



**Testimony of Lucid  
Before the Energy & Technology Committee**

**In Support of  
HOUSE BILL 5385, AN ACT CONCERNING ENERGY RETROFITS FOR CERTAIN BUILDINGS AND THE  
DISCLOSURE OF THE ENERGY EFFICIENCY OF CERTAIN BUILDINGS**

**Submitted by  
Michael E. Murray, CEO  
Date 03/08/2012**

Senator Fonfara, Representative Nardello, and members of the Committee,

I am pleased to have the opportunity to comment on House Bill 5385, AAC Energy Retrofits for Certain Buildings and the Disclosure of the Energy Efficiency of Certain Buildings.

My company provides web-based software for managing energy use in commercial buildings. Building Dashboard® is used by hundreds of leading companies and institutions across North America. We are proud to be a rapidly growing company in the cleantech sector.

Lucid supports this bill because it creates an energy benchmarking program for large commercial buildings, under which building managers can use a simple online tool to track energy performance over time. Commercial buildings represent a significant untapped opportunity for saving money, energy and carbon. However, as numerous researchers have reported for years, many efficiency improvements to commercial buildings do not happen, despite being economically compelling, because of a variety of market failures. One of those failures – a lack of information in the market – is addressed by HB 5385.

Transparency of energy usage information to tenants, banks, investors and others is critical to sparking private-sector investment in energy efficiency. With energy usage information essentially under wraps in most buildings,

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decisions to lease, buy or refinance properties are made without any consideration of energy. By making the information available, the market will begin taking energy performance into account, and begin valuing it accordingly. Prospective commercial tenants will be less inclined to lease space in wasteful buildings. There is some evidence that vacancy rates, rents per square foot, and sale prices of commercial real estate are both positively affected by high energy performance and negatively affected by poor energy performance. As various parties begin making decisions around energy performance, property owners will be prompted to make investments in efficiency.

In particular, we support making energy information public wherever possible. HB 5385 asks the Commissioner of Energy and Environmental Protection to make building energy information accessible to the public via an online database. Other cities such as New York, Washington, D.C. and San Francisco have passed similar laws requiring public disclosure. We believe strongly that, as with other successful environmental policies based upon simple transparency such as the Toxic Release Inventory dating back to 1986, information by itself can be a powerful catalyst for action.

There are many companies like mine who are poised to help commercial property owners save energy and money. Many investments in efficiency have a positive net present value and should be acted upon today. However, many of these investments won't be made without a catalyst such as public disclosure.

We ask for your support of HB 5385 for the economic benefits it provides, namely by stimulating private-sector action to improve energy efficiency in buildings.

Thank you for your consideration.

Sincerely yours,

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