

Offering Energy Benchmarking as a Service: Overview and Template

The simple choice for energy efficiency.



October 2021

Overview

This document was created for service providers who are interested in offering energy benchmarking via [Portfolio Manager](#) as an ongoing service to their clients.

There are four key areas that should be considered in any ongoing benchmarking service scope of work. Below you'll find descriptions of each area and ideas for your approach.

Appendix A contains a template that you can modify and use to define your offerings and clarify deliverables.

Appendix B contains a sample "Progress and Goals Report."

Elements to Include in Your Scope of Work

Acquiring Data

We recommend that you collect utility bill data directly from your client's utility to optimize the client's experience and ensure data accuracy. This approach can require more work in the set-up process, including the need to obtain client authorization to capture utility data directly from the relevant utility. It may also require setting up online access to a utility web site or requesting login credentials from the client. You should also check to see if your local utility offers the ability to upload data directly into Portfolio Manager. Ultimately, your goal should be to acquire accurate historical and ongoing utility data without repeatedly asking your client for utility bills.

The alternate approach is to get utility bill data from the client. This may work for some clients, but you may not be able to acquire the data consistently enough to offer a standardized benchmarking service to all clients. Some challenges when procuring utility data directly from a client include:

- Difficulty getting complete and adequate historical consumption data (one year of data for each fuel type consumed at the property is required for Portfolio Manager, with two or more years being ideal)

- Inaccurate utility data tracking by the client (due to typos, incorrect unit conversions, etc.)
- The need for multiple emails or phone calls to remind a client contact to send the latest monthly statements.

Reporting

Your benchmarking service is only as good as your ability to engage your clients with the results. For a larger portfolio client, it may be important to produce monthly reports and review them in-person. For a smaller client, you could email a report quarterly and have an annual meeting to review the most recent data. More hands-on clients may prefer to login to Portfolio Manager themselves to view metrics, analysis, reports, and even update monthly data.

Whatever approach you decide to take, Portfolio Manager includes several standard reports that can be used to present benchmarking results. Examples of standard reports include the ENERGY STAR Scorecard and the Progress and Goals Report (see Appendix B). In addition, Portfolio Manager users can create custom data templates to export specific fields for the purpose of creating their own reports in Excel or a business intelligence tool.

Portfolio Manager's sharing feature enables you and your client to access the same building from your own separate accounts.

Cost

The cost to develop and deploy a benchmarking service can vary from company to company. As estimates for the cost of the service are calculated, consider whether you will ask clients to pay for this service, or if you plan to treat the benchmarking service as a business development expense. The latter approach may help ensure widespread benchmarking of client buildings, which can improve client satisfaction and identify potential projects. For these reasons, a well-executed complementary benchmarking service can pay for itself many times over.

Regardless of whether you plan to charge your clients, determining a cost for the service is recommended. This

will help salespeople to communicate the value of the service, even if the client is not paying for it.

Water Tracking

You may also want to offer water tracking along with energy benchmarking. Portfolio Manager supports the tracking of water data and, for multifamily properties, even provides a 1-100 water performance score. Getting water data from utilities can be a much greater challenge than energy data, since water utilities are typically smaller and have fewer resources. In addition to potential challenges collecting water data, it is also important to consider how you intend to use the water data. Is it simply a value-added service for your clients, or do you have water efficiency-related services that the benchmarking results could help you sell?

In either case, we recommended that you start tracking water at your own building as well as a few client sites before including it in your standard scope of work. This approach will help you understand the data acquisition process for water utilities—and potential customer value—before committing to do it for all clients.

Which Decisions Should You Make?

The decisions you make in the four key areas above should be influenced by your overall business strategy. That strategy may be related to customer retention, business development, energy services offerings, or a combination of these objectives. Regardless, you should consider the investments that may be required to execute the strategy, such as:

- Dedication of existing operations staff time
- Hiring new energy, operations, or sales team staff
- Sales training on benchmarking as a service
- Internal training to develop Portfolio Manager expertise
- Customer training on uses and benefits of Portfolio Manager

While investment at some level will likely be required to ensure the implementation of a successful strategy, for many organizations, a benchmarking strategy can be initially piloted with a limited investment of the existing team's time. More ideas around this approach are discussed in the "Energy Benchmarking as a Service with ENERGY STAR Portfolio Manager" webinar, a recording of which is accessible [here](#).

Where to Use the Scope of Work

Once you have a strategy and have made decisions in the four key areas above, you can customize the language in Appendix A to align with specific benchmarking service tasks and deliverables. Once complete, the benchmarking scope of work can be included in maintenance or facility service contracts, project bids, or used as a standalone proposal.

Using the ENERGY STAR Logo on Your Marketing Materials

If your company is an ENERGY STAR Service and Product Provider (SPP) Partner, you can use the ENERGY STAR [Partnership Mark](#) in marketing materials and proposals about benchmarking. Please refer to the [ENERGY STAR Brand Book](#) for usage rules.



