



# Energy Efficiency in Multifamily Housing: Overcoming the Barriers



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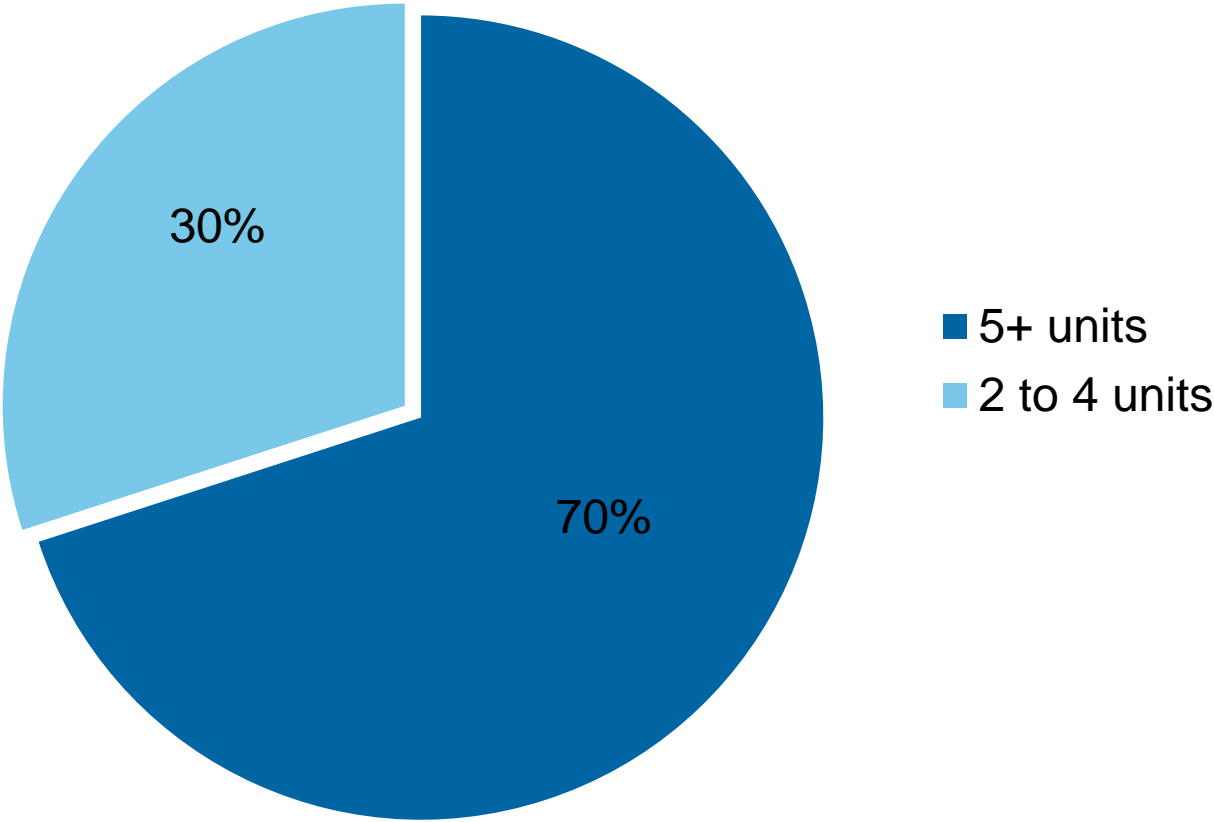
# NCLC

- Since 1969, the nonprofit National Consumer Law Center has used its expertise in consumer law and energy policy to work for consumer justice and economic security for low-income and other disadvantaged people in the U.S.
- A proud NASUCA member.

