

Achieving High Participation in Multifamily Programs: Best Practices for Reaching Building Owners

Michael Jarrett and Lauren Ross, American Council for an Energy-Efficient Economy (ACEEE)

ABSTRACT

The multifamily-housing sector remains underserved by utility-implemented energy efficiency programs. This is partially due to the unique challenges that make it difficult for building owners to implement energy efficiency measures. Additionally, the market itself has distinct segments that are not always reached through the design and delivery of traditional utility programs. As more utilities develop and expand energy efficiency programs that target multifamily customers, through analysis of program data we can begin to identify those that are achieving high participation and the strategies that contribute to their success.

Using program and marketing/outreach data collected from utility programs, our research identifies best practices for achieving high participation in multifamily energy efficiency programs. Through program data and interviews we compare costs, savings, and participation across programs, and provide a more in-depth overview of the marketing and outreach strategies being implemented to reach multifamily customers. We pay particular attention to the approaches being used to target different segments of the market including affordable/low-income housing, existing buildings, and owners with large portfolios of buildings.

Introduction and Background

Many utilities across the country are interested in finding ways to reach more of their multifamily customers with energy efficiency. Since 2013 ACEEE has been tracking the development and expansion of these programs. ACEEE estimated that owners and their residents could save up to \$3.4 billion per year if multifamily energy efficiency programs were expanded nationwide (McKibbin 2013). Since this estimate new programs have been created and existing programs expanded, yet there are still opportunities to reach more customers and achieve even more energy savings in this sector.

The multifamily-housing sector is highly diverse and presents a unique set of challenges that relate to energy efficiency investments. Building owners and managers must ultimately make the decision on whether or not to invest in energy efficiency even though they may not directly benefit from the savings. Owners and managers need to know what benefits they will obtain directly and indirectly, how energy efficiency investments compare to their other priorities, and whether or not they have the time and resources to commit to these investments. Utilities must consider these concerns when designing and implementing effective multifamily programs. As a result effective marketing and outreach strategies as well as easy access to program services are particularly important for reaching customers in this sector.

Currently the data on program participation and related metrics for multifamily programs are limited and inconsistent. Better data, consistent and uniform metrics, and increased understanding of program participation are needed to better inform planning, development, implementation, and evaluation of multifamily energy efficiency programs. Using these data to better understand multifamily participation can also be helpful when programs set goals. In some states utilities are required to implement all cost-effective energy efficiency, and high program participation is vital to achieving that goal.

This report builds upon previous ACEEE research on multifamily energy efficiency programs and is one of the few to compare participation across programs while also considering program spending and savings data (York et al. 2015; Johnson 2013). This report summarizes the challenges to program participation and identifies strategies that utilities and other program administrators can use to achieve higher participation in their multifamily programs.

Objectives and Methodology

We had three main objectives for this research: compiling program data, identifying best practices for achieving high program participation, and providing data for utilities, regulators, and other stakeholders. By compiling participation and other program-level data, we were able to compare metrics across programs and identify programs achieving high participation rates, indicated by the percentage of eligible customers they reach annually. Identifying a set of best practices for increasing program participation among building owners allowed us to provide recommendations for program administrators to help improve their marketing and outreach strategies and other program design elements known to affect participation. By collecting and presenting program data we can assist utilities, program implementers, regulators, and other stakeholders as they plan programs, set spending levels, and establish goals based on desired participation rates. Findings have implications for new and more mature programs looking to further penetration and deepen savings in the multifamily market.

To achieve our objectives we employed two related research methods. We first sent surveys to 44 utility program administrators, requesting data on their multifamily energy efficiency programs. The program administrators we surveyed participate in a working group organized and facilitated by ACEEE as part of an ongoing initiative to expand and improve programs serving multifamily-housing markets. In total eight program administrators returned completed data requests, which included information on program offerings, spending, eligibility, savings, and participation. We also used state utility-commission filings, annual utility reports, and program evaluations to supplement the returned data requests and stand in for programs that did not return the requests. In our analysis we include data from 30 programs implemented by 20 utilities and other program administrators. In gathering these data we also identified common metrics and nomenclature associated with program participation.

