

# Achieving Energy Efficiency for All



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# **Making Multifamily Affordable Housing more Energy Efficient**

- The need
- The barriers
- The breakthroughs

# The Need



- Based on Residential Energy Consumption Survey data, of the 19.1 million multifamily 5+ units:
  - 2% of units have received an energy audit
  - 63% of units are poorly or only adequately insulated
  - 30% of units have heating equipment 20+ years old
  - 60% of units have heating equipment not routinely maintained (in last year)

Sources: Benningfield Group for The Energy Foundation, “Addendum Report: U.S. Multifamily Housing Stock Energy Efficiency Potential,” 2010; Deutsche Bank, “The Benefits of Energy Efficiency in Multifamily Affordable Housing,” 2012.

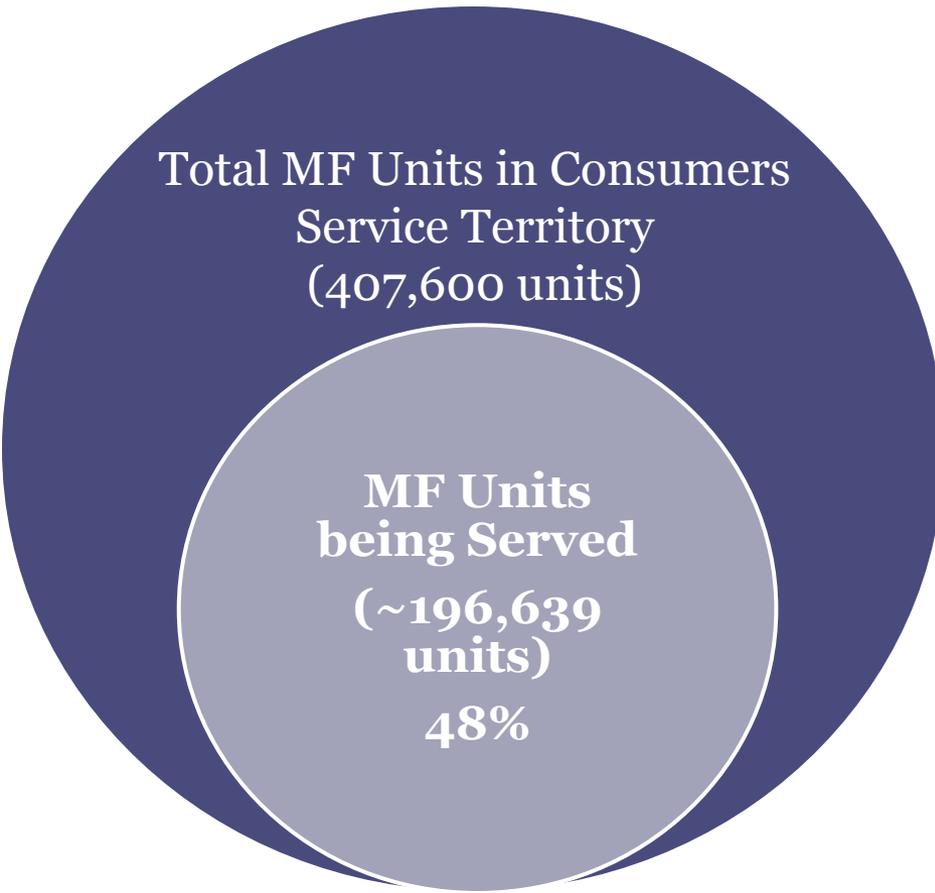
# The Need

- Cost effective way to reduce energy consumption
- Lower utility bills
- Provides more comfortable, affordable, and pleasant living space
- Reduce pollution
- Healthier living environments can lower the incidence of illnesses such as asthma
- Helps maintain affordable housing

