

Client Alert: Upcoming Deadlines for City of Boston's Building Emissions Reduction and Disclosure Ordinance

By Michael Cronin on February 24, 2026



With noteworthy updates to the City of Boston's Building Emissions Reduction and Disclosure Ordinance ("BERDO") in 2025, building owners should be aware of: (1) their reporting requirements, (2) potential penalties and fines, and (3) how to avoid liability when negotiating leases; as well as methods to ensure compliance, including the possibility of purchasing REC's before the March 1, 2026 deadline.

1. Environmental Regulations: BERDO Reporting

Implemented by the City of Boston in 2013, the Boston Building Emissions Reduction and Disclosure Ordinance (BERDO) applies to properties in the Boston area and requires large buildings to track, report, and reduce greenhouse gas emissions. Specifically, BERDO regulations apply to (a) residential buildings over 15 units, and (b) non-residential buildings over 20,000 sq. ft. The purpose of BERDO is to reduce net carbon emissions in the City of Boston by the year 2050. The updated 2025 BERDO regulations now require, in addition to reporting requirements, the applicable building owner to comply with certain emissions standards beginning in either 2025 or 2030, depending on the size of the building. In addition, the emissions standards for each building vary by use categories such as assembly, education, healthcare, manufacturing, and technology/science.

Regardless of whether the requirement to comply with BERDO's emission standards in either 2025 or 2030, ALL building owners must file their annual reports no later than May 15th of each year. All building owners must complete the BERDO Reporting form, file the report with Energy Star Portfolio Manager, and complete a third-party verification. Information required for BERDO reporting includes:

- i. The address of the building;
- ii. Basic property information (square footage, total property area, etc.);
- iii. A list of all energy and water utilities that served the building during the reporting year;
- iv. Number of meters serving the building;
- v. Fuel delivery bills for the reporting year;
- vi. A third-party verifier.

2. Fines and Penalties

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Fines and penalties are imposed on owners who violate BERDO regulations after 30 days of receipt of notice from Boston's Environment Department of the violation that has not been corrected. Any unpaid fines will continue to accrue daily. Potential violations (and the fines occurring therefrom) of BERDO regulations include:

- **Failure to comply with the reporting requirement.** This can include failure to file an annual report, incomplete information, and a failure to adhere to the third-party verification requirement, which can result in a \$150-\$300 per day fine for late or missing reports
- **Failure to accurately report information** (whether intentionally or unintentionally). Penalties are \$1,000-5,000 a day
- **Exceeding the applicable emissions limits.** Penalties can range from \$300 – \$1,000 per day

Penalties and fines can be avoided by establishing a routine system for collecting data, complying with reporting requirements, and obtaining energy from alternative sources to meet the BERDO emissions standards. In addition to seeking out cleaner energy sources, the City of Boston allows owners to purchase Renewable Energy Certificate(s) ("REC") through the MA Class I REC Connector Program as an alternative method of complying with BERDO.

3. Liability for Building Owners

It is important for building owners to pay attention to the requirements for BERDO reporting not only because of the potential penalties, but also because reporting is the responsibility of building owners alone. The BERDO regulations place the obligation to report on the building owners, and there is no City process available that allows a tenant to file on the owner's behalf. Additionally, the building's size and the tenant's permitted use category determine when your building is required to comply with emissions standards and what those limits will be.

When negotiating with potential tenants, building owners need to consider: (i) the tenants proposed use of the building; (ii) placing a requirement on each tenant to collect and share data necessary to complete BERDO reporting; (iii) passing any fees or penalties stemming from BERDO violations onto the responsible tenant in the indemnification clause; and (iv) if necessary, seeking methods for meeting compliance with BERDO, including the purchase of REC's through the City of Boston (and the recovery of those costs from the tenant as a part of additional rent charges). The current deadline for purchasing REC's in order to comply with 2025 emissions standards is March 1, 2026.

If BERDO reporting is unfamiliar to you, the City of Boston provides extensive guidance on its website: Building Emissions Reduction And Disclosure | Boston.gov. To better understand how BERDO may affect your property and what you can do to protect yourself as the building owner, please reach out to RIW.

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