

EN-POWER GROUP

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LOCAL LAW 97

Building Carbon Emissions Cap

1. WHAT THE LAW IS

LL97 Quick Facts

Required: Annually

Deadline: May 1

Applies to: 25,000+ gross square feet

Required Filing: Emissions Report

Local Law 97 establishes carbon emissions limits for large buildings in New York City, requiring them to reduce greenhouse gas emissions over time.

Unlike other Local Laws that focus on reporting or system evaluations, LL97 is a performance-based law. Buildings must either stay below their assigned emissions limit or pay penalties.

Why the Law Exists

LL97 is a key component of NYC's Climate Mobilization Act and is intended to significantly reduce greenhouse gas emissions from buildings, which account for the majority of the city's emissions.

What Problem It Is Trying to Solve

Many buildings rely on fossil fuel systems and inefficient operations that contribute to high emissions. LL97 addresses this by:

- setting enforceable emissions caps
- driving energy efficiency and electrification
- encouraging long-term building performance improvements

2. WHO MUST COMPLY

Building Size Thresholds	Occupancy Types
Buildings **greater than 25,000 gross square feet**	Multifamily residential
Two or more buildings on the same tax lot that together exceed **100,000 gross square feet**	Commercial / Office
Condominium buildings under common ownership totaling more than **100,000 gross square feet**	Mixed-use
	Institutional buildings

Notable Exceptions

- Certain building types such as houses of worship or low-emissions properties (case-specific)
- Some garden-style properties that meet exemption requirements
- Buildings with approved adjustments or alternative compliance pathways

3. WHAT'S REQUIRED & HOW THE PROCESS WORKS

Actions Buildings Must Take

- Calculate annual building emissions
- Compare emissions against assigned limits
- Submit an annual emissions report to DOB
- Pay penalties if emissions exceed the limit

How the Compliance & Submission Process Works

LL97 compliance is built on **energy usage data and emissions calculations**. The process typically includes:

- Collecting energy data (from LL84 benchmarking)
- Applying emissions factors to different fuel types
- Calculating total annual emissions
- Comparing emissions to the building's assigned limit
- Identifying whether the building is compliant or subject to penalties
- Have a Registered Design Professional (RDP) verify your building's Gross Floor Area (GFA) to ensure your building's unique carbon emissions limit is correct

Buildings are required to work with a Registered Design Professional (RDP) or qualified consultant to perform calculations, verify data, and prepare filings. Annual reports are submitted to the NYC Department of Buildings confirming emissions and compliance status.

What Needs to Be Filed or Documented

- Annual emissions report
- Supporting energy and emissions calculations
- Documentation of any adjustments or alternative compliance methods

How Often Requirements Recur

- **Annually**, with increasing stringency over time

4. KEY DEADLINES

Annual Reporting Deadline

- **May 1 each year**, with an automatic grace period through June 30th.

Key Timeframes to Keep in Mind

- **Compliance periods** (not to be confused with **Annual Compliance Reports**) occur:
  - 2024 – 2029
  - 2030 – 2034
  - 2035 – 2039
  - 2040 – 2044
  - 2045 – 2050

  With the progression of each compliance period, the LL97 emissions cap will become stricter, meaning an increased likelihood of penalties.

- **Annual Compliance Reports** (i.e., the report due annually on May 1) is the one-time compliance report that all covered buildings required to comply with LL97 must submit.

Important Context

Because emissions limits become more restrictive over time, early planning is critical to avoid escalating penalties.

5. PENALTIES & RISKS

Financial Penalties

- Buildings exceeding emissions limits are subject to fines based on excess emissions
- Article 320 buildings face penalties calculated at **$268 per metric ton of CO_2e emitted above the limit** and **$0.50 per square foot for each month past the filing deadline**
- Article 321 buildings must pay penalties of **$10,000 for non-compliance and $10,000 for failure to file the report**

Compliance Risk

- Delayed planning increases exposure to penalties
- Inaccurate reporting can trigger violations

Operational & Financial Impacts

- Rising costs if emissions are not addressed early
- Limited flexibility if decisions are delayed
- Increased capital costs under compressed timelines

6. HOW THIS LAW CONNECTS TO OTHERS

Data Dependencies

- LL97 calculations rely on benchmarking data from **LL84**

Planning Overlaps

- LL87 audits inform emissions reduction strategies
- LL88 lighting and sub-metering improvements support efficiency

Why Coordinated Action Matters

Buildings that integrate LL84, LL87, and LL88 into a broader LL97 strategy are better positioned to:

- reduce emissions
- avoid penalties
- optimize capital investments

7. WHAT EN-POWER GROUP RECOMMENDS CONSIDERING

LL97 is not a one-time compliance requirement – it is an **ongoing strategy decision**.

Common Planning Considerations

- Understand current emissions baseline
- Evaluate future emissions limits early
- Identify cost-effective reduction strategies

Best-Practice Approaches

- Develop a long-term compliance plan
- Align emissions reduction with capital improvements
- Evaluate electrification and system upgrades

Questions Decision-Makers Should Be Asking

- Are we currently above or below our emissions limit?

- What will our exposure look like in future compliance periods?
- What is the most cost-effective path to compliance?

Additional Considerations

- Buildings often benefit from early planning rather than reactive decision-making
- Many owners evaluate multiple compliance pathways before committing
- At this stage, it is common to assess long-term financial and operational impacts

LL97 Is Not a One-Time Requirement – It's an Ongoing Performance Constraint

This law introduces emissions limits that become more stringent over time, meaning decisions made today directly impact future costs and flexibility. Buildings that approach LL97 reactively often face higher costs and fewer options.

HOW EN-POWER GROUP SUPPORTS BUILDINGS LIKE YOURS

We help buildings:

- Assess current and future emissions exposure
- Evaluate compliance pathways and cost implications
- Develop and implement long-term emissions reduction strategies
- Align capital planning with compliance requirements

START WITH A CONVERSATION

If you want to understand your building's exposure or evaluate the most cost-effective path to compliance, we can help you build a clear strategy.

☞ **Schedule a Consultation** with Director of Business Development Mitchell Karasik

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