



Public Housing Energy Conservation Clearinghouse News

June 2006

This monthly e-mail update is brought to you by HUD's Public Housing Energy Conservation Clearinghouse (PHECC). It features news and resources to help public housing authorities manage energy and water costs. To see past issues of this newsletter, and to access more information and tools for public housing authorities, visit the Public Housing Energy Conservation Clearinghouse Website at <http://www.hud.gov/offices/pih/programs/ph/phecc/>.

To contact the Public Housing Energy Conservation Clearinghouse email pheccinfo@drintl.com or call 1-800-955-2232.

News:

- Negawatt Programs Are Positive for PHAs
- Massachusetts Lights the Way to Utility Savings

Events:

- 2006 Joint Low-Income Energy Conferences. *June 11-15. Washington, DC*
- Association for Energy Affordability 2006 Multifamily Building Conference. *June 26-28. New York, NY.*

Success Stories:

- Competitive Bids Deliver Savings for Jacksonville Housing Authority

Websites Worth a Click

- ENERGY STAR@Home

Negawatt Programs Are Positive for PHAs



Blower door tests are often used in energy audits to determine the airtightness of a residence.

Source: Department of Energy

Electric utilities looking to slow growth in power use through improved residential energy efficiency are offering free energy audits, which may reveal ways for PHAs to save significantly on utility costs.

A growing number of states have enacted “negawatt” programs, which require electric utilities to slow planned growth in power use by 10 percent over 10 years. These programs limit power plant emissions and help states meet Federal clean air standards. Texas, California, Colorado, Connecticut, Hawaii, Nevada, Pennsylvania and Vermont have already instituted programs; 15 other states are expected to do so by 2008.

Utilities in states without negawatt programs also often choose to fund residential energy efficiency programs, which are relatively simple to create and provide continuous energy savings over many years, because it is cheaper to invest in residential energy efficiency than develop new generation. Contact your utility to see if it offers free energy audits.

An energy audit is still a good idea if your local utility isn’t on the bandwagon yet. Resources for finding a qualified energy auditor or rater include:

- [ENERGY STAR®](#)
- [Residential Energy Services Network](#)
- Your state or local government [energy office](#)
- Your state [weatherization office](#)
- HUD’s Office of [Community Planning and Development](#)
- [New York State Energy Research and Development Authority](#)

Before contracting with an energy auditing company, get several references and contact them all. Also call your local Better Business Bureau to ask about any complaints against the company.

The [PHECC Website](#) provides some additional tips on what your auditor should provide.

Massachusetts Lights the Way to Utility Savings

PHAs in areas with deregulated electric and natural gas markets often pay more than larger purchasers, who are able to negotiate better rates. In some areas, such as Massachusetts, smaller power purchasers have pooled their demand into large groups to entice utility providers to compete for the group’s business in a process called Energy Purchase Aggregation.

[PowerOptions®](#) was established in 1996 by the Massachusetts Health and Education Finance Authority to pursue this energy “bulk purchasing” strategy for nonprofits and public entities in Massachusetts. In its first 5 years, PowerOptions has saved its members over \$115 million on electricity and natural gas bills. Click here to learn more about the [program model](#) or to [join](#).

Energy purchase aggregation is an excellent option for PHAs in deregulated states. “HUD’s energy savings incentives provide PHAs with the only additional subsidy other than the [Capital Fund](#) and [Operating Subsidies](#),” says Michael Nail, former Deputy Executive Director of the [National Association of Housing and Redevelopment Officials](#). “Now through this aggregation approach, smaller PHAs can finally tap those energy cost savings and better position themselves for the future.”

Steps to Energy Purchase Aggregation:

1. **Assessment** – Explore what other groups or prospective group members are doing in your area.
2. **Supplier Research** – Research electric and natural gas suppliers who serve aggregated groups.
3. **Selection and Negotiation** – Decide on a supplier that best meets your group’s needs and negotiate the terms of the offer.
4. **Implementation** – Each member who chooses to purchase energy through the aggregation program will need to enter into an individual agreement with the energy supplier.

EVENTS

2006 Joint Low-Income Energy Conferences

June 11-15, 2006

Washington, DC

[The National Fuel Funds Network](#), the [National Energy Assistance Directors’ Association](#), and the [National Low-Income Energy Consortium](#) partner each year to host the Joint Low-Income Energy Conferences. Attendees learn about programs and policies to help low-income consumers meet their energy needs. For more information, visit the [Website](#).

The Association for Energy Affordability 2006 Multifamily Building Conference

June 26-28, 2006

New York, NY

This conference targets stakeholders interested in developing and maintaining energy efficiency, health, safety, comfort, and sustainability in multifamily buildings. Visit the [Website](#) and view the [registration brochure](#).

SUCCESS STORIES

Competitive Bids Deliver Savings for the Jacksonville Housing Authority



The Jacksonville Housing Authority manages 355 units in two developments and is in the process of constructing a third multifamily building.

The [Jacksonville Housing Authority](#) (JHA) uses a procurement system to efficiently secure discounted rates for appliances including refrigerators and electric and gas ranges.

JHA's [procurement policy](#) is designed to comply with applicable Federal standards, HUD regulations, and state and local laws while enabling the authority to open the product purchase process to competition.

The policy, first developed in 1995, has been in practice for over 10 years and Ray de Lugo, JHA's Purchasing Manager, has seen real benefits from its continued use. "Supply contracts for products facilitate my ordering process and ultimately increase productivity in the procurement and inventory departments of the agency," says de Lugo.

De Lugo insists, "Setting up the initial contract was not difficult at all." Instead, communication with vendors and accounting personnel proved to be the most difficult hurdle in establishing and maintaining the procurement policy. De Lugo recommends that PHAs interested in enacting similar policies develop clear methods of communication and clarify payment issues, such as who will sign receipts and how payments will be applied.

WEBSITES WORTH A CLICK

ENERGY STAR@Home

[ENERGY STAR@Home](#) is an interactive tool that provides home improvement ideas and energy-saving tips from a whole home perspective. Created by the Environmental Protection Agency's ENERGY STAR program, ENERGY STAR@Home presents energy efficiency solutions in a visually unique way.

Summer Resident Tips

Lower Your Energy Bills This Summer, a one-page on keeping energy costs down, is available, in both English and Spanish, on the PHECC [Website](#). Distribute to your residents before the cooling season begins!

Comments? Questions? Email the newsletter editor at pheccinfo@drintl.com.