



Kelvin's Guide to Navigating **Local Law 97** for Building Owners

Increase Savings and
Avoid Fines

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Intro to Local Law 97 (LL97)

What is Local Law 97?

Local Law 97 (LL97) is a legislation that emerged as a part of New York City's ambitious Climate Mobilization Act, aiming to combat climate change at the urban level. Recognizing buildings as the city's primary source of greenhouse gas emissions, the law was established to drastically reduce these emissions over the forthcoming decades. ([nyc.gov](https://www.nyc.gov))

Motivated by a broader vision of a sustainable future and in alignment with global environmental goals, LL97's enactment underscores NYC's commitment to pioneering urban sustainability and setting an exemplary benchmark for cities worldwide. ([nyc.gov](https://www.nyc.gov))

- **Origin** – Part of NYC's Climate Mobilization Act.
- **Purpose** – Address NYC's primary greenhouse gas emission source – buildings.
- **Goals** – Drastic reduction in building-based emissions over the coming decades.
- **Vision** – Forge a sustainable future in harmony with global environmental objectives.
- **Impact** – Positions NYC as a leader in urban sustainability initiatives.



2 Local Law 97 Fine Breakdown



The extensive Climate Mobilization Act includes substantial fines to ensure adherence to new regulations. **Failure to submit** a required report incurs a monthly **penalty of \$0.50 per square foot**. Exceeding the building's emission limit results in a **\$268 fine for each metric ton** above the threshold. (*Polise Consulting Engineers*)



A study commissioned by the Real Estate Board of New York projected that approximately **3,700 properties** might fail to comply with Local Law 97. This could result in substantial fines, potentially reaching up to **\$200 million** in total for the coming year and escalating to around **\$900 million annually by 2030**.

Under NYC Local Law 97 (LL97), all buildings over 25,000 square feet must meet carbon emissions caps starting in 2024.¹ This law helps New York City reach its goal of carbon neutrality by 2050. Kelvin's technology helps all buildings comply.

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Local Law 97 Fine Breakdown

Which buildings are impacted by LL97?

Local Law 97 (LL97) demonstrates New York City's proactive approach to mitigating climate change by focusing on its building sector.

Specifically, LL97's reach extends to 'covered buildings' — a significant proportion of the city's architectural assets. ([nyc.gov](https://www.nyc.gov))

RELEVANCE IN SIZE

Buildings spanning more than 25,000 gross square feet. Multiple buildings on the same tax lot collectively exceed 50,000 square feet.

Multiple condo buildings under one board of managers totaling more than 50,000 square feet. ([nyc.gov](https://www.nyc.gov))

CITY'S COVERAGE

About 40,000 buildings in New York City fall under the 'covered buildings' category, translating to almost 60% of the city's total building area. ([Urban Green Council](https://www.urbandgreen.org))

VARIED REQUIREMENTS

Depending on their specific usage, covered buildings have different emissions caps. This is calculated based on their carbon intensity — the amount of greenhouse gas per square foot. ([Urban Green Council](https://www.urbandgreen.org))

MIXED OCCUPANCY

Many buildings might house various occupancy types, like residential and retail spaces. Owners must then comply with carbon limits for each distinct space.

PROFESSIONAL GUIDANCE

Building owners are urged to consult with a registered design professional to determine their building's LL97 applicability.

ALTERNATIVE PATHWAYS

All buildings above 25,000 sqft must adhere to LL97, there are some exceptions, such as buildings predominantly used for electrical power or steam generation, certain government-owned structures, and some housing developments. However, affordable housing that is subject to Article 321 and has to comply with LL97. ([nyc.gov](https://www.nyc.gov))

REPORTING OBLIGATIONS

All covered buildings are mandated to annually report their emissions, emphasizing whether they're in line with the set emissions limit. ([nyc.gov](https://www.nyc.gov))

EXCEPTIONS TO THE RULE

While LL97's net is broad, some properties are exempt, like industrial structures focused on power production, certain smaller buildings, and those with specific ownership and utility configurations. ([nyc.gov](https://www.nyc.gov))

