

Green Lease Language Examples



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Introduction

While a valuable tool in determining ownership and responsibility, traditional leases do not address the problem of split-incentive. In standard lease agreements, the landlord is responsible for building construction and maintenance, but the tenant is responsible for paying energy and utility costs. Neither party is incentivized to invest in energy efficiency improvements nor does the language in their lease encourage them to be efficient. Developing lease language that conquers these issues is one of the best ways to increase energy efficiency in leased buildings, and decrease unnecessary spending. Green leases, also known as energy-aligned leases, help to break down the barriers set by traditional leases. This document consolidates a variety of green lease language options for more efficiently designed and operated spaces

From passthrough clauses designed to eliminate the split-incentive, to directives on the most environmentally efficient paints and cleaning products, the following lease language allows any landlord or tenant, to structure a lease that not only aids the bottom line of cost savings, but simultaneously makes the building more efficient. These examples have been pulled from a number of academic, government, and NGO sources. Landlords and tenants should use the following language as suggestions to guide them as they create their own green leases. Many of the examples in this document will need to be edited and amended to fit each individual building or properties needs and specifications but they are great bases from which to build custom language.

Prior to each example you will find one of the following classifications in italics; tenant language, landlord language, landlord and tenant language, or general lease language. Tenants who rent a space and are interested in entering, or renegotiating, a green lease should focus on those examples labeled “tenant language.” These will give guidance on energy efficiency best practices and mandates for tenants. Alternatively, those examples designated with “landlord language” are terminology intended to guide landlords and building owners on what they must provide to tenants as well as operating principles in which they must adhere. Anything with the designation, “landlord and tenant language” explains actions that must be taken by both parties in a cooperative manner. An example of this would be an agreement in which the landlord handles HVAC installation and repair, but tenants are responsible for maintaining an energy efficient setting on their units to ensure optimal HVAC operation. Lastly, “general lease language” refers to clauses that should be incorporated for overall energy efficiency and building sustainability without specific required actions by one party.

As you edit existing leases and create new green leases, consider receiving recognition for this achievement by applying for [Green Lease Leaders](#). Additionally, if you create new lease language examples and would like to see them added to this document, please send them to energypartnership@imt.org. For more information on green leases, visit the [Green Lease Library](#).

Pass-through Clauses: Operating Expenses vs. Capital Expenses

Pass-through clauses are lease additions and amendments that ensure the costs of energy efficiency are passed through to the tenant instead of the landlord. These clauses are typically used to reduce and eliminate the split-incentive caused by typical lease agreements.

General lease language

“Cost of any capital improvement to the Building that reduces Building Operating Costs, the costs of such improvements to be amortized over the minimum period acceptable for federal income tax purposes, and only the yearly amortized portion thereof shall be treated as a Building Operating Costs. In no event shall this charge for yearly amortization be more than the actual reduction in the Building Operating Costs.”

Source: [A Better City](#)

Landlord language

“The Landlord may deem the following Capital Expenses as Operating Expenses: costs of providing, installing, modifying, and upgrading energy and water conservation equipment and systems, and making alterations, replacements or additions to the building intended to reduce operating costs, utility consumption, and/or greenhouse gas emissions, improve the operation of the building and the systems, facilities and equipment serving the building, or maintain their operation.”

Source: [IMT](#)

Landlord language

“Landlord may include in Operating Expenses the Capital Improvements intended to improve energy efficiency. In the case of any Capital Improvement that the independent engineer certifies in writing will, subject to reasonable assumptions and qualifications, reduce the building’s consumption of electricity, oil, natural gas, steam, water or other utilities, and notwithstanding anything to the contrary:

The costs of such Capital Improvement shall be deemed reduced by the amount of any government or other incentives for energy efficiency improvements actually received by Landlord to defray the costs of such Capital Improvement, and shall further be reduced by any energy efficiency tax credits or similar energy-efficiency-based tax incentives actually accruing to Landlord as a result of such Capital Improvement.”

Source: [IMT](#)

General lease language

“All costs of any capital improvements made to the building that reduce the building’s energy expenses, shall be cost capitalized and hereafter amortized as an annual Operating Expense under generally accepted accounting principles, only the yearly amortized portion of which shall be included in Operating Expenses. In no event shall the charge for yearly amortization be more than the actual reduction in Operating Expenses.”

Source: [IMT](#)

Landlord language

“Landlord may include the costs of certain capital improvements [intended to] [that] improve energy efficiency in operating expenses. The amount passed through by Landlord to Tenant in any one year shall not exceed the prorated capital cost of that improvement over the expected life cycle term of that improvement [and shall not exceed in any year the amount of operating expenses actually saved by that improvement]. Interest/the cost of capital can be included.”

Source: [GSA](#)

Landlord language

“Landlord may include the costs of certain Capital Improvements in Operating Expenses pursuant to Section 1.1(a)(v)(16) in accordance with the following:

- (i) In the case of any capital improvement that an independent engineer experienced in energy efficiency matters and selected by Landlord certifies in writing will, subject to reasonable assumptions and qualifications, reduce the building’s consumption of electricity, oil, natural gas, steam, water or other utilities, and notwithstanding anything to the contrary elsewhere in this lease:
 - a. The costs of such capital improvement shall be deemed reduced by the amount of any government, utility or other incentives for energy efficiency improvements actually received by Landlord to defray the costs of such capital improvement, and shall further be reduced by any energy efficiency tax credits or similar energy-efficiency-based tax incentives actually accruing to Landlord as a result of such capital improvement.
 - b. For the purposes of this Section, “simple payback period” means the length of time (expressed in months) obtained by dividing (x) the aggregate costs of any such capital improvement, by (y) the projected annual savings. By way of example: If the aggregate costs of such capital improvement are \$2,000,000 and the projected annual savings are \$500,000, then the simple payback period for such capital improvement is forty-eight (48) months.
-

- c. Commencing with the first full [calendar][lease] year following the [calendar][lease] year in which such capital improvement is completed and placed in service, and continuing for the duration of the adjusted payback period (as hereinafter defined), Landlord may include in operating expenses a portion of the aggregate costs of such capital improvement equivalent to eighty percent (80%) of the projected annual savings so that the aggregate costs of such capital improvement will be fully amortized over one hundred twenty-five percent (125%) of the simple payback period (such 125% period of time being the “adjusted payback period”). By way of example: If the aggregate costs of such capital improvement are \$2,000,000, the projected annual savings are \$500,000 and the simple payback period for such capital improvement is therefore forty-eight (48) months, then Landlord may include \$400,000 of the aggregate costs of such capital improvement (i.e., an amount equivalent to 80% of the projected annual savings) in operating expenses payable by Tenant for five consecutive [calendar][lease] years (i.e. five years equals sixty (60) months, which is 125% of the 48-month simple payback period in this example).”

Source: [GSA](#)

Landlord language

“The Landlord should assume responsibility for all base building operating expenses, increasing rent annually to account for rising operations costs.”

