



U.S. Department of Energy
**Energy Efficiency
and Renewable Energy**

Bringing you a prosperous future where energy
is clean, abundant, reliable, and affordable

Building Technologies Program

~Bay Area Purchasing Pilot~

Encouraging Bulk Purchasing in Affordable Multifamily Housing

2005 National ENERGY STAR Lighting Partner Meeting

April 6, 2005

Las Vegas, NV



Project basics

- Goal: To assist a multifamily affordable housing provider in the bulk purchase of ENERGY STAR refrigerators.
- Project duration: Aug. 2003-July 2004
- Where: Tenderloin Neighborhood Development Corporation (TNDC), San Francisco, CA
- Worked with: Greg Walker, Facilities Manager of 15 affordable housing properties



Challenges and an Opportunity

- Lack of staff knowledge
- Piecemeal replacement
- Budget disconnect
- Decisions based on lowest first cost and “what we’ve always done.”

Identifying energy and cost savings through life-cycle costing and bulk purchases creates both a larger initial commitment and future opportunity.



Steps and Lessons Learned

Step 1: Found a champion and opportunity in planned renovations

- Identify supportive decision makers
- Timing is critical
- Willing to consider the jump when they already “have to do” something



Steps and Lessons Learned

Step 2: Collected current appliance information and identified needs

- Learning curve can be steep
- Energy not necessarily first priority
- Patience is needed



Steps and Lessons Learned

Step 3: Life-cycle cost comparison completed with ENERGY STAR tool

- Simplicity and \$ savings speak volumes
- Delivery & Disposal costs also important
- Bulk purchase is key due to the tendency towards first-cost thinking



Steps and Lessons Learned

Step 4: Made final recommendations

- Change procurement policies
- Use life-cycle costing
- Institute a bulk purchase agreement

Bottom Line: Once providers have the information and a successful experience, they will make the choice to use ENERGY STAR.



Potential Opportunities

- Weatherization agencies
- HUD and other affordable housing providers
- Market rate multifamily properties
- Other buying groups such as schools, state agencies, etc...



A final note

From HUD Super NOFA, March 21, 2005:

Applicants...are urged especially to purchase and use products that display the Energy Star label...

Applicants are encouraged to undertake program activities that include...utilizing Energy Star-designated products in the construction or rehabilitation of housing units, and replacing worn products or facilities such as light bulbs...with Energy Star products to reduce operating costs.



Contact Information

Melissa Podeszwa
Project Manager
U.S. Department of Energy
Western Regional Office
ENERGY STAR/Building America Programs
800 Fifth Avenue, Suite 3950
Seattle, WA 98104-3122
Ph: (206) 553-2878
FAX: (206) 553-2200
E-mail: melissa.podeszwa@ee.doe.gov