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Local Law 97 Fine Breakdown

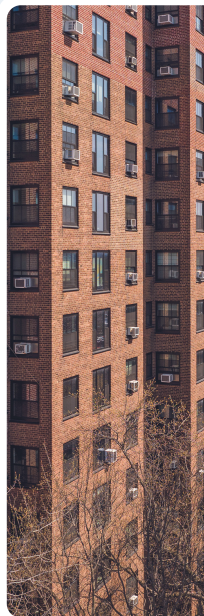
What are the emissions reduction targets for 2030 and 2050?

Local Law 97 sets clear targets for New York City's commitment to a sustainable, low-carbon future. Two major milestones have been delineated: a **40% reduction in building-based emissions by 2030**, swiftly followed by a more intensive **80% reduction by 2050**. (*Urban Green Council*)

These objectives demonstrate not only the urgency but also the long-term vision the city harbors, making a strong statement on the pivotal role buildings play in shaping a greener urban environment. (*U-Source Energy*)



- **Immediate Focus:** 40% reduction in building-based emissions by 2030.
- **Long-term Vision:** 80% reduction target set for 2050.
- **Building-Centric:** Emphasizes the significant role of buildings in overall carbon emissions.
- **Leading by Example:** Sets a precedent for other cities worldwide.
- **Concrete Action:** Targets are backed by penalties and strict compliance measures.



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How to Ensure Compliance with Local Law 97

Local Law 97 establishes two pivotal initial compliance periods that act as stepping stones toward the city's emissions goals. The first phase runs from 2024 to 2029, providing a foundational transition for building owners.

This initial phase then proceeds into the 2030–2034 period, setting the pace for the more aggressive targets outlined for the end of the decade. It's important to note that caps will become increasingly stringent, and annual fines will persist beyond 2034. ([nyc.gov](https://www.nyc.gov))



First Phase

(2024–2029)

Set the stage and introduce building owners to the new standards.



Second Phase

(2024–2029)

Set the stage and introduce building owners to the new standards.



Progressive Approach

(2024–2029)

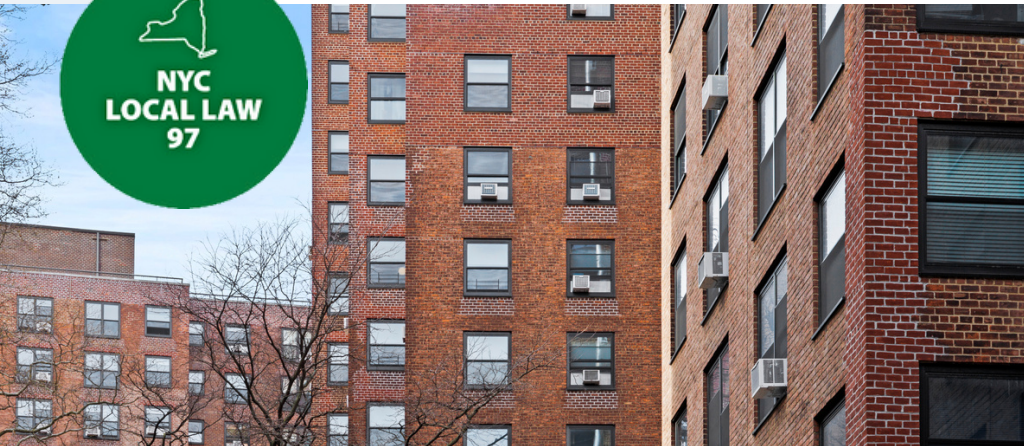
Set the stage and introduce building owners to the new standards.



Yearly Reporting

(2029 – beyond)

Set the stage and introduce building owners to the new standards.



3

How to Ensure Compliance with Local Law 97

What Responsibilities Do Building Owners Have for Annual Emissions Reporting from 2025 Onwards?



