

EN-POWER GROUP

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LOCAL LAW 87

Energy Audits & Retro-Commissioning

1. WHAT THE LAW IS

LL87 Quick Facts

Cycle: Every 10 years

Deadline: December 31

Applies to: 50,000+ gross square feet

Required Filing: Energy Efficiency Report

Local Law 87 requires certain NYC buildings to periodically evaluate their energy performance and system efficiency through a combination of an energy audit and retro-commissioning study.

Unlike benchmarking laws that focus on tracking energy usage, LL87 is designed to analyze how a building operates and identify opportunities to improve efficiency, reduce energy consumption, and optimize system performance.

Why the Law Exists

NYC implemented LL87 to move beyond data collection and toward **actionable insights**. By requiring in-depth evaluations of building systems, the law helps uncover inefficiencies that may otherwise go unnoticed.

What Problem It Is Trying to Solve

Many buildings operate with outdated systems, inefficient controls, or improperly functioning equipment.

LL87 addresses this by:

- Identifying energy-saving opportunities
- Ensuring systems are functioning as intended
- Providing a roadmap for improving building performance

2. WHO MUST COMPLY

Building Size Thresholds	Occupancy Types
Buildings **greater than 50,000 gross square feet**	Multifamily residential
Two or more buildings on the same tax lot that together exceed **100,000 gross square feet**	Commercial / Office
Condominium buildings under common ownership totaling more than **100,000 gross square feet**	Mixed-use
	Institutional buildings

Notable Exceptions

- Buildings that have completed qualifying audits under certain programs (case-specific)
- Buildings demonstrating high ENERGY STAR performance (limited cases, subject to criteria)

3. WHAT'S REQUIRED & HOW THE PROCESS WORKS

Actions Buildings Must Take

- Complete an **ASHRAE Level 2 energy audit**
- Perform a **retro-commissioning study** of base building systems
- Submit an **Energy Efficiency Report (EER)** to the NYC Department of Buildings

How the Compliance & Submission Process Works

LL87 compliance involves a detailed evaluation of how a building uses energy and how its systems are performing.

To ensure accuracy and compliance, buildings typically work with a **Registered Design Professional (RDP)**, such as a Professional Engineer (PE) or Registered Architect (RA), along with qualified energy consultants.

The process generally includes:

- Reviewing building characteristics and operational data
- Evaluating major systems such as:
  - Heating, ventilation, and air conditioning (HVAC) systems
  - Domestic hot water systems
  - Lighting systems
  - Controls and building automation systems
- Conducting site inspections and functional testing
- Identifying energy conservation measures (ECMs)
- Performing retro-commissioning to optimize system performance

All findings and recommendations are compiled into an **Energy Efficiency Report (EER)**.
Once completed, the EER is submitted to the NYC Department of Buildings by the required deadline for the building's compliance year.

What Needs to Be Filed or Documented

- Energy Efficiency Report (EER), including:
  - Energy audit findings
  - Identified energy conservation measures
  - Retro-commissioning results
- Supporting documentation as required by DOB templates and reporting tools

4. KEY DEADLINES

Compliance Cycle

- LL87 is required once every 10 **years**
- The compliance year is determined by the **last digit of the building's tax block number**

Submission Deadline

- **December 31** of the assigned compliance year

Important Context

Because of the 10-year cycle, many buildings delay preparation. However, completing the audit and retro-commissioning process can take several months, particularly for larger or more complex properties.

5. PENALTIES & RISKS

Financial Penalties

- Failure to submit the EER may result in a violation and financial penalties
- **Penalties are $3,000 for the first year of non-submittal and $5,000 for each additional year; these are cumulative**
- Continued non-compliance may result in additional enforcement actions

Compliance Risk

- Incomplete or inaccurate reporting can delay compliance
- Missing the deadline may impact other Local Law obligations

Operational & Financial Impacts

- Delayed audits may limit time to implement improvements
- Missed opportunities for energy savings and operational efficiency
- Increased long-term costs due to deferred maintenance or inefficiencies

6. HOW THIS LAW CONNECTS TO OTHERS

Data & Planning Dependencies

- LL87 builds on benchmarking data from **Local Law 84**
- Findings from LL87 often inform compliance strategies for:
  - **Local Law 97 (emissions limits)**
  - Capital improvement planning

Planning Overlaps

Energy audits often identify system upgrades needed for:

- Emissions reduction
- Operational efficiency
- Long-term compliance

Why Coordinated Action Matters

Buildings that align LL87 findings with broader compliance planning are better positioned to:

- Reduce emissions
- Avoid penalties under stricter laws
- Optimize capital investments

7. WHAT EN-POWER GROUP RECOMMENDS CONSIDERING

LL87 is often treated as a compliance requirement, but in practice, it is one of the most valuable opportunities to understand how a building is actually performing.

Common Planning Considerations

- Use the audit to identify both immediate and long-term improvements
- Prioritize measures based on cost, impact, and feasibility
- Align recommendations with capital planning cycles

Best-Practice Approaches

- Begin the process early to allow time for proper analysis
- Integrate retro-commissioning findings into ongoing operations
- Use audit results to inform LL97 compliance strategies

Questions Decision-Makers Should Be Asking

- Are our systems operating as efficiently as they should be?
- Which improvements will have the greatest impact?
- How do these findings align with future compliance requirements?

Additional Considerations

- Buildings often benefit from treating LL87 as a planning tool rather than a one-time requirement
- Many owners use audit findings to guide long-term investment decisions
- At this stage, it is common to evaluate how identified improvements align with upcoming regulatory requirements

> **LL87 Is Often Treated as a Requirement – But It's One of the Few Opportunities to Fully Understand Building Performance**

Energy audits and retro-commissioning reveal how systems are actually operating, not just how they were designed.

Buildings that treat this as a filing often miss the opportunity to identify meaningful improvements and prepare for future requirements.

8. HOW EN-POWER GROUP SUPPORTS BUILDINGS LIKE YOURS

We help buildings:

- Complete energy audits and retro-commissioning
- Identify practical, cost-effective improvements
- Prioritize recommendations based on impact and feasibility
- Align findings with long-term compliance planning

START WITH A CONVERSATION

If you're preparing for an upcoming compliance year or want to better understand your building's performance, we can help you take the right next steps.

☞ **Schedule a Consultation** with Director of Business Development Mitchell Karasik

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