

National Housing Trust-led partnership paves way for utilities to invest nearly \$40 million in energy efficiency improvements in multifamily rental housing

The National Housing Trust (NHT) has demonstrated that obstacles preventing multifamily affordable rental housing from accessing utility energy efficiency resources can be overcome through collaboration between the housing and energy sectors. In 2013, NHT completed a 2-year project in partnership with the American Council for an Energy Efficient Economy (ACEEE), the National Consumer Law Center (NCLC) and D&R International aimed at advancing effective utility-sponsored multifamily energy efficiency programs. Together, these organizations broke down long-standing silos, engaging with utility companies, affordable housing finance agencies and other housing stakeholders, and energy advocates in targeted states **resulting in utilities committing \$40 million to reduce energy consumption in multifamily rental housing.**

By effectively targeting utility resources to multifamily affordable rental housing we have helped (and continue to help) utilities and state governments achieve their energy savings goals, increase housing affordability for low-income households, spur economic growth, and significantly reduce carbon emissions.

Tangible results from this project include the following, which are resulting in combined average annual savings of 54,000 MMBtu and almost 34,500 MWh:

- The Pennsylvania Public Utility Commission changed its policies to make it more attractive for utilities to address multifamily housing and that led to the creation of several targeted utility programs. These programs will save over 33,000 MWh over 2013-2016, for average savings of 11,000 MWh annually.
- Utilities in Minnesota created the first ever low-income multifamily programs in the state. On the electric side, savings will be almost 2,000 MWh over 2013-2015, for average savings of 653 MWh annually. For gas, the savings will be 27,000 MMBtu over three years.
- The Maryland Public Service Commission made it significantly easier to mesh utility and affordable housing funding streams by tapping the Maryland Department of Housing and Community Development to administer more than \$20 million in utility funding. New programs will produce over 47,500 MWh in savings over 2012-2014, for average savings of over 18,500 MWh annually.
- And collaboration among National Grid and the Rhode Island Housing Finance Agency led to a more streamlined and efficient process for delivering services to multifamily housing. In 2014, these efforts will produce electric savings of over 4,000 MWh and gas savings of 27,000 MMBtu.

In order to ensure that the results of this engagement are replicated, NHT has released *Partnering for Success: An Action Guide for Advancing Utility Energy Efficiency Funding for Multifamily Housing* (The report can be accessed here: http://www.nhtinc.org/partnering_with_utilities.php). The report provides guidance on how key stakeholders from the housing and utility sectors can effectively work together to significantly improve the energy efficiency of multifamily affordable rental housing.

Partnering for Success serves as a practical tool for those seeking better partnerships among utility companies and affordable housing providers and investors to overcome obstacles to improving the energy efficiency of multifamily affordable housing. Obstacles include the split incentive problem; lack of targeted, streamlined multifamily programs; limited access to upfront capital; and lack of coordination and collaboration among key players from both sectors.

Partnering for Success describes several common lessons about successful engagement to advance multifamily utility programs. These include building relationships with key utility and regulatory decision makers and bringing stakeholders together and facilitating an open dialogue; defining the value proposition for utilities by demonstrating the significant energy savings potential in this housing stock; and taking advantage of strategic entry points such as utility plan filing deadlines and rulemaking proceedings in which the design of energy efficiency programs could be raised. NHT is now working with the Natural Resources Defense Council to expand state-level engagement in order to build networks, spread best practices, and further replicate results.