Source: [NRDC](#)

Landlord language

“Savings associated with a capital investment that exceeds Landlord’s lease obligations (i.e. beyond what is required to maintain proper functioning of the Building, such as an innovative resource efficiency project, e.g. cogeneration) should be shared at a ratio of x percent Landlord/y percent Tenant of (Projected/Actual) dollar savings.”

Source: [NRDC](#)

Landlord and tenant language

“The Landlord and Tenant agree that the components of operating expenses subject to vacancy adjustment in the calculation of additional rent are those operating expenses that vary with occupancy, not those that are fixed [relevant only if the lease allows for vacancy adjustment].”

Source: [NRDC](#)

Landlord language

“...includes the following as operating costs to be passed on to the tenant:

Costs of:

- (i) Providing, installing, modifying and upgrading energy and water conservation equipment and systems, life safety and emergency response systems, materials and procedures and telecommunication and broadband systems and equipment if any.

- (ii) Making Alterations, replacements or additions to the Building intended to reduce operating costs, utility consumption, and/or greenhouse gas emissions, improve the operation of the building and the systems, facilities and equipment serving the building, or maintain their operation.”

Source: [A Better City](#)

Landlord and tenant language

“Incentives of any type (government, utility, etc.) conferred to the Building due to green improvements performed by the Landlord will accrue to the Landlord, excepting property tax reductions that reduce Tenant’s Proportional Share of the Property Tax Cost. Similarly, incentives of any type conferred to the Building due to green improvements performed by Tenant will accrue to Tenant.”

Source: [IMT](#)

HVAC

Temperature Setting, & Use of Stand Alone Energy Intensive Equipment

Landlords can use specific lease language to set temperature precedents which aims for both tenant comfort, and HVAC efficiency. Stand-alone equipment, such as space heaters, are energy intensive equipment and can accrue high operating costs. By including lease language to exclude tenants from using the devices, energy costs can be reduced.

Landlord and tenant language

“a) The Landlord shall provide HVAC in quantities and at temperatures required to maintain conditions within a reasonable temperature range in the Premises during Business Hours.

[Optional]: HVAC and lighting supplied to the premises outside of Normal Business Hours requested by the Tenant shall be at the Tenant’s cost at the rate equal to the then prevailing rate for such service or utility plus the Landlords 15% administration fee].

[Optional]: The Tenant shall not permit the use of, within its premises any stand alone energy intensive equipment designed to modify indoor air temperature or humidity, such as portable air conditioners, space heaters, humidifiers or dehumidifiers.”

Source: [A Better City](#)

Landlord language

“During [normal business hours], Landlord will provide heating, ventilation and air conditioning (HVAC) in accordance with the applicable ASHRAE Environmental Standards, including ASHRAE Standard 55-2006 Thermal Environmental Conditions for Human Occupancy, ASHRAE Standard 62.1-2004 Ventilation for Acceptable Indoor Air Quality, as well as meet or exceed applicable [codes and Design Guidelines].”

Tenant Language

“Tenant shall: Use best efforts to help meet building-wide energy use reduction goals and minimize unnecessary use of electricity, water, heating, and air conditioning, including recommended use of window shades and curtains to keep out summer heat and keep in winter warmth.”

Source: [A Better City](#)

Landlord and tenant language

“Occupied temperature of the building should not be lower than ___ in the summer or higher than ___ in the winter; unoccupied temperature of the building should not be lower than ___ in the summer or higher than ___ in the winter.

[Recommendation: The landlord and tenant should agree on reasonable temperatures based on system capacities such that the building does not require overheating or overcooling in order to satisfy a single, more restrictive lease. See the American Society of Heating, Refrigerating and Air-Conditioning Engineers’ (ASHRAE) Standard 55-2004 Thermal Environmental Conditions for Human Occupancy.

Sample temperatures might be:

- Summer occupied: 72° F at 60 percent relative humidity
- Winter occupied: 68° F
- Summer unoccupied: 82° F
- Winter unoccupied: 60° F

If a building has the capacity to maintain 50 percent relative humidity, it may be possible to operate the building at 75° (summer occupied). Most buildings do not have independent humidity control, however. Landlords should consistently negotiate for the highest summer temperature and the coolest winter temperatures consistent with system capacities and tenant comfort.]

Source: [NRDC](#)

Landlord and tenant language

“[Landlord] [Tenant] [Landlord and Tenant] [Landlord and all tenants of the building] shall provide individual control thermal comfort control at workstations and/or offices.”

Source: [GSA](#)

Landlord and tenant language

“All imaging equipment (i.e. copiers and printers) used by Tenant shall be ENERGY STAR Certified and energy savings modes must be activated. Space heaters are not permitted in the leased premises.”

Source: [GSA](#)

Landlord and tenant language

“Option 1: The Landlord shall provide HVAC in quantities and at temperatures required to maintain conditions within a reasonable temperature range in the Premises during

Business Hours. HVAC and lighting supplied to the premises outside of Normal Business Hours requested by the Tenant shall be at the Tenant's cost at the rate equal to the then prevailing rate for such service or utility plus the Landlords 15 percent administration fee.

Optional addition: The Tenant shall not permit the use of, within its premises any stand alone or energy-intensive equipment designed to modify indoor air temperature or humidity, such as portable air conditioners, space heaters, humidifiers, or dehumidifiers.

Option 2: Landlord shall furnish to the Premises during normal hours of operation of the Building air-conditioning and heat during the seasons when they are required, as and to the extent determined in Landlord's reasonable judgment taking into account standards prevalent in comparable buildings in the market in which the Building is located. It is also agreed that if Tenant requires air-conditioning or heat beyond the normal hours of operation set forth herein, Landlord will furnish such air-conditioning or heat provided Tenant gives Landlord sufficient advance notice of such requirement, and Tenant hereby agrees to pay for such extra service in accordance with Landlord's then-current schedule of costs and assessments for such extra service. To maintain proper air balancing and pressurization, Tenant shall keep all of its suite entry doors closed except as actually used for ingress or egress."

Source: [IMT](#)

Landlord language

"Landlord shall provide HVAC systems required to maintain conditions within a reasonable temperature range in the premises during business hours. The HVAC systems shall maintain the occupied temperature and humidity setpoints of 75°F cooling, 70°F heating, less than 60% relative humidity; and the unoccupied temperature setpoints of 85°F and 60°F. The occupied temperature and relative humidity setpoints shall be maintained 30 minutes prior to opening business hours. The cooling and heating capacities shall be determined by a qualified engineer or contractor in accordance with ACCA Manual N or ASHRAE Standard 183. HVAC system operation shall meet the ventilation requirements of ASHRAE Standard 62.1. Engineering staff shall have the capability to adjust RTU setpoints manually to optimize the RTUs and increase overall efficiency in unusual occupancy circumstances. Prior to space turnover, Landlord shall conduct and document testing and balancing of existing RTUs to ensure the units meet Tenant requirements."

