ENERGY STAR NextGen Certification Comment Summary and Responses

March 2024

This document summarizes the comments EPA received on the proposed ENERGY STAR NextGen certification criteria, released in early 2023, and provides EPA's responses. In total, EPA received over 40 sets of comments, representing hundreds of individual comments in response to the questions EPA asked regarding the proposal. Because many of the comments overlapped and included similar content, EPA in many cases summarized related comments and provided a single response where appropriate.

Topics:

Need and Applicability

Some commenters expressed concern that NextGen certification may not effectively achieve all of its decarbonization goals.

> ***Response:*** EPA understands that NextGen will not, on its own, spur full decarbonization of commercial and multifamily buildings. EPA has designed NextGen certification to encourage building owners and operators to start down a path toward a low carbon future.

One comment expressed the opinion that there is not a need for NextGen certification because more rigorous greenhouse gas policies exist in some states/cities.

> ***Response:*** NextGen is a voluntary certification, available for buildings anywhere in the country. Some jurisdictions may require buildings to take actions that go beyond some or all of the NextGen criteria, but for buildings in localities and states that do not enact more

rigorous policies, NextGen recognition will encourage action that might otherwise not have been undertaken.

Two comments expressed concern that NextGen certification, if not updated appropriately, could fail to keep pace with building codes in some jurisdictions.

Response: EPA will monitor NextGen's success to ensure it achieves its goals and plans to increase the stringency of the criteria over time.

Eligibility

There were multiple comments about which buildings should be eligible to apply for NextGen certification. Suggestions were varied and included: limiting eligibility to buildings powered solely by electricity; opening eligibility to buildings for which an ENERGY STAR score is not available; and expanding eligibility to buildings that demonstrate significant energy reductions, regardless of whether they achieve an ENERGY STAR score of 75 or higher.

Other comments expressed support for EPA's proposal to limit NextGen certification to buildings eligible for ENERGY STAR certification.

Response: NextGen eligibility is limited to buildings that receive an ENERGY STAR score of 75 or higher to ensure verified top energy efficiency and to maintain consistency with the ENERGY STAR brand. EPA recognizes that limiting NextGen recognition to buildings that achieve an ENERGY STAR score of 75 or higher means two important categories of buildings are ineligible: those that are highly efficient but not eligible for a score; and those that improve their efficiency substantially but still do not reach an ENERGY STAR score of 75. Nevertheless, just as ENERGY STAR certification is available only to buildings that are eligible for and achieve a score of 75 or higher, ENERGY STAR NextGen certification is meant to recognize verified top performers. Without an ENERGY STAR score of 75 or higher EPA cannot make that determination.

EPA agrees that it is important to incentivize buildings that are performing at a lower level to improve but believes that allowing these buildings to be eligible for NextGen certification would diminish the value of the certification. To address the need for improvement in poorer performing buildings, EPA will be exploring a separate recognition for buildings that improve their energy performance.

Recognizing only those buildings that have already eliminated onsite fuel use would limit the recognition to a small number of buildings and would miss the opportunity to incentivize buildings to begin to move meaningfully along the path of eliminating carbon emissions.

A comment requested clarification of whether up to 10% of a building's floor area can be excluded for the purpose of NextGen certification eligibility, just as it can be excluded when determining eligibility for ENERGY STAR certification

Response: Yes, the same rule concerning exclusion of space when benchmarking will apply for NextGen certification. More generally, all of the current eligibility criteria for

ENERGY STAR certification will apply to the energy efficiency criterion for achieving NextGen certification. This FAQ describes generally what can be excluded when benchmarking for the purpose of applying for ENERGY STAR certification: "What can I exclude from my property?"

Costs

Three comments cited the costs of energy efficiency improvements as a barrier to NextGen participation.

Response: Top energy efficiency, as demonstrated by achieving an ENERGY STAR score of 75 or higher, is a critical component of a low-carbon building. To date, over 43,000 buildings across the U.S. have achieved ENERGY STAR certification, and thousands more are eligible or within reach. EPA offers many resources to help owners and managers improve the efficiency of their buildings cost effectively and experience gained by over 20 years working with buildings of all types indicates clearly that many efficiency improvements can be implemented with little or no cost.

Branding

Multiple comments suggested positioning the new recognition as a robust certification program that incentivizes low-carbon buildings.

Three comments expressed concern that offering both ENERGY STAR certification and ENERGY STAR NextGen certification may cause market confusion. They recommended changing the name and associated messaging of the new recognition to emphasize its GHG/carbon reduction goal and to preserve the unique value of each certification.