For the second part of our research we interviewed selected program administrators and discussed their efforts to build program participation, including marketing, outreach, and networking among key stakeholders involved in projects. These qualitative data provided insights into how programs target and achieve high participation. We conducted interviews with 13 program administrators in total.

Market Description and Program Models

The multifamily-buildings sector is highly diverse with multiple segments. Multifamily buildings range from duplexes to high-rise apartment buildings with more than 50 units. Ownership also varies, with some properties leased to tenants and others owned by their occupants. Some owners or management companies have a large portfolio of properties, while others may own a single building. Some multifamily buildings house low-income residents and receive government subsidies that go toward rent, or are owned and operated by a local public-housing authority. Despite the differences within the sector, trends exist that carry important

implications for program delivery. The majority of multifamily buildings have more than five units, are renter occupied, and do not rely on government subsidies. Additionally, multifamily rental units are predominantly occupied by low- and moderate-income families (NMHC 2015). Successful multifamily energy efficiency programs must recognize the unique characteristics of the multifamily market and factor them into their design and delivery.

Previous ACEEE research identified the four types of program models that utilities typically use to serve their multifamily customers. These program models are direct-install services, equipment and product rebates, comprehensive energy retrofits for existing buildings, and new construction (Johnson and Mackres 2013). The target customers for the first three types of programs are building owners and managers, while new-construction programs typically target developers.

Challenges

In previous research ACEEE identified and described the unique set of challenges that can hinder energy efficiency investments in the multifamily sector (McKibbin 2013). Program administrators are beginning to better understand these challenges and are designing and delivering their programs to meet the unique needs of multifamily-building owners, managers, and residents (Johnson 2013). For the purposes of this research we identify four main challenges to achieving high participation in multifamily programs: split incentives, time and resource constraints, complex decision-making structures, and marketing and outreach.

Split incentives typically arise in buildings whose owners are responsible for paying for retrofits, while residents primarily benefit from the energy savings through reduced utility bills. While this might not affect master-metered buildings, it is often an issue in individually metered buildings, in which residents typically pay for all or some of their utilities.¹ Program administrators can overcome this barrier by communicating the multiple benefits of energy efficiency to building owners (e.g., reduced maintenance and operating costs and improved resident comfort) and by providing incentives and rebates to building owners to reduce the cost of in-unit measures and centralized energy efficiency equipment.

For building owners and managers energy efficiency improvements often compete with other priorities, such as capital-intensive projects and maintenance, and require their time and resources as well as their occupants'. Owners must decide which projects they can pursue, and managers must dedicate the staff time needed to apply for programs and be present during parts if not all of the implementation process. Additionally, property managers and maintenance staff are often not trained to conduct energy audits or identify potential projects. They usually require some technical assistance to guide them through an energy efficiency project, and the level of assistance varies depending on the type of project. Program administrators must be aware of the time commitment and scheduling needs that their program presents for building managers and their residents. Direct-install measures often require access to resident spaces. Building-system upgrades and other building-wide retrofits can pose a disruption to residents, so owners may prefer to coordinate these upgrades with other capital improvements to minimize this disruption. Furthermore, projects, especially larger projects, often must be aligned with a property's capital cycle and considered alongside other maintenance needs. Because these cycles do not always

¹ Master-metered buildings track energy usage at the building level, whereas individually metered buildings track it at the unit level. Utility payments for residents of master-metered buildings are typically accounted for in their rent, while residents of individually metered buildings pay their own utilities.

align with a utility program, program administrators need to build relationships with owners or managers so that they know when to reach out or follow up about their program. While time and resource constraints exist in all segments of the multifamily sector, they can be magnified in affordable multifamily buildings. These properties are more financially constrained than most market-rate properties and require not only access to capital but specifically access to low-cost capital.