Source: [IMT](#)

Rooftop Unit Installation, Maintenance, and Operation

Both landlords and tenants benefit from proper installation and maintenance of rooftop units. Depending on the type of building, ownership, and operation and management the party responsible for installing and maintaining the rooftop unit (RTU) will change, but all parties should be knowledgeable.

Landlord and tenant language

“Prior to delivery of possession to Tenant, Landlord shall pay for any additional RTUs to cover increased cooling capacity needs. This cost is outside the Tenant Improvement Allowance or Turnkey structure. ANSI/ACCA Standard 5 for HVAC Quality Installation Specification must be followed for installation of any new RTUs.”

Source: [IMT](#)

Landlord and tenant language

“Efficiency improvement costs of RTUs are to be shared between the Landlord and the Tenant. Landlord may pass through smaller efficiency project costs as operating expenses. Smaller improvements (<10% of total project cost) such as RTU controls, RTU maintenance, and installation of submeters could be included as operating expenses charged to Tenant on a prorata basis through Common Area Maintenance (CAM).

[Select one]

- a) Major capital RTU repairs shall be included as operating expenses provided such capital repairs were necessitated by a change in Law occurring after the date of this Lease or were intended to have cost saving benefits over the Term and amortized costs of same over the useful life of the improvement in accordance with generally accepted accounting principles or with respect to cost savings, over the payback period of such improvement.
- b) Landlord’s cost recovery is based on a prediction of savings as determined by an energy specialist agreed upon by both parties, but Landlord’s capital expense pass-through is limited to 80 percent of such predicted savings in any given year. This provides Tenant with a cushion to protect against underperformance; accordingly, Landlord’s payback (recovery) period is extended by 25 percent.”

Source: [IMT](#)

Landlord and tenant language

“RTU end of useful service life is determined by an unbiased third party agreed upon by both Landlord and Tenant.”

Source: [IMT](#)

Landlord and tenant language

“Landlord Responsible

- a) Landlord is responsible for replacement of RTU at the end of its useful service life, as determined by a mutual unbiased third party, no matter the length of Tenant lease.
- b) Landlord is responsible for replacement of RTU when the cost of repairs and energy inefficiency outweigh the cost of a new unit, no matter the length of Tenant lease, as determined by calculation guidance in the Department of Energy’s Business Case for Proactive RTU Replacement.

Tenant Responsible

- a) Tenant is responsible for replacement of RTU during the life of the lease. If purchased by Tenant and replaced mid-lease, the depreciation schedule of the RTU matches the remaining length of the Tenant lease.

Joint Responsibility

- a) Capital RTU replacements shall be included as operating expenses provided such capital replacements were necessitated by a change in law occurring after the date of this Lease or were intended to have cost saving benefits over the Term and amortized costs of same over the useful life of the improvement in accordance with generally accepted accounting principles or with respect to cost savings, over the payback period of such improvement.

The cost of any capital improvement to the building that reduces Building Operating Costs, the costs of such improvements to be amortized over the minimum period acceptable for federal income tax purposes, and only the yearly amortized portion thereof shall be treated as a Building Operating Costs. In no event shall this charge for yearly amortization be more than the actual reduction in the Building Operating Costs.”

Source: [IMT](#)

General lease language

“Any new RTU that serves the Premises must meet the DOE Better Buildings Alliance High-Efficiency RTU Specification sections addressing:

- Cooling Performance
- Heating Performance

- Fan Operation
- Controls
- Economizers
- Outside Air Dampers
- Sizing
- Quality Installation
- Quality Maintenance”

Source: [IMT](#)

Tenant language

“Tenant is responsible for maintenance of the units, and will follow the ANSI/ASHRAE/ACCA Standard 180, Standard Practice for Inspection and Maintenance of Commercial Building HVAC Systems for all RTU maintenance activities.”

Source: [IMT](#)

Landlord and tenant language

“[Update as needed based on recent technology advancements and Landlord/Tenant cost share agreements:]

If RTU is over 7 tons in size, has over 5 years of expected useful service life left, and units do not have advanced controls (e.g. economizer, variable fan drives), Tenant may choose to fund an RTU efficiency improvement following the Advanced RTU Campaign specification for advanced control retrofits. Essential advanced retrofit control features include:

- Multi-speed or variable speed supply fan control with, at a minimum, reduced fan speed operation for first stage cooling and ventilation modes
- Modulating outdoor air damper control to maintain proper ventilation rates according to ASHRAE Standard 62.1 under different fan speeds”

Source: [IMT](#)

General lease language

“Documentation cut-sheets are required for all RTU equipment as part of the documentation package provided for Tenant build-out.”

Source: [IMT](#)

Landlord and tenant language

“Parties are required to engage a third party mutually-agreed-upon commissioning authority to confirm that the installed RTU systems are functioning optimally as designed via such activities as testing and balancing. The report of the commissioning authority shall be issued jointly to Landlord and Tenant. Landlord must make adjustments to correct any errors identified from the commissioning process.”

Source: [IMT](#)

Landlord and tenant language

“RTU efficiency, cooling capacity, and operational details shall be determined by Tenant upon completion of architectural and engineering designs, and reported to Landlord in the Work Letter. Such details may include but are not limited to: required minimum cooling tonnage per sq. ft., and required number of cooling zones.”

Source: [IMT](#)

Submetering

Sub-metering is one of the best methods to ensure buildings with multiple tenants and units properly measure energy usage.

Landlord and tenant language

“[Tenant perspective]: Landlord will install an electric submeter to service the lease premises to measure the consumption of electricity in the lease premises, and Landlord will charge Tenant and Tenant will pay as an additional charge hereunder such amounts as are invoiced by Landlord for Tenant’s electricity usage as measured by such submeter, without markup by Landlord, and Landlord will make appropriate adjustments to the electricity charges included in Operating Expenses so that Tenant’s proportionate share of operating expense increase will not include such amounts with are separately invoiced and paid by Tenant.

[Landlord perspective]: Landlord is hereby authorized to request and obtain, on behalf of Tenant, Tenant’s electric consumption data from the applicable utility provider. Notwithstanding anything herein to the contrary, Tenant agrees to pay for the installation of a separate electric meter to measure electrical usage and to pay Landlord for electricity consumption registered in such submeter.

Source: [IMT](#)

Landlord language

“Landlord shall install an electric meter/submeters to service the leased premises to measure the consumption of electricity in the leased premises. Where Tenant does not occupy the entire building or an entire floor, the partial floor or leased premises shall be separately metered.”

Source: [GSA](#)

Landlord language

“Landlord shall install an electric meter and submeters to service the leased premises to measure the consumption of energy (both electricity and natural gas) broken out by each major energy end use as well as broken out by tenant. Actual or estimated breakdowns may be used, depending on the granularity of the data provided. Energy end uses shall include, at a minimum heating, cooling, lighting, fans, pumps, plug loads, domestic hot water and elevators (where applicable).”