Response: EPA agrees that NextGen should be positioned as a more rigorous certification than the existing ENERGY STAR certification and plans to do so. EPA also agrees that it will be important to clearly distinguish the two recognitions, but at the same time believes it is critical that both include ENERGY STAR in the name since the ENERGY STAR brand carries with it significant value. To address the need for a clear distinction, EPA plans to highlight that NextGen certification designates an efficient, low-carbon building. The name and print logo for the certifications will be different and the NextGen certification will use the additional tag line of "Empowering a Clean Energy Future."

Process and Implementation

Many commenters requested new or expanded functionality in Portfolio Manager to support NextGen certification.

> *Response:* EPA is enhancing and expanding many features in Portfolio Manager to support implementation of NextGen. Most notably this includes the ability to track green power purchases in greater detail than is currently possible.

Two comments requested EPA provide additional support to streamline the process for obtaining NextGen certification, including merging application processes and allowing buildings eligible for ENERGY STAR certification in the last 3 years to meet NextGen eligibility.

> *Response:* EPA intends to streamline the process of applying for NextGen certification as much as possible without undermining its rigor and credibility and will continue to modify the process as needed based on the experience of users after launching the NextGen certification. However, as annual, performance-based certifications, both the ENERGY STAR and NextGen certifications will require attainment and documentation of top efficiency based on the most recent 12-months of data for each application submitted.

A few comments addressed the NextGen data verification process. One comment stated that Professional Engineer (PE) verification for all three NextGen criteria may be a cost and time burden to building owners. An additional comment recommended EPA accept data directly from utilities as a substitute for PE verification.

> *Response:* Licensed Professional (LP, which may be a PE or Registered Architect) verification is a critical part of ENERGY STAR's certification process, ensuring its integrity and rigor. EPA will provide guidance for LPs to clarify the process for NextGen verification and all data that needs to be verified will be readily available in Portfolio Manager. EPA expects that while the verification required for NextGen will be more extensive than that required for ENERGY STAR certification, the increase in time required will not be significant. There will be no additional verification needs associated with the onsite emissions limits as those will be covered by the energy efficiency verification. The only additional verification will be related to the renewable energy criteria. Obtaining energy data directly from a utility is helpful in streamlining the benchmarking process but is not a substitute for LP verification of the data as the accuracy of data received directly from utilities is not guaranteed.

One comment suggested that the NextGen application review process seems subjective and depends on the viewpoint of the Professional Engineer (PE) or Registered Architect (RA).

> *Response:* All of the criteria required for NextGen certification are quantitative. The primary role of the PE or RA is to verify the quantitative data associated with the criteria, with no room for subjective interpretation.

Energy Efficiency Requirement

Several comments suggested that the energy efficiency requirement for NextGen certification should be an absolute energy use intensity (EUI) target rather than a relative performance level like the ENERGY STAR score, with several also recommending science-based targets. One comment noted that an absolute target for energy efficiency would be in line with the targets proposed for the renewables and direct emissions components of the NextGen recognition. Other comments, however, indicated support for the use of the ENERGY STAR score since it normalizes for building size, operating characteristics, and weather, and therefore allows for a fair comparison among buildings.

> *Response:* EPA recognizes that the operating needs of buildings vary and the ENERGY STAR score evaluates their efficiency while normalizing for these differences, such as the hours of operation and number of workers. Using absolute EUI values instead would obscure these important differences and tend to recognize only those buildings with less intensive business needs. NextGen certification leverages this approach to evaluating efficiency, consistent with the ENERGY STAR brand and the ENERGY STAR certification.

EPA received many comments on the ENERGY STAR score required to earn NextGen recognition. Several comments expressed support for the proposed level of 75 if there is an expectation that this would increase in the future. One comment suggested a lower score be required for certain building types that may have difficulty reaching 75. In contrast, many comments supported a higher ENERGY STAR score requirement.

> *Response:* A building with an ENERGY score of 75 or higher performs in the top 25% of similar buildings nationwide, representing a high level of efficiency. EPA believes that this high but attainable level of efficiency is a good starting point for NextGen. Once EPA and the market have experience with NextGen recognition, EPA will assess whether a higher required score would advance the goals of the certification. In addition, within the next few years, EPA plans to refresh many of the ENERGY STAR scores with newer data, which is likely to make achieving a score of 75 more difficult.

Several comments noted that the energy efficiency criteria should consider differences in building type, weather, and building operations such as operating hours and numbers of tenants.

