

Energy Cost Savings Program (ECSP)

The Benefit:

- Reduce regulated electricity costs up to 45 percent and regulated natural gas costs up to 35 percent. Benefits last for eight years, followed by a four-year phase-out.

Who is Eligible?

- Businesses relocating to, or within, New York City
- Businesses in New York City that are investing in their property
- Retailers, hotels, personal-service providers, and public-benefit corporations are not eligible

When to Apply:

1. For a relocating business, apply BEFORE the lease for the new location is signed
2. For a business making a capital improvement to their facility, apply generally BEFORE the capital improvement is made

(See next page for complete list of eligibility requirements and filing deadlines.)

Example One

A medium-sized apparel manufacturer is relocating from Manhattan south of 96th Street to a 10,000 square-foot space in the Astoria section of Queens. Its total annual electric bill is \$17,700.

- Through ECSP, the business saves \$3,600 annually on its baseline regulated delivery cost of \$8,000
- In today's dollars, savings from the program over 12 years could amount to \$26,000

Example Two

A distribution company invests over \$250,000 (more than 10 percent of the property's assessed value) to renovate its 25,000 square-foot building.

- Through ECSP, the business saves \$2,500 annually on its baseline regulated delivery cost of \$6,600. (The total electric bill for the company is \$12,000.)
- In today's dollars, savings from the program over 12 years could be worth \$17,000.

For more information call 3-1-1 and ask for the Energy Cost Savings Program.

Requirements

1. Eligible businesses must either be relocating, making capital improvements to their building or operating within a qualified building that has already undergone renovation or construction
2. Businesses applying under relocation must be relocating from outside of the City of New York, or from Fulton Ferry, Long Island City or Manhattan below 96th Street into designated areas of the City
3. Businesses applying in connection to a capital improvement for their property must improve their property by at least 10 percent of the property's assessed value
4. Businesses applying in connection to a capital improvement must also either be financing their improvement through the Industrial Development Agency (IDA), or be seeking benefits through the New York City Industrial and Commercial Incentive Program (ICIP)
5. Businesses applying in connection with the IDA must apply prior to execution of IDA inducement resolution
6. Businesses renovating New York City or State owned property must file an application prior to signing a lease with the City or State and before the issuance of a building permit for construction/renovation
7. Businesses that will be tenants in buildings that have already undergone improvements in connection with ECSP can also collect benefits. Tenants moving into such "special eligible premises" must apply for benefits within 120 days of signing a lease to the new site, or if an existing tenant, 120 days from the time the building is approved as a special eligible premise
8. Energy must be directly metered or sub-metered to the benefit recipient
9. Transmission and distribution of energy must be provided through a utility regulated by the State of New York and sub-metered energy cannot be marked up more than 12 percent

Frequently Asked Questions

- Q. *Are benefits applied to my entire Utility Bill?*
A. No, ECSP credits are only applied against the regulated transmission and delivery portion of your electric and/or natural gas bill.
- Q. *Do all energy uses qualify for credit?*
A. No. Uses such as space heating are ineligible.
- Q. *What is a Special Eligible Premise (SEP)?*
A. A special eligible premise is a building which has been improved by at least 10 percent of the property's assessed value in either new construction or renovation, and is either owned by the City of New York or Empire State Development Corporation (ESDC), approved for tax benefits through the New York City Industrial and Commercial Incentive Program (ICIP), or approved for financial assistance through the Industrial Development Agency (IDA).
- Q. *Can benefits be transferred?*
A. Benefits can only be transferred from one business to another in a special eligible premise. The replacement business must meet all program eligibility criteria and receive only the remaining years left on the original benefit schedule for the first business approved to receive benefits at the site.

- Q. *Do future tenants relocating to an SEP need to file a separate ECSP application?*
A. Yes. New tenants must file an application within 120 days of signing a lease to the building; existing tenants must file within 120 days of the building being approved as an SEP by the Department of Small Business Services.
- Q. *If I am moving from a targeted move-out area and renovating my building through ICIP, which is the preferred method of applying to the program?*
A. Applying as an ICIP or IDA applicant is preferable. By doing so, the building can be designated as a “Special Eligible Premises” (SEP) and confer ECSP benefits to future qualified tenants.
- Q. *If I apply for ECSP benefits through ICIP, must I also submit my ECSP application to SBS prior to the issuance of a building permit for qualifying work?*
A. No. However, you must apply for ICIP benefits before the issuance of building permits for qualifying work.

