Green Jobs-Green New York
Small Business and Not-for-Profit
Operating Plan

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Purpose

• Promote energy efficiency and installation of clean energy technologies for small business and not-for-profit sectors
• Reduce energy consumption and costs
• Reduce greenhouse gas emissions
• Support sustainable community and economic development
• Create green job opportunities
## Working Group

- Blue Sea Development
- Bronx Overall EDC
- C.J. Brown Engineers
- Capital District Supply
- Central Ave BID (Albany)
- Central Hudson G&E
- Con Edison
- Downtown Alliance (NYC)
- Empire State Development Corp
- New York Interfaith Power & Light
- NY Small Business Development
- United Neighborhood Houses
- Empire State Petroleum Association
- Enterprise Community Partners
- Greenlight Energy
- L&S Energy Services
- Lime Energy
- LIPA
- National Fuel
- National Grid
- New York Industrial Retention
- Orange and Rockland
- TCBA Watson Rice LLP
Definitions

- Small business: defined in Economic Development Law (independently owned, <100 employees)
- Not-for-Profit as defined in NFP Law
- Non-residential **structures** are buildings used or occupied by SB or NFPs
- Applicant must own, lease or manage **structure** and have authority to make changes
- GJGNY $ for audits for SB and NFPs <10 employees
- GJGNY $ for loans up to $26,000 per applicant
Challenges

• Large, diverse audience and hard to reach
• Lack technical and financial resources
• Many SBs and NFPs lease space or building
  – Often owners pass on utility costs to tenant, or tenants pay utility bills but can’t make capital investments (“split-incentive”)
• Many are mixed-use (commercial and residential space)
Overcoming Challenges

- Targeted outreach and marketing
- Method to assign authority to apply for program benefits to tenants
- Free or low cost audits
- Coordinated approach for mixed use
- Engage project expeditors
- Work closely with utilities
GJGNY Audit Standards

• Legislation requires standards be established
• Built upon scope of Audits for C/I sector in NYSERDA SBC programs, utility programs
• Examined best practices and considered level of sophistication required for sectors
• Result: Two-tiered approach to provide flexibility to meet needs of sector and support project implementation
GJGNY Audit Types

• Minimum content: ASHRAE Level 1 analysis; building, utility data, and systems; cost and payback

• Full Walkthrough Commercial Energy Audit
  – Whole building/systems and measures analysis
  – Prequalified and custom EE services

• Technology / Equipment Specific Audit
  – Specific system or piece of equipment
  – Prequalified EE services only
Standards for Auditors

• Leverage existing expertise; encourage new entrants
• Individuals who work for firms competitively selected for NYSERDA or utility audit programs
• NYSERDA Business Partners who meet auditor qualifications per Participation Agreements
• Certified Energy Auditors or Energy Managers through Association of Energy Engineers
• Possess certain degrees and audit experience level and attend training
GJGNY Audit Implementation

- Requires ramp up and expansion of existing programs and new strategies to deliver audits

- Avenues for Audits (FlexTech Program):
  - Expand scope of four current FT Audit firms to allow statewide coverage (e.g. non-SBC customers and area)
  - Select additional firms from the competitively selected firms in the FlexTech “pool”
  - Open up FlexTech PON to non-SBC customers to select own consultants
GJGNY Audit Implementation

• Avenues for Audits:
  – Business Partners Program:
    • Use network of NYSERDA’s lighting, HVAC, and motor contractors/vendors to deliver audits
    • Increases capacity to quickly reach customers and opens up business opportunities
    • Provide training and field support through BP implementation contractors
    • Modify Participation Agreements for new activity
Qualified Energy Efficiency Services

• Energy Efficiency measures and services to increase energy efficiency
• Recommended EE services identified in audit are eligible for GJGNY Loan Fund
• Must meet certain efficiency levels
• Cost effective over life of measure
• Best “payback” from bundling measures
Financing

• Total cost of project includes removal of equipment, purchase and installation of new measures, and installation of required ancillary equipment

• Cost of audit may also be included

• Applicant may finance up to $26,000 of out-of-pocket project expenses (total costs less any NYSERDA or utility incentives received)