Building owners, property managers, building maintenance staff, and residents all have different levels of authority regarding decision making in a building. Owners likely approve projects, while managers and maintenance staff might develop the scope of work and coordinate implementation. Residents typically do not have much decision-making authority but may be required to provide access to their units. Decision making also varies based on the type of property and the types of measures offered. In condo buildings it can be more complicated to deliver programs because common-area measures typically have to be approved by the homeowners' association, while in-unit measures must be approved by each individual owner. When implementing different types of measures in a building with a single owner, a property manager might have the authority to approve low- or no-cost direct-installation measures but not the purchase of new equipment or more-comprehensive projects.

The diversity of the multifamily market also poses challenges for marketing and outreach efforts. Different segments have different drivers and barriers to participating in energy efficiency programs. Effective marketing and outreach strategies target the unique characteristics of different segments to encourage participation. This is especially important for residential and commercial programs not designed specifically for the multifamily sector.

Findings: Program Participation and Outreach

In this section we focus on the program spending, participation, and energy-savings data that program administrators report annually. Table 1 contains a summary of the program data we collected for select programs.² These programs had good, complete data readily available for the key metrics we examined. Each program includes both electric and natural gas energy efficiency measures, and also offers both direct-install and comprehensive measures. A final common factor is that they all achieve relatively high per-unit energy savings.

We found that the majority of programs report participants as the number of units served, while others report the number of buildings served or the number of completed projects.³ Few programs break down participation by segment, type of building, or ownership; report the portion of their budget that goes toward marketing; or have an idea of the total eligible multifamily customers in their service territory. We chose to assess program participation as a

² For the complete set of data for all 30 programs, see ACEEE's report *Reaching More Residents: Opportunities for Increasing Participation in Multifamily Energy Efficiency Programs*, available at aceee.org/research-report/u1603.

³ Several utilities reported participation rates on projects rather than on units or buildings. Projects vary from program to program. A project can be a whole building, a series of units or common areas, or a combination thereof. This creates additional complications when trying to compare programs. Furthermore, some programs count all units in a building as participants even if their building received only common-area measures and no in-unit measures were installed.

percentage of eligible multifamily customers served, using census data and eligibility data previously reported by program administrators to make the calculations.⁴

⁴ This methodology is consistent with that of previous ACEEE reports that calculated program participation as a percentage of eligible multifamily customers served (York et al. 2015).

Table 1: Multifamily-program data summary from select utilities

Utility	Program year	Annual budget (marketing budget in parentheses)	Annual participation, in no. of units unless otherwise noted	Total number of eligible units (% served annually in parentheses)	Cumulative participation, in no. of units (time frame/% served in parentheses)	First-year incremental energy savings in kilowatt-hours (kWh) or therms (goal in parentheses)	Average per-unit energy savings (based on first-year incremental energy savings)
BayREN	2015	\$9,003,227 (\$146,339)	8,384	700,000 (1.1%)	15,896 (2013–15/2.3%)	3,400,000 kWh, 260,000 therms (1,300,000 kWh, 150,000 therms)	500 kWh/unit, 33 therms/unit
Con Edison	2015	\$12,000,000 (\$325,000)	38,800	2,380,000 (1.6%)	100,000 (2010–15/4.2%)	15,200,000 kWh, 2,000,000 therms (n/a)	392 kWh/unit, 52 therms/unit
DCSEU	2014	\$4,385,843 (n/a)	3,245	65,000 (5.0%)	n/a	3,873,000 kWh, 64,390 therms (n/a)	1,194 kWh/unit, 20 therms/unit
National Grid (MA)	2014	\$44,023,522 (\$459,301)	54,198	339,698 (16.0%)	n/a	30,147,000 kWh, 1,569,535 therms (14,369,000 kWh, 550,088 therms)	556 kWh/unit, 29 therms/unit
National Grid (RI)	2014	\$7,697,800 (n/a)	19,867	76,419 (26.0%)	n/a	11,745,000 kWh, 382,000 therms (8,968,000 kWh, 260,800 therms)	591 kWh/unit, 19 therms/unit
Puget Sound Energy (PSE)	2014	\$13,697,885 (n/a)	31,000	245,000 (12.7%)	157,585 (elec.), 16,479 (gas) (2006–16/64.3%)	24,524,000 kWh, 113,684 therms (20,446,000 kWh, 104,272 therms)	791 kWh/unit, 4 therms/unit

