



*Rochester Committee  
for Scientific Information*  
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## **New York State Energy Research and Development Authority's Commercial & Industrial Energy Efficiency Programs**

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*(Almost three years ago, Finger Lakes Energy Smart Communities provided RCSI with Bulletin #332, "It's Not Your Father's Energy Audit, Anymore", describing in detail the residential energy efficiency incentive programs of NYSERDA. As a follow-up to that first article, RCSI has requested and received a second article, describing the programs that NYSERDA offers to non-residential customers for energy audits, incentives for installation of energy efficiency measures, in both existing and new facilities.)*

Similar to its comprehensive residential energy efficiency incentive programs, NYSERDA offers a complete set of programs that offer incentives for energy efficiency improvements in commercial and industrial facilities. Customers should know that the key to accessing these incentives lies in meeting three criteria; understanding the program elements by being able to successfully navigate the user-friendly NYSERDA website, establishing eligibility for incentives by verifying customer payment of System Benefit Charges (SBCs), and registering to receive program incentives via completion of an on-line New York State Consolidated Funding Application (CFA).

**NYSERDA's Website** – Found on the internet at [www.nyserda.ny.gov](http://www.nyserda.ny.gov), the website provides up-to-date, detailed information on the specific requirements of, and incentives offered by each of the NYSERDA Programs.

**System Benefit Charges (SBC)** - This is a New York State surcharge that is added to the electric bills of all customers whose energy is delivered to them by an investor-owned utility. The revenue raised by this surcharge is used to fund programs for energy efficiency, among them the programs of NYSERDA. Approximately 98% of New York State's electricity consumers pay this charge, currently about \$.005/kWh. Payment of this surcharge is a prerequisite for receiving incentives under the NYSERDA Programs.

**Consolidated Funding Application (CFA)** – Access to all of the NYSERDA Programs described here requires the on-line completion and submittal of a CFA, describing the project under consideration. It registers the customer's project with New York State and

establishes its eligibility for NYSERDA, and possibly other New York State Program, incentives.

NYSERDA divides its energy efficiency incentive programs for non-residential buildings into four categories; Existing Facilities, FlexTech (Flexible Technical Assistance), Industrial and Process Efficiency and New Construction. The first three are focused on existing buildings, the fourth on new or substantially renovated structures.

## **Existing Building Services Programs**

### ***Existing Facilities Program***

NYSERDA's Existing Facilities Program offers a portfolio of incentive opportunities to offset the cost of energy improvements in existing commercial facilities across New York State. NYSERDA has helped hundreds of businesses since the program began. The customer simply selects the incentive path that best suits the project's scope.

#### *Small, Simple Equipment Changeouts - Up to \$30,000 Pre-Qualified Path ("Install Then Apply")*

- Fixed incentives are available on a dollar-per-unit basis for smaller-scale lighting, HVAC, commercial refrigeration, commercial kitchen, gas equipment and other categories
- Measure worksheets help you calculate potential incentives
- Maximum incentives of up to \$30,000 for energy efficiency improvements
- No minimum incentive
- Submit your application for eligible equipment incentives up to 90 days after project completion
- Customer must complete a Consolidated Funding Application to apply

#### *Large, Custom Improvements - Up to \$2 Million, Performance-Based Path ("Involve NYSERDA Early")*

- Custom incentives for larger-scale electric, natural gas, energy storage, demand response and other projects
- Yields confidence about return on investment through verified savings, supported by engineering calculations
- Maximum incentives of up to \$2,000,000
- Minimum incentives of \$30,000
- Customer submits application either before or within 90 days of contracting for the project
- Customer must complete a Consolidated Funding Application to apply

Applications to the Existing Facilities Program will be accepted through the Consolidated Funding Application (CFA) on a first-come, first-served basis through 5:00 p.m. EST on December 31, 2015, or until funds are exhausted.

Key Resources for Entering this Program (on the NYSERDA website)

- [Program Brochure](#)
- [Frequently Asked Questions](#)
- [Consolidated Funding Application](#)

Technologies Eligible for Incentives (Application Forms for each are found on the NYSERDA website):

- [Lighting](#)
- [HVAC](#)
- [Chillers](#)
- [Motors](#)
- [Interval Meters](#)
- [Variable Frequency Drives](#)
- [Commercial Refrigeration](#)
- [Commercial Kitchen Equipment and Washers](#)
- [Natural Gas-Fired Equipment](#)
- [Special Incentives for National Fuel gas customers ≤12 million cubic feet](#)

NYSERDA also offers market sector-specific consultants to assist customers who may have multiple facilities across New York State. These areas of special focus include: Commercial Real Estate, Health Care, Institutions, K-12 Schools, State Facilities, and Universities. Contact information for these special consultants can be found on the NYSERDA website.