Starting in 2025, building owners will be subject to annual reports of their carbon emissions. This heightened responsibility marks a shift towards more stringent regulatory oversight.

The annual reporting requirement is designed to provide a regular and accurate assessment of each building's contribution to the city's overall carbon footprint. This process is pivotal in tracking and evaluating the effectiveness of the city's strategies to meet its carbon reduction targets. *(RAND Engineering & Architecture)*

The law takes a firm stance against non-compliance or the submission of false information in these reports. Building owners who fail to adhere to these reporting obligations or provide misleading data face the risk of substantial fines.

Under the current regulations, it is mandatory for a designated third party to submit reports to the city authorities regarding compliance. Building owners are prohibited from self-reporting to ensure the accuracy and impartiality of the data provided. *(First Service Residential)*

3 How to Ensure Compliance with Local Law 97

Compliance Pathways for Carbon Emission Caps Under Local Law 97

Standard Compliance Pathway

Commonly linked with Local Law 97, establishes specific carbon emissions caps for individual properties. Surpassing LL97 emission caps will result in a fine of \$268 per ton of CO2 equivalent. From 2025 to 2029, it is expected that only about 25% of properties on this pathway will incur fines. However, this figure is projected to increase to 75% from 2030 onwards. For market-rate buildings seeking to lower their emission caps, implementing solutions such as The Cozy is a viable strategy. ([Brightpower](#))

Prescriptive Pathway

Implement 13 Specific Measures by December 31, 2024: This includes upgrades like pipe insulation, boiler tuning, and adding thermostatic radiator enclosures with temperature control. Once completed, no further action is required for compliance. Achieving lower emissions early fulfills compliance requirements with no additional steps needed. ([Building Energy Exchange](#))

A prescriptive compliance pathway is available for buildings deemed affordable or subject to Article 321, whereby they can implement 13 measures on the following page.

Under NYC Local Law 97 (LL97), most buildings over 25,000 square feet must meet carbon emissions caps starting in 2024.

This law helps New York City reach its goal of carbon neutrality by 2050. Kelvin's technology helps all buildings.

4

Checklist: Local Law 97 Prescriptive Energy Conservation Measures (ECMs) for Buildings Subject to Article 321

1. Adjust Temperature Set Points for Heat and Hot Water

Ensure temperatures reflect space occupancy and requirements

K "The Cozy" is a smart radiator cover integrated with control systems to automatically adjust temperatures partially satisfying this requirement.

2. Repair Heating System Leaks

Identify and fix all heating system leaks

3. Maintain Heating System

Ensure component parts are clean and in good working condition

4. Install Individual Temperature Controls or Insulated Radiator Enclosures

K The Cozy, as an "insulated radiator enclosure with temperature controls", directly satisfies this requirement

5. Pipe Insulation

Insulate all heating and hot water pipes

6. Steam System Tanks Insulation

Proper insulation of steam condensate or water tanks

7. Installing Indoor and Outdoor Heating System Sensors and Controls

Achieve optimal heating with the right set points through accurate sensors.

K Each Cozy unit adds indoor temperature sensors to rooms, ensuring precise heating adjustments based on real-time data partially satisfying this requirement.

8. Replace or Repair all Steam Traps

Ensure all steam traps are in working order.

K Sensors within the Cozy can alert building managers of inefficiencies or failures, ensuring prompt attention to steam traps partially satisfying this requirement.

9. Proper Steam System Master Venting

Install or upgrade venting at the ends of mains, horizontal pipes, and risers.

10. Upgraded Lighting Systems

Ensure lighting systems meet the standards of the New York City energy conservation code by 2024.

11. Weatherizing and Air Sealing

Prioritize whole-building insulation, focusing on windows, ductwork, and other potential leak points.

12. Timers on Exhaust Fans

Optimize energy use by installing timers on all exhaust fans.

13. Radiant Barriers Behind Radiators

Install barriers to prevent energy loss and enhance heating efficiency.

K Cozy includes a radiant barrier that directly satisfies this requirement.

