

GREENHOUSE GAS EMISSIONS REDUCTION FUND
Quarterly Progress Report Form

Organization Name: New Hampshire Housing Finance Authority
Program Title: Greener Homes Program
Program Contact: Ted Wilkinson
Reporting Period 4/1/2012 - 6/30 /2012

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. But we still expect to complete between 900 and 1,000 units in up to 36 projects around the state with the existing funds. To date, the NHHFA Board has formally approved funding for **880 units in 25 projects**, already exceeding the program target in Exhibit A, and one final project, Spencer Square in Lebanon, will go to the Board for final approval in September. In the second quarter we completed another 220 units in five projects: Melcher Court in Groveton, Lisbon Inn in Lisbon, Sugar River Mills in Claremont, Hope Avenue in Concord, and Franklin Falls in Franklin. Construction is underway on 438 more units in 16 projects, with completion expected in the third quarter.*

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. This will become increasingly important as we apportion remaining Greener Homes Program funds to the individual projects in our development pipeline. As we reach the end of our funding capacity later this year, hard choices will necessarily be made, and projects that do not indicate sufficient reduction in energy use and greenhouse gas emissions will be placed on the GHP Inactive list pending future program funding.

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, e.g. AHEAD in Littleton (Pine Manor, Lisbon Inn, Opera Block, McKee Inn) and Portsmouth Housing Authority (Wamesit Place) 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.

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 \$500,000 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 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
energy audits	439 units	586 units	225 units	27 units	
under construction (cumulative)	262 units	430 units	660 units	715 units	575 units*
completed			176 units	108 units	220 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		
Electric (kWh)	57,598	381,268.98	142,427.01		
Natural Gas (Therms)	2,970	-6,240.00*	6,731.20		
Propane (Gallons)	16,004		16,493.29		

*Note: The increase in natural gas usage at the 100-unit Wamesit Place project in Portsmouth is offset by the projected reduction in annual Wamesit electricity usage of 379,072 kWh, the result of replacing electric baseboard heat with high-efficiency gas boilers.

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

	2011 Q1	2011 Q3	2011 Q4	2012 Q1	2012 Q2
TRC		533.5	690.25	1,236	1,143

NHHFA*	160	168	144	128
Eastern Apts.	286	232		
McKee Inn	660	1,288	120	
Opera Block	420	610	66	
Wamesit	1,468	2,980	1,680	
Pine Manor			1,896	
Lisbon Inn				1,987
Sugar River Mills				3,128
Melcher Court				1,800
Hope Avenue				826
Franklin Falls				1,087

* 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:

300 units completed

176 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 NH CDFA did award a Better Buildings grant to the Xavier House project, but now it seems that there will be no more funding collaborations between GHP and Better Buildings. But we remain hopeful that the PUC can give us an additional award of GGERF money, which would be put to immediate use in audited projects for which we presently have no funds. The GHP is averaging \$6,500 per completed unit, so the arithmetic is simple: to complete another 100 units beyond the 880 that we now expect to complete with currently-available funds, we'd need an additional \$650,000.

- 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.