ENERGY GUY®

THE EASY BUTTON

A Twin Cities Property Manager's Guide to Getting Minnesota's Annual Energy Benchmarking Filing Off Your Plate



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THE EARLY YEARS

In 2012, I went out on my own, working out of my house in Shakopee, Minnesota.

Officially, I started The Energy Guy to channel my passion for wasting less.

I help large buildings bring their energy costs down without capital investment. I'm not the guy trying to sell you new lights or perform an energy audit.

The hard part has never been the work. It's getting in front of the right decision makers, and then getting anyone to actually take action.

In 2024, Minnesota started requiring large buildings to report their annual energy use to the state. Owners can do it themselves, or they can hire a consultant like me to be the easy button for the whole process.

WHY I WROTE THIS, AND WHO IT'S FOR

Lately, I've been taking some deeper breaths and stepping back to look at what the last filing season taught me.

The managers who have the hardest time with the filing are the ones who are stretched the thinnest.

Picture a property manager with half a dozen or more multi-tenant industrial buildings. Most days, it's all they can do to play whack-a-mole for 70 different tenants. They're in reactive mode, and they rarely get the chance to turn the corner and be proactive.

Those are the people who hear "I'll take the filing off your plate" and say, "Oh, thank God."

That's why I put this Playbook together.

I wrote it for property and asset managers of larger commercial buildings in the seven-county Twin Cities metro who don't have the time, or a go-to person, to keep up with annual Minnesota energy benchmarking.

A little about me, so you know where this is coming from.

I'm a Certified Energy Manager (CEM), a Certified Energy Auditor (CEA), a LEED Accredited Professional (LEED AP), and an IFMA Sustainability Facility Professional (SFP). I have an undergraduate degree from the University of Wisconsin in my hometown of Madison and an MBA in Finance from the University of St. Thomas.

WHAT I'LL COVER

- Why energy never makes the top of the list, and how the filing changes that
- What Minnesota's benchmarking law asks of you, in plain English
- Where the hours go, so the filing stops sneaking up on you
- Your three options for getting it done, including doing it yourself
- What your building's numbers can tell you once the filing is in

Let's get started.

WHY ENERGY NEVER MAKES THE TOP OF THE LIST

Here's one of the biggest challenges I see in this work: Energy conservation is almost never a level 10 emergency for anybody.

You'd think it would be. Somebody comes to the table and says, "If you spend $100,000, it will pay for itself in three months." That sounds like a no-brainer.

What that salesperson doesn't know is that the building is going back to the bank in six months. Or that if ownership had $100,000, they'd fix the roof first.

So investing in energy conservation almost always ends up being discretionary, unless it happens to solve some other problems. It waits its turn.

Benchmarking is different, because it's a problem that has to be addressed by a certain date. It doesn't wait for a quiet quarter, and it doesn't care what else is on your desk.

Here's the shift in plain terms. The old question was, "Should we do something about energy this year?" The new question comes with a deadline attached: "Who's doing our filing?"

Benchmarking is different, because it's a problem that has to be addressed by a certain date.

That's where the easy button comes in. And it starts with knowing exactly what the state is asking for.

THE ANNUAL FILING, IN PLAIN ENGLISH

Here's the law. This is a plain-English summary of Minnesota Statutes section 216C.331. It isn't legal advice, and rules can change, so check with the Minnesota Department of Commerce for up-to-date requirements.

WHICH BUILDINGS ARE COVERED

A property is covered if it has one or more buildings that add up to 50,000 gross square feet or more, and it's served by an investor-owned utility in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington County. (The law also reaches larger cities elsewhere in Minnesota, but the seven-county metro is where I work.)

Class	Total floor area	First filing due
Class 1	100,000 square feet or more	June 1, 2025
Class 2	50,000 to 99,999 square feet	June 1, 2026

WHO'S RESPONSIBLE

The law puts the filing on the owner, or on an agent the owner authorizes to act for them. In practice, the work often ends up on the property manager's desk.

WHAT YOU REPORT, AND WHEN

Every year, by June 1, the owner (or an agent acting for the owner) enters the building's whole-building energy use for the previous calendar year into the state's benchmarking tool, the EPA's ENERGY STAR Portfolio Manager. "Whole-building" means all energy the building uses, regardless of who pays the bill.