Sources: DCSEU 2015; National Grid 2015a; National Grid 2015b; National Grid 2015c; Puget Sound Energy 2015; data requests

The majority of the programs we surveyed offer participants a mix of both direct-install and comprehensive measures. However we do not know how many buildings received direct-install measures versus more-comprehensive retrofits. Saturation of direct-install measures may be high, but there are likely opportunities for deeper savings. The type of measures installed influenced both participation and energy savings. Programs with lower participation may achieve deeper savings and vice versa. Although the type of measures a program offers relates to both participation and energy savings, we found that most programs do not track participation or energy-savings information by measure type.

Program Comparison: Participation

We assessed participation across programs by analyzing annual and cumulative participation and by estimating the annual and cumulative percentages of multifamily units served in a program's service territory. However comparing programs based solely on participation data does not accurately represent them. Programs serve different territories with different multifamily-housing stocks and are designed to offer varying measures. Some have been in existence much longer than others and have had more time to build relationships with multifamily stakeholders, which help them reach more customers. Additionally, using solely participation data for comparison does not take into account total or per-unit energy savings. Therefore, in addition to participation data we include program spending, eligibility, and savings data to present a more holistic view of a program. We display these data in table 1.

Among our sample annual participation ranges from 1,724 units to 54,198 units, representing anywhere from 1% to 26% of the estimated eligible customer base. Cumulative participation for each program varies widely based on the length of the program and the size of the multifamily-housing stock within its service territory. On a cumulative basis some programs report reaching upwards of 25–50% of their multifamily customers. This is a difficult figure to gauge because many programs allow for repeat customers across multiple program cycles. Additionally, we do not know how many buildings received direct-install measures versus more-comprehensive retrofits. For more-mature programs, saturation of direct-install measures may be high, but opportunities for deeper savings likely remain.

This range of annual and cumulative program participation results from the unique characteristics of each program and is also a function of budget size, program type (direct-install versus comprehensive), and the size of the local multifamily-housing stock. The tracking and reporting differences and the overall lack of standard reporting made it difficult to compare participation data across programs. Additionally, few programs break down participation by market segment.

Offering a combination of direct-install measures and comprehensive retrofits can help lead to higher participation and higher energy savings. Several program administrators said that they rely heavily on direct-install measures to attract participants, and from there work to generate more-comprehensive projects. They can use no-cost direct-install measures to develop relationships with their customers and then work with them to move from direct-install measures to more-comprehensive projects. This strategy can help increase both participation and energy savings. Austin Energy has also learned that including water-saving measures in direct-install packages helps encourage participation. Water efficiency measures are popular among owners because of the resulting savings. Austin Energy works with the city's municipal water utility to

deliver these water-saving measures. These measures are a free part of the direct-install package if at least two other energy efficiency measures are also installed.

Program Comparison: Marketing and Outreach Strategies

In our conversations with program administrators we moved beyond identifying high participation and learned more about how these program administrators worked to increase participation in their programs. The strategies that program administrators discussed included directly targeting building owners and managers with marketing and outreach efforts; working with owners of large regional housing companies; providing technical support and decision-making guidance to building owners and managers, including a walk-through survey of their properties and a follow-up report; and partnering with state and local housing organizations and trade allies, attending industry events, and advertising in industry publications.

