achieve their decarbonization objectives while meeting more stringent environmental regulations.

## How can Trane help?

For over a century, Trane has seen more than the building. Trane is a global leader in air conditioning systems, services, and solutions. Our robust and diverse portfolio coupled with our highly skilled and knowledgeable representatives will help ensure a smooth and successful journey towards decarbonization. Additionally, Trane provides tailored solutions, such as energy audits, retrofits, and ongoing monitoring, to help ensure buildings continuously meet the compliance standards.

## Why Trane?

Utilities in the United States are taking significant steps to promote decarbonization and energy efficiency among commercial and industrial customers. Through various programs such as electrification, energy efficiency, and demand response, utility companies have awarded over four billion in incentives. Washington State stands out as a major contributor to this funding, with an average annual allocation of \$140 million dollars in incentives from leading local utilities like Puget Sound Energy (PSE), City of Seattle, and Avista Corp. These collaborations allow us to assist our clients in accessing a variety of available incentives, which can amount to substantial savings. Coupled with our depth and breadth of expertise, backgrounds, and perspectives to both innovate new technologies and individualize solutions, we are committed to getting it right for our customers today and the world tomorrow.

## How will I fund these improvements?

Compliance with the Clean Buildings Performance Standard will require thoughtful planning and likely funding support. While local utility and rebate programs are designed to provide funding based on performance, the recently enacted Inflation Reduction Act (IRA) offers federal incentives to fund building retrofits. The IRA, signed on August 16, 2022, is the nation's largest investment in clean energy solutions to date<sup>2,3</sup>. The IRA offers a variety of clean energy tax credits to building owners to help ease the financial load. Many include a base tax credit with opportunities for bonus tax credits for projects meeting certain requirements. Below are some helpful resources with more information:

- [The White House: Inflation Reduction Act Guidebook](#)
- [Trane Commercial: Legislation and Incentives Resource Center](#)

Trane will work with you to navigate, plan, and develop a solution that's right for your building. We honor the legacy we've created and build on it by making buildings safer, more comfortable, and more cost-effective. Now, and for generations to come. [Start planning today!](#)

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1. <https://www.nyc.gov/site/sustainablebuildings/l197/local-law-97.page>

2. [https://www.epa.gov/system/files/documents/2022-12/12%2009%202022\\_OAR%20IRA%20Overview\\_vPublic.pdf](https://www.epa.gov/system/files/documents/2022-12/12%2009%202022_OAR%20IRA%20Overview_vPublic.pdf)

3. <https://www.dol.gov/agencies/whd/IRA>



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