### ***FlexTech Program***

Not every customer knows exactly where to begin an energy efficiency project for their facility. For these customers there is professional assistance available, on a shared-cost basis that will provide a scoping study and list of steps, costs and ability to deliver energy efficiency for their facility. The NYSERDA FlexTech Program offers a program of technical assistance that is flexible enough to allow the customer to decide how many and which energy efficiency measures to include in their project.

### ***Eligibility***

Eligible applicants include: NYS industrial and commercial facilities, state and local governments, not-for-profit and private institutions, public and private K-12 schools, colleges and universities, and health care facilities. Facilities must pay into the electric or gas System Benefits Charge.

### ***Program Features***

NYSERDA's FlexTech Program provides New York State commercial, industrial, institutional, government, and not-for-profit organizations with objective and customized information to help customers make informed energy decisions. FlexTech's goal is to increase productivity and economic competitiveness of participating facilities by identifying and encouraging the implementation of cost-effective energy efficiency, technical evaluations, process improvement analysis, energy master plans, retro-commissioning, and development of peak load curtailment plans (PLCPs) as well as combined heat & power (CHP) projects. Cost-sharing incentives are available to eligible participants for the following types of studies:

- [General Energy Feasibility Studies](#)
- [Peak-Load Reduction and Load Management](#)
- [Industrial and Process Efficiency Analysis](#)

- [Data Center Efficiency Analysis](#)
- [Energy Efficiency Retro-Commissioning](#)
- [Long-Term Energy and Carbon Management](#)
- [Combined Heat and Power Studies](#)
- [Peak-Load Curtailment Plan](#)

### *Applying to the FlexTech Program*

Applications to the FlexTech Program will be accepted through the [Consolidated Funding Application \(CFA\)](#) on a first-come, first-served basis through 5:00 p.m. ET on December 31, 2015, or until funds are exhausted. Electronic copies of the scope of work and signed FlexTech terms and conditions must also be submitted to NYSERDA for review. Refer to the [FlexTech Program Opportunity Notice \(PON\) 1746](#) for program and application requirements.

### *Choosing a FlexTech Consultant*

Through the FlexTech Program, customers may work with a NYSERDA FlexTech Consultant or an independent service provider. These NYSERDA FlexTech Consultants are competitively selected firms that are under NYSERDA contract to provide statewide geographic distribution of the eligible project categories listed above. Detailed information on the FlexTech Consultants and the process by which they are accessed is contained on the NYSERDA website.

### *The FlexTech Audit Process:*

1. NYSERDA discusses the potential FlexTech project with the Customer in an effort to determine their needs and eligibility.
2. If the Customer and project are eligible, NYSERDA assists the Customer in the selection of a NYSERDA FlexTech consultant (if necessary) and may schedule a site visit where all three parties can get together to review the facilities and discuss the project.
3. The NYSERDA FlexTech Consultant will collect sufficient information to develop a Scope of Work (a.k.a. Task Work Order) and all parties will agree to the tasks to be included in the study.
4. The NYSERDA FlexTech Consultant presents the draft Scope of Work to NYSERDA. NYSERDA reviews Scope for technical and program compliance.
5. NYSERDA emails the Scope of Work to customer for review.
6. The Customer reviews the Scope of Work, requests revisions (if necessary), and agrees to final Scope of Work. Customer signs the FlexTech Terms and Conditions and returns to NYSERDA for processing. A [Consolidated Funding Application \(CFA\)](#) must also be submitted.
7. Customer and Consultant negotiate terms for payment of Customer's share.

*This is the point where the Customer's financial obligation begins.*

8. The NYSERDA FlexTech Consultant receives a Notice to Proceed from NYSERDA.
9. The NYSERDA FlexTech Consultant undertakes the study in accordance with the Scope of Work and develops draft report. The draft is submitted to NYSERDA for review. The final study is submitted to Customer by NYSERDA.

10. All three parties may get together again, as requested, to discuss the report findings and other NYSERDA programs that may help offset the cost of installing the recommended measures.
11. While this is the general approach, it can be adapted to the unique needs of the project or the Customer.

*Free Audits are available for Small Businesses & Not-for-Profits*

Small Businesses and Not-for-Profit Customers, with an average electric demand of 100kW or less, may be eligible for a free walk-through [energy assessment](#) and [low-interest energy efficiency project financing](#). [Small businesses and not-for-profits](#) can finance energy efficiency upgrades with low interest payments conveniently built into one energy bill. The loan payment can be offset with the savings earned over the year via [the On-Bill Recovery Loan Program](#). This program provides energy assessments and other incentives to small businesses, churches, community centers and other not-for-profit facilities, to help them make informed energy decisions and implement energy-efficiency strategies for the future. Assessments help identify economically viable improvements that yield substantial annual energy savings. Funding incentives help pay down the cost of implementing these measures.