New York City Department of Small Business Services

Energy Cost Savings Program (ECSP) Application

ECSP provides eligible businesses up to a 45% rebate on regulated electricity costs and up to a 35% rebate on regulated natural gas costs.

Businesses may qualify if moving into NYC (excluding Manhattan south of 96th St.), or out of targeted areas of Long Island City (Qn), Fulton Ferry (Bk), or Manhattan South of 96 St. Businesses or building owners who make improvements to their properties and occupy buildings approved by ICIP, the IDA*, or are City/State owned may also qualify. Hotels, hospitals, public benefit corporations, retailers, and personal service providers are ineligible. Other restrictions may apply. For those interested in benefits for cogeneration, contact the SBS Business Incentives Unit.

Please indicate the method of eligibility:

- Industrial Commercial Incentive Program (ICIP) Applicant
- Industrial Development Agency (IDA) Applicant
- Manage or Operate a City/ Empire State-Owned building
- Tenant in a Special Eligible Premises
- Relocating from targeted area

For internal use only: SEP Yes No

General Information

Applicant's name: _____ Office Phone No. : _____ Email: _____
Contact person for this application: _____ Phone No. : _____ Email: _____
List any other name the business operates under: _____
Real estate holding company for the premises, if applicable: _____
Federal Tax ID Number: _____ SIC/NAIC (Industry Code): _____
Facility address: _____ Mailing Address if different: _____
Block number(s): _____ Lot number(s): _____ Square Footage: _____
Employees – Full-time: _____ Part-time: _____
Expected number of employees to be hired within the next year: _____

ICIP Applicants / Special Eligible Premises

Provide date preliminary application was submitted to ICIP?
Date: _____ ICIP App. Number: _____
Assessed value of the block(s) and lot(s) for which you are applying? (Use the value at the time your permits were issued.)
Assessed value: _____
Estimated cost of construction/renovation: _____
Start date: _____ End date: _____

Tenant in a Special Eligible Premises

Provide name and address of the entity from which the applicant is or will be leasing space? (Include the borough and zip code.)
Landlord: _____
Address: _____
Has a lease been signed? If yes, provide date: _____
Date building was approved as a SEP: _____

IDA Applicants / Special Eligible Premises

Has the company executed an inducement resolution with the IDA?
 Yes No (application must be submitted prior to issuance of IDA Resolution)
Assessed value of the block(s) and lot(s) for which you are applying (Use the value at the time your permits were issued.)
Assessed value: _____
Estimated cost of construction/renovation: _____
Start date: _____ End date: _____

Relocating from Targeted Area

Has a lease/contract of sale been signed? (*Application must be submitted prior to execution of lease or contract of sale to new site.*)
If yes, you may be ineligible for this program.
If no, provide anticipated date of signing: _____
Move-out address: _____
Length of occupancy at move out site: _____
Square feet occupied at move-out site: _____
Estimated Date of Move: _____

City/State Owned Premises / Special Eligible Premises

Has the applicant been issued a building permit and/or commenced work on this project? Yes No
Assessed value of the block(s) and lot(s) for which you are applying? (Use the value at the time your permits were issued.)
Assessed value: _____ Estimated cost of construction/renovation: _____ Start date: _____ End date: _____

Applicants applying as a Relocating Business must apply to SBS prior to signing a lease or contract of sale to new site. Applicants applying through IDA must apply to SBS prior to issuance of IDA inducement resolution. Applicants managing City or ESDC facilities must apply prior to entering into a management lease with the City or ESDC and prior to issuance of building permit. Businesses who will be tenants in a pre approved Special Eligible Premise must apply within 120 days of signing a lease to the premises/ existing tenants must apply within 120 days of the building being approved as a Special Eligible Premises (SEP). Benefits are annually capped at \$10,000 per employee.

Revised 7/22/2004

New York City Department of Small Business Services

Energy Cost Savings Program (ECSP) Application

* ICIP – Industrial and Commercial Incentive Program IDA – Industrial Development Agency

Please describe, as thoroughly as possible, the business' products and/or services. (**Reminder:** Retail activity is NOT eligible for this program.)