Source: [GSA](#)

Landlord language

“Landlord shall separately submeter and track indoor water use for the tenants and common areas and outdoor water use. Landlord shall provide regular [annual] [quarterly] reports for the amount of water consumed at the building and cost per month for the duration of this lease. If such data is not available or is confidential, estimated water use per tenant may be provided along with the basis for the estimate.”

Source: [GSA](#)

Landlord and tenant language

“Landlord will install and pay for an electric submeter to service the lease premises to measure the consumption of electricity in the lease premises, including a submeter for each piece of Tenant capital equipment such as RTUs [rooftop units].

Landlord will install and Tenant will pay for an electric submeter to service the lease premises to measure the consumption of electricity in the lease premises, including a submeter for each piece of Tenant capital equipment such as RTUs.

These submeters will measure electricity consumption as well as peak demand. Landlord will charge Tenant, and Tenant will pay as an additional charge hereunder such amounts as are invoiced by Landlord for Tenant’s electricity usage as measured by such submeter, without markup by Landlord, and Landlord will make appropriate adjustments to the electricity charges included in operating expenses so that Tenant’s proportionate share of operating expense increase will not include such amounts which are separately invoiced and paid by Tenant.”

Source: [IMT](#)

Landlord and tenant language

“Notwithstanding anything herein to the contrary, if Landlord reasonably determines that Tenant’s use of electricity is materially in excess of normal use, Tenant agrees to install a submeter to measure energy consumption in excess of normal use and to pay Landlord for all such excess electricity registered in such submeter. “Normal use” is defined as an ENERGY STAR Portfolio Manager score of 64 or higher.”

Source: [IMT](#)

Landlord language

“Landlords should submeter resource use in Tenant space wherever it is technically feasible and within reasonable financial parameters.”

Source: [NRDC](#)

Landlord and tenant language

“Where submetering of Tenant space is infeasible, the Landlord should submeter the Building by floor.

Or

Where submetering is infeasible and the Tenant has [electric rent inclusion] ERI, the Tenant may initiate a survey of equipment and systems. The Landlord should credit the Tenant for demonstrable efforts to save. Surveys should be performed annually.”

Source: [NRDC](#)

Landlord language

“Base Building electric usage should be calculated, to the maximum extent feasible, utilizing submeters to exclude Tenant spaces.

[Option 1] The Landlord should annually report to the Tenant the benchmarked resource usage of the Building (see 1.1 above) as well as the Tenant’s contribution to the score—by calculating the difference between the Building score, with and without Tenant usage. The Landlord should also provide a comparison between Tenant’s proportion of the Building’s rentable square footage relative to its proportion of the Building’s resource use.

[Option 2] Landlords should annually report to Tenants the total resource usage of the Building in terms of kilo-watt hours (kWh) and MMBTUs or, alternatively, in MMBTU equivalents and in gallons of water. Tenant’s relative consumption should also be reported as in Option 1.

[Option 3] Landlords should annually report to Tenants the total carbon emissions of the Building in tons. The Tenant’s relative consumption should be reported as in Option 1.

Tenant should annually report to Landlord any electric, gas, steam, or water usage in Tenant space that is directly metered by the distributor of the commodity i.e. that does not flow through Landlord’s meter.”

Source: [NRDC](#)

Fit-Out and Building Requirements

Construction, retrofitting, remodeling, and tenant turnover are all great times to designate fit-out and maintenance requirements. In order to choose the most environmentally conscious and energy efficient resources, landlords and tenants can write sustainable purchasing clauses into a lease. By establishing rules on purchasing, both parties place restrictions on the types of materials that can be used to ensure efficiency and the smallest environmental impact.

Sustainable Practices (Includes VOC-free paint, ENERGY STAR appliances, & recycled building materials)

Landlord and tenant language

“Landlord and Tenant shall comply with the following Environmentally Preferable Purchasing Policy when procuring furniture, fixtures, carpeting, materials, supplies, appliances, and equipment to be brought into the Building and Premises, which requires that each use, when reasonably practical:

- Energy STAR-qualified office equipment, electronics, appliances including refrigerators,
- Products containing preconsumers and post-consumer materials,
- Products containing rapidly renewal material,
- Products containing Forest Stewardship Council-certified wood,
- Products harvested or processed, or extracted and processed within 500 miles of the Building,
- High-efficiency, low mercury content lamps that maintain an overall average of less than 90 picograms of mercury per lumen hour of light output,
- Compact Fluorescent Lamps that comply with the National Electrical Manufacturers Association,
- Low-or no VOC furniture, furnishing or composite wood products that contain no urea-formaldehyde,
- Low or no VOC paints, adhesives, solvents or other such materials meeting Green Seal Standard GS-11 or equivalent. The use of sprayed paint is prohibited,
- Salvaged, refurbished or reused materials, furniture.”

Source: [A Better City](#)

Landlord and tenant language

“Landlord/Tenant Shall:

- 1) Purchase Energy Star or comparably efficient appliances for the building and/or unit.

Landlord shall:

- 1) Protect indoor air quality by using low-VOC paints and carpets and requiring office cleaners to use “green” and non-toxic cleaning products and providing appropriate plants in common areas.”

Source: [A Better City](#)

Landlord and tenant language

“Tenant perspective: Any and all Tenant Improvement Work and/or Alterations will be performed in accordance with Landlord sustainability practices that the Tenant has accepted as part of the lease agreement, including any agreed upon third-party rating system concerning the environmental compliance of the Building or the Premises, as the same may change from time to time.”

Source: [A Better City](#)

Landlord and tenant language

“Use low-emitting building products, wet-applied products, and furniture that are third party certified. Building products, wet-applied products and furniture used in the build-out [of the leased premises] [of all tenant space in the building] shall meet or exceed the following emission standards and requirements. Product content information shall be submitted to the [tenant] [landlord].”

Source: [GSA](#)

Tenant language

“The Tenant agrees to conduct its operations in the Building and within the Premises in accordance with the following provisions:

...ii) The Tenant shall ensure that all work done within the Premises by the Tenant or its representatives shall be undertaken in accordance herewith and with the Tenant Construction Manual. Notwithstanding the foregoing, the Tenant shall specify that all paints, sealants, and adhesives used or to be used within the Premises meet EcoLogo, Green Seal, South Coast Air Quality Management District regulations, MPI Green Performance Standards or equivalent so as to ensure no or low emissions of VOCs within the Building. Landlord may from time to time conduct tests to measure VOCs within the premises.”

Source: [A Better City](#)

Landlord and tenant language

“Before making any alterations to the Premises or to the plant, equipment or services within and serving the Premises which alterations [may/will] adversely affect the Environmental Performance of and/or any EPC rating of the Premises and/or the Building the Tenant shall:

- (a) Provide sufficient information to the Landlord in writing and wait a reasonable period before commencing the works so as to enable the Landlord to assess the potential adverse effects of the proposed alterations.
- (b) Consider [and, where reasonable, implement] any [reasonable] suggestions which the Landlord makes to [avoid/minimize] any such potential adverse effects of the proposed alterations.”

