

**STATE OF NEVADA HOUSING DIVISION  
ARRA - 2009 DRAFT STATE PLAN**

**U.S. DEPARTMENT OF ENERGY  
LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM  
(July 1, 2009 – June 30, 2010)**

440.14(a)            NOTICE OF PUBLIC HEARING (See ATTACHMENT A)

440.14(b)            FUNDING FOR SERVICE PROVIDERS (SUBGRANTEES)

Grant Period: **2009** (July 1, 2009 thru June 30, 2010)

HELP of Southern Nevada Housing (HELP)	\$7,192,299
Nevada Rural Housing Authority (NRHA)	695,693
Rural Nevada Development Corporation (RNDC)	695,693
Neighborhood Services (NS)	1,139,355
Community Services Agency (CSA)	1,849,627

Grant Period: **2010 & 2011** (July 1, 2010 thru March 31, 2012)

Clark County	\$13,109,117
Western rural Nevada	1,325,987
Eastern rural Nevada	1,325,987
City of Henderson	2,139,389
Washoe County	3,474,853

440.14 (c)(1)            PRODUCTION AND EXPENDITURE SCHEDULE (See 440.14 (c)(5))

440.14(c)(2)            CLIMATIC CONDITIONS

Nevada's climate varies dramatically from north to south. Perhaps the clearest indicator of the climatic conditions being addressed by the Weatherization Program are the number of heating and cooling degree days associated with each area scheduled to receive weatherization assistance. Typically the northeastern portion of the state has the highest number of heating degree days while Clark County has the highest number of cooling degree days. Listed below are the heating and cooling degree days associated with the various service areas of the state.

* <u>Average Heating Degree Days (Base 65 F)</u>	
Clark County & Henderson	2,601
Western Service Area & Washoe County	6,022
Eastern Service Area	7,236
* <u>Average Cooling Degree Days (Base 78 F)</u>	
Clark County & Henderson	3,201
Western Service Area & Washoe County	508
Eastern Service Area	320

\*Source: Mechanical Engineering Department  
University of Nevada - Reno

440.14(c)(3)

TYPE OF WEATHERIZATION WORK TO BE DONE

The program's Subgrantees will be responsible for the installation of the following measures providing they are cost effective, address client health and safety hazards and/or provide for minor home repairs. The measures may include but are not limited to the following:

1. Insulation: ceiling, floor and duct.
2. Duct leakage sealing (return, plenum and supply systems).
3. Shell infiltration sealing; i.e., replace broken glass, window and exterior door replacement, door weather-stripping, caulking, evaporative cooler covers, etc.
4. Insulation of water heater and water heater pipes.
5. Low-flow showerheads.
6. Mobile home roof insulation & solar screens (Southern Nevada only).
7. Minor home repairs.
8. Heating and cooling system repairs and/or replacements.
9. Compact fluorescent light bulbs.
10. Refrigerator replacement.

All weatherization Subgrantees funded by the Nevada State Housing Division (NHD) will be responsible for the installation of weatherization materials in accordance with 10 CFR Part 440.21, Appendix A, "Standards for Weatherization Materials", the state's "Weatherization Field Manual" and the program's Priority Lists.

Blower door diagnostics will be performed on each unit receiving weatherization assistance to ensure compliance with Indoor Air Quality Standards. A combustion appliance safety inspection will be performed on each single family dwelling unit containing a combustion appliance (furnaces, water heaters, ovens, cook tops and gas dryers). A final inspection will be performed by the program's Subgrantees on each home receiving weatherization assistance. The Housing Division will inspect a minimum of five percent of the homes weatherized by each Subgrantee on a statewide basis each year. A minimum of 10% of the units completed by a new Subgrantee will be inspected each year.

40.14(c)(4)

ESTIMATE OF AMOUNT OF ENERGY CONSERVATION

Currently, there is no definitive analysis regarding the amount of energy savings which can be attributed to the weatherization of residential dwelling units. Energy usage and subsequent savings can be attributed to the various retrofitted measures as well as changes in occupant behavior. NHD is working with an energy engineering consultant and the local utility companies in an attempt to more accurately determine the cost effectiveness of the weatherization measures currently being implemented.

Prior DOE studies indicate that a household's combined annual heating and cooling costs will be reduced by approximately 20-25% as a result of receiving weatherization assistance. Typically, the energy savings attributed to weatherizing electrically and propane heated households are nearly twice as great as those heated with natural gas.