Products and/or Services _____ _____ _____
--

Please provide a list of the business' major clients and customers.

Customers/Clients _____ _____ _____

Please provide the following information for the facility seeking benefits:

<u>Use of Energy</u> (please indicate where applicable):	<u>Electric</u>	<u>Gas</u>	<u>Oil</u>
Lighting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Machinery & Equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Conditioning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cogeneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: Heating costs are not eligible for a rebate under the Energy Cost Savings Program. If the company's electricity and/or gas accounts are used to meter both space heating and production, the business must provide an energy survey to factor out the ineligible space-heating portion.

If an energy survey is performed, please sign here so SBS may obtain a copy of report: _____

<u>Electrical Account Information</u> Customer Account Number(s): _____ Utility Company: _____ Provide the meter address(es) if different from mailing address: (If needed, list additional accounts and addresses on separate sheet of paper.) _____ Is your electricity: <input type="checkbox"/> Directly metered <input type="checkbox"/> Sub metered If sub metered, will there be an additional "markup" charged by the landlord? <input type="checkbox"/> Yes <input type="checkbox"/> No * Percentage of "markup", if applicable? _____ Projected monthly electricity bill: \$ _____ Type(s) of machinery using electricity: _____
--

<u>Natural Gas Account Information</u> Customer Account Number (s): _____ Utility Company: _____ Provide the meter address(es) if different from mailing address: (If needed, list additional accounts and meter addresses on separate sheet of paper.) _____ Is your natural gas: <input type="checkbox"/> Directly metered <input type="checkbox"/> Sub metered If sub metered, will there be an additional "markup" charged by the landlord? <input type="checkbox"/> Yes <input type="checkbox"/> No Percentage of "markup", if applicable? _____ Projected monthly natural gas bill: \$ _____ Type(s) of machinery using natural gas: _____
--

Please include copies of utility bills for the most recent twelve (12) month period for each account number (if applicable). If 12 months are unavailable, please provide copies of most recent utility bill(s).

* Note energy markup by landlord can be no greater than 12% for sub metered tenants.

New York City Department of Small Business Services

Energy Cost Savings Program (ECSP) Application

Will there be tenants at the facility? Yes No

If Yes, please list all existing and/or anticipated future tenants/subtenants (attach separate sheet of paper if needed):

Company Name	Contact Person	Telephone #
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Ownership Information

All stockholders, partners, officers and directors who have an ownership interest must sign below:

Signature: _____ Witnessed by: _____ Date: _____

Print Name/Title: _____

Signature: _____ Witnessed by: _____ Date: _____

Print Name/Title: _____

Signature: _____ Witnessed by: _____ Date: _____

Print Name/Title: _____

Please provide the following information for all owners that signed above (Note: Ownership % should total to 100 %.):

Name	% Ownership	Date of Birth	Home Address	Social Security #	Other Business Affiliations

(Attach separate sheet of paper if needed)

New York City Department of Small Business Services

Energy Cost Savings Program (ECSP) Application

***** Before an applicant can be approved for the Energy Cost Savings Program, this application must be complete. Below is a checklist of supporting documentation to assist you in preparation of your application*****

All applicants:

- Non-refundable application fee payable to **the New York City Department of Small Business Services**
Schedule: Less than 10,000sf = \$500; 10,001sf to 25,000sf = \$1,000; 25,001sf to 50,000sf = \$1,250;
50,001sf to 100,000sf = \$1,500; 100,001sf to 250,000sf = \$2,500; Greater than 250,000sf = \$5,000

Note: In the case of an eligible owner (e.g. landlord) applying for ECSP benefits for a building that will be occupied by tenants other than the landlord — gross square footage is limited to the area that is not or will not be occupied by tenants (e.g. common areas).