Source: [A Better City](#)

Landlord and tenant language

“Tenant perspective: The Tenant agrees to conduct its operations in the Building and within the Premises in accordance with the following provisions: The Tenant shall ensure that all work done within the Premises by the Tenant or its representatives shall be undertaken in accordance herewith and with the Landlord’s sustainability goals. The Landlord agrees to make reasonable effort to conduct building operations in accordance herewith and with the Tenant’s sustainability goals.

Landlord perspective: Before making any alterations to the Premises or to the plant, equipment or services within and serving the Premises which alterations (may/will) adversely affect the environmental performance of and/or any energy performance rating of the Premises and/or the Building the Tenant shall:

- (i) provide sufficient information to the Landlord in writing and wait a reasonable period before commencing the works so as to enable the Landlord to assess the potential adverse effects of the proposed alterations
- (ii) consider (and, where reasonable, implement) any (reasonable) suggestions which the Landlord makes to (avoid/minimize) any such potential adverse effects of the proposed alterations.”

Source: [IMT](#)

Landlord and tenant language

“All Tenant equipment and appliances shall be ENERGY STAR certified and energy savings modes must be activated. Such equipment shall include, but is not limited to, computers, external displays, imaging equipment, phones, enterprise servers, network equipment, data center storage units, refrigerators, freezers, dishwashers, vending machines and coffee makers. All central HVAC units shall be ENERGY STAR certified and (where possible) utilize variable speed compressors, fans, and pumps that are appropriately sized for the heating and cooling loads.

[Optional/alternative language]

Reduce plug loads by specifying equipment and appliances (including, without limitation, computers, monitors, printers, refrigerators, dishwashers, water coolers, copiers, and A/V and IT equipment) that meet or exceed ENERGY STAR requirements.

Source: [GSA](#)

General lease language

“The engineer on record must verify that the Tenant fit-out design meets the specified requirements.”

Source: [IMT](#)

Water Fixtures and Plumbing

Water fixtures and plumbing should not be overlooked when managing energy usage. Inefficient water systems can cause unnecessary spending and wasteful procedures.

General lease language

“For new installations and whenever plumbing fixtures are being replaced, all [common space] [tenant space] fixtures must conform to EPA WaterSense or fixtures with equivalent flush volumes must be utilized.

Table 1: WaterSense flow rates

Fixture	Maximum flow rate per WaterSense ²¹
Showerhead	2.0 gallons per minute
Toilets ²²	1.28 gallons per flush
Bathroom sink faucets	1.5 gallons per minute
Urinals	0.5 gallons per flush

Source: [GSA](#)

Tenant Language

“Tenant shall maintain maximum fixture water efficiency within the building to reduce the burden on potable water supply and wastewater systems. Faucets, shower heads, toilets, and urinals must be low-flow. The total water efficiency of all interior fixtures shall be at least 20 percent more efficient than the baseline set by the Energy Policy Act of 1992. When available, Tenant shall install products certified by the U.S. Environmental Protection Agency’s WaterSense program.”

Source: [IMT](#)

LEED and Green Globe-Specific Clauses

LEED and Green Globe are two of the leading energy efficiency certifications. Both parties benefit from incorporating these certifications into a lease for all design, construction, and operation of a property.

Landlord and tenant language

“Landlord’s approval of Tenant’s proposed Space Plan, Working Drawings, or Change Order shall not be unreasonably withheld, conditioned or Delayed; provided, however, that Landlord shall not be deemed to have unreasonably withheld its approval of any Space Plan, Working Drawings or Change Order that: Does not reflect a ten percent (10%) efficiency improvement in tenant buildout lighting efficiency over minimum code. Tenant further agrees to engage a qualified third party LEED or Green Globe Accredited

Professional or similarly qualified professional during the design phase through implementation of any Tenant Improvement Work and/or Alterations to review all plans, material procurement, demolition, construction and waste management procedures to ensure they are in full conformance to Landlord’s sustainability practices, as aforementioned.”

Source: [IMT](#)

Landlord and tenant language

“Any and all Tenant Improvement Work and/or Alterations will be performed in accordance with Landlord’s sustainability practices that Tenant has accepted as part of the lease agreement, including any agreed upon third-party rating system concerning the environmental compliance of the Building or the Premises, as the same may change from time to time.

[Optional] Tenant further agrees to engage a qualified third party LEED or Green Globe Accredited Professional or similarly qualified professional during the design phase through implementation of any Tenant Improvement Work and/or Alterations to review all plans, material procurement, demolition, construction and waste management procedures to ensure they are in full conformance to Landlord’s sustainability practices, as aforementioned.”

Source: [IMT](#)

Outdoor Premises

Both landlords and tenants should not overlook outdoor common areas when factoring in energy and water savings. Landscaping, and irrigation systems can impact bottom line as well.

Irrigation and Landscaping

Landlord language

“Landlord shall landscape the site with plants that are either native or well-adapted to local growing conditions, as selected or approved by a landscape design professional.”

Source: [GSA](#)

Landlord language

“Landlord shall utilize irrigation technologies at the lowest rate required to keep plants healthy. Irrigation systems will be controlled by rain gauges or soil moisture sensors to eliminate unnecessary irrigation during or after rain events.”

Source: [GSA](#)

Landlord and tenant language

“If any irrigation is necessary on site, the source shall be non-potable water.”

Source: [GSA](#)

Energy Management Best Practices

The following practices ensure both tenants and landlords are adhering to efficient building operation principles.

Monitoring Energy Use (Includes Watts/sq. ft. Designations)

Landlord and tenant language

“Landlord and Tenant agree that Tenant space should have access to _____ Watts/sf of electric service.

[Recommendation: Commercial office space should be presumed to require not more than 3 Watts/sf of demand (not connected load).]

[Option 1] After a year of occupancy, Tenant should lose __ percent of unused service. For example, a Tenant actually using 2.5 Watts/sf may be dropped from a lease stipulated 6 Watts/sf to 3 Watts/sf (to cushion for future growth).

[Option 2] Landlord should have the right to charge Tenant for unused capacity. For every Watt/sf reserved for Tenant, but in excess of the maximum usage of Tenant in a given year, the Landlord should assess a fee.”

Source: [NRDC](#)

Landlord and tenant language

“Tenant should share operational requirements and preferences, concerns, and interests with Landlord’s contractors engaged to improve efficiency in the Building.”

Source: [NRDC](#)

General lease language

“Installed electrical wiring and facilities for plug load equipment including personal computers and other standard office equipment shall be limited to [3.5/2.5/1.5] watts per usable square foot.”

Source: [GSA](#)

Tenant language

“Tenant shall provide sensor or timer controls for all of its major office equipment, including personal computers and copiers/printers.”

Source: [GSA](#)

Air Quality

Landlord language

"Air filtration shall be provided and maintained by Landlord with filters having a minimum efficiency rating as determined by the latest edition of ASHRAE Standard 52.2 or MERV [8][11], whichever is more stringent. Filters shall be replaced a minimum of [4] [2] times per calendar year. For healthcare settings, filtration requirements ASHRAE Standard 170 shall be used."