The utility usage information listed below was provided by NV Energy Company and Southwest Gas. The usage is based on the annual average amount of Kilowatt hours (KWh) and Therms of gas utilized by both single family and multi-family households.

The estimated amount of energy savings for Nevada's ARRA 2009 program was calculated by multiplying: the average annual energy usage (KWh or Therms) x .60 x .20 x the number of units weatherized for each area of the state.

The formula is based on the assumption 60% of a household's combined annual gas and electric bills can be attributed to space heating and/or cooling costs; and assumes these costs are reduced by 20% as a result of receiving weatherization assistance. Therefore, the energy savings that could be attributed to Nevada's ARRA 2009 Weatherization Program are estimated as follows:

Grant Period: **2009** (July 1, 2009 thru June 30, 2010)

TYPE OF FUEL	EASTERN Area	WESTERN Area	WASHOE	CLARK Co	CITY OF HENDERSON	TOTAL
Avg. Annual Usage (KWH)	7,314	7,314	7,314	11,710	11,710	
Avg. Annual Usage (Therms)	804	804	682	522	522	
No. of Households	<b>115</b>	<b>115</b>	<b>308</b>	<b>1,223</b>	<b>190</b>	<b>1,951</b>
Kilowatt Hours <b>Saved:</b>	<b>100,934</b>	<b>100,934</b>	<b>270,326</b>	<b>1,718,560</b>	<b>266,988</b>	<b>2,457,742</b>
Therms (N.Gas) <b>Saved:</b>	<b>11,096</b>	<b>11,096</b>	<b>25,207</b>	<b>76,609</b>	<b>11,902</b>	<b>135,910</b>

Grant Period: **2010 & 2011** (July 1, 2010 thru March 31, 2012)

TYPE OF FUEL	EASTERN Area	WESTERN Area	WASHOE	CLARK Co	CITY OF HENDERSON	TOTAL
Avg. Annual Usage (KWH)	7,314	7,314	7,314	11,710	11,710	
Avg. Annual Usage (Therms)	804	804	682	522	522	
No. of Households	<b>218</b>	<b>218</b>	<b>577</b>	<b>2,218</b>	<b>355</b>	<b>3,586</b>
Kilowatt Hours <b>Saved:</b>	<b>191,334</b>	<b>191,334</b>	<b>506,421</b>	<b>3,116,734</b>	<b>498,846</b>	<b>4,504,669</b>
Therms (N.Gas) <b>Saved:</b>	<b>21,033</b>	<b>21,033</b>	<b>47,222</b>	<b>138,936</b>	<b>22,238</b>	<b>250,462</b>

440.14(c)(5) AREAS TO BE SERVED

The state’s ARRA 2009 Weatherization Program will provide assistance to five general areas of the state; **1) the Western** service area is comprised of the following counties: Carson City, Douglas, Lyon and Storey counties. **2) the Eastern** service area is comprised of Churchill, Mineral, Humboldt, Pershing, Lander, Elko, White Pine, Esmeralda, Eureka, Lincoln and Nye counties. **3) Washoe County**, **4) Clark County** and **5) the City of Henderson**. The Clark County area includes all areas of Clark County excluding the City of Henderson.

In anticipation of the large number of units scheduled to be weatherized under the upcoming American Recovery and Reinvestment Act of 2009, NHD is proposing to fund an additional Subgrantee to serve the Washoe County area. This additional Subgrantee, Community Services Agency and Development Corporation (CSA) has previously participated in the state’s Weatherization Program for more than twenty years and will assist in expanding the capacity of the state’s current delivery system.

Listed below are the service areas, the number of households (units) scheduled to be Weatherized and the Subgrantees proposed with ARRA program funds:

Grant Period: **2009** (July 1, 2009 thru June 30, 2010)

Service area	Eastern	Western	Washoe	Clark Co.	Henderson	Statewide
Total Units	115	115	308	1,223	190	1,952
Allocation	\$695,693	\$695,693	\$1,849,627	\$7,192,299	\$1,139,355	\$11,572,667
Labor source	Contractor	Contractor	Contractor	Contractor	Contractor	
Subgrantee	RNDC	NRHA	CSA	HELP	NS	

Grant Period: **2010 and 2011** (July 1, 2010 thru March 31, 2012)

