
Whole Community Energy Efficiency

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Introduction: Overview of the Session

- Current context: National, State and Local
- Background on AEA and NYC WAP
- Leveraging Utility and Public Benefit Program Resources
- NYSERDA Public Benefit Programs Expand Eligibility for Low Income/Residential Programs
- New policies being considered at state and local level requiring advocacy in multiple arenas
- AEA's Expanded Targets: Whole Community Approach
- Handling Expansion and Prioritization
- Managing Diverse Revenue Sources
- Building on WAP Success: Universal vs. low-income exclusively?

Community Wide Energy Efficiency

- Current Context – Opportunities and Challenges for Low Income Energy Efficiency Advocates/WAP Services Providers
- Evolving Policy Context
 - Increased acceptance of Global climate change
 - National energy policy debate
 - State level legislative and regulatory initiatives
 - County, City and other local responses to sustainability challenges
 - Energy price increases pushing perceived threshold of need higher
 - Economic instability affecting
- WAP local delivery network in NY – Some key factors
 - Community-based organizations with annual allocations with annual production targets in specific geographic areas;
 - Low-income households live predominantly in multifamily housing, owner investment required in rental properties to share cost of weatherization
 - WAP traditional implementation model includes construction supervision of both agency crews and subcontractors
 - Tradition of funding uncertainty from WAP affects staffing decisions

Background: Weatherization in NYC

- NYC Weatherization Coalition/AEA
 - Founded in 1980's as NYC Weatherization Coalition, member agency composed of local CBOs who are WAP subgrantees in NYC
 - Provided membership services and advocacy with State
 - Promoted leveraging of owner investment
 - Since 1992, technical services provider for State
 - Centralized multifamily energy audit services
 - Training and technical assistance to subgrantees
 - Primary focus on leveraging resources supporting comprehensive, whole building scopes of work

Mission of AEA: “Energy Affordability through Energy Efficiency”

- Mission driven organization
 - CBO member agencies, 19 targeted communities
 - All five counties/boroughs of NYC and 4 surrounding counties in downstate
 - Focus on HEAP and WAP eligible households
 - Predominantly multi unit housing, 2-4s, 5 and above; average 30s....
- Representing WAP network in variety of public policy arenas/settings

New York – City of Communities

- Changing neighborhoods but over two thirds of all households live in multifamily buildings
- High concentrations of poverty in specific community districts; but all WAP eligible housing throughout NYC targeted by WAP
- Funds always insufficient to serve all eligible households/buildings (large pipeline)
- Local community based organizations funded based upon their targeted census tracts share of low income households (annual cap)

WAP and Community Action

- City of NY always a public CAP
- WAP always directly administered by State of New York
- WAP subgrantees always independent local agencies; few have been directly funded by the NYC CAA.
- WAP agencies include diverse housing advocacy, social services and economic development organizations

Multifamily Building as a Community

- WAP requirements permitting whole building retrofits, including central heating and DHW systems, and leveraging landlord/building owner investment
- Inclusive treatment of all units in buildings that are income eligible per WAP
- Partnerships with building owners who also invest in their properties, matching WAP investment
- Policies supporting no undue enhancement requirement of DOE – e.g., no MCI rent increase; multiyear contracts staying with building if sold

Leveraging Utility and Public Benefit Program Resources

- Utility Low Income Energy Efficiency Program (ULIEEP) – Con Edison (1993-95)
 - Developed through involvement in collaborative process initiated by the NYS Public Services Commission across NY
 - AEA contract with Con Ed to implement program in coordination with WAP network
- Developed business affiliate, Energy and Water Conservation Services, Inc. to leverage NYC water conservation services
 - Targeting low income neighborhoods including WAP units
- Beginning in 1996, represented low-income energy efficiency and WAP network agency perspective in PSC proceedings
 - Restructuring of the electric industry in NY and creation of public benefit programs funded by the Systems Benefit Charge and administered by NYSERDA.
- Program Implementer of variety of NYSERDA low-income energy efficiency programs, beginning with “Direct Installation of Electric Reduction Measures in Conjunction with Weatherization” in 1998.

