



BERDO WEBINAR: HARDSHIP COMPLIANCE PLANS FOR 2025 AND 2026

March 5, 2025



City of Boston Staff



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Objectives

Today's Webinar



- Review the purpose of Hardship Compliance Plans
- Navigate the Hardship Compliance Plan application process
- Share application deadlines to ensure smooth planning
- Answer questions you may have!

Agenda

Today's Webinar



1. BERDO Overview

- i. What is BERDO?*
- ii. What do we mean by first emissions compliance year?*

2. Hardship Compliance Plan Overview

- i. What is a Hardship Compliance Plan?*
- ii. What does the application process like?*

3. Resources and Reminders

4. Q&A Session

The background of the slide is a dark blue aerial view of a city grid, rendered in white line art. The lines represent building footprints, streets, and parks, creating a complex geometric pattern. A semi-transparent dark blue horizontal band runs across the middle of the image, serving as a backdrop for the title text.

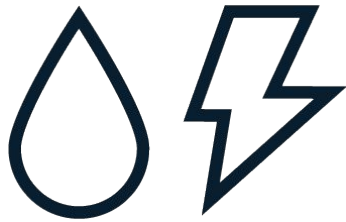
BERDO Overview



What is BERDO?

- The **Building Emissions Reduction and Disclosure Ordinance (BERDO)** is a local law that aims to address Boston's largest source of emissions: Buildings.
 - Existing buildings contribute **~70%** of the total community-wide emissions in Boston.
- BERDO requires medium and large buildings in Boston to reduce their greenhouse gas emissions over time to achieve **net-zero emissions by 2050**.
 - By complying with BERDO, **5% of buildings** in Boston could collectively **reduce city-wide emissions by nearly 40%**.

What is Required from Building Owners?