The program administrators we interviewed emphasized the importance of targeting their marketing and outreach efforts directly to owners and managers as a way to enroll high numbers of program participants. Owners and managers typically have decision-making authority and access to the entire building, including units and common areas. Programs tend to target rental properties that have a primary decision maker. For example, Arizona Public Service (APS) has been successful working with owners of large regional housing companies. This strategy allows them to sign up several buildings for their program while working with a small number of decision makers. This strategy is key for the program, which has just experienced its highest participation rate since its inception. While targeting owners of large building portfolios helps extend the reach of the program, it is also important that programs market to owners with smaller portfolios. Identifying and engaging these properties can be more difficult than identifying and engaging large regional housing companies. Program administrators can engage with multifamily-housing and property-owner associations to reach this segment.

Program administrators also reported that owners and managers often do not have the technical expertise to fully understand the potential for energy efficiency investments. Program administrators need to work with owners to identify the energy efficiency measures that would be best suited for them and to estimate savings. The Energy Trust of Oregon's program is particularly effective when providing this type of technical expertise. This program provides a walk-through survey for owners, during which the administrator can discuss with the owners potential energy efficiency improvement opportunities. Afterwards owners receive a report on potential energy savings and return on investment. This strategy is especially effective when promoting building shell measures and has contributed to the participation increase that Energy Trust of Oregon achieved between its last two program cycles.

Program administrators also like to partner with trade allies and housing-related organizations to help them market their programs. These groups often have existing relationships with multifamily stakeholders and know the needs of the community. Program administrators can leverage these relationships to reach more customers. For example, National Grid Massachusetts partners with the Community Associations Institute (CAI), a group of property-management companies, owners, and multifamily stakeholders, to market its program. National Grid submits case studies to the organization's main publication, allowing its program's success stories to reach a broad audience and attract new customers.

Connecting with building owners and managers of affordable multifamily buildings is also an effective way to encourage program participation in this hard-to-reach segment of the

market. Elevate Energy targets this segment and notes that building owners often hear about energy efficiency programs through word of mouth, which also helps establish trust in Elevate Energy's program and its projected savings. Elevate Energy also works with lenders, housing-finance agencies, and contractors that have existing relationships with low-income owners, in order to develop their own relationships and market the program.

Best Practices for Achieving High Participation in Multifamily Programs

Previous ACEEE research shows that program design and strategic messaging are essential elements for achieving high participation in energy efficiency programs (York et al. 2015). Through our examination of the programs in this study we were able to build off of this research and identify the multifamily-specific strategies that program administrators use to achieve greater participation in their multifamily programs. We identified six strategies that program administrators credit with higher participation.

1. Simplify and Streamline Access to Programs and Services

Energy efficiency projects can be intimidating for building owners and managers. Programs can be complicated, and owners and managers may be unsure of whom to contact for assistance. Programs can be designed so that enrollment is simple and owners and managers have easy access to program services from start to finish. Providing owners and managers with a single point of contact who can assist them through each step of the process is a proven strategy for encouraging participation in multifamily energy efficiency programs. This strategy, often referred to as a one-stop shop, combines the behind-the-scenes services required for a program and places them under one roof. Customers have a direct contact that they can go to for questions or assistance. This strategy streamlines the implementation process and helps address the specific needs of customers. One-stop shops can help customers with a range of activities including applying for the program, conducting an energy audit, reviewing the design of a project, and selecting specific measures (Johnson 2013). Additionally, a program that embraces this approach can work with its customers to move from direct-install measures to more-comprehensive projects. One-stop shops can also work behind the scenes with electric, gas, and water utilities; housing-finance organizations; community organizations; and other multifamily stakeholders to coordinate services and keep the process simple for customers. This is especially important if the electric and gas utilities are separate companies.

Pacific Gas and Electric (PG&E) uses a one-stop shop to deliver its multifamily programs. This one-stop shop coordinates with customers and trade allies to deliver these programs. PG&E has several different tracks within its multifamily programs, and the one-stop shop approach allows it to adapt programs to meet the specific needs of customers.

