

## RECOMMENDED STRATEGIES FOR NYC

# 9 NEXT STEPS FOR ADVANCING ELECTRIFICATION IN MULTIFAMILY BUILDINGS

Electrifying our heating and hot water systems will be a multi-decade process, which is why we need to begin paving the way now. To address the barriers to electrification in large residential buildings, in the next five years we should:

## 1 Demonstrate the technology in NYC.

Heat pump retrofit pilot projects will shed light on options and costs for design, equipment, and labor, and also demonstrate that heat pumps are safe and work as expected. The City and State should lead by example with heat pump retrofits in government-owned buildings and by fostering pilots in the private sector.

## 2 Increase incentives and promote transparency.

The biggest challenge for near-term electrification is cost. Significant increases in government and utility incentive programs are necessary to encourage heat pump options for multifamily retrofits. Mandatory reporting of project details will make future electrification planning easier.

## 3 Harness Local Law 97 to drive electrification.

New York City's groundbreaking emissions law sets carbon caps for buildings starting in 2024. The mechanics of the law's 2030 targets will be finalized over the next three years. With the right structure, the law could be a major driver of heat pump retrofits.



## 4 Support heat pumps with better electricity rates.

New York City has some of the highest electricity costs in the nation. Heat pumps could help lower these costs by making better use of existing utility infrastructure. Rates that account for the value of heat pump installations could help speed adoption and strengthen the business case for electrification.



## 5 Enable electrification in affordable housing.

Some regulations in the affordable housing sector make heat pumps a tough sell, particularly when many building owners already struggle with thin margins and deferred maintenance. Targeted support and regulatory improvements may be necessary to spur heat pump retrofits in this large and important sector.

## 6 Start electrifying one step at a time.

Building owners can spread retrofit costs out over time with incremental upgrades, but they need guidance on how to plan a multi-phase heat pump retrofit. Their options include electrifying just hot water, retrofitting one portion of the building at a time, or upgrading buildings systems to be 'heat pump ready.'

## 7 Identify electrical infrastructure needs.

Beyond space heating, electrification also includes installing induction stoves and electric vehicle charging infrastructure. Together, these changes will require electrical upgrades in buildings and utility distribution networks. Information on current infrastructure must be collected and assessed now in order to plan for this future work.

## 9 Launch a building electrification campaign.

Electrification is a massive shift for the New York City building sector and requires an equally sizable mobilization effort. The City should build on its experience with the Clean Heat Program and develop a large-scale, public-facing campaign to engage owners, educate residents on the benefits of heat pumps, and facilitate this long-term transition.

## 8 Ramp up workforce training.

Architects, engineers, building operators, and contractors will need education and training to make sure they install the most effective heat pump systems and maintain them cost-effectively. Manufacturer engagement is essential since installation and maintenance procedures vary between models.