5

How do Kelvin's Products Achieve Local Law 97 Compliance?

HOW CAN KELVIN HELP?

Kelvin provides **smart radiator covers, heat pumps, and thermal batteries** to decarbonize legacy buildings. Kelvin's technology and expertise provide an affordable way for buildings to meet New York City's carbon emissions targets. The Kelvin team provides the following assistance to help all building owners and managers:

- ▶ Kelvin can determine your building's **local law compliance requirements**, LL97 emissions caps, and estimated penalty amounts (if applicable).
- ▶ Kelvin identifies opportunities to reduce carbon emissions and energy costs. **Kelvin's technology helps meet 5 of the prescriptive energy conservation measures (ECMs).**
- ▶ Kelvin's products are available for utility incentives and tax rebates. Kelvin also offers no-money-down financing so your building can reduce emissions and energy costs without upfront investment.



THE COZY



The Cozy is an **insulating enclosure** that is installed **over existing radiators** and traps **warm air inside**.



When the system senses that a room needs heat, a **small fan turns on** to **circulate warm air** through the room.



When the **desired temperature is reached**, the fan turns off to **trap heat and prevent overheating**.



The result: comfortable rooms, cost savings, and reduced building emissions

5 How do Kelvin's Products Achieve Local Law 97 Compliance?

How Do Kelvin's Products Align with LL97 Prescriptive Measures for Compliance?

Kelvin's innovative technology is **designed to address the prescriptive measures outlined in LL97**. Beyond compliance, Kelvin provides smart energy solutions that benefit both the building owners and the environment.

- Insulated Radiator Enclosures**
With Kelvin's Cozy, buildings can satisfy requirement #4 of installing either Individual Temperature Controls or Insulated Radiator Enclosures as the Cozy is by definition an "insulated radiator enclosure with temperature controls". The Cozy is integrated with control systems to automatically adjust temperatures partially satisfying measure #1.
- Radiant Barriers**
As per measure #13, Kelvin's Cozy includes a radiant barrier that directly satisfies this requirement.
- Sensors and Real-Time Alert System**
The Cozy comes equipped with sensors that aid in adjusting temperature set points based on room occupancy (contributing to measure #7) and provides real-time alerts to aid in identifying any potential system failures (contributing to measure #8).



5 How do Kelvin's Products Achieve Local Law 97 Compliance?

Utility Incentives and Financing

Beyond smart technology, Kelvin facilitates the transition by offering financial solutions such as **no-money-down financing**, tapping into **utility incentives**, and **tax rebates**. Kelvin's commitment extends to ensuring that buildings can **achieve compliance to avoid fines**.

New York Technical Resource Manual



Recognized as one of two steam heat building energy efficiency measures in the NY TRM, it's the **leading heating and cooling** solution for residential sectors in the 2019 TRM.

NYSERDA Independent Evaluation



NYSERDA confirmed The Cozy delivers an average of **25.5% billing savings**, outperforming the next **best** alternative for **steam-heated buildings by 3-4 times**.

Rebates available



nationalgrid



conEdison, inc.

Take the Next Step with Kelvin

Get a Free Energy Analysis

Local Law 97 Compliance for Emission Reductions

As New York City takes decisive steps towards emission reductions, LL97 isn't just a regulatory mandate; it embodies the city's commitment to combat climate change and ensure a sustainable future. Building emissions reduction plays a pivotal role in this transformation. With strict guidelines and considerable penalties for non-compliance, the importance of timely adherence to LL97 is evident.

Your Pathway to Compliance with Kelvin

Kelvin stands at the forefront of compliance and emission reduction. With innovative smart technology Kelvin ensures compliance and optimizes your building's energy performance. With Kelvin's technology, you're not just meeting a regulatory standard; you're setting a new benchmark in energy efficiency.



**Are you ready to save
money and energy?**

Get a Free Energy Savings Analysis



Kelvin

Decarbonizing the World's Legacy Buildings

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