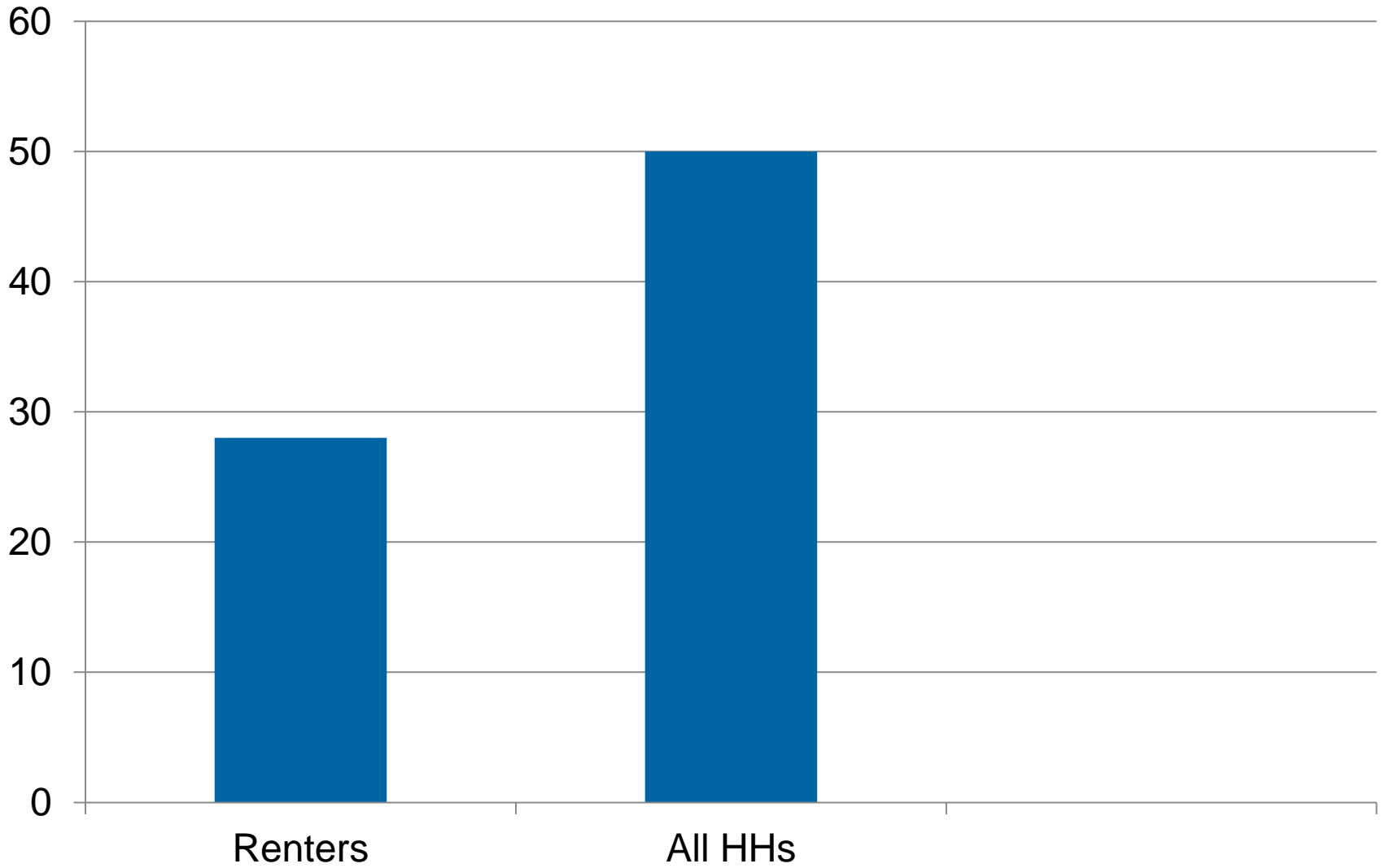
# Why The Focus on Multifamily (1) ?

- 33% of HH's are renters (incl. 1-family); 70% of MF renters are in buildings  $\geq 5$  units. MF housing is where poor people live (49% of them).
- Renters have low-income: 28% < \$50K (Av. income of owners 2X that of renters).
- Renters aren't allowed to make many EE upgrades and often can't afford to.
- Rental housing old & inefficient.
- Energy costs highest variable cost for LLs.