2. Target Building Owners and Managers

Depending on the type of property and ownership structure, program administrators may need to communicate with multiple contacts at a single property to implement a program. Because properties vary in their ownership, management, and operation, the authority who makes decisions regarding energy efficiency improvements and participation in programs differs

from property to property. Reaching the correct person (or people) with program information and gaining their interest is essential if a property is to enroll in a program. These are the individuals who can make decisions about participating in a program and commit their own resources to coordinate the energy efficiency improvements. Managers, for example, can coordinate access to many units at the same time, reducing the need for multiple visits by contractors, and can schedule energy efficiency improvements to be carried out at the same time as other maintenance activities. Additionally, some program administrators market directly to property-owner associations and leverage existing networks to advertise their programs. For example, Austin Energy's multifamily program maintains relationships with the Austin Apartment Association, a trade association consisting of organizations that represent and work with the rental-housing sector, and the Independent Rental Owners Committee (IROC), a group that represents owners of multiple smaller properties. Austin Energy uses these networks to better reach and educate owners and managers about energy efficiency and its program offerings.

3. Tailor Marketing and Outreach Efforts for Specific Segments of the Multifamily Market

Effective marketing and outreach strategies are important to the success of utility-implemented energy efficiency programs and are useful tools to help increase program participation. Acknowledging the unique characteristics of various market segments and shaping marketing and outreach efforts around these characteristics can help program administrators meet the specific needs of their multifamily customers. Different segments of the market often value energy efficiency differently. One common way utilities distinguish between market segments is by creating separate programs to target individual segments. For example, some utilities have separate market-rate and affordable multifamily programs. This allows marketing and outreach strategies to meet the unique needs of the segment they serve.

Energy Trust of Oregon goes one step further and dedicates program staff to building relationships with specific sub-segments of the multifamily market. They use business development leads who specialize in a particular segment of the multifamily market and reach out directly to building owners in order to take a portfolio-wide approach to upgrading their properties. Energy Trust of Oregon has learned through process evaluations and market research that different language and information are needed to influence building owners in different segments. As a result it has developed messaging and marketing materials based on these differences.

4. Partner with State and Local Housing Organizations to Market and Deliver Programs

The multifamily sector, particularly the affordable-housing segment, is well organized and receives support at the state and local levels from an array of established groups. These stakeholder organizations are already connected to property owners, building managers, and contractors and can help program administrators handle the diversity of the sector. When program administrators better understand the multifamily market in their service areas, including the type of equipment typically found in multifamily buildings and the challenges that local properties face, they can design strategies to reach more customers. Additionally, these partnerships help increase awareness among owners and managers of available services.

The affordable-housing segment has a unique set of organizations that program administrators can utilize. Nonprofit housing owners and developers typically belong to or

receive support from local or regional organizations, including state housing-finance agencies and community development financial institutions (CDFIs). Often these organizations can help utilities identify major renovation projects in the pipeline—properties typically well suited to incorporate energy efficiency improvements.

The Bay Area Regional Energy Network (BayREN), a ratepayer-funded collaboration of nine counties in the San Francisco Bay Area, partners with several local and state housing organizations to help promote its program, including the California Apartment Association, the East Bay Rental Housing Association, the San Francisco Apartment Association, and the Educational Community for Homeowners. Whenever possible, BayREN attends expos, conferences, and meetings held by these organizations to deliver presentations. Additionally, BayREN publishes articles and circulates emails about its program to these groups.

