

Recommendations for Scaling Up Modest Low-Income Multifamily Energy Efficiency Programs

June 2017

Background and Objectives

The American Council for an Energy-Efficient Economy (ACEEE) released a 2017 report analyzing utility-sector multifamily programs: *More Savings for More Residents: Progress in Multifamily Housing Energy Efficiency*. The report specifically examined those programs serving the largest multifamily markets. The assessment concluded that although the number and size of these programs has increased in recent years, multifamily buildings with low-income tenants remain underserved.

This resource highlights several practices that multifamily programs can pursue to better serve the low-income sector. More precisely, we identify the actions that program administrators are taking to expand the offerings- from limited direct install and rebate measures to more comprehensive retrofits of existing multifamily buildings.

Methodology

While ACEEE's recent metropolitan area assessment of multifamily programs identifies those that serve low-income customers, it does not provide detailed information on how these programs operate. To address this, we have included additional descriptive information not published in our original report. Information included in this memo has been gathered from the same annual utility reports, program websites, and discussions with program administrators used for our published assessment.

We also highlight modest low-income multifamily programs with budgets of less than \$1 million. This allows us to recognize the practices that are enabling programs with smaller budgets to offer measures that improve the energy efficiency of entire buildings. This information will prove relevant for planning efforts to improve and expand low-income multifamily programs.

Low-Income Multifamily Programs

Our assessment identified 20 low-income multifamily programs serving 15 of the largest multifamily markets. Our tally includes only those programs that have specific income-based eligibility requirements for participants. Table 1 provides the names, locations, spending, and offerings of these programs.

Table 1. Low-income multifamily programs serving the largest multifamily markets

Metropolitan Area	Utility or Program Administrator	Program Name	2015 Spending or Budget	No-Cost Direct Install	Equipment Rebates	Comprehensive Retrofit
Baltimore-Columbia-Towson	Baltimore Gas & Electric	Master-Metered MF Quick Home Energy Check-Up Program	\$261,165	Yes	No	No
Baltimore-Columbia-Towson	Maryland Department of Housing and Community Development	Multifamily Energy Efficiency and Housing Affordability	\$840,363 ¹	No	Yes	Yes
Boston-Cambridge-Newton	Mass Save	Low-Income Multifamily Energy Retrofits	\$48,462,451	Yes	Yes	Yes
Denver-Aurora-Lakewood	Xcel Energy	Affordable Housing Energy Rebate Program	\$1,710,980	No	Yes	Yes
Detroit-Warren-Dearborn	Consumers Energy	Income Qualified Multifamily	\$6,377,897 ²	Yes	No	Yes
Detroit-Warren-Dearborn	Detroit Edison (DTE)	Low Income Multifamily	NA	Yes	No	Yes
Hartford-West Hartford-East Hartford	Energize Connecticut	Multifamily Initiative	\$16,570,000	Yes	Yes	Yes
Houston-The Woodlands-Sugar Land	CenterPoint Energy	Multifamily MTP	\$523,590	Yes	Yes	No
Kansas City	Kansas City Power & Light	Income-Eligible Multifamily	NA	Yes	Yes	No
Los Angeles-Long Beach-Anaheim	Los Angeles Department of Water and Power	Energy Savings Assistance Program	\$54,667	Yes	No	No
Minneapolis-St. Paul-Bloomington	CenterPoint Energy	Low-Income Multifamily Building Rebate	\$148,025	No	Yes	Yes
Minneapolis-St. Paul-Bloomington	Xcel Energy	Multi-Family Electric Savings Program	\$798,515	Yes	Yes	No
New York-Newark-Jersey City	ConEdison	Multifamily Low-Income Program	\$2,351,036	Yes	Yes	Yes
New York-Newark-Jersey City	NYSERDA	Low-Income Multifamily Performance Program	\$6,521,480	Yes	Yes	Yes

Metropolitan Area	Utility or Program Administrator	Program Name	2015 Spending or Budget	No-Cost Direct Install	Equipment Rebates	Comprehensive Retrofit
Pittsburgh	Duquesne Light	Multifamily Housing Retrofit Program	\$1,309,000	No	Yes	Yes
Pittsburgh	West Penn Power	WARM Multifamily Program	NA	Yes	No	No
Providence-Warwick	National Grid	Income Eligible Multifamily	\$4,077,000	Yes	Yes	Yes
St. Louis	Ameren Missouri	Community Savers Rebate Program	\$4,500,000	Yes	Yes	Yes
Urban Honolulu	Hawaiian Electric	Multifamily Pilot Program	\$600,000	Yes	No	No
Washington-Arlington-Alexandria	DC Sustainable Energy Utility	Low-Income Multifamily Initiatives	\$2,428,095	Yes	Yes	Yes

¹ Spending for the Maryland Department of Housing and Community Development's Multifamily Energy Efficiency and Housing Affordability Program only includes funding from Baltimore Gas and Electric. ² The spending total for Consumers Energy's Income Qualified Multifamily Program represents all spending on multifamily programs. Separate spending totals for low-income programs were not available.

