

New York City, New York

Local Law 87: Energy Audits and Retro-Commissioning

New York City's Local Law 87 (LL87) mandates that owners of buildings with a gross floor area of at least 50,000 sq. ft. conduct energy audits and retro-commissioning of base building systems every ten years. The reporting year is determined by the property's taxblock number. Buildings with evidence of high performance may qualify for exemption.

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Covered Buildings

The law applies to any single building with a gross floor area over 50,000 sq. ft. In addition, properties are required to comply if they consist of multiple buildings on the same tax lot with a combined total floor area over 100,000 sq. ft. This includes condominium buildings governed by the same board that together exceed 100,000 sq. ft.

Compliance Pathways

1. Prescriptive Pathway

Every ten years, the owner of a covered building must arrange an audit of the base building systems. In addition, the owner must perform specific retro-commissioning actions to ensure efficient operation of the building's energy and water systems. Such actions may include cleaning, repair, calibration and sequencing.

2. Performance Pathway

Under certain conditions, properties meeting one of the following criteria may be excepted from audits and/or retro-commissioning requirements:

- Achieved ENERGY STAR® Certification.
- If ENERGY STAR Certification is not applicable to the building type, energy performance is 25+ points better than that of the average building of its type.
- Achieved LEED Operations and Maintenance Certification.

Exemptions & Provisions

Exemptions

Residential buildings with three or fewer dwelling units may be exempt from LL87. City-owned buildings are also exempt under certain conditions.

A covered building that does not have a central chilled water system or central cooling covering more than 10% of its gross floor area is exempt from audits, if it has implemented certain energy and water efficiency protocols.

Extensions and Deferrals

Owners may apply for up to two one-year extensions if, despite good faith efforts, they are unable to complete audits and retro-commissioning prior to the deadline. In addition, buildings facing financial hardship may qualify for extensions.

Deferrals are available for properties that were constructed or substantially rehabilitated within the ten years prior to the reporting year, provided that all base building systems meet the standards of the New York City Energy Conservation Code (NYCECC).

Penalties & Enforcement

Failure to submit a LL87 report may result in a penalty of \$3,000 for the first year and \$5,000 for each additional year.

Yardi Energy Solutions®

Yardi offers a comprehensive suite of energy solutions that simplify compliance, enhance operational efficiency, and reduce energy costs. Our offerings include:

- [Utility Invoice Processing](#) – Simplify the process of collecting and managing utility consumption data.
- [ENERGY STAR® Services](#) – Streamline benchmarking, verify whole-property data and achieve ENERGY STAR Certification for your properties.
- [Building Performance Standards](#) – Track, monitor and streamline BPS compliance.
- [Energy Procurement](#) – Optimize energy costs and reduce carbon emissions.
- [Energy Efficiency](#) – Improve building energy performance with real-time data and timely alerts, detect HVAC system issues and reduce energy waste.

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