5. Partner with Trade Allies to Market Programs

Forging partnerships with trade allies, in addition to state and local housing organizations, is another strategy program administrators can use to increase program participation. Trade allies are contractors or other technical partners that work with utilities to deliver energy efficiency programs. These partnerships benefit both program administrators and their trade ally partners. Program administrators drive more business to their trade allies, while the trade allies bring new customers to the program and can be used by program administrators to enhance marketing efforts. Trade allies must be familiar with a program in order to deliver it. As a result some utilities allow only qualified contractors to deliver programs to customers. This helps ensure that the contractors deliver high-quality products and customers are pleased with their decision to participate. These factors can affect future participation. Trade allies also typically have an established network within the multifamily sector, which can be useful for recruiting participants. Program administrators can leverage these network connections to reach out to more potential customers.

Focus on Energy's multifamily programs rely heavily on partnerships with trade allies to meet their participation goals and ensure delivery of high-quality products. Focus on Energy's trade ally partners range from lighting specialists to heating and cooling contractors. The administrator builds these relationships by attending trade shows held by current and potential partners, and regularly highlights its trade ally partners on its website.

6. Provide Effective Messages That Demonstrate Clear Value with Actionable Guidance

Effective messaging is important to achieving high participation in multifamily programs. Messages must convey the value of energy efficiency improvements for property owners and their residents with meaningful, clear, and convincing language. Investments must yield benefits that owners value. While energy savings and associated energy-cost reductions are the primary benefits that programs target, there are many nonenergy benefits that result from such improvements, including reduced maintenance costs; improved appliance and equipment performance and lifespan; greater property value; and increased resident comfort, health, and safety (Cluett and Amann 2015).

Program messages also must include actionable guidance for owners and managers. Generally this process begins with an energy audit or assessment of specific energy efficiency opportunities for an interested customer's property. The results of these analyses should be

presented clearly to the customer, and the recommended course of action should be spelled out very plainly. The technical content must be accurate and thorough, but also understandable.

One way to provide actionable guidance is by using case studies of properties similar to that of the potential customer. The New York State Energy Research and Development Authority (NYSERDA) uses case studies to demonstrate the value of energy efficiency, but also offers an online tool that enables interested owners to create a map of all completed projects in a given area. The map displays how many buildings in their market are receiving upgrades and provides project and building information. This helps build competitive pressure among property owners and provides concrete examples of projects that are similar to those of potential participants. Property owners can improve their properties and gain competitive advantages in these markets by participating in available programs (Kolstad 2015).

Conclusion

While a number of programs serve only around 1% of their multifamily customers per year, successful programs are reaching 10–26% of their eligible customer base. The programs achieving higher participation offer a mix of direct-install measures and incentives and rebates to encourage more-comprehensive retrofits. On a cumulative basis some programs report reaching a quarter to more than half of their multifamily customers, although some of these programs may be counting customers multiple times and do not report the comprehensiveness of measures installed during certain periods. While budget plays a role in the number of customers served, our research revealed that energy efficiency programs have expanded their efforts to reach more of their multifamily customers over the past decade.

We identified several best practices that can lead to high program participation. We found that programs must be simple and streamlined in order to encourage participation. Successful programs offer a variety of common and in-unit measures and are designed to move participants from direct-install measures to more-comprehensive projects that strive to achieve deeper energy savings. Programs must be marketed to key decision makers with effective messages and actionable information, such as the identification of the energy efficiency improvements that would be most effective for a particular building. Messaging is also important. These efforts must be designed to reach multifamily customers in all segments of the community, allowing them to understand what offerings might be available to them and the value (in both energy savings and nonenergy benefits) to them and their residents. Programs should also attempt to partner with housing organizations and trade allies. These groups often have existing relationships with the multifamily community that the utility can leverage. Often these partnerships turn out to be mutually beneficial. With these fundamental program elements in place, multifamily programs are poised to reach and serve the greatest number of customers.

Overall more program administrators are engaging in outreach efforts to identify the needs of the multifamily community, and connecting with the necessary stakeholders to deliver energy efficiency in this sector. Successful programs have incorporated best-practice strategies and filled a steady pipeline of projects. While some program administrators have improved their programs to reach more of their multifamily customers, some sectors remain underserved. This is especially true for the harder-to-reach segments of the market, such as affordable multifamily buildings. Because many programs do not track participation by segment, we often do not know how well a program reaches the affordable multifamily segment or other segments.