Impact of NYSERDA Public Benefit Funds: Expanding the Eligible Population

- Initial low income program model, beginning in 1998 with the Direct Install program, was fully coordinated with WAP; and household eligibility levels were identical <60% of SMI; similar approach with the Weatherization Network Initiative (WNI), electric load reduction measures in previously weatherized units.
- In 2000, Home Performance with Energy Star program included both market rate and low-income (assisted HP) and defined low-income as < 80 percent of state median income (SMI)
- In 2001, the Assisted Multifamily Program also broadened the scope of affordable housing to include lower percentage, 25% needing to meet a higher income threshold – 80% of SMI
- In May 2006, the new Multifamily Performance Program opened up this key NYSERDA energy efficiency program to ALL market rate buildings, as well as the affordable housing

NYSERDA Adds Support for Energy Efficient Residential New Construction

- In 2005 NYSERDA first added a NC High Rise Energy Star Pilot program
 - AEA provided energy modeling consultant services for 4 of the 12 projects in the pilot
- In May 2007, NYSERDA introduced the New Construction Component of the Multifamily Performance Program
 - The NC MPP program also includes both affordable and market rate components
 - AEA has focused on working with affordable housing developments

KeySpan Introduces Low Income Gas Efficiency Programs approved by the PSC

- Introduced gas efficiency programs in their gas service territory in NYC and Long Island in September 2007
- AEA as administrator vendor for the Low Income Residential Conservation Program,
 - WAP subgrantees as subcontractors to AEA
- Market rate residential and multifamily programs included in Keyspan program mix
- Merger/acquisition by National Grid completed in early 2008

NYS PSC Energy Efficiency Portfolio

Standard: Work in Progress

- Goal: 15% reduction in statewide electric energy use by 2015 (compared with business as usual)
- Fast track programs; 60 and 90 day filings by NYSERDA and the investor owned utilities as potential program administrators
- 8 working groups, including the most recent four on gas efficiency; on-bill financing; workforce development and demand response (including an environmental justice subgroup)

Governor's Renewal Energy Task Force

- Recommendations announced February 2008
- Energy Efficiency as “first renewable”
- Building efficiency recommendations include benchmarking and energy audits
- Task Force receives an outside recommendation for a new state wide initiative that would “weatherize one million residential units” in NY
- Workforce Development recommendations of the Task Force include reference to Green Jobs as a Pathway out of Poverty

New York City's PlaNYC 2030

- Mayor's Energy Policy Task Force
- Mayor's Office of Long Term Planning
- New Legislative being proposed by NY City Council, working with Mayor's Office of Sustainability and NYC Economic Development Corporation
 - Benchmarking all building over 50 units
 - Energy audits; lighting retrofits; other retrofits by 2012
 - Drafts being presented to various stakeholders

AEA's Expanded Targets: Whole Community Approach

- Energy audits and retrofits not limited to weatherization eligible units/MF buildings
 - First added 80% SMI under NYSERDA programs; now have added market rate condos and coops, particularly in mixed communities
- AEA as energy consultants to New Construction projects, particularly for affordable housing projects
- Adding LEED green buildings focus as well as High Rise Energy Star

Adding Affordable Housing and Market Rate Condos, Coops and Rentals

- Adopt inclusive approach but continue to give priority to resources for WAP and affordable housing in coordination with WAP
- Increased MF energy audit capacity required to respond to increased need and opportunity
- Expanded and stronger technical capacity for new construction serves WAP subgrantees as well
- Condos and coops present unique challenges, but also large opportunities for achieving energy savings and state and local environmental goals

Expanded Scope of AEA Energy Training

- AEA provides training preparing students for all BPI certifications, both small homes and MF as a BPI Affiliate, and
- As a Learning Center of the Center for Energy Efficiency and Building Science (funded by NYSERDA and administered state wide by the Hudson Valley Community College, with 10 community colleges and AEA)
- AEA provides train-the-trainer and curriculum development services to the CEEBS for the multifamily trainings
- AEA serves as a proctor for the BPI written and field examinations

Promoting Green Jobs Career Pathways

- AEA working with NYS Department of Labor to develop an apprenticeship program for “energy efficiency technicians” leading to jobs in firms involved in WAP, NYSERDA and utility programs
- Developing bridge training program serving students referred by organizations that provide adult education, job readiness and placement services to support pathways out of poverty
- AEA establishing a green jobs alliance of partner organizations housed in a one-stop energy sector-based recruitment, training and job placement center, collaborating to provide all these services at one site in the Bronx.