> *Response:* The ENERGY STAR score, which is the basis for the energy efficiency criterion, does take into account key operating characteristics, climate, and weather.

Several comments addressed the methodology for calculating ENERGY STAR scores and recommended changes in that methodology.

> *Response:* EPA has almost 25 years of experience in developing ENERGY STAR scores and ensuring their credibility and is confident that the current methodology represents the most appropriate approach to evaluating building energy performance. Details about how the scores are calculated, the reasoning behind the calculations, how it is applied in unique circumstances, and more can be found here: Portfolio Manager Technical Reference: ENERGY STAR Score. EPA has always regularly evaluated the ENERGY STAR

score methodology to assess the need for changes, and will continue to do so in the future, implementing updates when appropriate.

One comment suggested NextGen should consider the inclusion of onsite energy storage systems. The comment noted that as over-generation from onsite renewable energy systems and demand flexibility become increasingly important, a separate metric such as onsite utilization of renewables generated may be appropriate.

Response: Onsite energy storage systems may be helpful in the transition to a clean electricity grid, based on individual building circumstances. However, as it may not be relevant to many buildings likely to pursue NextGen recognition, EPA does not believe it is appropriate to include as a requirement. EPA encourages stakeholders to evaluate the benefits of such systems for their buildings.

One comment stated that NextGen recognition should be based on source energy.

Response: The ENERGY STAR score, which is the basis for the NextGen energy efficiency requirement, is based on source energy.

Renewables Requirement

Several comments stated that meeting the 30% renewable sources requirement is too difficult or inequitable.

A couple of comments suggested starting with a lower percentage, such as 10 or 20%, while others recommended a higher percentage (up to 100%) of energy use be from renewable sources.

One comment said: "EPA's logic for setting it at 30% feels appropriate, and we support the idea of increasing this over time. We encourage EPA to share a forward-looking ramp up of this."

Response: Because the 30% renewable sources requirement can be met through onsite renewable electricity systems and/or purchase of renewable energy certificates (RECs) and green power products, buildings of all types and located anywhere in the country will have the opportunity to meet the requirement. Many buildings meet a much greater percentage of their total energy consumption with renewable sources today, but most procure less or no renewable energy. EPA believes 30% is a reasonable starting point for NextGen and will motivate those who are not using renewable energy to begin doing so and plans to adjust as both EPA and the market gain experience with this new recognition.

One comment suggested that many buildings would have trouble meeting the requirement because electricity comprises less than 30% of their total energy use.

Response: To address this issue, EPA is making a change from the proposal so that buildings for which less than 30% of total energy use comes from electricity have the opportunity to meet the requirement. The final requirement is that buildings must use renewable sources to meet 30% of their total energy consumption or 100% of their

electricity consumption, whichever is less. Therefore, buildings for which electricity comprises less than 30% of total energy use will be eligible for NextGen if 100% of their electricity consumption is from renewable sources.

Several comments recommended additional specifications related to use of renewable energy. Examples include adding grid integration to the requirement to allow matching of hourly energy use and emissions, allowing storage to count toward the requirement, and factoring in onsite renewable electricity exports, among others.

A couple of comments suggested adopting the requirements in recent codes.

Response: There are many actions that have the potential to increase the impact of renewable energy generation and procurement. For NextGen recognition to be successful, however, it is critical that buildings can demonstrate, and EPA can verify, that they have achieved the requirements. Buildings have a role to play in the development of renewable energy resources, and EPA believes that by keeping NextGen criteria relatively straightforward and simple, buildings that might not otherwise invest in renewable energy will be encouraged to do so. Adding more extensive and potentially difficult to administer requirements could limit its effectiveness and result in fewer emissions reductions.

One comment recommended that entities in jurisdictions that already have very low carbon electricity be able to bypass the requirement.

Response: Since ENERGY STAR is a national program and the mix of energy resources on the local or regional electricity grid changes over time, EPA's final NextGen criteria include a single percentage requirement for NextGen, regardless of building location. In addition, in alignment with the goals of EPA's Green Power Partnership, EPA intends that NextGen certification encourages new development of renewable energy. Including renewable energy that is already part of the standard grid mix does not achieve this objective.

Several comments requested clarification of the renewable energy requirement with respect to RECs. Questions included whether unbundled RECs qualify, whether specific green tariff programs qualify (such as GreenChoice and CleanPower SF), whether renewable energy exported to the grid would qualify, and how the renewable requirement would reduce emissions. One commenter recommended clarifying that RECs must be retained and retired. Multiple commenters suggested that the NextGen requirements be consistent with Green-e® rules and EPA's Green Power Partnership.

