

**STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
HOUSING DIVISION**

**POLICY ADVISORY COUNCIL**

**December 9, 2010  
Minutes**

A meeting of the Policy Advisory Council required by the Department of Energy per 10 CFR Part 440 for the Weatherization Assistance Program was held on Thursday December 9, 2010 at the Nevada Housing Division's Office at 1535 Old Hot Springs Road, Suite 50, Carson City Nevada with video conferencing with the Nevada Housing Division 7220 Bermuda Rd, Las Vegas, Nevada.

**Council Members in Attendance:**

Leo Wong, (for Pam Hiltz by proxy, NV Energy)  
Ernie Nielsen, Senior Law Project  
Gary Childers, Manufactured Housing Division  
Ferrel Hansen, Rural Nevada Development Corporation

**Council Members Absent:**

Paul Anderson, Public Utilities Commission

**Others in Attendance:**

Margaret Donnelly, Nevada Rural Housing Authority  
Doug Kuntz, City of Henderson  
Ann Barron, Las Vegas Urban League  
Ron Evans, Las Vegas Urban League  
Michael Pennington, Community Services Agency  
Cloyd Phillips, Community Services Agency  
Elise Oshiro, Community Services Agency  
Hilary Lopez, Nevada Housing Division  
Debra Crawford, Nevada Housing Division  
Sue Martin, Nevada Housing Division  
Jim Smallridge, Nevada Housing Division  
Adam Bonaparte, Nevada Housing Division  
Ariel Martinez, Nevada Housing Division  
Christine Munro, NHD Legal Counsel (via telephone)

### **Call to Order, Roll Call, Remarks:**

Hilary Lopez began by calling the meeting to order, Sue Martin did roll call of the council members and acknowledged all others in attendance. With a quorum of PAC members not available the agenda was arranged to review non-action items until such time a quorum could be formed.

### **Introduction of Ariel Martinez, Weatherization Program Manager**

Hilary introduced Ariel Martinez the new Weatherization Program Manager. Ariel greeted all in attendance and expressed his elation to be a part of the PAC. Ariel comes to the NHD with a wealth of experience in grants and project management and a background in construction and weatherization. Ariel holds certificates in Energy Management & Renewable Energy, Building Performance Institute, and Nevada Facilitators Operators.

### **Introduction of new Policy Advisory Council Members**

With Terrie DeAntonio and Barry Gold's terms expired, NHD took recommendations from the general public for the two open positions available. Ferrell Hansen was recommended to serve as a representative for the Subgrantees and rural communities. Gary Childers was recommended to serve with his expertise being in manufactured housing which is a large population of the homes in the weatherization program.

### **Election of Officers**

Current vacancies for Chair and Vice-Chair needed to be filled for the PAC and all current PAC Members were eligible for nomination. Ferrel suggested the Chair be a long standing PAC member with Hilary explaining that would be Ernie Nelson. Ferrel Hansen made a motion to elect Ernie Nelson as Chair, Gary Childers seconded, the motion passed unanimously. Ernie agreed to serve as the Chair, but reminded the committee his term ends October 24, 2011. Paul Anderson (via e-mail) agreed to serve as Vice-Chair if there were no other nominees. Ferrel Hansen made a motion to elect Paul Anderson as Vice-Chair, Gary Childers seconded, the motion passed unanimously.

### **Discussion and Possible Action on Minutes from the April 1, 2010 PAC Meeting**

The members were given the final minutes for the April 1, 2010 meeting to review. The minutes could only be reviewed by NHD staff as Ernie Nielsen is the only active PAC member and was not yet present. Christine Munro stated that if NHD staff prepared the minutes and confirmed the minutes were an accurate reflection of the meeting based on the tape and notes that would be fine. Debra Crawford and Sue Martin confirmed the minutes were true and accurate; NHD Counsel stated the minutes are accepted as submitted.