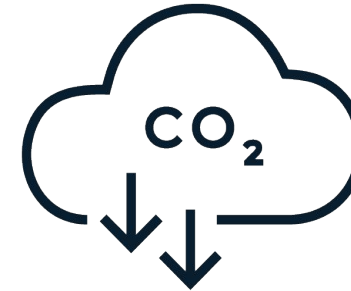
ANNUAL REPORTING

Report total energy and water use from the previous calendar year



THIRD-PARTY VERIFICATION

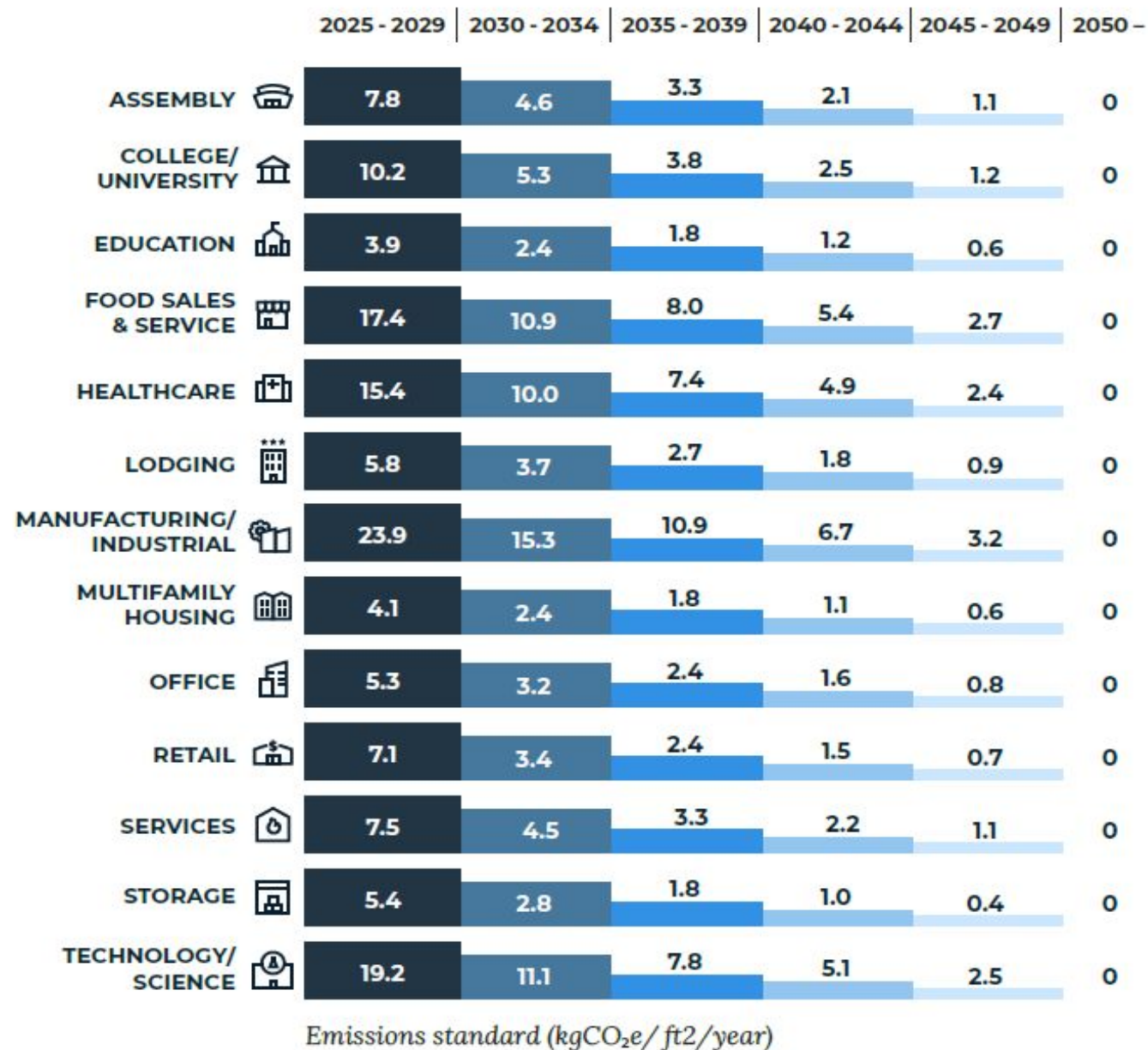
Third-party verify data for the first year of reporting and every "verification year" thereafter



EMISSIONS REDUCTIONS

Reduce annual emissions to stay under applicable emissions standard (emissions limit)

What are the Emissions Standards?



When are Buildings Subject to Emissions Standards?

RESIDENTIAL

NON-RESIDENTIAL

35+ units

**Starting emissions
compliance in 2025**



35,000 ft² +

**Starting emissions
compliance in 2025**



15 - 34 units

**Starting emissions
compliance in 2030**



20,000 - 34,999 ft²

**Starting emissions
compliance in 2030**



**Buildings have been annually reporting energy use since 2022.*

It's 2025, What Now?

2025 is the first emissions compliance year.* What does this mean for owners?

January - December 2025

- Operate building during calendar year 2025
- Take steps to reduce emissions and plan for compliance actions

February - May 2026

- Report 2025 energy and water data
- If you're above your limit, take necessary compliance actions prior to May 15, 2026

**For residential buildings with 35+ units and nonresidential buildings that are 35,000+ Sq Ft.*

How Can Building Owners Comply?



REDUCE ENERGY USE IN BUILDINGS

Implement **building retrofits or improvements**. Examples include upgrading to high efficiency electric appliances and lighting, upgrading systems for heating, cooling, water heating, and cooking, improving insulation, tightening window seals, etc.



OBTAIN RENEWABLE ENERGY

Use on-site or off-site **local renewable generation** (rooftop solar, community solar, etc.).



INVEST IN THE COMMUNITY THROUGH ALTERNATIVE COMPLIANCE PAYMENTS

Make Alternative Compliance Payments (ACPs). ACPs are collected to mitigate emissions and fund the **Equitable Emissions Investment Fund** to support building decarbonization projects that prioritize benefits to Environmental Justice communities in Boston.

The background of the slide is a dark blue aerial view of a city, overlaid with a white line-art map showing building footprints and street layouts. The map is centered and covers the entire background.

Hardship Compliance Plans

What is it?