- One week's payroll (most recent)
- Copies of twelve (12) months' utility bills (if applicable)
- Copy of the lease or contract of sale of the location for which you are seeking benefits

ICIP applicants:

- Evidence of renovation/new construction expenditures in excess of 10% of the premises' assessed value must be submitted to the Department of Finance; applicant must ensure that DOF forwards proof of such to SBS

IDA applicants:

- Evidence of renovation/new construction expenditures in excess of 10% of the premises' assessed value must be submitted to the Department of Small Business Services in the form of cancelled checks and/or invoices
- IDA Resolution
- IDA Lease
- Real Estate Tax bill for the year the application is submitted

City-owned or State-owned premises:

- Evidence of renovation/new construction expenditures in excess of 10% of the premises' assessed value must be submitted to the Department of Small Business Services in the form of cancelled checks and/or invoices

Tenants in a Special Eligible Premises:

- Copy of ECSP Certificate of Eligibility of building
- Evidence that landlord has made investments required to meet the assessed value threshold

Relocation applicants:

- Copy of the lease or deed of the move-out location
- Copy of the unsigned draft lease or contract of sale of the move-in location – submitted BEFORE moving to new location
- Copy of executed lease for move-in location – may only be signed and submitted after ECSP has reviewed and approved this completed application

How were you referred to ECSP:			
<input type="checkbox"/> EDC	<input type="checkbox"/> ICIP	<input type="checkbox"/> Other City Agency	<input type="checkbox"/> SBS Call Center
<input type="checkbox"/> Web Site			
<input type="checkbox"/> LDC			
<input type="checkbox"/> Another business owner who had received benefits			
<input type="checkbox"/> Other: _____			
For Referral Purposes Only:			
<input type="checkbox"/> Please indicate if the business is at least 50% owned and operated by a minority and/ or woman ?			

New York City Department of Small Business Services

Energy Cost Savings Program (ECSP) Application

ALL STOCKHOLDERS, PARTNERS, OFFICERS, AND DIRECTORS WHO HAVE AN OWNERSHIP INTEREST IN THE FIRM MUST COMPLETE THE FOLLOWING CERTIFICATE. IF ADDITIONAL COPIES ARE NEEDED, PLEASE PHOTOCOPY THIS CERTIFICATE.

I, the undersigned, request on behalf of _____ ("Applicant") that this application be accepted for processing, and I acknowledge, on behalf of the Applicant, that any material misstatement or misleading statement therein is cause for denial, suspension or revocation of any assistance. On behalf of myself and the Applicant, I hereby authorize the New York City Department of Small Business Services (SBS) and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself and the Applicant. I, and the Applicant, agree to give DOI permission to secure all necessary personal data from sources, government and private. I, and the Applicant, agree to hold SBS and the City of New York harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedure not be completed satisfactorily.

I hereby consent and agree that the Applicant and its employees and agents will comply with all provisions of law and the regulations relating to the Energy Cost Savings Program (ECSP). In addition, I agree that the Applicant shall permit SBS, the City and its agents to inspect the Applicant's premises during regular business hours.

I, and the Applicant, understand that SBS may be requested to disclose the information contained in the application and the attachments thereto (if any), under applicable disclosure laws, or at the request of investigative, law enforcement or other governmental bodies. On behalf of myself and the Applicant, I authorize SBS to disclose any such information, under such laws or where so requested, and I release SBS from any liability to the Applicant or myself for such disclosure.

On behalf of the Applicant, I authorize any private or governmental entity, including but not limited to the New York State Department of Labor and the United States Department of Labor, to release to SBS or its successor or assigns, any and all employment information in its control relating to the Applicant and any and all of its existing or future affiliates and subsidiaries. SBS may disclose such information in connection with the administration of its financial assistance programs.

I hereby acknowledge that information contained in my firm's application to the ECSP may not be sufficient to satisfy all of the Program's requirements. I understand that the New York City Department of Small Business Services, as the administering agency of the ECSP, has the right to request additional information to satisfy the requirements of the Program. Such additional information may include, but is not limited to, the verification and duplication of any utility bill(s) or customer account number(s) from the company's vendor of Energy Services (utility company) for the full term of the ECSP benefits.

I have been fully informed of the actions I or the Applicant may take which under applicable law would result in the obligation to repay the benefit received under the ECSP Program. These actions include, but are not limited to, material misstatements on this application and/or permitting operations or entities not listed in this application to obtain energy that is sold under the conditions of an ECSP Certificate of Eligibility.

BY: _____
Signature of Chief Executive Officer *Date*

TYPE OR PRINT NAME AND TITLE: _____
Name Title

Mail application to:

**NEW YORK CITY DEPARTMENT OF SMALL BUSINESS SERVICES
BUSINESS INCENTIVES UNIT
110 WILLIAM STREET, 7th FLOOR
NEW YORK, NY 10038
Telephone (212) 513 - 6345**