

GREENHOUSE GAS EMISSIONS REDUCTION FUND
Quarterly Progress Report Form

Organization Name:	<u>New Hampshire Housing Finance Authority</u>
Program Title:	<u>Greener Homes Program</u>
Program Contact:	<u>Ted Wilkinson</u>
Reporting Period	<u>10/1/2012 - 12/31 /2012</u>

1) Summary of work completed during this reporting period.

a) Provide a summary of activities relevant to this grant using Exhibit A of your contract as an outline. Include summaries of work completed by all project partners.

*To date we have audited **1,277 units in 41 projects**, as reported in April. We will accept no additional projects for participation in Greener Homes unless additional funding becomes available. To date, the NHHFA Board has formally approved funding for energy retrofits of **981 units in 27 projects**, all that we can do with the available funds but still exceeding the program target of 785. In the fourth quarter of 2012 we completed another 196 units in five projects: Cedar House, Lakeport Village, St. Regis House, Women In Transition, and Xavier House. Construction is underway on 193 more units in the five remaining projects, with full program completion expected in the 2nd quarter of 2013, with 981 units receiving comprehensive energy retrofits.*

Based on the Scope of Services as enumerated in Exhibit A of our GGERF contract, we are pleased to report the following:

1. As overseen by the Program Implementer (see item #3 below), trained and qualified third-party energy engineers (Program Partners) have completed audits and ERPs for 1,277 units in 41 projects around the state, and the Greener Homes Program (GHP) has stopped accepting new projects into the program, unless and until additional funding becomes available. Each of these projects has been modeled in TREAT, and each ERP defines project-specific measures that comprise the scope of work to be bid competitively. Not every project will proceed with installation of recommended measures – our consistent and rigorous audit protocol allows us to assess objectively the potential energy savings in the context of the estimated cost of the proposed measures. .

2. In consultation with the Greener Homes Advisory Committee, the Market Transformation element of Greener Homes is well underway – TRC, the Program Implementer and technical consultant is collaborating with Kate Kirkwood, an educational consultant already doing tenant outreach and training for the NH Healthy Homes program. Kate is working with owners of completed GHP projects to provide project-specific training intended to maximize the energy savings and emission reduction in all projects that have benefitted from a GHP energy retrofit. Her trainings have been very well-received by tenants and by front-line property managers

3. New Hampshire Housing hired TRC Energy Services in early April 2011 in the role of Program Implementer for the GHP. We continue to be impressed with their technical competence in quantifying energy consumption and their expertise in managing a complex program. One of their first tasks was to qualify and train a stable of energy auditors to gather the data for each audit and to formulate a project-specific Energy Reduction Plan (ERP) that recommends specific measures to be installed and quantifies the cost and projected energy savings for each measure. That process continues, with all audits and ERPs now finished.

Post-retrofit verification protocols were established by TRC to assure consistent testing and reporting, and allowing accurate reviews of actual energy savings compared to the estimates in each project's ERP. TRC continues to perform at the highest professional level, meeting or exceeding our needs and expectations even as the diminished program budget has forced a downward adjustment in overall production goals.

4. The threshold requirement for participation in the GHP is that the targeted housing be publicly-financed and rent-restricted, i.e. affordable to low-income households. And every GHP project must agree to a minimum of 20 years of post-retrofit affordability, enforced through a recorded Greener Homes Land Use Restriction Agreement (LURA). To date only one owner, The Housing Partnership in Portsmouth, has opted not to proceed with a Greener Homes retrofit because of

this requirement – they now intend to sell several of their properties, and do not want to encumber them with additional affordability restrictions. But it's worth noting that every other GHP participant has readily agreed to extended affordability in exchange for audits and retrofits that are fully covered by their GHP deferred-payment loans. Because the operating cost savings resulting from each energy retrofit will remain in the project, i.e. not required for debt service going forward, many projects that were barely breaking even now enjoy the prospect of enhanced cash flow because of reduced operating costs. The projects completed to date will save more than \$575,000 in annual energy expenses (based on current energy costs), allowing the owners to keep rents lower than would otherwise be possible.

List quantitative actions in table format below (see directions for more details)

Activity	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4
energy audits	225 units	27 units			
under construction (cumulative)	660 units	715 units	575 units*	390 units	193 units
completed	176 units	108 units	220 units	88 units	196 units

*Note: This is the number of units actually under construction – as units are completed, they are removed from the cumulative “under construction” designation and added to the “completed” tally.

2) List projected annual energy savings by fuel type for all completed energy efficiency projects during this reporting period (see Reporting Instructions for more details.)