Flexibility Measures

	EMISSIONS REDUCTION REQUIREMENTS ✓	CAN BE COMBINED WITH ⊕	APPLICATION DEADLINE 🕒
Hardship Compliance Plans	Owners must propose an emissions reduction plan that fits the hardship they're facing. This may include asking for a different timeline and/or emissions limits based on their emission reduction plan.	<ul style="list-style-type: none">• Building Portfolios	<ul style="list-style-type: none">• Rolling basis*: Short-Term for 2025• April 1: Long-Term• October 1: Short-Term
Building Portfolios	Must comply with the portfolio-level Blended Emissions Standard in every compliance year and achieve net-zero by 2050.	<ul style="list-style-type: none">• Individual Compliance Schedules; or• Hardship Compliance Plans	September 1
Individual Compliance Schedules	A building must reduce its total emissions by 50% by 2030 and 100% by 2050 from the selected baseline year. Emissions limits must decline linearly or better in five year increments.	<ul style="list-style-type: none">• Building Portfolios	September 1

**For owners with unforeseen circumstances in 2025*

Flexibility Measures



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**For owners with unforeseen circumstances in 2025*

What is a Hardship Compliance Plan?

A Hardship Compliance Plan is a flexibility mechanism that:

- ✓ Can provide relief and flexibility with complying with BERDO emissions limits by providing alternative emissions standards and/or timelines for complying with emissions standards.
- ✓ Is available to owners with buildings that have an “eligible hardship.”
- ✓ Must be approved by the BERDO Review Board, who may set conditions on the approval.

A Hardship Compliance Plan is not:

- ✗ An exemption to complying with emissions standards.
- ✗ An exemption from annual reporting and third-party verification requirements.

Types of Hardship Compliance Plans

Two types of HCPs are available:

SHORT-TERM HCP

- May grant relief for 1 - 3 years.
- May be extended once due to extenuating conditions for up to 12 months.

LONG-TERM HCP

- May grant relief for 4+ years.
- Review Board shall reassess approved plans every 5 years.

What Types of Relief are Available?



Alternative schedules for complying with emissions limits.



Alternative Emissions standards than the default schedule.



Exemption of specified Energy use(s), in whole or in part.



Adjusted compliance obligations **due to third-party barriers or delays** to efficiency or electrification projects.



Additional compliance mechanisms that the Review Board determines are consistent with BERDO.



Other relief the Review Board deems appropriate on a case-by-case basis.

What are the Eligibility Criteria for Applying?

- The Building or Building Portfolio **does not have an Individual Compliance Schedule** or is requesting to replace an ICS with a HCP.
- For a Building Portfolio, **the requested HCP would apply to all Buildings in the Building Portfolio.**
- The Building or Building Portfolio is **in compliance** with the Ordinance and Regulations.
- The Owner **has not previously been denied a HCP** for the same Building or Building Portfolio if there have been no material changes to the application.
- Owner must demonstrate the **existence of one or more eligible hardship**. If a Building Portfolio, the eligible hardship must exist at the Building Portfolio level.

What Creates an “Eligible Hardship”?

Step 1. Demonstrate existence of one or more defined **circumstances and characteristics**

REGULATORY OR CONTRACTUAL

FINANCIAL

TECHNICAL OR OPERATIONAL

OTHER



Step 2. Evaluate all available **compliance options**

COMPLIANCE
MECHANISMS &
FLEXIBILITY MEASURES



Step 3. Describe how **after completing steps 1 and 2**, you still experience one or more eligible hardship(s)

ELIGIBLE HARDSHIP(S)

Defined Circumstances and Characteristics

REGULATORY OR CONTRACTUAL

- **Long-term Energy contracts signed prior to October 2021** without reopeners for a significant portion of a Building's or Building Portfolio's Energy demand.
- **Long-term leases without reopeners signed prior to October 2021** that prohibit any significant compliance-related work at a Building.
- **Delays in delivery of Renewable Energy Certificates pursuant to executed Power Purchase Agreements** because of delays in initial commercial operation for reasons beyond a Building Owner's control.
- **Delays in electric system interconnections or adequate delivery of electricity** for reasons outside of a Building Owner's control, provided that requests for interconnections and notification of anticipated electricity demands were made in a timely manner in light of planned work and Emissions standard compliance deadlines.
- **Denial or significant delays in government permits or approvals**, including delays in Mass Save determinations or any equivalent state energy efficiency program, for significant compliance-related work, provided that applications for such permits or approvals were made in a timely manner in light of planned work and Emissions standard compliance deadlines.
- **Government regulations affecting minimum Energy use**, provided, however, that any resulting hardship arises from reducing Emissions from such Energy use.
- **Accreditation/certification standards affecting minimum Energy use**, provided, however, that any resulting hardship arises from reducing Emissions from such Energy use.