Source: [GSA](#)

Landlord language

“The outdoor air intake rate provided by Landlord will be at least 10% above ASHRAE Standard 62.1. For applicable healthcare facilities, the rate shall be increased relative to ASHRAE Standard 170. Alternate: Monitor delivery of outside air to ensure indoor air quality and outdoor airflow compliance with ASHRAE Standard 62.1- 2016 requirements.”

Source: [GSA](#)

Landlord language

“Ventilation should meet or exceed the most recent ASHRAE standard for indoor air quality.

[Recommendation: Standard 62.1—2004 Ventilation for Acceptable Indoor Air Quality. Alternative compliance through demand controlled ventilation is preferred.]”

Source: [NRDC](#)

Lighting

Landlord and tenant language

“Daylight dimming controls shall be installed in atriums or within 15 feet of windows and skylights where daylight can contribute to energy savings. Daylight dimming controls

shall be either integral to the fixtures or ceiling mounted and shall maintain required lighting levels in work spaces. Lighting controls (including vacancy sensors and scheduling controls) shall be provided for all lighting equipment.

[Alternate]: Implement lighting controls, including daylight dimming controls for at least 50% of lighting load and vacancy sensors for at least 75% of connected lighting load. This measure is to be implemented if the simple payback period is demonstrated to be five years or less based on projected savings and estimated cost subject to Building management team's review. Design and build to optimize daylight and views for occupants, which may be achieved through a design that includes interior rather than perimeter offices, or perimeter offices with glass fronts if perimeter offices are a design requirement.

Alternate: The Tenant shall initiate a review of lighting needs in all areas of the workplace [x] times within the year to accumulate lighting measurement data to compare with usage patterns. In conjunction with this effort, the specified energy rates for various areas will be reviewed and compared to the data to attempt to identify patterns and potential adjustment to lighting controls and sensors. (Dependent on metered/measured power usage within areas.)”

Source: [GSA](#)

Landlord and tenant language

“[Landlord] [Tenant] [Landlord and Tenant] [Landlord and all tenants of the building] shall provide individual control of task lighting for all occupants within offices or workstations. Task lighting shall be energy efficient fixtures (e.g. LED).”

Source: [GSA](#)

General lease language

“The building shall comply with lighting power densities at or below ASHRAE 90.1 2016, as provided by the table below.”

Space type (using building area calculation method)	Maximum lighting power density (Watts/SF)
Office	0.79
Convention Center	0.78
Courthouse	0.90
Dining: Cafeteria	0.79
Library	0.78

(For additional space types or calculation compliance paths and exceptions, please refer directly to the ASHRAE 90.1 2016 standard.)

Source: [GSA](#)

Landlord and tenant language

“Landlord’s approval of Tenant’s proposed Space Plan, Working Drawings, or Change Order shall not be unreasonably withheld, conditioned or delayed; provided, however, that Landlord shall not be deemed to have unreasonably withheld its approval of any Space Plan, Working Drawings or Change Order that: Does not reflect a ten percent (10%) efficiency improvement in tenant fit up lighting efficiency over minimum code.”

Source: [IMT](#)

Data Sharing/Disclosure

Transparency and data sharing are integral to the continued understanding and acceptance of energy efficiency best practices. By writing these clauses into a lease, both tenants and landlords benefit from increased disclosure.

Energy Consumption

Landlord and tenant language

“The Landlord and the Tenant will share the Environmental Performance Data they hold relating to the Premises and/or the Building. This Environmental Performance Data will be shared on a regular basis [but not less frequently than monthly/quarterly/annually] with each other, with the Managing Agent and with any third party who the Landlord and the Tenant agree needs to receive such data. Save where they are under a statutory obligation of disclosure, the Landlord and the Tenant will keep confidential the Environmental Performance Data shared under this clause, and will only use such data for the purposes of:

- a. monitoring and improving the Environmental Performance of the Premises and/or the Building and/or
- b. Measuring the Environmental Performance of the Premises and/or the Building against any agreed targets. The Landlord will procure that the Managing Agent is placed under a similar obligation to that set out in clause [] to keep any shared data confidential and to use it only for the purposes listed in that clause.

Where the Landlord or Tenant discloses any shared data to a third party, they will procure that that third party is placed under a similar obligation to that set out in clause [*insert clause information*] to keep any shared data confidential and to use it only for the purposes listed in that clause.”

Source: [A Better City](#)

Landlord and tenant language

“The Landlord and the Tenant will share the Environmental Performance Data they hold relating to the Premises and/or the Building. This Environmental Performance Data will be shared on a regular basis [but not less frequently than monthly/quarterly/annually] with each other, with the Managing Agent and with any third party who the Landlord and the Tenant agree needs to receive such data. Save where they are under a statutory obligation of disclosure, the Landlord and the Tenant will keep confidential the Environmental Performance Data shared under this clause, and will only use such data for the purposes of:

- (a) Monitoring and improving the Environmental Performance of the Premises and/or the Building and/or
- (b) Measuring the Environmental Performance of the Premises and/or the Building against any agreed targets. The Landlord will procure that the Managing Agent is placed under a similar obligation to that set out in clause [] to keep any shared data confidential and to use it only for the purposes listed in that clause.

Where the Landlord or Tenant discloses any shared data to a third party, they will procure that that third party is placed under a similar obligation to that set out in clause [*insert page number of clauses outside of the lease document*] to keep any shared data confidential and to use it only for the purposes listed in that clause.”

Source: [A Better City](#)

Landlord language

“Landlord shall provide reports for the amount of electricity, natural gas and fuel oil (where applicable) consumed at the building broken down by utility type, energy unit usage (e.g., kWh, therms or ccf, gallons), cost per month for each energy source for the duration of the Lease and the Energy Use Intensity (EUI measured in kBtu/SF/YR). Unless disclosure is prohibited by state or local law or if data is not available or is confidential, estimated energy use per tenant may be provided. 16 Such reports shall be provided within ninety (90) days after the end of each [calendar quarter][June 30 and December 31][calendar year].17 Where applicable, Landlord shall provide read-only access to tenant of the building’s ENERGY STAR Portfolio Manager account and vice versa. To the extent Tenant obtains electricity independently of the building, Tenant shall give Landlord access to Tenant’s data on energy use for inclusion in Landlord’s annual reports, ENERGY STAR annual rating and similar purposes.”

Source: [GSA](#)

Water Consumption

Landlord and tenant language

“Landlord and Tenant shall meet annually and review energy and water use data, recommissioning outputs and recommendations and the effectiveness of efficiency programs and mutually establish an energy optimization plan, including energy management and cost effective savings opportunities for the building and the leased premises. Annual reports shall be produced summarizing both tenant and landlord efficiency efforts. Tenant and landlord shall work together to attain third party green building certifications.”