Training Preparing for BPI Certification

- **SMALL HOMES**
 - Building Analyst
 - Envelope Professional
 - Heating Professional
 - Cooling Professional
- **Multifamily Buildings**
 - MF Building Analyst
 - MF Building Operations Specialist
 - MF Hydronic Heating System Professional

Small Commercial Retrofit Program

- Working with Con Edison, the City of NY and the Hispanic Federation, AEA will implement a small commercial retrofit program in Washington Heights targeting electric load reduction measures for businesses and not for profit organizations with electric energy bills of up to \$75,000 per year.
- This direct install program targets all eligible small firms in this large, predominantly low income community in Upper Manhattan on a first come, first served basis.
- Program design will build on AEA's successful implementation of lighting retrofits in common areas in multifamily buildings, but will also include assessment of opportunities for second phase including measures addressing air conditioning and refrigeration in stores.

Issues – organizational challenges

- How to retain focus on mission of energy affordability through energy efficiency despite needs to run the agency as a business and to compete with for profit firms for most of our funding?
 - Revising the value proposition and business model?
- Focus on entire community
 - small homes and MF, existing buildings and NC,
 - low-income, affordable and market rate properties;
 - rental, condominium, and cooperative apartment buildings; small businesses and not for profit agencies;
 - mixed use properties with residential and small business components; supportive housing for special needs
 - Integrate technology development, energy efficiency training and direct energy services
- Be prepared to spin off some activities to affiliates and or redefine the organizational vision?

Managing Diverse Revenue Sources

- DHCR/WAP contract for direct WAP services
- Contract as a technical services provider to WAP subgrantees
- Direct payments from trainees preparing for BPI certifications
 - Trainees later receive up to 75% reimbursement incentives from NYSERDA for completion of training and certification
- For direct implementation contracts with NYSERDA and National Grid
 - Primarily production based, including both units completed in coordination with WAP subgrantees and “stand-alone” project completions necessary to achieve required construction goals
- Direct contracts with building owners (per rules of the NYSERDA Multifamily Performance Program) for services rendered as an MPP Partner (no direct funding received from NYSERDA)
 - Including both “affordable housing” projects coordinated with WAP and projects handled fully separate from WAP, as MPP only

Engagement in the Policy Process: Participation Required in all Arenas

- Mayor's Energy Policy Task Force
- Governor's Renewable Energy Task Force
- PSC's Energy Portfolio Standard Proceeding
 - Including in all 8 working groups over past 2 years
- Con Edison Gas Efficiency Collaborative
- Keyspan Gas Efficiency Collaborative
- Green Collar Jobs groups
 - US Green Building Council
 - Appollo Alliance; Urban Agenda
- NYSERDA's SBC Advisory Group
- NYC City Council Legislative process

Handling Expansion and Prioritization

- Ramp-up needs of the WAP program as well as need to compete with other NYSERDA partner firms to provide services to the affordable housing community
- Many property managers have buildings in every category and many traditionally low income communities also have buildings of every type
- Market-based, customer services approach required
 - Managing agents want competing proposals and “shop”
- Building on WAP “design build” construction model, taking owners from intake through construction
- MPP Buildings are typically larger and more complex
- Large opportunity/need to track building performance to achieve full incentives from NYSERDA

Building on Success?

- Fear of change, from some WAP subgrantees
 - Uneven interest in non-WAP funds, whether in coordinated projects or stand-alone projects, for variety of reasons
- Relevance of the WAP delivery model in MF in NYC for broader, whole community approach
 - Version of the design build contractor
 - WAP experience relevant for today's expanding market
 - Complexity of newer, larger buildings compared with traditional WAP projects presents technical challenges
 - Increased significance of construction supervision skills and quality control to ensure access to savings incentives that require at least 20% savings for 4th MPP incentive

Universal vs. low-income exclusively

- NYC community action program has focused on low-income communities and all residents in those communities, regardless of income --- no means testing for most programs
- Maximum feasible participation, advocacy and community development focus of the public CAP
- High percentage of minority politicians in NYC started in community action; retain community focus
- Energy efficiency/energy affordability needs of these communities - should these now be addressed on a whole community basis? Should we build on our WAP “design build” construction model and extend it to the whole community?
- AEA is now assessing the results of answering “Yes...”