WHAT THE PUBLIC SEES

By December 1 each year, the state posts every covered building's address, total energy use, energy use intensity (energy use per square foot), greenhouse gas emissions, and energy performance score, if there is one. The state also ranks the buildings in each class, sorts them into four groups, and gives each building a rating

from one to four stars. Owners get written notice of their rating, along with materials to display it inside the building.

IF A FILING IS MISSED

By June 15, the state notifies owners who haven't filed. They have until July 15 to catch up, or until August 15 if they ask for an extension by July 15 and receive it. After that, the state can impose a $1,000 civil fine.

A FEW MORE RULES TO KNOW

- When you sell a covered building, you pass along the last 12 months of benchmarking information, or you must transfer ownership of the existing ENERGY STAR Portfolio Manager account.
- If you find a mistake in what you entered, you have 30 days from the day you learn about it to fix it.
- A building can ask the state for a one-year exemption in a handful of situations, such as being less than 50 percent occupied the previous year. Exemptions have to be requested again each year.

WHERE THE HOURS REALLY GO

On paper, the filing looks like a form. In practice, most of the time goes to gathering information from other people, and each piece tends to come up while you're busy with something more urgent.

Here's where it adds up.

UTILITY DATA

You need data from every utility that serves the building: Electric, gas, and steam or chilled water if you have them. Interacting with Xcel Energy and CenterPoint Energy is also often frustrating and time-consuming.

TENANTS WHO PAY THEIR OWN UTILITIES

In a multi-tenant building, tenants often hold their own utility accounts, so you never see those bills. The law still asks for whole-building energy use.

Utilities handle part of this by combining tenant usage into one monthly figure for the building, with nothing that identifies a single tenant. That works when there are at least four tenants and no one customer uses more than half the energy. If there are

three or fewer, the utility needs written consent from all of them. If one customer uses more than half, the utility needs that customer's consent.

Another new requirement: When an owner asks, a tenant has 30 days to provide energy information about the space they rent, if the owner can't get it another way.

SQUARE FOOTAGE

The state counts gross square footage inside the exterior walls, and that includes covered parking. Make sure the number you enter follows that definition, because it decides your building's class and how its energy use per square foot is calculated.

THE DATA QUALITY CHECKS

The tool flags anything missing or out of line, and you have to fix it before you submit. It's a good safeguard. It's also where a quick evening of data entry can turn into a week of tracking down a missing meter.

OWNERSHIP CHANGES AND EXEMPTIONS

If a building changes hands, the seller has to pass along the last 12 months of benchmarking information or transfer the building's record in the tool. And if a building qualifies for an exemption, that's a new request to the state every year. Both are easy to lose track of in a busy year.

THE FOLLOW-THROUGH

None of these steps is complicated on its own. What wears people down is the follow-through: The utility requests, the tenant requests, the questions from ownership, and the deadline getting closer while everything else keeps going.

That's the part the easy button takes off your plate. I let you know what you need to know before you need to know it, and I back you up when an unexpected request comes in from ownership or a tenant.

THREE WAYS TO GET IT DONE

Every covered building has the same three options. You can do it yourself, you can hire somebody else, or you can work with me. All three can work. What matters is picking the one that fits your buildings and your time.

DOING IT YOURSELF

If you've got the time to do this, more power to you. The state also offers technical assistance to owners entering their data.

If you go this route, three habits will save you the most time:

- Get data request forms on file with the utilities.
- Send your tenant requests before you need the answers.
- Leave yourself room before June 1 for the data quality checks, because that's where the surprises turn up.

The calendar near the end of this Playbook lays out the timing.

HIRING SOMEONE

Other firms offer benchmarking support too. If you're comparing options, here are the questions I'd ask anyone, including me:

- **Are they local?** Do they know the Twin Cities? Do they have established relationships with Xcel Energy, CenterPoint Energy, and the State of Minnesota Energy Benchmarking department?
- **Who sends the requests?** Will they deal with the utilities and the tenants, or will that still fall on you?
- **Will they tell you what's coming?** Do they reach out before deadlines, or only answer when you call?
- **Can they talk to everyone involved?** Can they explain the results to your building engineer and to your ownership group?
- **Do they understand the business?** Do they know how investment real estate works?

WORKING WITH ME

When I think about what I want working with me to feel like, I think less about the words and more about the feeling: White glove, easy button, making your life easier by saving time and frustration.