Lessons from Modest Programs

Of the 20 low-income multifamily programs we identified, seven have budgets of less than \$1 million. Five of these seven programs require that participants allow contractors to conduct an ASHRAE level 1 energy audit to determine their eligibility for comprehensive retrofit measures through either the same or separate program(s).¹

Modest programs have been able to offer more comprehensive measures by keeping marketing and advertising costs low. Most programs have minimized these costs through coordination with a second utility and appeals to owners with multiple multifamily properties rather than owners of single buildings.

We profile several programs offering comprehensive retrofit measures for low-income multifamily buildings in the subsequent sections of this document.

Los Angeles Department of Water and Power (LADWP)

The Los Angeles Department of Water and Power (LADWP) partners with Southern California Gas (SoCalGas) to administer the Energy Savings Assistance Program (ESAP). As part of the program,

¹ CenterPoint Houston only provides comprehensive measure incentives for new multifamily construction projects. We do not have information indicating that Hawaiian Electric's multifamily program requires that participants undergo energy audits.

LADWP provides low-income multifamily customers with several electric direct install measures. These measures are offered in addition to natural gas weatherization and equipment upgrades provided by SoCalGas. ESAP contractors working for SoCalGas conduct energy audits and verify the incomes of low-income renters before any in-unit work is conducted. At the same time, LADWP's Commercial Direct Install program provides owners a no-cost audit of common areas for potential upgrades.

Consistent coordination between LADWP and SoCalGas has proved to be of critical importance. The two utilities hold regular program coordination management meetings. Implementers of the two programs also meet periodically to discuss the areas they serve.

CenterPoint and Xcel Energy Minnesota

Xcel Energy and CenterPoint Energy in Minnesota provide electric and natural gas direct install measures as well as equipment rebates as part of their coordinated low-income multifamily programs. Of the two, Xcel Energy is primarily responsible for administering energy audits for customers who apply to receive equipment rebates. Additionally, both programs accept multifamily customers who are pre-qualified for the Department of Energy Weatherization Assistance Program (WAP), which requires participants to receive an energy audit. Targeting WAP participants has allowed both utilities to leverage building efficiency improvements gained through WAP weatherization measures.

Xcel program applicants are automatically considered for CenterPoint programs. CenterPoint offers several comprehensive upgrades to low-income multifamily customers from their list of commercial and industrial heating and water heating rebates. CenterPoint also offers an additional 25% incentive to encourage low-income multifamily customers to take advantage of these rebates.

Baltimore Gas and Electric (BGE)

Baltimore Gas and Electric (BGE) supports two customer-funded, low-income multifamily energy efficiency programs in Maryland. It provides funding for the Multifamily Energy Efficiency and Housing Affordability (MEEHA) program run by the Maryland Department of Housing and Community Development. MEEHA provides low-cost loans and grants to eligible properties for comprehensive retrofits. The program requires participants to identify qualifying cost-effective upgrades by completing an initial energy audit.

To supplement the work of MEEHA, BGE created the Master-Metered Multifamily Quick Home Energy Check-Up Program. The program provides no-cost direct install measures to master-metered, low-income multifamily customers who do not qualify for MEEHA.

Additional Resources

[More Savings for More Residents: Progress in Multifamily Housing Energy Efficiency](#)

ACEEE Research Report - February 2017

[Segmenting Chicago Multifamily Housing to Improve Energy Efficiency Programs](#)

Elevate Energy Research Report - January 2017

[Lifting the High Energy Burden in America's Largest Cities: How Energy Efficiency Can Improve Low-Income and Underserved Communities](#)

ACEEE Research Report - April 2016

[Program Design Guide: Energy Efficiency Programs in Multifamily Affordable Housing](#)

Energy Efficiency for All Research Report - May 2015

[Potential for Energy Savings in Affordable Multifamily Housing](#)

Energy Efficiency for All Research Report - May 2015

[Apartment Hunters: Programs Searching for Energy Savings in Multifamily Buildings](#)

ACEEE Research Report - December 2013

[Scaling Up Multifamily Energy Efficiency Programs: A Metropolitan Area Assessment](#)

ACEEE Research Report - March 2013

[Unleashing Utility Resources to Energy Retrofit Affordable Multifamily Housing](#)

National Housing Trust Fact Sheet - 2011

[Meeting Essential Needs: The Results of a National Search for Exemplary Utility-Funded Low-Income Energy Efficiency Programs](#)

ACEEE Research Report - September 2005