Response: The final NextGen criteria allow onsite and offsite renewable energy to count toward the 30% requirement, subject to certain rules. In general, these adhere to the Green Power Partnership rules. For example, the building owner must own and retire the RECs or they must be retired on the owner's behalf. The final criteria allow for inclusion of green power programs as long as they are Green-e certified (such as CleanPowerSF's 100% green program). The full details of green power eligibility will be published in the final NextGen documentation when the recognition is launched later in 2024.

Multiple comments recommended weighting energy efficiency higher than renewable energy so that efficiency is prioritized.

> *Response:* EPA is not applying weighting to any of the criteria for NextGen certification, with each requirement set at a challenging but achievable level. To qualify, a building must achieve each criterion, with no trade-offs allowed among them.
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> Energy efficiency is critical to reducing carbon emissions, which is why EPA is requiring top efficiency for NextGen certification in addition to requiring that 30% of total energy be from renewable sources and onsite emissions be below a target level.

One comment recommended that onsite renewable energy be more heavily weighted than offsite.

> *Response:* Generation and use of onsite renewable energy can improve a building's ENERGY STAR score and therefore help it achieve the NextGen energy efficiency requirement (for details, see "How does onsite green power (solar or wind) affect my metrics?"). For the NextGen renewable energy requirement, eligible onsite and offsite renewable energy are given the same weight. This equal weighting is important because not all buildings have equal opportunity to install onsite renewables. For example, warehouses and schools often have significant roof space available for onsite solar installations, while tall offices in an urban setting have very little roof space and therefore less opportunity.

One comment suggested that EPA should replace the renewable energy criterion with a total carbon capture score and should account for mining and environmental damage caused by other countries.

> *Response:* For NextGen recognition to be successful, it is critical that buildings can demonstrate, and EPA is able to verify, that they have achieved the criteria. The commenter's proposal would not meet these requirements as documentation and verification on a large scale would be very challenging.

Comments about renewable fuels and Renewable Thermal Certificates (RTCs) to meet the 30% requirement included recommendations supporting their inclusion and recommendations against their inclusion.

> *Response:* EPA has decided not to allow the use of renewable fuels or thermal certificates to meet the NextGen renewable energy criterion, as the market for these fuels and instruments, as well as standardized emissions data, are not sufficiently robust at this time. EPA will reassess if and how they might be considered for NextGen certification as the use of these products develops.

A few comments asked how EPA developed the 30% requirement.

> *Response:* As most buildings do not currently use renewable energy, EPA is proposing a relatively modest initial requirement of 30% of total energy or 100% of electricity consumption, whichever is lower. EPA believes that a 30% requirement strikes the right

balance between a target that is challenging but feasible and will incentivize more buildings to procure renewable energy. EPA may adjust this percentage over time.

One comment asked why district energy is exempt from the 30% calculation.

Response: District energy is not exempt from the 30% requirement. To meet the requirement, a building must obtain at least 30% of the total energy it consumes (on a site basis) from renewable sources. If a building consumes district energy, that energy must be included in its total energy. If electricity comprises less than 30% of the building's total energy consumption, the requirement for renewable energy becomes 100% of electricity consumption.

One comment asked if EPA has considered how multifamily owners would demonstrate they have met the 30% requirement because they would need to document renewable energy purchases by residents.

Response: Owners of multifamily and other multitenant buildings will have to document tenants' renewable energy purchases in order to apply them toward the 30% requirement. EPA understands that this may pose a challenge for owners of multitenant buildings but requiring such documentation is critical to ensure the credibility and integrity of the certification. EPA will include guidance on what type of documentation will be needed for the LP verification of tenant renewable energy purchases.

A couple of comments recommended allowing offsets to contribute to the 30% requirement.

Response: The final NextGen criteria does not allow for use of greenhouse gas offsets because the Federal government does not currently have standards or protocols for offsets. EPA will consider the opportunity to include offsets as protocols to ensure their viability and credibility are developed.

One comment suggested allowing onsite renewable energy generation not used onsite (i.e., exported for use elsewhere) to contribute to the 30% requirement.

Response: NextGen certification seeks to recognize buildings for their use of renewable energy, not solely its generation. Renewable energy exported for use elsewhere therefore does not meet the objective.

