



Contract for a Commercial and Multifamily Building Electrification Program Administrator

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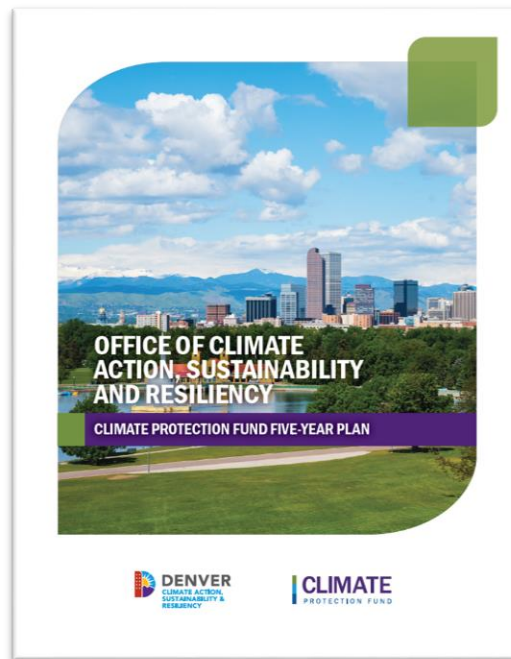
Action Requested:

RR22-0723: Approves a contract with Michaels Energy, Inc for \$41,380,993 and through June 30, 2025, for the design and administration of electrification incentive programs, including an equity first incentive program, for commercial and multifamily buildings, citywide (CASR-202263525).

Advancing the City's Climate Goals

Applicable CPF allowable uses:

- Upgrade the energy efficiency of homes, offices and industry to reduce their carbon footprint, utility bills, and indoor air pollution.
- Adaptation and resiliency programs that help vulnerable communities prepare for a changing climate.
- Neighborhood-based environmental and climate justice programs.



Under-Resourced Buildings

- Market rate buildings located in NEST neighborhoods with high Social Equity and Climate Vulnerability Index
- Buildings with affordable housing units or otherwise serving frontline communities
- Buildings with human service/restricted income providers as tenants/owners
- Buildings of significance to community members



Energize Denver Ordinance Sections

Benchmarking

- Buildings 25K+ sq. ft.

Performance

- 2030 Site EUI energy requirements for buildings 25K+ sq. ft
- Prescriptive Lighting or Solar Requirements for buildings 5,000 to under 25K sq. ft.

Electrification

- Commercial and Multifamily Buildings must partially electrify Space and Water Heat equipment upon System Replacement, when Cost Effective

Program Elements

Feasibility Reports

Template designs
Education materials & Trainings
Review Submissions
Design standards for exemptions

Goal: 1,200 per year
Budget: \$3.5 M

Pilots

Design pilot methods
Recruit projects
Industry outreach
Pilot project implementation

Goal: 70 total sites in two phases
Budget: \$7.5 M

Incentives

Lessons learned from pilots
Research incentive design
Education and outreach
Facilitation for URB
Administer incentives

Goal: 10% of Easy to Electrify buildings
Budget: 30.3 M

Contractor Team

RFP sought a team of consultants to deliver incentive design, processing, community outreach, and provide additional assistance for URBs.

- Michaels Energy is the prime consultant
 - Center for Energy and the Environment
 - ZoZo Group
 - Bilingual Communication Services



Contract Details

Contract value: \$41.3 M

- 82% directly toward the incentives
- 14% for program design, education and facilitation, and performance monitoring
- 4% for program administration
- Half of all funds dedicated to Under Resourced Buildings (URB)

Contract term: 3 years

Reporting will be in CASR's annual report (June 30 every year)

- Interim presentations/updates to BIZ

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Questions