



December 1, 2005

Dear Colleagues:

The State of California, Department of General Services (DGS) wishes to advise all active participants in the commercial real estate market of recent advancements in the State's leasing efforts relative to sustainable design and reduction of load on the utility grid. Pursuant to Governor Schwarzenegger's Executive Order S-20-04, the DGS will now give preference to buildings that meet Energy Star compliance when leasing commercial space. This preference will be given for all new leases and renewals.

Energy Star is administered by the United States Environmental Protection Agency and is intended to be a system to help landlords evaluate their buildings for utility consumption. This program is the same one being utilized for major household appliances that has proven to be very successful.

As agent for the State of California, the DGS presently leases over 20 million square feet of office and warehouse space in the State and it is our intent to encourage energy conservation and efficiency in design and maintenance of commercial buildings.

If you are interested in learning more about the Energy Star program and how buildings might qualify for an Energy Star Rating, please visit their web site at [www.energystar.gov](http://www.energystar.gov). If you have questions related to the Energy Star program please contact Laura Helmke-Long at (202) 343-9207 or for web assistance contact Kudret Utebay at (703) 247-6138.

If you have any questions regarding the State's policy relative to Energy Star, or other questions regarding the State's leasing process, please contact Brian Hensley at (916) 375- 4175.

Sincerely,

A handwritten signature in blue ink that reads "Sheral Gates".

Sheral Gates, Acting Chief  
Real Estate Leasing and Management Section