References

- Austin Energy. 2015. *Customer Energy Solutions Program Progress Report 2014-2015*. City of Austin. <https://austinenergy.com/wps/portal/ae/about/reports-and-data-library/customer-energy-solutions-program-updates/>.
- Cluett, R., J. Amann. 2015. *Multiple Benefits of Multifamily Energy Efficiency for Cost-Effectiveness Screening*. Washington, DC: American Council for an Energy-Efficient Economy. <http://aceee.org/multiple-benefits-multifamily-energy-efficiency>.
- DCSEU (District of Columbia Sustainable Energy Utility). 2015. *The Model City for Sustainability: Annual Report 2014*. Washington, D.C.: DCSEU.
- Energy Trust of Oregon. 2015. *2014 Annual Report to the Oregon Public Utility Commission & Energy Trust Board of Directors*. Portland: Energy Trust of Oregon.
- Johnson, K. 2013. *Apartment Hunters: Programs Searching for Energy Savings in Multifamily Buildings*. Washington, DC: American Council for an Energy-Efficient Economy. <http://aceee.org/research-report/e13n>.
- Johnson, K. E. Mackres. 2013. *Scaling Up Multifamily Energy Efficiency Programs: A Metropolitan Area Assessment*. Washington, DC: American Council for an Energy-Efficient Economy. <http://aceee.org/research-report/e135>.
- Kolstad, L. 2015. *High-Performance Buildings and Property Value*. Institute for Market Transformation. <http://www.imt.org/resources/detail/high-performance-buildings-andproperty-value>.
- McKibbin, A. 2013. *Engaging as Partners: Introducing Utilities to the Energy Efficiency Needs of Multifamily Buildings and Their Owners*. Washington, DC: American Council for an Energy-Efficient Economy. <http://aceee.org/research-report/e137>.
- National Grid. 2015a. *Boston Gas Company and Colonial Gas Company 2014 Energy Efficiency Plan-Year Report*. Commonwealth of Massachusetts Department of Public Utilities. <http://ma-eeac.org/wordpress/wp-content/uploads/National-Grid-Gas-2014-Plan-Year-Report.pdf>.
- . 2015b. *Massachusetts Electric Company and Nantucket Electric Company Energy Efficiency Plan-Year Report*. Commonwealth of Massachusetts Department of Public Utilities. <http://ma-eeac.org/wordpress/wp-content/uploads/National-Grid-Electric-2014-Plan-Year-Report.pdf>.
- . 2015c. *National Grid Electric and Gas Energy Efficiency Programs 2014 Year-End Report*. Rhode Island Public Utilities Commission. [http://www.ripuc.org/eventsactions/docket/4451-NGrid-Year-End-Rept\(5-1-15\).pdf](http://www.ripuc.org/eventsactions/docket/4451-NGrid-Year-End-Rept(5-1-15).pdf).
- National Multifamily Housing Council (NMHC). 2015. *Apartment Household Incomes in the Previous Year*. National Multifamily Housing Council. <http://nmhc.org/Content.aspx?id=4708>.

Puget Sound Energy. 2015. *Energy Efficiency: 2014 Annual Report of Energy Conservation Accomplishments*. Bellevue: Puget Sound Energy

Research Into Action, Inc. and Wirtshafter Associates, Inc. 2014. *Multifamily Performance Program Process Evaluation and Market Characterization Final Report*. Albany: NYSERDA.

York, D., M. Neubauer, S. Nowak, and M. Molina. 2015. *Expanding the Energy Efficiency Pie: Serving More Customers, Saving More Energy Through High Program Participation*. Washington, DC: American Council for an Energy-Efficient Economy.
<http://aceee.org/research-report/u1501>.