### **Overview of FY2010 and 2011 Base and ARRA programs**

Sue Martin went over the Base and ARRA handout. She started with a review of the Base FY2010 with the subgrantees receiving \$2,371,000 with expenditures of \$2,359,673. All subgrantees met or exceeded their production goal and spent out within 10% of funding. Base FY2011 is on track with expenditures and production well on its way to be met or exceeded by all subgrantees. HELP of Southern Nevada for example had a goal of 46 and at this time they have 329 units weatherized, they are leveraging funds with a larger percentage of units being

multi-family units. Hilary said at this time we don't have any information for the DOE Base funding amount for next year but we did get word that one of the things DOE will be looking at in determining the formulas for next year's Base funding grant is the rate at which grantees have been expending the ARRA funds. So if a state has been slow to expend the ARRA funds it may result in that state receiving less DOE Base in the following year. The ARRA program's success will hopefully be a positive reflection and will result in a higher Base funding for the upcoming year. ARRA FY2010; Subgrantees received \$11,572,667 and expended \$11,331,981 which is close to 98% spent out. The production goal was 1950 units with the subgrantees completing 3,753 with a large percentage of the households being multi-family. ARRA FY2011 is a 21 month period going from July 2010 through March 2012 with subgrantees receiving \$21,616,017 with expenditures of \$8,193,160 (as of November 2010) which is a little over a third spent out which is right on track. Production goal is 3,637 with 1,789 units weatherized so far and a large percentage being multi-family. The reason for the extended time period was that NHD had to obligate all ARRA funds by September 30, 2010. Therefore existing subgrantees grants were increased proportionate to their service areas.

Cloyd wanted to know the percent of multi-family and single family. Sue said she believed multi-family made up approximately 60-80% of total completions. Hilary stated NHD originally planned for the average cost per unit by looking at past years completions. Multi-family units are being done at a historically high rate so the average cost per unit for FY2010 was quite a bit less than what was anticipated. The subgrantees exceeded their goals but the fact they were multi-family significantly lowered the average cost per unit.

Cloyd's concern was how the DOE funding formula will affect Nevada in the future. Hilary said the funding should not be influenced by the number of multi-family as much as the fact your funds have been expended and that your rate of expenditure is on track. She went on to say that many other states continue to have issues even committing the monies to projects. Sue stated nationwide DOE anticipates multi-family units will make up the majority of work.

### **Overview on Sustainable Energy Grant (SERC)**

Adam Bonaparte presented a hand out to all in attendance which outlined the Sustainable Energy Resources for Consumers (SERC) Program Grant. This is a program from DOE to expand the weatherization program to include renewable energy resources and measures not currently allowed under the Weatherization Program. Nationwide \$90,000,000 was available with Nevada receiving approximately \$7,000,000 which is being distributed to four current Weatherization subgrantees. NHD distributed funds based on population with grant award amounts as follows: HELP of Southern Nevada received \$4,629,753; CSA \$ 1,058,232, NRHA \$462,976, and RNDC \$462,976. The program is scheduled to have a startup date of January 1, 2011.

NHD with assistance from DOE chose nine technologies/measures that will be allowed with SERC funding, they are home energy monitors, photovoltaic systems, solar water heaters, heat pumps, residential wind turbines, geo-thermal heat pumps, solar air collectors, energy recovery ventilators, and ultra cooling systems. Target populations for these funds are at or below 80% of area median income. With the increase to 80% of area median, NHD will be working with NV Energy's weatherization program which has similar income guidelines. It will be a pilot project and NHD will be able to tap into current and past clients served by NV Energy's weatherization program to qualify clients to receive SERC funds. Hilary added the

pilot program with NV Energy is important as one of the requirements of the SERC program is to provide the funds to homes that have received weatherization currently or in the past or the home can be deemed energy efficient. Ernie asked if this money was one shot money and Hilary responded yes and that it was only awarded to states that were exceeding their goals. Hilary stated that Nevada was one of only a handful of states to receive the maximum grant of approximately \$7,000,000.

Ernie asked if these measures would be blended into the current weatherization program going forward. Hilary said the current WAP requires a positive Savings to Investment Ratio (SIR) and since these renewable technologies meet that criteria they will not be incorporated into the WAP when the SERC funding ends.

Ernie asked NHD to update the PAC periodically on the progress of the SERC. Hilary responded by saying all of the most recent statistics for all of NHD programs can be found on the website <http://nvhousing.state.nv.us/> under programs, then weatherization program. Ernie congratulated the group at being able to secure the SERC funding.

