



City of Austin

Austin Energy

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TO: Austin Energy Utility Oversight Committee

FROM: Debbie Kimberly, Vice President, Customer Energy Solutions

DATE: April 17, 2019

SUBJECT: Follow-up from March 27, 2019 Austin Energy Utility Oversight Committee Meeting

On March 27, 2019, the Austin Energy Utility Oversight Committee requested a summary of the number of multifamily properties that declined or were deemed ineligible to participate in Austin Energy's multifamily rebate programs and the reasons therefor. Energy efficiency rebates are offered to all property owners at a rate that reimburses 80% of the costs and to low-income properties at 100%. Rebates cover efficiency measures like insulation, duct remediation, lighting, and window solar screens. 248 multifamily applications were submitted from January 2015, through March 2019. Results and status of these applications are summarized in the table below.

Total Applications	Applications Approved	Applications in Progress	Applicant Requested Cancellation	Ineligible due to Repeat Offenders List	ECAD Non-Compliance	Less than 10 years old	Energy Efficiency measure requested was not needed
248	179	18	38	6	4	2	1
	72%	7%	15%	2%	1.5%	<1%	<1%

The four main reasons shown for applications that ultimately did not proceed are:

1. Applicant requested cancellation

Contractors and property owners regularly submit applications to determine eligibility and estimate rebate amounts for proposals to property owners. Program staff follows up with contractors on each of these applications, but the owner may ultimately opt not to move forward. If projects do not progress past the proposal/interest phase, they are cancelled by the applicant. This accounted for 15% of multifamily rebate applications.

2. Repeat Offenders List

In addition, the property must not be on the Austin Code Department's Repeat Offender list. Outstanding code violations or any life safety risks such as gas leaks, roof damage, electrical safety, structural damage and other issues must be addressed prior to the installation of energy efficiency upgrades in order to ensure a safe and livable environment for the occupants, contractor safety and measure efficacy. Austin Energy works to ensure that a property with code violations that need to be addressed in order to protect residents is not simultaneously getting City rebate money and sending mixed messages among departments about our commitment to safety. Appearance on the Repeat Offenders List accounted for 6% of multifamily rebate applications.

3. ECAD non-compliance

Under City Code chapter 6-7, the Energy Conservation Audit and Disclosure (ECAD) Ordinance, a multifamily property owner must have an energy audit for the facility performed every ten years. Multifamily property owners must disclose energy audit results to current and prospective tenants to allow them to make informed decisions about the energy consumption of the rental property and resulting utility bills that may follow. If a property owner is not in compliance with this City Code provision, the multifamily facility is not eligible for rebates. However, Austin Energy provides a 50% rebate (up to \$2,500) for an ECAD audit when the property participates in the multifamily energy efficiency program. Ineligibility on these grounds accounted for 1.5% of multifamily rebate applications.

4. Facility less than 10 years old

Lastly, if a multifamily facility is less than ten years old, it was built to more energy efficient building codes and the energy-saving measures in place are still within their useful life. Replacing new equipment is unnecessary and would be an inefficient use of funds, with relatively little energy savings in return. Therefore, newer multifamily buildings are not eligible to participate in the program. This accounted for less than 1% of multifamily rebate applications.

Austin Energy's multi-family rebate programs are designed to improve tenant affordability by ensuring the installation and retrofit of cost-effective energy efficiency upgrades. Austin Energy will continue our outreach to ensure that property owners are aware of these programs, as they must ultimately approve of any energy efficiency upgrades to their properties. We welcome the opportunity to collaborate with your offices in this regard.