Defined Circumstances and Characteristics cont.

FINANCIAL

- **Owner bankruptcy** for all or part of a year in which an Emissions standard must be met.
- **Schedule of compliance-related costs** do not align with long-term schedules for capital expenditures that cannot be changed or are beyond the control of the Owner.

TECHNICAL OR OPERATIONAL

- **Building and/or site space constraints** that limit significant compliance-related work.
- **Equipment** needed for significant compliance-related work is not adequately demonstrated or available in the United States, including due to supply chain constraints.
- High process loads, provided, however, that any resulting hardship arises from reducing Emissions from such Energy use.

OTHER

- **Low-income Owners of Building(s) that provide affordable housing to low-income tenants.**
- Delays in significant compliance-related work due to a **natural disaster or declared state of emergency.**
- Other circumstances and characteristics that, in its discretion, the Review Board deems relevant on a case-by-case basis.

Eligible Hardships



Eligible hardships include when:

Compliance with emissions standards requires space that is not available	Compliance costs would interrupt the financial ability to operate a building or its primary uses
Compliance with emissions standards requires equipment, or electric service, that is not available	Compliance costs would have a more than merely negligible effect on a State agency's or State-created entity's ability to fulfill an essential government function
Compliance with emissions standards significantly interfere with the ability to, or significantly increase the cost to, provide services that are critical to community health and safety	Compliance costs would cause other significant effects that the owner believes should be mitigated in light of benefits provided by and/or greenhouse gas emissions avoided by the building or Building Portfolio
Compliance costs would be significantly higher due to the circumstances or characteristics	



Hardship Compliance Plans

Application Process

How to Submit an Application

To submit an application, you must create an application 'packet' PDF that includes:



- Case summary
- Building owner information
- Building or Building Portfolio information
- How all available BERDO compliance options were considered
- Emissions reduction efforts to date
- An evaluation of other opportunities, costs, and financial support
- Circumstances and/or characteristics and supporting documentation
- Demonstrate eligible hardship(s) and supporting documentation
- Proposed relief(s)
- For Long-Term only: Proposed Environmental Justice special conditions

Get started with the [HCP application guides](#) ↗

Key Deadlines for HCP Applications



Effective in 2025	Effective in 2026
<ul style="list-style-type: none">• Short-Term HCP for owners with unforeseen circumstances<ul style="list-style-type: none">◦ <i>Applications accepted on rolling basis through 2025</i>	<ul style="list-style-type: none">• Long-Term HCP (4+ years)<ul style="list-style-type: none">◦ <i>Application deadline of April 1, 2025</i>• Short-Term HCP (1-3 years)<ul style="list-style-type: none">◦ <i>Application deadline of October 1, 2025</i>

Application and Hearing Process



Public Hearing

The Review Board will hold a public hearing for all HCP applications.

- *There will be an opportunity for questions from the Board and a public comment period.*

Board Votes

The Review Board can deny, continue, or approve the Hardship Compliance Plan with standard and/or special conditions.

Application and Hearing Process



Standard Conditions for all HCP:

- *For any Building that is required to meet a more stringent or net-zero Emissions standard prior to 2050 pursuant to zoning requirements, an Owner must comply with that Building-specific Emissions standard every year regardless of any relief granted in a HCP.*
- *For long-term HCP, the Review Board shall reassess approved plans every 5 years*
- *The Review Board or its designee may inspect any Building that is subject to a HCP in order to assess compliance with the terms and conditions of said Hardship Compliance Plan.*

Application and Hearing Process



Guidelines for Special Conditions:

