

BUILDING ENERGY PERFORMANCE STANDARDS (BEPS)

What building owners in Maryland need to know, and how they should prepare, in advance of the June 1, 2026 deadline.



OVERVIEW

The Maryland Department of Environment (MDE), in compliance with the Climate Solutions Now Act (SB 528), is requiring all commercial and multifamily buildings exceeding 35,000 square feet of space (see exceptions below) to establish requirements for energy benchmarking, with first submissions due June 1, 2026. The intent of Maryland's Building Energy Performance Standards (BEPS) is to significantly reduce the volume of greenhouse gas emissions emitted by large buildings across the state, with a goal of achieving net zero emissions by 2040. Failure to comply could result in the imposition of financial penalties up to \$750 per day.

For many owners, 2025 data submission marks the first critical compliance milestone and is considered a baseline against how future reduction efforts will be measured.



BUILDINGS REQUIRED TO COMPLY

Commercial and multifamily buildings 35,000 square feet or larger are considered “covered buildings” and must comply with BEPS requirements. This includes:

- » Commercial office buildings
- » Multifamily residential properties
- » Mixed-use buildings
- » Institutional and certain industrial facilities
- » Houses of worship

BUILDINGS EXEMPT FROM BEPS REGULATIONS

- » Public and private pre-K through high schools
- » Certain historic buildings
- » Some buildings used for manufacturing and agriculture

2025 REQUIREMENT: BENCHMARKING DUE JUNE 1, 2026

Beginning in 2025 and continuing annually, covered building owners must:

- » Report whole-building energy consumption data
- » Use ENERGY STAR Portfolio Manager
- » Submit data to the State of Maryland
- » Meet the June 1 deadline each year

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PARTIES ELIGIBLE TO REVIEW AND SUBMIT BENCHMARKING DATA

2025 submissions now require a third-party verification and the following professionals are eligible to review and submit benchmarking data:

- » Licensed Architect
- » Professional Engineer (PE)
- » Certified Energy Manager (CEM)
- » Certified Energy Auditor (CEA)
- » ASHRAE BEAP/CDP
- » LEED AP O&M
- » BPI MFBA
- » Energy Management Professional (EMP)

PENALTIES FOR MISSING THE JUNE 1 DEADLINE

Failure to submit benchmarking data can result in:

- » Financial penalties up to \$750 per day
- » Daily accruing fines until compliance is achieved
- » Increased enforcement scrutiny
- » Disruption to future emissions compliance planning

KEY TAKEAWAY

June 1, 2026 represents the starting point for long-term compliance for all Building Energy Performance Standards regulations. MacKenzie Management Company is closely following the rollout of BEPS and our professionals are available to assist building owners and investors to oversee the benchmarking reporting process and answer any pertinent questions you have.

WHAT BUILDING OWNERS SHOULD DO NOW

- » Confirm coverage status
- » Ensure complete energy data collection
- » Set up ENERGY STAR Portfolio Manager
- » Engage a qualified professional or third-party to manage the process
- » Budget for annual reporting fees



TO LEARN MORE OR FOR ASSISTANCE:

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As part of ongoing education efforts, MacKenzie's property managers host monthly lunch-and-learns with trusted vendors to stay apprised of trends, legal updates, and other industry-related changes. We are pleased to pass along this information to our clients in summary form to initiate discussion. This information is not intended as a call to action, but rather an opportunity for us to work with you should you feel your asset could benefit from further discussion on the matter.