# Renters - by building size



# % HHs income > \$50K



# Why The Focus on Multifamily (2) ?

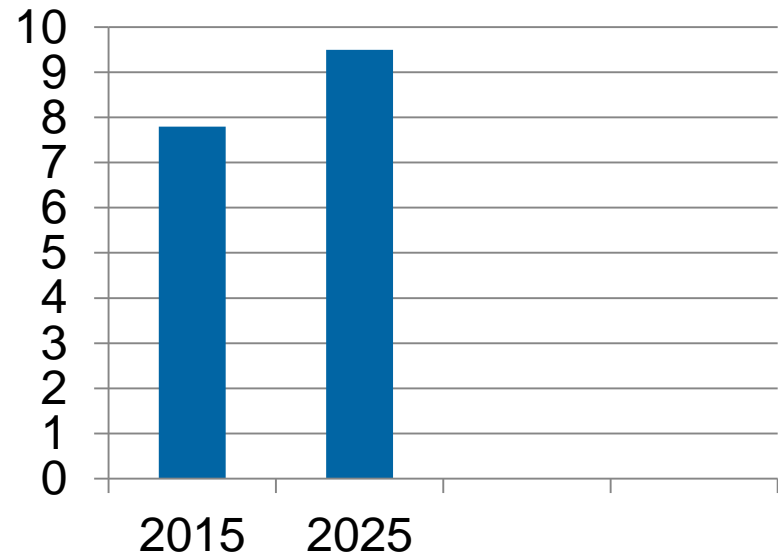
- Policy-pull:
  - State energy efficiency goals – 27 with EERS or RPS with EE target/mandate
  - State GHG reduction goals – In MA, utility savings are largest component of GHG savings
  - Need to preserve L-I housing as affordable
  - Current programs often miss MF sector: equity
- Benefits to consumers/the public
  - Lower energy bills/reduced capacity demand
  - EE cheapest way to meet growing energy needs
  - Lower operating/rental costs for owners/tenants

# What Role for NASUCA & Why?

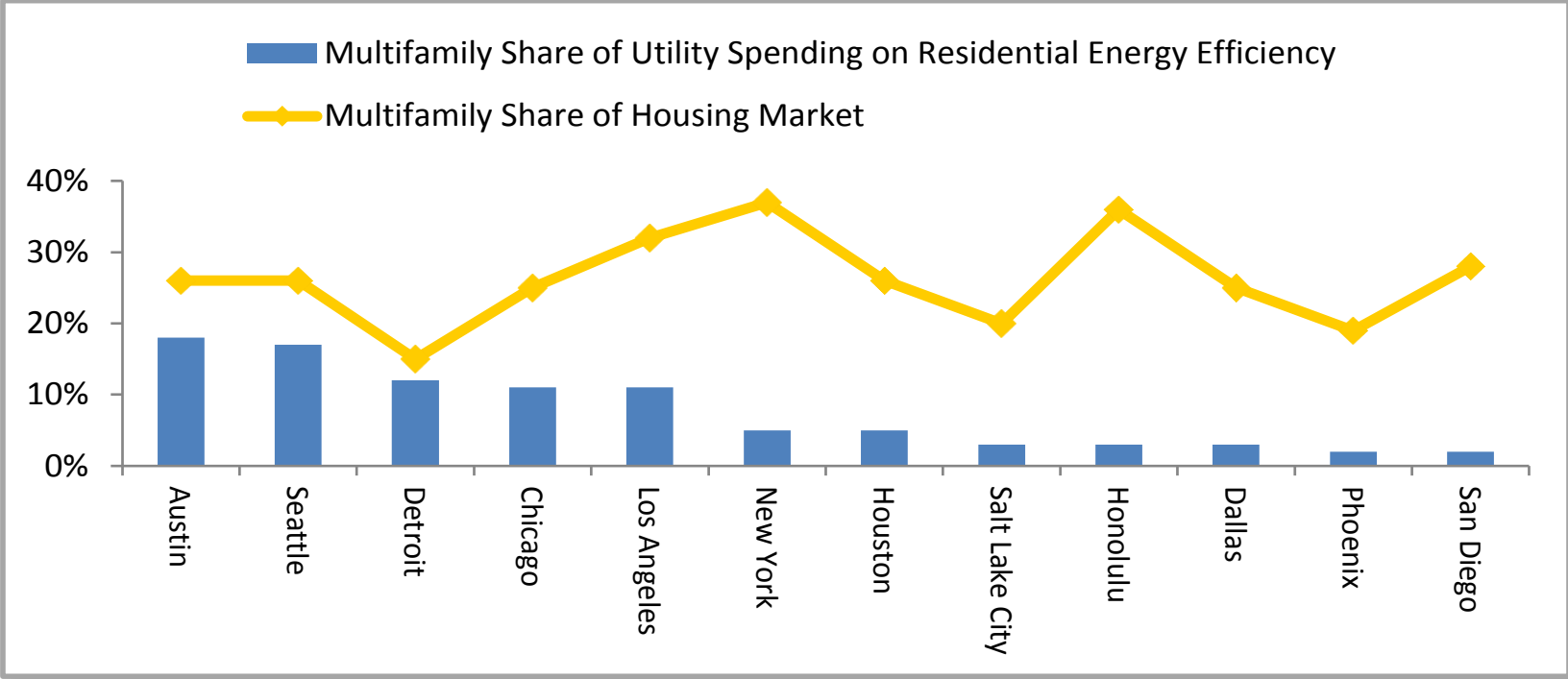
Follow the money: utilities have huge EE budgets – ratepayers pay the bill.

