

Understanding NYC's Local Law 87

By *Kenneth Camilleri, Director of Operations, Original Energy*

The recent influx of attention regarding New York City's Local Law 87 is due in part to its significance among property managers/owners and the need to highlight the relatively unknown intricacies of the process to the majority of the public.

LL87 requires property managers/owners of buildings more than 50,000 square feet to file an Energy Efficiency Report (EER) with the Department of Buildings (DOB). The EER consists of a comprehensive audit under ASHRAE Level 2 standards and a retro-commissioning study of base building systems. The law requires building owners to perform the EER to generate hard data about a building's energy performance with the intention to improve and enhance energy efficiency.

Compliance with LL87 is based on the last digit of the tax block number as it coincides with the year. For 2015, buildings with a tax block number ending in "5" should have already begun. If the process has not yet started, it will be hard-pressed to be completed by December 31st. Consequently, these buildings will most likely be subject to a violation and a \$3,000 fine. An additional \$5,000 fine will be assigned for every subsequent year that the building fails to comply.

The LL87 EER is a lengthy process delegating responsibilities on both the management/owner's and auditor's end. As such, it should be started as early as possible in the calendar year with respect to the tax block number. Properties with a last digit "6" should start their 2016 project now, while those with a last digit "7" should hold off (as early compliance is no longer acceptable).

In order to illustrate the need to start early, a simple timeline noting the required steps depicts an important sequence. Following the timeline below would allow for the work to be completed in an orderly and timely fashion, without the need to be concerned about contractor schedules that could push the work out and force late compliance.

January - May

- Audit initiated and retro-commissioning report completed. Heating system along with management system need to be tested while still in operation.

May - October

- All retro-commissioning items along with insulation of steam lines are to be completed while the heating system is shut down. Any boiler work should be done at this time.

October - December

- Verification visit of the building will ensure compliance with report and a retest of the heating and management systems. EER to be completed and submitted

The audit and retro-commissioning report covers the building's common area as well as the boiler room and varied systems. Some of the areas that are inspected as part of the Level II audit are the HVAC system noting cleanliness and operational functionality, the boiler room with efficiency testing, insulation, leak prevention, proper hot water distribution and mechanical operation. In addition, lighting levels for appropriate tasks are critical for safety and efficiency.

In preparation for EER submission to the DOB, here are some of the necessary steps:

1. An audit is scheduled and a walk-through is conducted of all the common areas along with 10 percent of the apartments. It is necessary to operate the boiler through its cycles in order to retro-commission the boiler and heating management system.
2. The result of the initial audit is a retro-commissioning report that is used to map any detected deficiencies and to bring the building to optimal operating efficiency.
3. Once the deficiencies are corrected, a verification walk through is scheduled and conducted.
4. Documents are signed and proof submitted by the property manager/owner stating work is complete.
5. Two years of energy and water data is required for placement into the DOB toolkit.
6. The EER is completed and filed with the DOB, at which a filing fee paid directly to the DOB is requested.

It is important to remember that the DOB takes Energy Efficiency Reports very seriously. With the increase in efficiency of each building, the DOB looks to meet the City's goal of decreasing greenhouse gas emissions by 80 percent of 2005 levels by 2050.

Therefore, reports that are submitted and do not meet the expectations of the reviewer with detailed information will be returned. If the DOB deems the report to be unacceptable after a second review, the submission will be rejected and the building requested to start over.

Local Law vendors should always be carefully selected and based upon experience with these types of projects – not just the price tag.

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