Fuel	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4
Oil (Gallons)		1,807.47	15,236.51	18,661.69	7,838
Electric (kWh)	57,598	381,268.98	142,427.01	311,230.20	99,353.16
Natural Gas (Therms)	2,970	-6,240.00	6,731.20		33,700.63
Propane (Gallons)	16,004		16,493.29	-606.68*	

*Note: The increase in propane usage at the 12-unit Pond View project is the result of the switch from electricity to propane for domestic hot water heating.

3) Please list total hours worked on the project as required by your contract.

2011 Q1	2012 Q1	2012 Q2	2012 Q3	2012 Q4
TRC	1,236	1,143	1,086	985
NHHFA*	144	128	136	102
Mill Knoll			680	
McKee Inn	120	1,288		
Opera Block	66	610		
Wamesit	1680	2,980		
Pine Manor	1,896			

<i>Lisbon Inn</i>		<i>1,987</i>	<i>447</i>	
<i>Sugar River Mills</i>		<i>3,128</i>	<i>420</i>	
<i>Melcher Court</i>		<i>1,800</i>	<i>557</i>	
<i>Hope Avenue</i>		<i>826</i>	<i>315</i>	
<i>Franklin Falls</i>		<i>1,087</i>	<i>48</i>	
<i>Cedar House</i>			<i>680</i>	<i>612</i>
<i>Lakeport Village</i>			<i>1,190</i>	<i>838</i>
<i>Rolling Green</i>			<i>1,112</i>	<i>714</i>
<i>St Regis House</i>			<i>744</i>	<i>820</i>
<i>W.I.T.</i>			<i>460</i>	<i>66</i>
<i>Xavier House</i>			<i>1200</i>	<i>498</i>
<i>Rush Square</i>			<i>898</i>	<i>776</i>
<i>Highland House</i>			<i>620</i>	<i>412</i>
<i>Mountainview</i>			<i>226</i>	<i>680</i>
<i>Pond View</i>			<i>180</i>	<i>52</i>
<i>Spencer Square</i>			<i>560</i>	<i>920</i>

* NHHFA staff time is an in-kind donation to the GHP, and will not be invoiced for RGGI repayment.

- 4) Explain any obstacles encountered or any milestones not reached. *Note any problems or delays. If you have a deviation from the plan, contact the PUC before proceeding and document approved action.*

The Berlin Housing Authority project, already approved by NHHFA's Board, is still on hold pending issuance of a HUD waiver allowing a mortgage on public housing property. We expected this to be solved by now, but HUD moves slowly with issues like this. Delays from material suppliers reduced the expected number of completed units in the 2nd quarter from 280 (as estimated in the last report) to 220. Other than the ongoing uncertainty re: overall program funding, the obstacles are minor and manageable, and we're methodically meeting our milestones.

- 5) Summarize work to be completed next quarter:

100 units completed

93 units under construction

- 6) If applicable, in a section labeled *Beyond the Contract* (or some other well defined title), please report other activities, partnerships, funding or other synergies that have occurred as a result of this funding.

Under the auspices of the NH Healthy Homes and Lead Poisoning Prevention initiative, we're coordinating our GHP audit procedures with the One-Touch program, a centralized reporting and referral system managed by the NH Department of Health and Human Services that identifies health concerns stemming from housing deficiencies (e.g. asthma caused by mold). The GHP database will soon include more than one thousand units, and will be made available to HHS to help inform their public health efforts.

The response from GHP project owners to the tenant property management education initiative has been enthusiastic. Olivia Bealeu with AHEAD (Pine Manor, Lisbon Inn, etc.) and Rosemary Heard with CATCH (Eastern Apartments) have been especially helpful in coordinating tenant meetings in pursuit of real market transformation.

The GHP continues to garner national recognition in the general context of carbon cap-and-trade policy and the specific context of cost-effective energy retrofit programs.

- 7) If applicable, please include brochures, workshop announcements, or other materials developed to promote your grant activities. Attachments (and other documentation) are appreciated.

Please see the Greener Homes PowerPoint that we recently presented to our Board, explaining the basics of the program and focusing on five GHP projects around the state, four retrofits and one new-construction project, Conway

Pines, that has installed a cutting-edge geothermal/solar-thermal/photovoltaic system that produces zero on-site emissions of greenhouse gas.

- 8) Complete the Invoicing form which includes your Budget vs. Actual Expenditures. *(Save this worksheet for future reporting as we will want to see your quarterly expenditures as the project continues.)* **You are required to submit budget vs. actual with each invoice.**

Also being submitted with this report: Budget vs. Actuals and invoice with backup for the first quarter of 2012.