



California Releases Draft Statewide Building Performance Standard Strategy

July 13, 2026

On July 7, the California Energy Commission (CEC) released its draft *California Building Energy Performance Strategy Report*, marking the first major step toward a potential statewide Building Performance Standard (BPS) for large existing buildings. SB 48 requires the draft report, but the report itself does not create a BPS. Instead, it recommends a proposed statewide BPS framework to guide future legislation and rulemaking.

If enacted, the proposed statewide BPS will apply to commercial buildings over 50,000 square feet, set final performance targets for 2045, and assess building performance using both site greenhouse gas intensity (GHGI) and site energy use intensity (EUI).

This draft report does **not create new laws or regulations**. The state must pass additional legislation and complete a future rulemaking process before any statewide BPS compliance requirements take effect. However, the report provides the most detailed roadmap so far for a potential statewide BPS and previews the direction of future policy.

Key Takeaways for Members

1. This Is Not a Rule Yet

The draft report does not impose new compliance obligations. The Legislature must pass additional legislation before a statewide BPS program can proceed. While the proposed BPS is not an immediate mandate, the framework recommended in the report will shape policy discussions for years to come.

2. The Proposed Timeline is More Workable than Many Local Models

For a future statewide BPS, the CEC report recommends a final target of 2045 with five-year compliance cycles. BOMA SF supports this approach because it aligns more closely with capital planning, equipment replacement schedules, tenant coordination, and long-term investment decisions.

3. The State Approach Uses Both Energy and Emissions Metrics

For the proposed statewide BPS, the CEC recommends evaluating both site greenhouse gas intensity (GHGI) and site energy use intensity (EUI). This differs from San Francisco's local proposal, which has focused only on GHGI.

4. Current Benchmarking Data Matters Now

The draft report recommends establishing building baselines for a future statewide BPS using a verified multi-year average of benchmarking data, from 2025 to 2028. As a result, current benchmarking submissions could influence future compliance trajectories if the proposed BPS framework moves forward.



Owners should treat benchmarking as a critical regulatory filing and ensure that gross floor area, utility data, meter coverage, tenant energy data, and occupancy information are accurate. The draft report also indicates that benchmarking enforcement could become stricter as part of a future statewide BPS, making data quality increasingly important.

BOMA SF supports a multi-year baseline because it provides a more accurate picture of typical building performance than a single-year snapshot. At the same time, we will advocate for reasonable safeguards for buildings that experienced unusually low occupancy during the baseline period, so future targets are based on normal operations. We will also seek more detail on the data platform, normalization methodology, and emissions factors the state would use before any statewide BPS targets are finalized.

5. The Draft Includes Real Flexibility

The draft report recommends flexibility for a future statewide BPS, including portfolio-level compliance options and adjustment pathways to address challenges such as financial hardship, historic buildings, and technical infeasibility. It also explicitly discusses issues such as high-rise electrification constraints and grid capacity limitations.

BOMA SF views these concepts as an encouraging development and will continue advocating for practical compliance pathways that recognize the operational realities of existing commercial buildings. We also believe any future statewide BPS should provide credit for owners who already invested in energy efficiency and emissions reduction before the state adopts binding requirements.

San Francisco's Local BPS and Statewide Alignment

San Francisco is also considering its own local Building Performance Standard. While discussions are ongoing, several local concepts differ from the statewide BPS framework recommended in the CEC draft report.

Areas where conflicts may emerge include:

- Whether the evaluation uses GHGI and EUI or just GHGI.
- How SF treats district steam systems, cogeneration facilities, fuel cells, and other on-site energy systems.
- Which baseline years apply and whether they accurately reflect normal building operations.

BOMA SF's top priority is to avoid a patchwork of overlapping state and local requirements.

We believe California should move toward a single statewide framework for larger commercial buildings. Owners should not have to comply with different metrics, reporting systems, timelines, or compliance structures across jurisdictions.



BOMA SF will advocate that any statewide framework require, not simply encourage, local alignment for buildings so owners have one clear and consistent compliance path.

The treatment of district steam systems and other on-site energy resources requires special attention. These issues are especially important for San Francisco buildings, and the CEC draft report does not sufficiently address them. BOMA SF will continue to advocate for clear statewide definitions and practical compliance pathways before the state establishes final performance metrics for any statewide BPS.

BOMA SF's Next Steps

The CEC will hold a public workshop on **July 29, 2026**, and written comments on the draft report are due by **August 21, 2026**.

Over the coming weeks, BOMA SF will:

- Evaluate the draft report with members, technical experts, and industry partners.
- Coordinate advocacy efforts with BOMA California, the California Business Properties Association (CBPA), and other stakeholders.
- Participate in the July 29 CEC workshop.
- Prepare formal comments on behalf of the commercial real estate industry.
- Seek reasonable protections for buildings with unusual occupancy conditions during baseline years.
- Support recognition of owners who have already invested in energy efficiency and emissions reductions.
- Continue engaging with San Francisco Department of Environment to encourage alignment between any future local program and the statewide framework.

Stay Engaged

The CEC draft report is an important milestone, but many key policy decisions remain before any statewide BPS becomes binding. BOMA SF encourages members to review the proposal, share building-specific concerns, and participate in upcoming discussions through the Energy, Sustainability & Resiliency Committee. BOMA SF will continue to monitor both the state and local processes and keep members informed as the proposal develops.