• Applicant may use any one of the financing options being considered
## Eligible Audience - Audits

<table>
<thead>
<tr>
<th>SBC?</th>
<th>Sector</th>
<th>Demand</th>
<th># of employees</th>
<th>Cost</th>
<th>Fund Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y</td>
<td>SB / NFP</td>
<td>&lt; 100 kW</td>
<td>Any</td>
<td>Free</td>
<td>SBC</td>
</tr>
<tr>
<td>Y</td>
<td>SB / NFP</td>
<td>&gt; 100 kW</td>
<td>Any</td>
<td>Cost shared</td>
<td>SBC or utility</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
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<td>&lt; 100 kW</td>
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<td>GJGNY</td>
</tr>
<tr>
<td>N</td>
<td>SB / NFP</td>
<td>&gt; 100 kW</td>
<td>&lt; 10</td>
<td>Cost-shared</td>
<td>GJGNY</td>
</tr>
<tr>
<td>N</td>
<td>SB / NFP</td>
<td>Any</td>
<td>&gt; 10</td>
<td>Subsidized or full</td>
<td>Utility or customer</td>
</tr>
</tbody>
</table>
Eligible Audience – Loans

<table>
<thead>
<tr>
<th>SBC?</th>
<th>Sector</th>
<th># of employees</th>
<th>Maximum loan amount</th>
<th>Fund Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doesn’t apply</td>
<td>SB</td>
<td>≤ 100</td>
<td>$26,000</td>
<td>GJGNY</td>
</tr>
<tr>
<td>Doesn’t apply</td>
<td>NFP</td>
<td>Any</td>
<td>$26,000</td>
<td>GJGNY</td>
</tr>
</tbody>
</table>

Caveat: Must have qualified audit - through GJGNY, utility programs, or self financed - to be eligible to access loan fund.
Installations

• Encourage use of Business Partners and certified contractors (NATE, NCQLP)
• Include lists on website
• BPI-accredited contractors may be appropriate for small commercial buildings
• Additional opportunities through Workforce Development efforts
Quality Assurance

- Application reviews prior to audit being conducted
- Audits reviewed for completeness and compliance to standards before paid
- Quality Assurance contractor(s) to be hired to perform on-site visits to assure proper installations (sample of projects)
Encouraging Participation - Targeting Customers

• How do we get customers to participate?
  – Market research to identify “sub-sectors” and tailor marketing campaigns
  – CBO outreach in economically-distressed areas
  – NYSERDA and utility program coordination
  – Target Empire Zones, BID’s, oil and gas customers, SBDC partnerships
Encouraging Participation - Project Expeditors

• How do we move from audit to implementation?
• Expeditors hired to help small business and not-for-profits through process
• Services provided at no charge to customer:
  – Reviewing E/E recommendations from audits
  – Discuss implementation options
  – Analyze project economics and benefits from incentives
  – Help prepare financing and incentive program applications
  – Customer follow-up
## Budget and Goals

### GJGNY Small Business and Not-for-Profit Budget

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Audits</td>
<td>$3,200,000</td>
</tr>
<tr>
<td>Implementation</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>Financing</td>
<td>$17,568,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$24,768,000</strong></td>
</tr>
</tbody>
</table>

### Energy Audits (3 years) vs Loans (3 years)

<table>
<thead>
<tr>
<th>Energy Audits (3 years)</th>
<th>Loans (3 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,500 (SBC and GJGNY)</td>
<td>1,600 (GJGNY)</td>
</tr>
</tbody>
</table>

Average project to yield annual energy cost savings of $5,200 and savings of about 18,000 kWh and 160 MMBTU.
Implementation Schedule

• By the end of 2nd quarter 2010:
  – Expand capacity and add GJGNY eligibility to existing FlexTech Audit Program
  – Initiate “free” audits (<100KW)
  – Expand Existing Business Partner programs to allow for audit training and delivery
  – Initiate market research
  – Issue RFP for Project Expeditor(s)
GJGNY Small Business and Not-for-Profit Operating Plan

Questions / Discussion

Thank you.