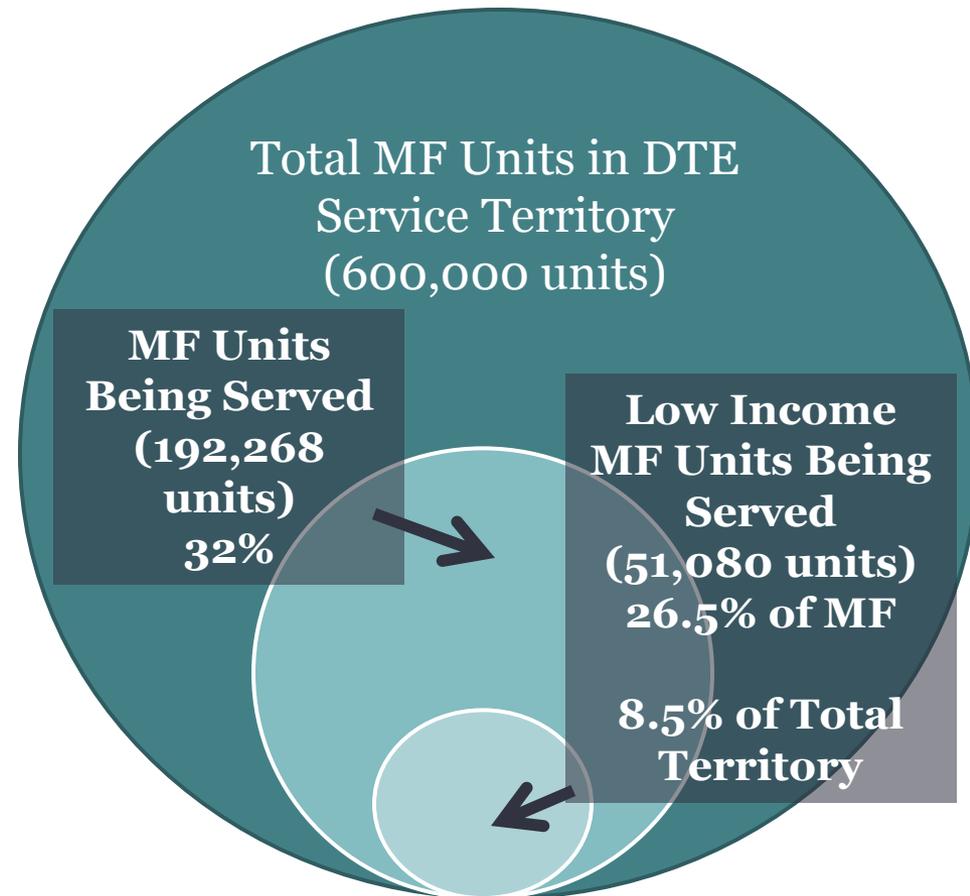
# Michigan Snapshot

Service Territory and Number of Units served by MF Programs

- Consumers Energy



- DTE Energy

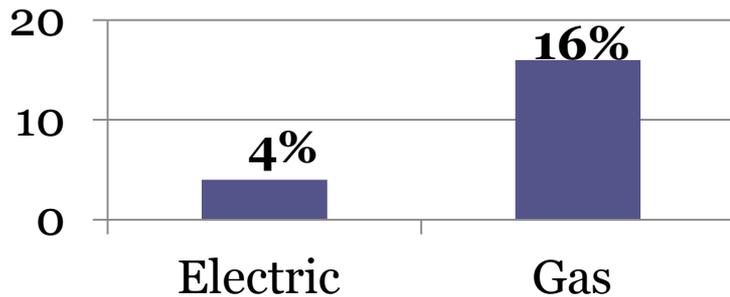


# Michigan Snapshot

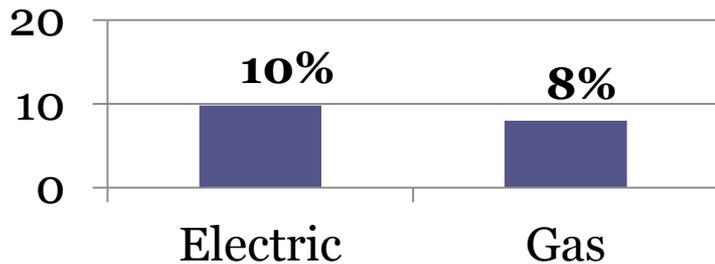
## Savings and Investment

- Consumers

Multifamily Percent of Residential Savings

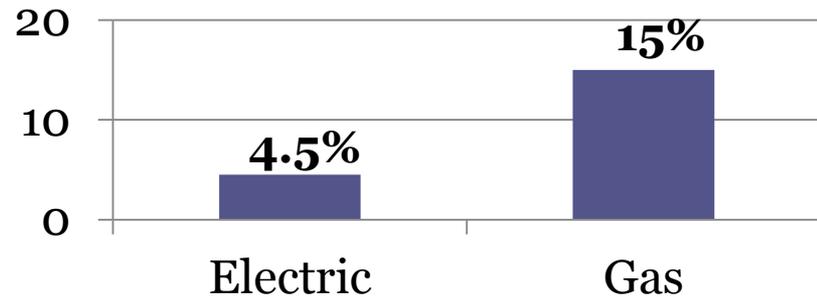


Multifamily Percent of Residential Investment

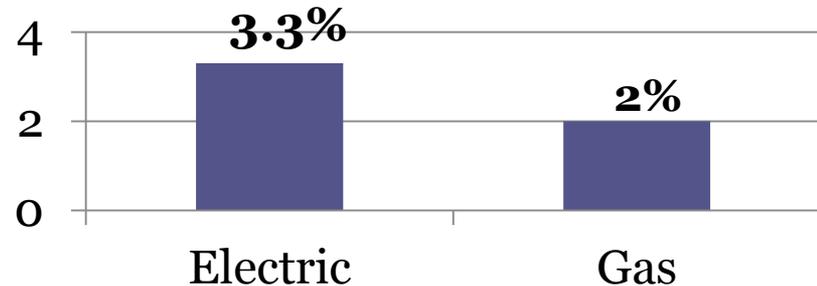


- DTE Energy

Multifamily Percent of Residential Savings



Multifamily Percent of Residential Investment



# Need Takeaways

- Energy efficiency provides particularly meaningful benefits to those living in multifamily affordable housing.
- Multifamily housing makes up a significant portion of Michigan utilities' service territory.
- A considerable amount of multifamily units have yet to participate in energy efficiency programs.
- There are opportunities to invest and save more than we currently are.

# Barriers

- Building owners lack capital
- Program design
- Split-Incentive
- Lack of energy performance data
- Utility funding
- State regulations
- Coordination



# Breakthrough: Elevate & MEO



**ELEVATE** ENERGY  
Smarter energy use for all

- 35 year old, East Lansing-based non-profit
- EO low-income MF program designer and implementer
- MI Saves Contractor
- Regional Planning Energy Research (HUD, Tri-County)
- Demonstration facility
- Chicago-based, non-profit
- Strong focus on building energy efficiency, dynamic pricing, research and community-based programs
- Energy Savers Multifamily
  - 18,000 units retrofitted
  - 4.2 million therms and 11.5 million kWh saved
  - Typical savings of 30%

Additional Partners:



# MEO Pilot with Consumers Energy



- **Streamlined process** to help owners access all services
- High quality customer service through a **single point of contact**
- **Portfolio analysis approach** in partnership with MSHDA and Wegowise
- Access to \$400,000 in commercial and residential **utility incentives**
- Coordination with local **financing** options through Michigan Saves
- Strong construction oversight with **100% QA** of jobs
- **On-going monitoring** of energy savings post-retrofit

# Breakthrough Takeaways

- Bringing together non-traditional partners
- Targeted, personalized outreach
- High touch customer service
- Portfolio analysis through Wegowise
- Streamlined process for owners to access both residential and commercial utility incentives and financing

# Overall Takeaway

We must **work together** to continue to adapt and improve programs that meet the unique challenges of this sector and secure the *best methods to finance* them

# Questions?

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