

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

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# Purpose

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- 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
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# Working Group

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- 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

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- 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

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- 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

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- 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

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- 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
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# GJGNY Audit Types

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- 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

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- 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

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- 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

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- 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

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- 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

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SBC?	Sector	Demand	# of employees	Cost	Fund Source
Y	SB / NFP	< 100 kW	Any	Free	SBC
Y	SB / NFP	> 100 kW	Any	Cost shared	SBC or utility
N	SB/NFP	< 100 kW	≤ 10	Free	GJGNY
N	SB / NFP	> 100 kW	≤ 10	Cost-shared	GJGNY
N	SB / NFP	Any	> 10	Subsidized or full	Utility or customer

# Eligible Audience – Loans

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SBC?	Sector	# of employees	Maximum loan amount	Fund Source
Doesn't apply	SB	≤ 100	\$26,000	GJGNY
Doesn't apply	NFP	Any	\$26,000	GJGNY

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

# Installations

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- 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

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- 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

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- 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

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- 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
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# Budget and Goals

GJGNY Small Business and Not-for-Profit Budget	
Energy Audits	\$3,200,000
Implementation	\$4,000,000
Financing	\$17,568,000
<b>Total</b>	<b>\$24,768,000</b>

Energy Audits (3 years)	Loans (3 years)
7,500 (SBC and GJGNY)	1,600 (GJGNY)
Average project to yield annual energy cost savings of \$5,200 and savings of about 18,000 kWh and 160 MMBTU	

# Implementation Schedule

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- By the end of 2<sup>nd</sup> 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

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Questions / Discussion

Thank you.