



NYSERDA Commercial Tenant Program; Part 4: Is It Right For Your Project?

By Jack Jenkins

This is the fourth in our five part series on the new NYSERDA Commercial Tenant Program.

You can check out previous issues by clicking [here](#).

Under this new program tenant build-out projects get an incentive that pays 50% of the cost of energy modeling. Great news for tenants, but not all projects will find energy modeling worthwhile. So, how can you tell if this will be a good idea for your project?

PART 4: IS ENERGY MODELING RIGHT FOR YOUR PROJECT?

For energy modeling to make sense, there needs to be a chance that energy saving ideas will be implemented in the space. Even at 50% off, energy modeling will be a waste of time and money if no one involved has any interest in doing things to cut the tenant's energy costs.

However, interest alone is not enough; the benefit from the savings also needs to outweigh the cost of the modeling. The NYSERDA Commercial Tenant Program helps by halving the cost. But to know if it is worthwhile you also need to think about the benefits.

Environmental Benefits

For some tenants the environmental benefit alone will be enough to make energy modeling worthwhile; especially as it provides quantified savings: a valuable item in reporting efforts to reduce environmental impact.

Energy Cost Savings

However, many tenants will only find energy modeling worthwhile if it allows them to quickly save more on their energy bills than it cost to do the modeling.

For the best chance of big savings it pays to start energy modeling early in the design process, so it can help inform key decisions. The incremental cost of implementing ideas is also typically lower if they are integrated into the design early on. The other key factors will usually be: the extent of cost savings that can be achieved, the cost of implementing these savings, and the size of the project.

On our recent projects we have found that the tenants could typically cut their energy costs by at least 30%; with much of this achievable at little or no cost.

On this basis, even without the new NYSERDA incentive, a 20,000 rentable square foot build-out should pay back the cost (of both energy modeling and of implementing savings measures) within about 2.5 to 3 years. With the NYSERDA cost-share this drops to about 2 years.

Bigger projects will see an even quicker return on investment.



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*In the **fifth and final part of this series**, we will outline the criteria projects need to meet to get the 50% cost-share. We will also have one more example of an energy saving idea from a recent RDA modeling project.*

If you haven't done so already, [don't forget to sign-up to receive future issues of Energy Saving Ideas](#). We use this to send our clients free ideas and insights from the RDA Energy and Sustainability Group.

Planning a tenant project? [Get in touch](#): we will help you find the best approach to energy savings for your project.