

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

Program Name: Multifamily Performance Program

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Administering Entity: NYSERDA

Targeted Sector: Multifamily buildings with 5+ units & more than three stories; certain low-rise multis

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Demand Savings		Total Resource Cost (TRC) Results*
					Cumulative (MWh)	Current Annual (MWh)	Cumulative System Coincident Load Reduction (MW)	Current System Coincident Load Reduction (MW)	
2001-2011	SBC	\$180	\$76.90	\$23.00	43.3 GWh; 160,573 MMBtu	12.3 GWh; 116,641 MMBtu	4.3 MW	0.4 MW	.8
Fall 2004 – Fall 2008	Con Edison Gas	\$4.950	\$2.20	\$4.95	gas savings being calculated				
	NYS OAG	\$4.77	\$0.06	\$1.33	still being calculated	still being calculated			

* Or similar measure performance (e.g. TMET). Include description of cost test(s), identify if the analysis is retrospective or prospective and include any reference or links to on-line documents on evaluation as appropriate.

Description of Total Market Effects Test (TMET-1): Compares quantifiable resource life-cycle benefits from program participants and spillover (net of free-ridership) effects against both NYSERDA and customer costs (where applicable) incurred in achieving those benefits. See [March 2007 Quarterly Evaluation Report](#), section 3. The test used here, TMET-1, is the most conservative test (does not include market price effects, non-energy benefits, and macroeconomic benefits. Does not include post-program benefits related to market transformation.

Program Description: See [SBC III Operating Plan](#), section 5.2.

The Multifamily Building Performance Program provides a single point of entry for multifamily building owners and developers interested in improving the energy efficiency of new and existing buildings. Incentives are provided on a per unit (existing building) or per sq. ft. (new construction) basis with increased incentives for low-income sector. Provides technical assistance and incentives to reduce energy consumption by 20% or more. New construction program rolled out as ENERGY STAR pilot in 2006; existing buildings component rolled out spring 2007. Replaces Assisted Multifamily Program (AMP), Comprehensive Energy Management (CEM) Program, Direct Install and other related programs previously serving the MF sector. Offering enhanced incentives for high-efficiency equipment in Con Edison gas service territory through October 2008. Delivered services with funds from settlements negotiated by the Office of the Attorney General.

Relationship to Staff Preliminary Proposal: Staff proposal (incorrectly) indicates no current MF program for high-rise existing buildings and recommends NYC implement a measures-based program. Staff proposal recommends NYSERDA continue to implement an expanded new construction program.

Current status: Mid-stream partners quickly fell into place under new program; rapidly moving along MT curve as infrastructure is well-established and well-trained. 113 new projects since new program launch in May 2007. Expect increase in participation with 36 new mid stream partners (AMP had only 9) and new efforts to attract larger upstate management companies, in addition to ongoing efforts with large downstate management companies.

Barriers, challenges, gaps: Split incentives for MF buildings (owner/tenant); cash flow problems in some low-income buildings causes some projects to fall through; high cost of efficient equipment and complexity of maintaining that equipment; timing of already planned improvements competes with energy improvements; construction timing

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issues; developers lack of concern over future operational cost savings and resistance to higher first cost for higher efficiency measures.

Ramp-up potential, limitations, where help is needed to fulfill potential: Increase in funding by \$10M annually would enable the program to go back to buildings that were unable to complete work under AMP program due to cash flow issues; increase incentives for greater efficiency improvements; incentives for maintenance contracts on high efficiency equipment. Need coordinated discussion among multiple parties and stakeholders to develop new strategies addressing split incentive scenarios. Roles for utilities include the following:

- Demand management and direct load control
- Real-time pricing
- Direct marketing
- Recruitment of mid-stream partners
- Tenant education
- Usage information
- Bounty program for replacing refrigerators, air conditioners, PTAC units (needs further analysis)

Co-benefits: health and safety improvements related to indoor air quality and improved lighting, lower maintenance costs. Reduced emissions from power plants, lower carbon emissions from higher efficiency heating systems.

Other issues/considerations: Cost test based on original AMP program, reflects that most of the funding is low-income, and many projects initiated a couple years ago under the original programs are not yet complete. New Multifamily Performance Program recognized by ACEEE as an exemplary program. Cost tests will be done in future years.