### **Status of NV Energy/Weatherization Pilot Project**

Ernie was glad to see that discussions are resuming on a pilot project between NV Energy and NHD. Hilary stated NHD initially thought SERC funds could be used in conjunction with NV Energy funds for a pilot program but since they cannot be used to address health and safety issues it really was not a good pairing of funding sources as NV Energy's funding cannot be used for health and safety issues. Originally, NHD Housing Trust Funds (HTF) were slated for use in the project, however due to the state's budget crisis the trust funds have been depleted. HTF revenues have dropped substantially and in some cases the funds have been reallocated to the general fund. Without the HTF there would be a gap in the population NHD could serve and the population NV Energy serves. The utility would have to go back to the PUC to ask if they could serve a lower income population than they were tasked with so there would still be an overlap population. Without a change in utility's income guidelines there would be no way to implement the pilot project without the overlapping population. Ernie said the DSM Collaborative has a Low Income subgroup had an upcoming meeting where this could be discussed. Leo Wong of NV Energy stated the Low Income Program is currently in RFP stage with communication and negotiation going on with the possible award winner. The scope of work for the chosen award winner can still be altered to include these additional requirements. In March of 2010, Leo drafted a proposal on how NV Energy and NHD could work together at the 150% of federal poverty level up to 80% of area median income. This pilot program would be the only opportunity to work together at this increased income level. Ernie said at the last PUC meeting he believed NV Energy requested and received approval to target clients below 150% of poverty and said he would contact Larry Holmes to confirm.

## **NV Energy Code Violation Presentation**

Leo Wong questioned the group on what code violations they wanted to know about. Ernie explained that if NV Energy is weatherizing a home and a code violation is standing in the way of the home being fully serviced what steps are taken to correct the violations. NV Energy may have situations arise that have code violations such as gas leaks. Leo said in Northern Nevada they can call their own staff to address the issue which is usually before the crew leaves the home. In Southern Nevada a report is given to Southwest Gas and they also have a quick response time. Another example is if during weatherization a plumbing violation is found such as a loose shower arm the occupant is told about the necessary repairs that need to be made prior to the energy saving measure being installed. Ernie asked if Leo had a record of how many repairs were done on homes where the client was told they had a violation. Leo stated that handwritten records are kept but with 1300 homes north and south being weatherized it would be time consuming to get a count of how many made repairs. Ernie was wondering if the homes would qualify for other programs to address those issues so that the weatherization measures could be installed. In his office, legal services, letters are sent out to landlords with a timeline repairs need to be made on the home otherwise the tenant will have rights against the owner and a copy goes to the code enforcement department. Ernie is not suggesting that weatherization go through this process but would like to work on how the clients who have code violations can get them fixed and continue to receive weatherization. Cloyd added that the weatherization program utilizes its walk away policy when issues beyond the scope of weatherization are found. Various solutions were discussed but no conclusions were arrived at. Hilary explained that CDBG or HOME funds can be used once a code violation has been reported to clear the code violation. Ernie stated that code violations are a huge issue and further discussion is needed in a future meeting.

Leo reviewed the scope of his low income weatherization program health and safety is addressed by installing a CO Detector and sniffers are used to detect leaks in the gas lines. Primarily the NV Energy program is focused on energy conservation.

### **Recognition of PAC members whose terms have expired**

Terrie D'Antonio and Barry Gold were unavailable to attend the meeting but were recognized for their service and will be presented with two plaques recognizing them for their many contributions to the Policy Advisory Council.

### **Public comment**

Cloyd Phillips (CSA) expressed his concern that the weatherization program has too many technical aspects to it and has moved away from client education. He went on to say the group should pay particular attention to the upcoming legislative session and encouraged other subgrantees to engage new legislative members and help educate them on what the program provides to low income clients.

## **Agenda items for next meeting**

1. Client Education
2. Legislation
3. Updates on SERC, Base, ARRA, and state plan.

## **Next Meeting**

Between March 1<sup>st</sup> . March 15<sup>th</sup> an exact date and time to be determined.

## **Adjournment**

Ferrel made a motion to adjourn and was seconded by Ernie. The motion passed unanimously and the meeting was adjourned.

DRAFT