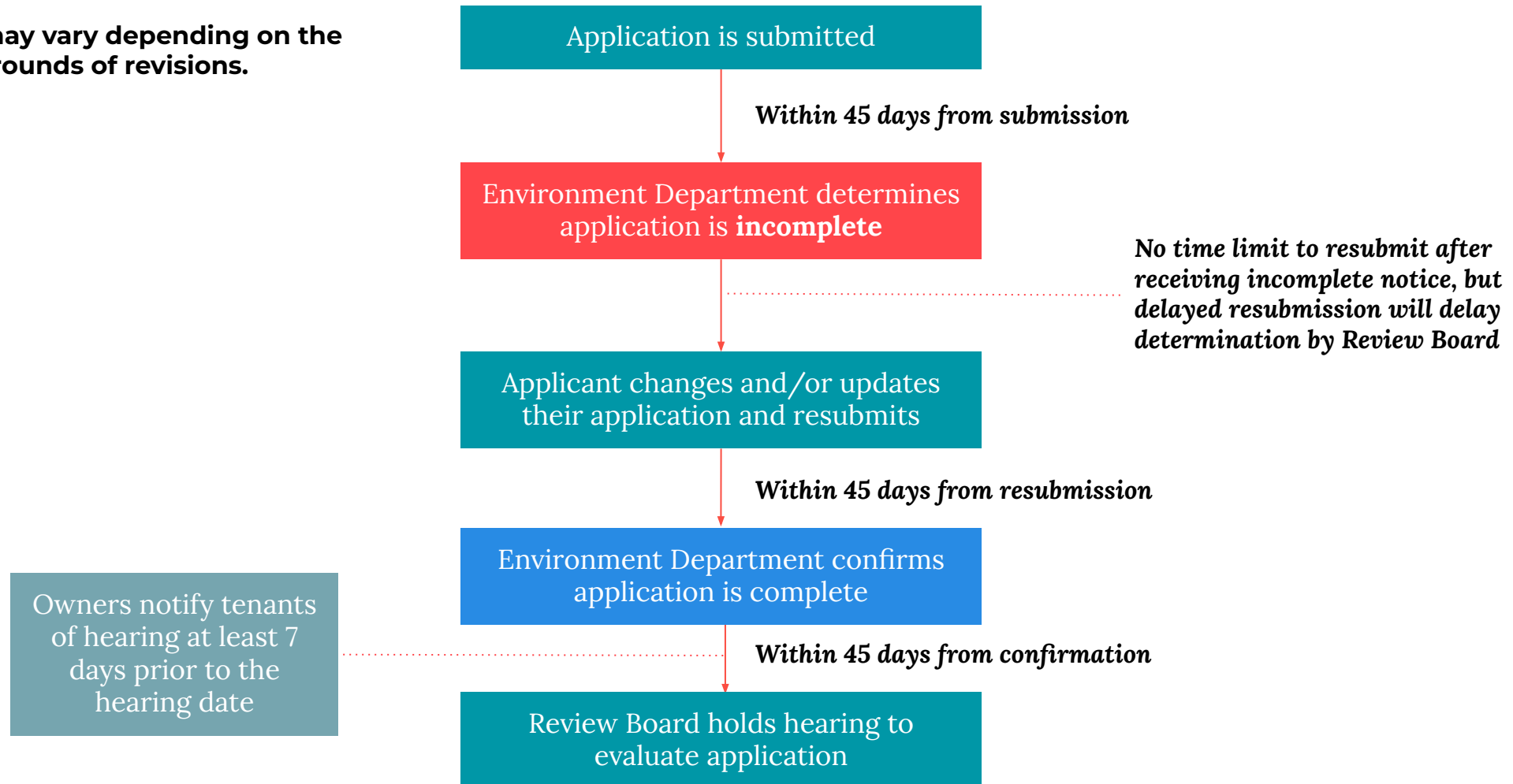
- Relevant to the distribution of benefits to Environmental Justice Populations and advancing the purpose of BERDO.
- Examples include measures related to e.g., equitable workforce development, housing affordability and stabilization, energy cost- and benefit-sharing, public health, and climate resilience.
- Any proposal for special conditions shall be agreed upon with the applicant and likely be discussed with the applicant ahead of a hearing.