Source: [GSA](#)

Landlord and tenant language

“Tenant shall be required to submit on a(n) [monthly, quarterly, annual] basis to Landlord energy and water consumption data, including total usage and total charges as they appear on Tenant’s electric, gas, water, and other utility bills, in a format deemed reasonably acceptable by Landlord.

Landlord agrees to provide, at Tenant’s request, building level energy and water consumption, as well as (if applicable) the ENERGY STAR score of the building.”

Source: [IMT](#)

Landlord and tenant language

“Landlord shall:

Publish an annual report on Green Lease and sustainability measures. This shall include monthly measurements of building energy and water use, and shall include annual targets for those measures.

Tenant shall:

Give Landlord access to data on unit energy and water use for annual reports.”

Source: [A Better City](#)

Landlord language

“Landlord shall provide regular [annual] [quarterly] reports for the amount of water consumed at the building and cost per month for the duration of this lease. If such data is not available or is confidential, estimated water use per tenant may be provided along with the basis for the estimate. Where applicable (i.e., ENERGY STAR certified buildings), Landlord shall enter water use and cost data into ENERGY STAR Portfolio Manager and provide read-only access to tenant of the building’s Portfolio Manager account. Where applicable, the Tenant shall provide read-only access to Landlord of the building’s Portfolio Manager account.”

Source: [GSA](#)

Landlord language

“Chilled water provided to Tenant should not be colder than ___.

[Recommendation: 50° F in the winter; 44° F in the summer. Specifications of tenant or landlord equipment may require adjustment of the recommended temperatures. The tenant and landlord should consider whether an upper bound is necessary.]”

Source: [NRDC](#)

Landlord language

“Condenser water provided to the Tenant should be permitted to drop as low as ____ in the winter and to rise as high as high as ____ in the summer.

[Recommendation: 65° F in the winter; and 85° F in the summer.

Modulating condenser water temperature can offer substantial energy savings. When outdoor air conditions permit, many—but not all—systems can handle a lower condenser water temperature and operate much more efficiently. Investigation of building systems should ascertain whether the recommended temperatures can be effectively applied in a given building.]”

Source: [NRDC](#)

ENERGY STAR Integration

Landlord and tenant language

“The building must be ENERGY STAR labeled by achieving an ENERGY STAR rating of 75 and ENERGY STAR certification must be maintained for the duration of the lease term:

- In buildings where an ENERGY STAR rating cannot be obtained (i.e. because the building is too new to have a sufficient operating history to generate the requisite data or because the building’s vacancy exceeds the vacancy allowed for an ENERGY STAR label), a lease may include the provision that the landlord has one year after the building reaches the requisite threshold in operating history and/or occupancy to achieve the ENERGY STAR label. In general, any building over 5,000 gsf with a year of utility bills can get an ENERGY STAR score (exceptions and details).
- If an ENERGY STAR rating is not available for the reasons identified above, the landlord must show it has implemented all cost-effective energy upgrades.
- Tenant shall collaborate with landlord to incorporate efficiency into energy-using equipment, e.g., by using ENERGY STAR labeled equipment, and optimize its operating schedules, e.g., by not operating during non-standard business hours without paying the incremental cost.

[Alternate] In the initial lease, where no previous energy use data is available, the parties shall construct an estimate of potential future energy usage by the tenant using such principles and data as can be agreed upon. Upon the accrual of a sufficient number of years of energy use data for the structure, the Parties/Landlord shall themselves or through a third party conduct an overall energy assessment based on the usage history to determine overall usage rates, trends, time sensitive of usage patterns (if metered to that level), and other relevant data. The Parties will then meet to review the usage data and identify patterns and trends, and compare the results to the original

projected usage projections. The parties will then discuss any lease modifications or other energy related modifications/changes to the premises that may be suggested from or supported by the data, towards an overall review of the level of energy and cost savings relevant to the original lease rates for the property.”

Source: [GSA](#)

Building Cleaning and Maintenance

Building cleaning and maintenance is a great chance to incorporate further efficiency standards. Tools, materials, equipment, and products used can impact both energy efficiency and air quality in a building. Landlords should not overlook this category.

Pest Management and Cleaning Materials

Landlord and tenant language

“Landlord and Tenant shall submit product content information to the other party:

1. Product data sheets for all cleaning products to be used within the leased premises before each such product is used, including reference to Standard Requirements in Q4b.
2. MSDS or other equivalent documents upon request for cleaning products listed in this lease.
3. Annual certification that all staff have received green cleaning program training.”

Source: [GSA](#)

Landlord language

“Landlord shall control pests using Integrated Pest Management techniques, as specified in the GSA Environmental Management Integrated Pest Management Technique Guide (E402-1001).”

Source: [GSA](#)

Landlord and tenant language

“[Landlord] [Tenant] [Landlord and Tenant] [Landlord and all tenants of the building] shall use only cleaning products (including general purpose cleaners, floor cleaners, hand soap, etc.) that meet, are equivalent to, or exceed the following emission standards and requirements. Product content information shall be submitted to the [tenant] [landlord].

Cleaning Products

Standard Requirements	Applicable Certifications/Labels
Green Seal Standard GS-42	UL ECOLOGO
	US EPA Design for the Environment (DfE)

The plan shall require the entity executing the cleaning/environmental services contract(s) and program to provide green cleaning program training to all cleaning/environmental services staff and/or contracted cleaning/environmental services company personnel (i.e., provide training to all new staff upon hire, updated training for new cleaning/environmental services contract providers and/or processes, and annual refresher course for all staff; contract or direct hire).”

Source: [GSA](#)

Waste Management/Recycling

Waste management and recycling should not be limited to the traditional types of waste. Compost, electronics, metals, and many other items should be factored into waste management protocols and lease clause to encompass as much efficiency as possible.

Landlord and tenant language

“Landlord shall:

- 1) Set up a building-wide infrastructure for materials recycling and supply a “Single Stream” bin to Tenant for paper, metals, and plastics. Landlord shall also provide electronics disposal bins for computers, etc.

Tenant shall:

- 1) Use best efforts to recycle by separating waste stream into Single Stream (paper, plastic, metals), and dispose of all electronic items (cell phones, computers, etc.) in designated bins.”

Source: [A Better City](#)

Tenant language

- “a) The Tenant shall place all refuse and recyclables in the receptacles provided by the Tenant in the Premises or in the receptacles (if any) provided by the Landlord for the Building, and shall otherwise keep the Lands and the Building and the sidewalks and driveways outside the Building free of all refuse.
- b) The Landlord shall be entitled to refuse to collect refuse and recyclables if not properly sorted into the appropriate recyclable container, and the Landlord shall be entitled to charge the Tenant for any costs it incurs as a result of the Tenant’s failure to comply with the building recycling program.”

Source: [IMT](#)

Purchase of On-Site Renewables (i.e. solar)

With the price of renewable energy, such as solar panels, decreasing, more tenants and landlords should be interested in investing. By including financing, installation and operation clauses in the lease, both parties can confidently invest in renewables.