EPA received comments in favor of and opposed to allowing the use of unbundled RECs in meeting the NextGen criteria. Those in favor noted that some buildings would otherwise be at a disadvantage because of constraints such as limited roof space. Those opposed expressed concern that such RECs would not create additional renewable energy development.

Response: The final NextGen criterion strives to balance encouragement of new renewable energy development (through the project age and Green-e certification requirements) with cost-effectiveness and fairness. Providing buildings with the option to generate renewable energy onsite or procure it from offsite sources allows the market to determine the best, most cost-effective approach for each building. The option that is best for a particular building depends on its size, location, and other factors. For example, tall,

narrow buildings and others that have limited roof space or shading may not have feasible options for onsite renewable energy but can procure renewable energy from nearby installations, from other renewable energy projects, or via renewable energy certificates. On the other hand, buildings with more roof space (such as warehouses) or with significant open area around them (such as buildings in more rural areas) will have a greater ability to deploy onsite renewable energy.

A few comments recommended EPA ensure that community solar be included and require RECs to be retired and Green-e certified.

Response: The final criterion does allow for community solar programs, as well as community choice aggregation, to be included, as long as they are Green-e certified.

Direct Emissions Requirement

Several comments expressed concern about the current reliance of grid electricity -- especially in certain areas -- on fossil fuels, and concerns about the grid's capacity to handle increased electricity use.

Response: The U.S. government has established a goal of net-zero emissions, economy-wide, by 2050. Reaching this goal will require increases in efficiency, vastly increased renewable energy capacity, and a transition from fossil fuels to clean energy. Buildings have a critical role to play in achieving each of these objectives. The direct emissions criterion is intended to incentivize buildings to start on the path to zero emissions.

Comments on the proposed NextGen allowance for use of natural gas and other onsite fuel combustion (per the GHGi/HDD targets) were mixed, with some comments applauding the approach, some recommending that NextGen recognition require 100% electrification, and some suggesting that the recognition should be fuel neutral.

Response: The goal of the direct emissions criterion is to incentivize buildings to begin to reduce direct emissions, while setting a reasonable and achievable target. Requiring buildings to be 100% electric would not be practical or advisable, as it would set the bar so high that many buildings would not be motivated to pursue the recognition. In addition, for many buildings, setting the requirement at 100% could incentivize the early retirement of equipment, which in turn would have negative impacts from a waste and embodied carbon perspective. Finally, setting a requirement for buildings to be 100% electric would not recognize the value of district energy systems, which provide an opportunity to reduce emissions for hundreds of buildings through changes at the central plant rather than at each individual building. EPA intends to periodically reevaluate the direct emissions criterion over time.

One comment recommended that EPA not restrict NextGen certification to electric technologies, but also recognize low carbon gas appliances.

> ***Response:*** By virtue of having a non-zero onsite emissions target, EPA is not restricting NextGen certification to electric technologies and is allowing the use of other fuels such as natural gas, propane, etc.

Some comments suggested that the direct emissions targets are too high, and others suggested that they are too low.

> ***Response:*** EPA based its development of the proposed direct emissions targets on data from thousands of ENERGY STAR certified buildings. One reason for limiting the analysis to these buildings is that their energy data has undergone a verification process as part of the application for ENERGY STAR certification. By establishing targets that represent the average onsite emissions for ENERGY STAR certified buildings, EPA is awarding NextGen recognition to those buildings with emissions lower than 50% of ENERGY STAR certified buildings that use onsite fuels. EPA believes this level sets a challenging but meaningful and achievable target for all buildings.

Multiple comments referenced specific building-type concerns. One commenter noted that heating is not a major driver of onsite fuel use for data centers, but rather the testing/use of required back-up generation is more relevant, and therefore the GHGi/HDD target for data centers may not be appropriate. One commenter suggested EPA consider the impact commercial kitchens, especially in restaurants, have on emissions.

> ***Response:*** Data centers (and other building types) can exclude energy use from testing and maintenance of back-up generators. See the Portfolio Manager FAQ "Do I need to include the fuel used to test my emergency generator?"
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> In addition, EPA's final methodology for creating GHGi/HDD targets accounts for baseline onsite fuel use not driven by heating needs alone.

A few comments noted that the proposal did not address energy use and emissions from district energy systems, and whether those emissions would be included in the GHGi targets.

> ***Response:*** Similar to electricity, district energy is generated offsite and transported to a building for use. Therefore, the emissions from district energy systems are not included in the GHGi targets, which are meant to apply only to emissions from fuels burned onsite. EPA anticipates that district energy system operators will increasingly move toward clean energy sources as a result of other policies, programs, and incentives.