For companies that don't yet meet the [requirements for partnership](#), a successful implementation of a benchmarking service strategy should lead to the completion of the 10 benchmarks necessary to qualify!

You may also use the ENERGY STAR **PortfolioManager**[®] graphic identifier in accordance with the [ENERGY STAR brand book](#).



ENERGY STAR[®] is the simple choice for energy efficiency. For more than 20 years, EPA's ENERGY STAR program has been America's resource for saving energy and protecting the environment. Join the millions making a difference at energystar.gov.

Appendix A: Energy Benchmarking Service Scope of Work Template

[ABC Company] (facility service provider) will provide ENERGY STAR Portfolio Manager benchmarking to [XYZ Client] as on ongoing utility data collection, input, and reporting service.

Data Collection and Input

The core of [ABC Company]'s energy benchmarking service is capturing building and utility data for input into the ENERGY STAR Portfolio Manager tool. The data required includes current building characteristics, 12 months of utility bill history for all energy (and water) utilities, ongoing monthly bill updates, and any ongoing updates to building characteristics (as appropriate).


- [XYZ Client] will provide [ABC Company] with the building characteristics required for Portfolio Manager benchmarking for [XYZ Client] at [insert facility name or address]. The required characteristics are listed on the [data collection worksheet](#) on the ENERGY STAR web site. [XYZ Client] will provide [ABC Company] with any updates or corrections to building characteristics over time, along with the effective dates of these changes.
- [XYZ Client] will provide [ABC Company] with access to historical and ongoing energy [and water if included in the scope] utility bills via authorization to capture data directly from the utility company. [XYZ Client] will complete and sign utility authorization forms and/or utility letters of authorization to facilitate the access and/or release of data to [ABC Company].
- [ABC Company] will contact [XYZ Client]'s utilities to obtain access to at least 12 months of utility bills and use the utility process to acquire that data. [ABC Company] will also work with utilities to gain access to monthly bills on an ongoing basis.
- [ABC Company] will set-up a Portfolio Manager account for [XYZ Client] unless [XYZ Client] notifies [ABC Company] of an existing Portfolio Manager account and shares access to it. Once the Portfolio Manager account has been established or accessed, [ABC Company] will input all the building characteristic data and at least 12 months of utility bill consumption and cost history.

Ongoing Input and Reporting

[ABC Company]'s energy benchmarking service will be ongoing to help [XYZ Client] monitor the energy performance of their facility and observe trends over time. Reporting is included as part of the service to provide [XYZ Client] with clear and documented analysis of performance.

- Upon completion of the initial account set-up and data input, [ABC Company] will provide [XYZ Client] with a Progress and Goals Report (see sample in Appendix B). [ABC Company] will complete and deliver this report to [XYZ Client] on a quarterly basis [or other specified frequency].
- [ABC Company] will continue to capture monthly energy [and water] utility bills from [XYZ Client]'s utility companies and input the consumption and cost into Portfolio Manager.
- [ABC Company] will review and update building characteristic data on an ongoing basis.
- [XYZ Client] will review reports and meet with [ABC Company] at least once a year [or other specified frequency] to discuss the results of the energy benchmarking service.

Appendix B: Sample Progress and Goals Report



ENERGY STAR® Progress & Goals Report

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ENERGY STAR® Score¹

Sample Property

Primary Property Function: Office
Gross Floor Area (ft²): 51,000
Built: 1951

Property Address:
 Sample Property
 123 Main St
 Boston, Massachusetts 02134

For Year Ending: August 31, 2014
Date Generated: October 01, 2014

Property ID: 3681885

1. The ENERGY STAR score is a 1-100 assessment of a building's energy efficiency as compared with similar buildings nationwide, adjusting for climate and business activity.

Performance Comparison

	Progress			Property's Target	Performance Goals	
	Year Ending 12/31/2012 (Baseline)	Year Ending 8/31/2014 (Selected)	% Change		National Median	ENERGY STAR Score of 75
ENERGY STAR Score	61	71	14	85	50	75
Energy						
Site EUI (kBtu/ft²)	59.5	71.9	-17.25	57.8	92.7	68.5
Source EUI (kBtu/ft²)	186.8	169	10.53	135.8	217.8	161.1
\$	88,999.01	83,409.65	-6.28	67,052.54	107,513.12	79,465.38
\$/ft²	1.75	1.64	-6.28	1.31	2.11	1.56
Greenhouse Gas Emissions						
Metric Tons CO ₂ e/year	293.5	295.3	0.61	237.4	380.6	281.3
kgCO ₂ e/ ft ² /year	5.8	5.8	0.61	4.7	7.5	5.5
Water						
All Water Consumption (kgal)	300	295	-1.67	*	*	*
Indoor Water Consumption (kgal)	300	295	-1.67	*	*	*
Indoor Water Consumption (kgal/ft²)	5.88	5.78	-1.67	*	*	*
\$	450	442.51	-1.66	*	*	*

*Setting and managing water targets is not yet available in Portfolio Manager.