

Energy Rebate Analysis

If required by the Minnesota Housing Multifamily Underwriting Standards, an Energy Rebate Analysis (ERA) must be provided. The purpose of this requirement is to leverage utility funds in order to increase energy efficiency in Minnesota's affordable housing. In order to comply, each application must contain an Energy Rebate Analysis that outlines the type and amount of available utility incentives. The estimated incentive amount should also be listed as a source in the Workbook. Refer to Multifamily Underwriting Standards, Section 9.07 Energy Rebates and Master Application Checklist, Minnesota Housing Common Application Forms, Form C-15 for additional information.

- A. At the application phase, submit a preliminary/draft explanation of energy rebates being considered. The preliminary/draft explanation should include the following: utility name; utility type (e.g., electric or natural gas); utility program name (if applicable, e.g., Energy Design Assistance or Multi-Family Building Efficiency Program); and total estimated rebate amount. Also indicate whether the developer has already been in contact with the utility about potential rebates for this project.
- B. Prior to closing/loan commitment, submit a final ERA as follows:
 1. Prepared by a third-party entity with no identity of interest to the developer, borrower or owner of the development property. The third-party entity must be a licensed architect, licensed engineer, needs assessor, HERS Rater, or other entity deemed qualified by Minnesota Housing to provide this service.
 2. The ERA must be on the letterhead of the entity it was prepared by and must include contact information and the date it was prepared.
 3. The ERA must include a list of eligible utility company, local, regional, state, or federal rebate programs.
 4. The ERA must include recommendations of applicable rebates to be included with estimated rebate amounts or estimated tax credit amounts.
 5. Include calculations, energy models or other technical data to support recommendations.
 6. Include letters, program data information, or other documentation from utility providers to support noted programs.
 7. If renewable energy strategies are proposed, a cost-benefit analysis must be included.

Minnesota Housing recommends calling the local utility company directly to inquire about incentives for multifamily buildings, as utility websites and other databases often do not have the most recent information available. Developers are encouraged to contact their utility company prior to finalizing the project design; utilities may be able to make design suggestions that could result in higher rebate amounts.

A few utilities have dedicated multifamily programs:

- [Xcel Energy-CenterPoint Energy: Multi-Family Building Efficiency Program \(MFBE\)](#)
- [Minnesota Energy Resources \(MERC\): Multifamily Energy Savings Program](#)

For new construction or substantial renovations in Xcel or CenterPoint Energy utility territory, Minnesota Housing encourages the use of the [Energy Design Assistance](#) program.

If a utility does not have a dedicated multifamily program, projects will likely still qualify for a mixture of residential and commercial prescriptive energy rebates. Many utilities are also able to provide custom rebates that are unique to individual projects. Additional incentives specifically for qualified low-income customers and buildings may also be available.

Visit www.dsireusa.org for additional potential rebate information.