If an applicant is interested in Small Commercial and Not-for-Profit Energy Assessments, and the financing options that support these opportunities, please complete and submit a [Consolidated Funding Application](#) (CFA).

### **Industrial and Process Efficiency (IPE) Program**

*More Than \$100 Million Available to Improve Productivity and Your Bottom Line*

NYSERDA's Industrial and Process Efficiency (IPE) Program provides performance-based incentives to manufacturers and data centers implementing energy efficiency and process improvements which will reduce your costs. The goal of this Program is to identify those elements of a manufacturing process that, with the proper equipment and process efficiency upgrades, can yield major energy efficiency savings on an on-going basis.

IPE's goal is to help manufacturers and data centers increase product output and data processing as efficiently as possible. The incentives offered are calculated, when appropriate, based on a reduction in energy usage per unit of production or workload.

*IPE Incentives are available for:*

- New Construction and Existing Facilities
- Manufacturing Facilities and Data Centers
- Electricity and Natural Gas Savings

Applications to the Industrial and Process Efficiency Program will be accepted through the Consolidated Funding Application (CFA) on a first-come, first-served basis through 5:00 p.m. ET, on December 31, 2015, or until funds are exhausted.

### *Program Access:*

Interested customers should contact the IPE team by visiting the NYSERDA website. The IPE team will then reach out to the customer, visit the site, meet with the customer, identify projects and assist with the application process.

## **New or Substantially Renovated Buildings**

### *New Construction Program*

The New Construction Program (NCP) for commercial/industrial businesses can provide assistance when incorporating energy-efficiency measures into the design, construction, and operation of new and substantially renovated buildings. Incentives are available for the purchase and installation of energy-efficient equipment that reduces electric energy consumption in new and substantially renovated buildings. The purpose of this program is to transform the way in which new, and substantially renovated, buildings and their energy systems are designed and constructed. [New Construction Program Documents and Program Incentives](#) are available on the NYSERDA website.

### *Program Highlights*

- Technical Assistance is available to help evaluate energy-efficiency measures and provide guidance to your design team on incorporating new and emerging energy-efficient technologies into a building.
- Funding is available to offset the additional costs associated with the purchase and installation of approved equipment.
- Assistance also may be available for commissioning services and green building opportunities.

Applications to the New Construction Program will be accepted through the Consolidated Funding Application (CFA) on a first-come, first-served basis through 5:00 p.m. ET on December 31, 2015, or until funds are exhausted.

### *Financial Incentives for Energy Efficiency Improvements*

Funding from this program is made available on a first-come, first-served basis. As they become depleted, funds are added. Customers are urged to get in touch with NYSERDA at the earliest stages of planning, to ensure maximum availability of incentive funding.

### *Case Studies*

Case studies are available for review, describing numerous NY State projects that have applied NYSERDA energy efficiency incentives to achieve major energy savings. These studies include: K-12 [Schools](#), [Colleges and Universities](#), [Office Buildings](#), [Health Care Facilities](#), [Municipal](#) and [Retail](#) facilities.

### *Eligibility of Applicants and Buildings*

Eligible applicants for electric or gas incentives are New York State electricity or firm gas distribution customers of a participating utility company and who pay into the System Benefits Charge. Eligible applicants must have legal authority to make energy efficiency improvements in the property they occupy or will occupy.

Eligible applicants are defined as the building owner of the property, a tenant/leaseholder with at least five years remaining on the lease, or non-residential condominium owners occupying and holding title to space within the subject building, or non-residential cooperative shareholders, having the right to occupy space within the subject building.

Two types of building projects are eligible:

- **New Construction:** Defined as a new building, or space within a new building, for which a licensed professional architect or engineer has prepared and certified building plans.
- **Substantial Renovation:** Defined as one of the following types of projects for which a licensed professional architect or engineer has prepared and certified building plans.
  - Change of use and reconstruction of an existing building or the space within it
  - Construction work requiring that the building or space within it be out of service for at least 30 consecutive days
  - Reconstruction of a vacant structure or the space within it

There is no size limit for an eligible project, either in terms of energy usage or building square footage.

### *Green Building Services*

Green buildings are environmentally responsible, economically viable, productive and healthy places in which people can live and work. A one-time investment premium of up to 2% of initial costs can increase the environmental performance of new and substantially renovated buildings. Since 1995, NYSERDA has provided support to customers interested in making their buildings more environmentally responsible. Under the current [New Construction Program](#), NYSERDA offers incentives to customers whose buildings achieve Leadership in Energy & Environmental Design (LEED) or the New York Collaborative for High Performance Schools (NY-CHPS) certification.