A number of comments asked if NextGen would credit EV charging in the emissions criterion.

> ***Response:*** Since the NextGen emissions target is for direct emissions only and electric vehicle charging is accomplished with electricity (and therefore is associated only with indirect emissions), the electricity used to charge EVs has no impact on a building's ability to meet the NextGen direct emissions target. Electricity used to charge EVs could, however, impact the building's ability to meet the NextGen energy efficiency or

renewables requirements if included in the total energy use of the building. To avoid this and receive an accurate ENERGY STAR score, EPA recommends excluding EV charging energy use when benchmarking a property. More information on this guidance is available at our FAQ "How do I benchmark my EV Charging Station?"

One comment recommended the NextGen direct emissions criteria also be applied to existing ENERGY STAR certification.

Response: ENERGY STAR certification, which will exist alongside NextGen certification, is based solely on energy efficiency. Therefore, incorporating an emissions criterion into it would not be appropriate. The desire to incentivize emissions reduction is the primary purpose of this proposal for a separate recognition.

Several comments expressed a preference for an emissions requirement that considered direct emissions, indirect emissions, and the variation in grid emissions in different areas. One noted that building owners have the ability to influence the use of renewables on the electric grid through their renewable energy purchases and directly with utilities at the corporate level.

Response: The NextGen emissions criterion includes only direct emissions because these are the only emissions over which building owners have direct control. Building owners may have the ability to indirectly influence the resource mix used to generate grid electricity, but requiring they be responsible for the resulting emissions – which often vary due to factors outside of building owner control -- would subject them to significant uncertainty and vastly complicate administration of NextGen certification.

One commenter recommended that EPA conduct an analysis to assess what would be entailed in establishing a total GHG emissions target.

Response: While it is technically possible to establish total emissions targets, EPA believes an approach that includes direct and indirect emissions is not appropriate for NextGen recognition because indirect emissions are outside the control of the building owner. This is consistent EPA guidance for local and state governments on building performance standards. See EPA's Recommended Metrics and Normalization Methods.

One commenter suggested that if NextGen includes the direct emissions target, as opposed to requiring zero onsite emissions, EPA should publish a timeline for phasing out eligibility of buildings with onsite fuel combustion to allow the market time to transition.

Response: EPA bases the requirements for our recognition on data from the industry. Because there is insufficient data at present to know what a realistic timeline is for reducing direct emissions from buildings of all types, EPA intends to gain some experience with the final NextGen criteria before potentially establishing a timeline for increasing its stringency.

Other

One comment asked if NextGen would consider use of real-time emissions to encourage grid-interactive buildings.

> *Response:* For NextGen certification to achieve its objectives, EPA must be able to administer it effectively. While EPA encourages buildings to consider grid interactivity, requiring them for NextGen certification would add a level of burden to applicants and EPA that would make the certification much harder to administer.

One comment suggested that buildings be required to prepare a long-term asset level/net zero audit/roadmap to comply with 2030/2040 or 2050 targets, preferably based on SBTi/CRREM.

> *Response:* For NextGen certification to achieve its objectives, EPA must be able to administer it effectively. While EPA encourages buildings to prepare such roadmaps, requiring them for NextGen certification would add a level of burden to applicants and EPA that would make the certification much harder to administer.

One commenter suggested adding mandatory criteria regarding building envelope conditions, ventilation, electrical infrastructure, equipment sizing, etc, and an outcome-based standard that addresses comfort, health, and safety in addition to energy efficiency and decarbonization. The comment noted that this would help ensure equitable outcomes across all building and project types recognized under the NextGen certification.

> *Response:* For NextGen certification to achieve its objectives, EPA must be able to administer it effectively. While EPA encourages buildings to evaluate and improve all building systems and indoor environments, establishing and verifying performance-based criteria for them would add a level of burden to applicants and EPA that would make the certification much harder to administer. It is important to note, however, that buildings will need to demonstrate compliance with minimum accepted indoor lighting, thermal comfort, and ventilation requirements as they do today for ENERGY STAR certification.

One comment stated that the NextGen recognition must be fuel neutral.

> *Response:* The NextGen recognition is designed to be fuel neutral. The ENERGY STAR score, which is the basis for the NextGen energy efficiency requirement, is based on source energy and therefore treats all energy sources in an equitable fashion. In addition, the direct emissions criterion allows for use of any fuel for heating and other purposes.