Landlord and tenant language

“[Tenant perspective]: Tenant may install solar panels on the building and Tenant is entitled to all benefits to be derived from such installation including any incentives and credits and any revenues resulting from power generation.

[Landlord perspective]: Tenant shall be entitled to place electrical generating equipment on the Building’s roof pursuant to the terms and conditions set by the Landlord. All of the terms of this Lease shall be applicable to Tenant’s Generating Equipment as if the Generating Equipment were part of the Premises, but Tenant acknowledges that the Generating Equipment is not part of the Premises.

The Generating Equipment and rooftop shall not be used for any other purpose without Landlord’s written consent. Tenant shall bear all of the cost and expense of designing, purchasing, installing, operating, maintaining, repairing, removing and replacing the Generating Equipment, and for repairing and restoring any damage to the Building or to Landlord’s or any other person’s or entity’s property arising therefrom. The Generating Equipment shall be installed and maintained by Tenant in a manner reasonably acceptable to Landlord. Nothing herein grants Tenant any right to access the roof of the Building unless accompanied by an employee of the Building Manager or other representative of Landlord, except that access shall be permitted in emergencies. Tenant’s rights to place Generating Equipment on the rooftop are non-exclusive.”

Source: [IMT](#)

Landlord language

“At least [50/100] percent of [the building’s] [Tenant’s] electricity shall be purchased from renewable sources. Where direct green power purchasing is not available from the utility, utilize Renewable Energy Credits (RECs) or carbon offsets. For the purposes of this lease, “renewable sources” [shall] [shall not] include nuclear-generated power.”

Source: [GSA](#)

Retrocommissioning

Retrocommissioning aims to improve building's efficiency and fix problems that may have been caused during construction or renovations over the building's life.

Landlord and tenant language

“Landlord shall incorporate recommissioning requirements to verify that the installation and performance of energy consuming systems meet project requirements. Recommissioning shall occur every 3 years at a minimum. Recommissioning shall comply with ASHRAE Guideline 0.2 (for initial commissioning and retro-commissioning of base building systems) or ASHRAE Guideline 202 (for new commissioning of tenant fit out equipment). Recommissioning shall address at a minimum: heating, ventilating, air conditioning and refrigeration (HVAC&R) systems and associated controls, lighting and lighting controls, and domestic hot water systems. Commissioning and a written report should be provided triennially. Tenant shall triennially commission the energy using equipment in its premises, including plug loads. Opportunities for efficiency shall be coordinated between both parties.”

Source: [GSA](#)

Landlord and tenant language

“Landlord shall perform a retro-commissioning study of base building systems that consume energy or water every [3] [5] year(s). Tenant shall perform a retro-commissioning study of the equipment (including plug loads) installed by it in the leased premises every [3] [5] year(s). Within [2] [3] months after the conclusion of their respective retro-commissioning studies, each party shall start to implement recommendations identified by the retro-commissioning study that are deemed cost effective. For purposes of this Section, the term "cost effective" means an improvement that will result in substantial operational cost savings by reducing electricity or fossil fuel consumption, water, or other utility costs and where such operational cost saving over the then-remaining term of this lease (or some other period of time that is mutually acceptable) is sufficient to pay the incremental additional costs of making the improvements.

Alternate: Perform commissioning of energy systems within the space (including, without limitation, lighting, HVAC, electrical and plug loads) to ensure design optimizes performance and systems are constructed and function per efficient design.”

Source: [GSA](#)

Tenant language

“Tenant has a reciprocal obligation to retro-commission its space every ____ years.

[Recommendation: Three years between retro-commissioning studies is optimal; five years the outer limit... A basic energy and operational audit of lighting, plug loads, data centers, and supplemental HVAC may be a better alternative to retro-commissioning in tenant-leased space, particularly for smaller tenants.]

Source: [NRDC](#)

Landlord and tenant language

“All installations of resource-consuming equipment or systems in the Base Building and in Tenant space should meet _____ standard whether they are installed by Tenant or Landlord. This provision should apply to fit-out of new space as well as replacements in currently leased space.”

Source: [NRDC](#)

Landlord language

“Within an agreed upon timeframe, the Landlord should implement the recommendations of the retro-commissioning study that cumulatively do not exceed an agreed upon dollar value so long as the recommendations do not violate the terms of any other existing lease obligations.”

Source: [NRDC](#)

Tenant language

“The Tenant has a reciprocal obligation to implement recommendations of the retro-commissioning study up to an agreed upon cumulative dollar value.”

Source: [NRDC](#)

Miscellaneous

Carbon Pricing

Landlord and tenant language

“Upon written permission from the Tenant, the Landlord may apply a price per ton of carbon emissions reduction to the savings from a capital project.”

Source: [NRDC](#)

Net-Zero

Landlord and tenant language

“The building shall [achieve][aspire to] net zero energy, as defined by the U.S. Department of Energy as of the date of this lease, within one year after occupancy and shall maintain that status for the remainder of the lease term.

[Alternate] The Parties agree in the original lease to incorporate all energy saving measures necessary to achieve net zero energy, with the understanding that net zero may not be achievable initially. On that basis, the parties agree to periodically (every x years) assess and review the incremental progress/movement towards net zero energy use as measured by the actual usage numbers. The Parties agree, in good faith, to discuss future potential lease amendments and distribution/assignment of cost savings, along with possible lease cost adjustments, based on the resulting information.”

Source: [GSA](#)

Transportation

Landlord and tenant language

“Landlord will develop a Transportation Management Plan for the building to describe the various alternative mobility opportunities available to building occupants. Tenant and Landlord shall work together to implement [one] [three] of the following provisions:

1. Tenant shall provide at least [\$x] [\$30] per month towards a transit pass or vanpool pass (or the full cost of a pass if it is less than \$30) to each employee who commutes using transit or a vanpool. This credit may also be used with an alternative mobility company to enable alternative modes

(such as a credit with Uber/Lyft), especially during peak times or adverse weather.

2. Tenant shall institute a telework program that reduces the number of commuting trips employees make by at least 6 percent.
3. Tenant shall provide at least [\$X] [\$30] per month (in lieu of providing a parking spot) to each employee who leaves their car at home and commute another way.
4. Landlord shall provide bicycle storage (racks) in the building and showering/locker room facilities in proximity to the bicycle storage facility. Landlord shall operate, maintain and secure the bike storage facility and showering/locker room facilities in first-class condition. Tenant shall provide at least one bicycle available to its employees for use.
5. Landlord shall establish preferred parking programs for hybrid and alternative fuel vehicles (at a minimum of 3% of all parking stalls) in the building, and [install][study the feasibility of installing] electric car charging stations in the building for use by tenants and their visitors at no additional charge.
6. Landlord shall establish a preferred parking program in the building's parking facility for high occupancy vehicles (carpool or vanpool).
7. The costs for parking shall be charged/paid separately from each tenant's rent²⁴ and shall be charged on a uniform or near uniform basis to all.
8. Tenant organization must also offer access to an Emergency Ride Home program."

Source: [GSA](#)