



Dear Montgomery County Council & Interested Parties,

As a national leader in building performance for energy, indoor environmental quality, and sustainability, UL would like to formally express our support for the Montgomery County's proposed Building Energy Performance Standard (BEPS) legislation being considered for adoption. We are excited to see Montgomery County become an early leader in reducing building consumption through improved operations and awareness. This legislation aligns with UL's mission to create a safer and more sustainable world, and we fully endorse your efforts to create a more valuable and equitable real estate market, as well as buildings stakeholders can be confident and proud of.

Time and time again, our building owner clients and municipalities across the country are waking up to the realities of their building's performance. Those realities have consistently demonstrated that prioritizing energy performance through monitoring, management, and improvement provides several direct and indirect benefits for virtually all stakeholders. Decreased maintenance, reduced utility consumption, properly functioning systems translate to healthier indoor environments, improved tenant satisfaction, reduced operating costs, and ultimately a higher value asset for commercial real estate.

Up until relatively recently, much of that progress was made proactively or by incremental improvements in standards, code, and financial incentives. During this time, most of the focus has been on *prescriptive* measures and 'low hanging fruit'. While this allowed the industry time to collect and analyze performance impacts, the investment and process proved expensive, potentially creating a barrier to entry for owners and facilities operating on smaller margins.

As more and more cities eye implementing their own BEPS programs, a common benefit increasingly becomes clearer. Through implementing a *performance*-based requirement, the industry knowledge and expertise becomes more wide spread and can potentially lower costs for implementation. This simplification of knowledge significantly reduces the barrier to entry for organizations with tight cap rates and unlocks asset value previously out of reach. This value is then instantly and transparently communicable to investors, markets, and firms which helps reduce time on market for asset resale, thereby increasing the mobility of firms whose portfolios are typically tied to specific asset classes.

The benefits of a robust and engaged Building Performance Standard are clear from our standpoint. These programs can level the playing field between cash-flush portfolios and those with historically little access to improvement capital, they expand building science knowledge, generate significant job growth locally, improve asset value through reduced consumption and maintenance, and enable improved indoor environmental quality and tenant wellness. Additionally, it should go without saying, these performance standards align with and directly contribute to achieving local and national goals for reduced GHG emissions and consumption. We at UL enthusiastically support this legislation and Montgomery County's commitment to exceptional environmental and market leadership for all stakeholders.

Thank You,

A handwritten signature in black ink, appearing to read 'Josh Jacobs'.

Josh Jacobs

Director of Environmental Codes & Standards

UL

678-559-8848

josh.jacobs@ul.com