Tips for Applying

- 1. Working with a consultant is helpful!**
 - *There can be a good deal of technical analysis involved and it is helpful to have technical expertise.*
- 2. There will likely be multiple rounds of revisions**
 - *The Environment Department will review your application for completeness.*
 - *More than likely, there will be at least one round of revisions.*
 - *Revisions will include refinement of possible special conditions.*
- 3. Review the [Hardship Compliance Plan Guide and FAQs](#) ahead of time**
 - *Get familiar with the Hardship Compliance Plan format.*
- 4. [Schedule a one-on-one](#) with the Review Board team before submitting your application**
 - *Get your questions answered from the Review Board team.*

Typical HCP Application Timeline

***Timeline may vary depending on the number of rounds of revisions.**





Resources and Reminders

BERDO Additional Resources



Sign up for the BERDO Webinar Series

Registration is required



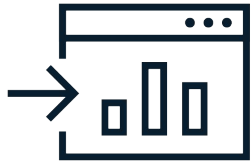
BERDO WEBINAR TITLE	DATE AND TIME	PAGE LINK
Launch of 2025 BERDO Reporting and Emissions Compliance	Wednesday, March 12 2 - 3:30 pm	Register here
Renewable Energy	Wednesday, April 2 2 - 3:30 pm	Register here
Condo Associations and BERDO Compliance	Tuesday, April 8 6 - 7:30pm	Register here
Building Portfolios and Individual Compliance Schedules for 2026	Wednesday, May 21 2 - 3:30pm	Register here

All webinars are available at boston.gov/berdo#events.

Reminder: BERDO Reporting Deadline



May 15, 2025 is the deadline to complete reporting of 2024 data.



Building owners may begin entering energy and water data into **Energy Star Portfolio Manager** as soon as their complete 2024 data is available.



New BERDO reporting form has been released with new updates for 2025.

Reminder: Application Deadlines for Flex Measures

FLEXIBILITY MEASURE	DEADLINE	HOW TO APPLY
Short-Term HCP for 2025	Rolling Basis*	<ol style="list-style-type: none">1. Review the corresponding Hardship Compliance Plan application guide.2. Email your application packet to BerdoReviewBoard@boston.gov.
Long-Term HCP for 2026	April 1, 2025	
Short-Term HCP for 2026	October 1, 2025	
Building Portfolios and Individual Compliance Schedules	September 1, 2025	Submit an application form via the BERDO Application Page .

**For owners with unforeseen circumstances in 2025*

Take Advantage of BERDO Resources

1. Project your future emissions

- [Test out the BERDO Emissions Calculator](#)

2. Meet with a BERDO team member about emissions compliance

- [Schedule a one-on-one BERDO Building Consultation](#)

3. Apply for free assistance in BERDO reporting

- [Apply for free reporting services and third-party verification](#)

4. Apply to receive free zero-over-time assistance

- [Apply for the Building Decarbonization Advisor Program](#)



In-Person BERDO Workshops



NEIGHBORHOOD	LOCATION	DATE
Chinatown, Downtown, North End, Beacon Hill, and West End	Civic Pavilion 5 Congress St, Boston, MA 02203	March 26, 2025 3:00pm - 7:00pm
South Boston and Seaport	South Boston Branch BPL 646 E Broadway, South Boston, MA 02127	March 27, 2025 3:00pm - 7:00pm
Roxbury, Dorchester and South End	Bruce C. Bolling Municipal Building 2300 Washington St, Roxbury, MA 02119	April 16, 2025 3:00pm - 7:00pm
Fenway and Back Bay	Coming Soon!	Coming Soon!

[RSVP FOR ANY WORKSHOP HERE](#)

Other Resources

BERDO Quick Links

- boston.gov/berdo ↗
- boston.gov/berdo-review-board ↗
- boston.gov/RetrofitHub ↗

Mass Save Quick Links: No-cost Mass Save energy audits, engineering studies, rebates and incentives:

- Non-residential: MassSave.com/Business ↗
- Residential: MassSave.com/Multi-Family ↗
- Rebates: MassSave.com/Rebates ↗

Q&A Session

THANK YOU

A recording will be available at:
boston.gov/berdo ↗

