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**INFORMATION ON TISHMAN SPEYER'S SUBMETERING PROPOSAL
FOR STUYVESANT TOWN AND PETER COOPER VILLAGE TENANTS**

JANUARY 26, 2009

A number of residents have contacted my office seeking information about Tishman Speyer's proposal to sub-meter Stuyvesant Town and Peter Cooper Village.

By law, Tishman Speyer is required to communicate directly with tenants about their plan. In the interim, however, I have compiled a number of facts to answer some of the most frequent questions. Needless to say, I strongly object to any effort to pass on the costs of installation of any such program to tenants through a Major Capital Improvement (MCI). Along with Senator Tom Duane, Assemblyman Brian Kavanagh and the Stuyvesant Town/Peter Cooper Village Tenants Association, we have articulated this point clearly to Tishman Speyer. We will exercise all of our legislative and legal options to prevent that from happening.

The Tenants Association will be hosting an informational meeting on this subject on Sunday, February 8, 2009, at Junior High School 104 at 1pm. I look forward to seeing you there.

- Tishman Speyer has a plan to reduce the energy output throughout Stuyvesant Town and Peter Cooper Village (PCV/ST) by 20% over the next three years.
- These changes would be made through a state-wide energy reduction program created by New York State's Energy Research and Development Authority (NYSERDA).
- PCV/ST currently distributes electricity through a "master meter" program, which means that Tishman Speyer pays the electric bill for the entire property. There is no incentive under such a program for any tenant to conserve energy.
- "Submetering" is a procedure whereby a landlord implements a system to measure the amount of electricity each apartment is using, and charges tenants based on their use.
- On October 28, 2008, Tishman Speyer submitted an application to the state's Public Service Commission (PSC), the agency that regulates utilities, asking for permission to submeter PCV/ST as part of their effort to reduce their energy consumption.

- The Rent Stabilization Code allows Tishman Speyer to submeter apartments. However, the right to charge an MCI for such improvements is in question.
- Market rate tenants may be charged for electricity use, if it is provided for in their lease.
- Where submetering is in place, the Department of Housing and Community Renewal (DHCR) requires that rent stabilized tenants receive a monthly rebate in the amount of \$38.06 to \$60.20, depending on the apartment size.
- Tishman Speyer has agreed to provide this rebate to market rate tenants as well.
- Where submetering is in place, the DHCR also requires that any current monthly electricity charges for air conditioners be removed from rent bills.
- Tishman Speyer estimates that rent stabilized tenants who are average users of electricity will pay less or will be unaffected by submetering. Market rate tenants who are average users will pay marginally more.
- Tenants will not be charged for heat, water, or gas.
- Tenants will not need to grant access to their apartment in order for a submetering system to be set up. The submeters will be in the utility closets in the hallways of your building.
- An independent third party billing agency (not yet selected) will read the submeters and bill tenants for electricity usage.
- The Tenants Association as well as your local elected officials object to any attempt to charge an MCI for this work. Discussions on this point are ongoing.
- The other elements of the energy reduction proposal include a central energy management system (heat sensors); more efficient fixtures in common areas; high efficiency showerheads; Energy Star appliances; leak sealing; and ventilation upgrades.
- The implementation of the program could come as soon as mid-2009. First it must be approved by the PSC, and subsequently by the DHCR.
- The application is currently pending before the PSC.
- If you wish to send comments on this proposal, you may write a letter to Jaclyn A. Brillling, Secretary, New York State Public Service Commission, Three Empire State Plaza, Albany, NY 12223 or call the toll free phone number at 800-342-3377. You may also serve comments electronically to secretary@dps.state.ny.us. The deadline for comments is Monday, March 2, 2009, and the case number is 08-E-1275.
- We will continue to update our neighbors as information becomes available.