### *Green Buildings*

A "Green Building" is a building that has addressed and integrated into its general operations and design sustainable site planning, safeguarding water and water efficiency, energy efficiency, conservation of materials and resources, and indoor environmental quality.

### *Green Design Charrettes*

Green Design Charrettes are meetings between stakeholders of a construction project with the purpose of exploring green building opportunities and feasibility. NYSERDA will coordinate a green design charrette for the building owner, tenant or developer to assist in the "building green" process.

Design charrettes provide a forum to explore the green building opportunities specific to the project for acquiring points under the LEED rating system for LEED certification or Executive Order No. 111 compliance. Charrettes are typically for LEED certification, but can be used whether or not LEED is pursued.

### *Resources & Program Guidance*

Customers interested in learning more about the relative economics of green buildings, versus conventional construction can find valuable information in the following resources:

- [Green Building Costs and Financial Benefits](#), by Gregory H. Kats
- [Costing Green: A Comprehensive Cost Database and Budgeting Methodology](#), by Davis Langdon Adamson, Lisa Fay Matthiessen, and Peter Morris

NYSERDA provides Outreach Project Consultants (OPC), at no charge to customers and their consultants who participate in the New Construction Program. Essential to the process, the OPC is an engineer/architect, under contract to NYSERDA, working directly with applicants and their project teams and providing the following services:

- An OPC reviews applications for accuracy and may assist with an application's completion.
- OPCs work with you and your design team to develop a program participation plan that best fits your needs.
- An OPC also will schedule and participate in Scoping Meetings, which define what is to be included as part of the project.
- An OPC coordinates the activities of the Technical Assistance (TA) providers
- Reviews technical assistance scopes of work
- Identifies opportunities with the applicant and may conduct LEED® charrettes
- Promptly and effectively responds to applicant questions and requests for assistance
- An OPC may inspect and verify installation of the energy efficiency measures once the project is completed
- The OPC provides NYSERDA with photographs of completed projects and develops case studies
- The OPC coordinators also assist NYSERDA staff members with administration of the NCP program.
- NYSERDA assigns OPCs based upon where the building is located
- OPCs services are free of charge.

### *Additional Technical Assistance Services*

NYSERDA has also contracted with several energy consultants to provide Technical Assistance (TA) services to eligible NCP Applicants. TA providers are assigned by NYSERDA based on availability, location, and project-specific needs.

Under NYSERDA direction, TA providers conduct assessments of potential energy-saving measures and design features to limit energy usage and reduce peak demand electric loads. They may also conduct computer energy modeling of the building project designed to standard practice (base case), compare it to a more energy efficient improved building design, and calculate the energy savings.

NYSERDA pays the first \$5,000 of the cost of TA services and cost shares up to 50 percent of the balance, up to a maximum of \$75,000. NYSERDA will increase the maximum funding amount for technical services by an additional \$25,000 to a total of \$100,000 to identify Demand Response Opportunities.

A list of Technical Assistance consultants, and their areas of expertise, is available on the NYSERDA website.

### *Applying to the New Construction Program*

Customers interested in applying to the New Construction Program should begin by completing the on-line Consolidated Funding Application available at the NYSERDA website.

Assistance with answering NYSERDA Program questions on the Consolidated Funding Application can also be directed to the Outreach Project Consultant (OPC).

NYSERDA recommends that applications be submitted in the early schematic design phase or sooner. If an application is submitted in the design development phase, it may be limited to only pre-qualified program measures.

#### Incentives

Available incentives include:

- Capital cost incentives
- The Green Buildings incentive, which provides an incentive for meeting various national green building standards
- A Design Incentive, which provides assistance with the cost of outside design professionals for Whole Building Design Projects and LEED ® Rated buildings.
- Building Commissioning Incentives are available to finance a portion of the cost to provide a detailed assessment of building systems and their performance to ensure that they are operating at optimal capacity
- Periodically NYSERDA also offers bonus incentives for specific energy measures.

### **Summary**

NYSERDA offers a variety of energy efficiency programs to non-residential customers, from every segment of the market. While there is a clear focus on getting the majority of existing facilities into projects that bring substantial, permanent energy efficiency to bear on their operation and processes, there is also a comprehensive program for new and substantially renovated buildings that is intended to transform the way these facilities are designed and engineered. There is literally no structure in New York State that could not benefit from the careful application of energy efficiency measures, and the NYSERDA incentives that support them.

Beyond the application of the principles of highly energy efficient design to existing and new facilities, there are also a number of NYSERDA incentive programs available to support the application of new energy efficiency technologies and renewable energy resources to the lighting, space and domestic water heating, cooling and industrial process needs.

All of these are described, in detail, on the NYSERDA website at [www.nyserda.ny.gov](http://www.nyserda.ny.gov).