1. EE in MF buildings can help utilities reduce admin. costs of programs - lots of units obtained more efficiently
2. MF owners/tenants pay in and should be able to draw out, in relation to their payments.

**Utility EE funding (\$B)**



# Challenge: Blue + Yellow = Green?





# Specific actions to take

- Join the table at stakeholder meetings, encourage cos. to join, create new tables.
- Probe what utilities are spending/doing in MF sector.
- Seek out MF owners and get their views.
- Advocate for one-stop shopping, reasonable cost-effectiveness tests, financing for owners, whole building approach, benchmarking.

# Stakeholder meetings

- Will be held in IL, RI, MD, PA, MN, MI, CA, NY & MO
- Bring together PUC, Energy Office, utilities, housers, consumer advocates.
- Seek consensus to find solutions.
- Good success so far: plans revised to overcome barriers; \$ devoted to MF sector.

# Find Out What Are Utilities Doing?

- What % of MF budget goes to MF?
- Is there an MF specific program?
- Does the company have the expertise to help MF owners?
- Are owners actually using the programs available to them?
- Are the companies and owners talking to each other?

# 1-Stop Shopping, Whole Building

- 1-stop shopping is high-priority for owners. They want to deal with one person for gas and electric measures, owner and tenant loads; access all rebates and financing.
- Whole-building approach maximizes EE savings and benefits for ratepayers.

# Financing

- At least one state (MA) provides EE at no cost to L-I MF buildings; others offer deeper rebates for affordable properties.
- Many owners prefer on bill repayment to avoid restrictions on taking on new debt.

# Audits

- Key to engaging the owner or tenant
- Free/deeply discounted audits can unlock the savings.





- Landlord/tenant split incentives
- “Hassle” factor
- Lack of information (good audits needed)
- Lack of financing
- Restrictions on affordable housing owners
- Timing (EE 1-year cycle v. owner’s sched.)

# Benchmarking

- Subject of pending resolution before NASUCA.
- Allows owner to get data to determine if properties appear to be high-priority for EE upgrades. Data provided anonymously.
- Benchmarking shown to motivate owners to take action.



# Resources

- “Partnering for Success”  
<http://www.nhtinc.org/downloads/partnering-for-success-action-guide.pdf>
- ACEEE MF project: <http://aceee.org/multifamily-project>
- Energy Program Consortium, “Multifamily Energy Efficiency – Reported Barriers” (w. 60-study bibliography) –  
[www.energyprograms.org/programs/multi-family-housing/](http://www.energyprograms.org/programs/multi-family-housing/)

# MF EE: Win-Win-Win

- Owners and tenants reduce energy bills.
- Increased comfort and health for tenants
- Utilities more easily reach their EE goals
- Additional benefits include reductions in GHG and pollutant emissions.

# Thank you!



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