I'm also hyper-focused on the greater Twin Cities metro.

I'm local, I'm independent, and I don't sell equipment or energy audits.

So here's what working with me looks like. You get someone who can talk with everyone from the boiler room to the board room, and who understands the economics of investment real estate. And because benchmarking comes around every year, it gets easier from year two on.

WHAT YOUR NUMBERS ARE TELLING YOU

Once the filing is in, you have something most buildings never had before: A yearly look at your energy use next to similar buildings around the country.

And once I'm doing a building's benchmarking, I get a sense of who the stakeholders are, and I can see how much potential energy savings there could be.

For a lot of owners, that's when a familiar question comes up: Why are our energy expenses so high?

That's where my larger program, Connecting the Watts®, comes in. Bringing energy costs down without capital investment is almost always a matter of getting everybody on the same page. It's easier said than done, and it's the work I enjoy most.

It's a lot easier when I come in from the outside and realize it's as much about people as anything else. I like to start by recognizing everyone for the good things they're already doing and making them part of making it better, instead of walking in and asking what in the world is going on.

It's also likely to matter more over time. In some areas of the country, buildings are already required to use less energy on an annual basis, and I think that will likely come to Minnesota, too.

The first step is always on my nickel. I look at how the building is doing, how much it's spending, and how it compares, to see whether it's a good candidate. I don't know what I don't know about a building until I've done that work. Every building is different, so there's no promise attached, just a closer look.

Nothing I find about your building comes with a product attached.

YOUR BENCHMARKING YEAR AT A GLANCE

Here's everything in this Playbook in one place. I call it the Easy Button Calendar: The dates the law sets, and what I'd do around each one.

When	What happens	What I'd do
January to February	The previous calendar year closes.	Confirm a data request is on file with the utilities, and gather the building details.
By March 1	The state notifies owners that the filing is due June 1.	Get the notice to whoever is doing the work.
March to May	Data entry and checks.	Enter the data, request missing tenant information, run the data quality checks, and fix what they flag.
June 1	Filing deadline.	Submit with time to spare. The last week of May gets crowded.
June 15	The state notifies owners who haven't filed.	Act on a notice right away.
July 15	Deadline after notice, and the last day to ask for an extension.	Miss both, and the $1,000 fine can apply.
August 15	Deadline for owners with an extension.	The fine can apply after this date.
December 1	Results are posted publicly, star ratings included.	Look your buildings up before your tenants and ownership do.

If you're reading this in the fall, you're early. And early is the easiest time to get set up.

WHO I WORK BEST WITH

I'm a good fit for you if:

- You manage or own larger commercial, industrial, and retail buildings in the seven-county Twin Cities metro.
- You're running several properties.
- You don't have in-house energy staff, or a go-to person for the filing.
- Ownership is asking why energy expenses are higher than expected.

I look forward to connecting with you.

THE PATH FORWARD

If the benchmarking filing is on your plate this year and you'd like it off, let's talk.

Send me a message on LinkedIn. Tell me a little about your buildings and where you are with this year's filing, and I'll tell you what I'd do in your shoes.

Even if we don't end up working together, you'll know exactly what's coming and what to do about it.

SEND ME A MESSAGE ON LINKEDIN



ABOUT THE AUTHOR

Stephen Todd is the founder of The Energy Guy (Energy Guy LLC), based in Shakopee, Minnesota. He supports property and asset managers of large commercial and industrial buildings in the Twin Cities by taking the annual energy benchmarking filing off their plate.

He also specializes in developing and guiding the implementation of strategies to reduce energy expenses in existing commercial buildings without capital investment.

Stephen started his firm in 2012 to channel his passion for wasting less. He's a Certified Energy Manager (CEM) and a Certified Energy Auditor (CEA) through the Association of Energy Engineers, a LEED Accredited Professional, and an IFMA Sustainability Facility Professional (SFP). He holds an undergraduate degree from the University of Wisconsin and an MBA in Finance from the University of St. Thomas, and he spent four years on the board of the U.S. Green Building Council's Minnesota Chapter.

He's local, he's independent, and he doesn't sell equipment.

Stephen grew up in Madison, Wisconsin. He's a family guy, a pet lover, and a girls soccer chauffeur, and he's always learning something new.

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Ready to talk? Connect with Stephen **HERE**