Service area	Eastern	Western	Washoe	Clark Co.	Henderson	Statewide
Total Units	218	218	577	2,218	355	3,587
Allocation	\$1,325,987	\$1,325,987	\$3,474,853	\$13,109,117	\$2,139,389	\$21,375,333
Labor source	Contractor	Contractor	Contractor	Contractor	Contractor	
Subgrantee	unknown	unknown	unknown	unknown	unknown	unknown

440.14(c)(6) THE MANNER IN WHICH THE STATE PLAN SHALL BE IMPLEMENTED

The State Plan has been drafted in accordance with the U.S. Department of Energy’s Regulations stated in 10 CFR 440.14.

The Housing Division anticipates dividing the 3 year ARRA project period into three separate program years. The Division anticipates closing out the prior year program and beginning the next program year on July 1, 2010 (2<sup>nd</sup>) and July 1, 2011 (3<sup>rd</sup>).

1 <sup>st</sup> year	FY ARRA 2009:	July 1, 2009 thru June 30, 2010
2 <sup>nd</sup> year	FY ARRA 2010:	July 1, 2010 thru June 30, 2011

3<sup>rd</sup> year      FY ARRA 2011:      July 1, 2011 thru March 31, 2012

The Housing Division has issued a Request for Proposal for service providers (Subgrantees) to participate in the 2009 program. The proposals were reviewed by an evaluation committee and a Public Hearing will be held in Las Vegas and in Carson City to receive public comment on the Housing Division's recommendations. An additional Public Hearing will be held in December 2009 to help identify any additional services providers who may want to participate in the 2009 program. A Public Hearing will be conducted in each of the two remaining program years and the minutes of the hearings will be included in their corresponding State Plan.

NHD issues a Request for Proposal to determine which agencies are most qualified to provide weatherization assistance within their respective service areas. NHD will issue grant awards to the most qualified agencies as determined through the RFP process and funding will be made available to all counties within the state during the entire 3 year project period.

The Subgrantees primary responsibilities are to provide program outreach, determine client eligibility, conduct energy assessments, provide various weatherization measures, and to ensure the satisfaction, health and safety of the program's recipients. Outreach efforts will be coordinated with Nevada's Welfare Division, the utility companies and other interested private/public entities to ensure program compatibility with other funding sources. NHD will also be working with other governmental and non-profit agencies responsible for administering low income housing and energy related programs and or projects.

The Nevada Housing Division will be responsible for providing program oversight, ensuring compliance with state and federal laws/regulations as well as monitoring Subgrantee performance. For existing Subgrantees, a minimum of 5% of the households receiving weatherization assistance will be inspected by the Housing Division's weatherization staff. Subgrantee production and expenditure levels are monitored on a monthly basis. The Division will inspect a minimum of 10% of the total units weatherized by any new Subgrantees.

440.14(c)(6)(i)

ANALYSIS OF THE EXISTENCE AND EFFECTIVENESS OF SUBGRANTEE WEATHERIZATION PROJECTS

Listed below is the status of the Subgrantees currently administering weatherization programs with state and federal weatherization funds received from the Housing Division for the period July 1, 2008 through February 28, 2009. With the exception of HELP's production rate, the current Subgrantees are meeting their projected production and expenditure goals.

**AGENCY: Nevada Rural Housing Authority (NRHA)**

In January 2008 NRHA received funds to administer a Weatherization program in western rural Nevada and Washoe County as the Division was unable to identify a service provider in Washoe County.

Service area: Washoe, Douglas, Lyon, Storey Counties and Carson City

<u>NRHA</u> <u>PRODUCTION</u>		<u>NRHA</u> <u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
190	183	\$711,354	\$661,271

LEVERAGED FUNDS: Housing Trust Funds, LIHEAP, FEAC

**AGENCY:** **HELP of Southern Nevada (HELP)**  
Administered program since 1991

Service area: Clark County (excluding City of Henderson)

<u>PRODUCTION</u>		<u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
516	396	\$1,878,198	\$1,743,579

LEVERAGED FUNDS: Housing Trust Funds, LIHEAP, FEAC

**AGENCY:** **Rural Nevada Development Corporation (RNDC)**  
Administered program since 2003

Service area: White Pine, Elko, Humboldt, Eureka, Esmeralda, Lincoln, Pershing, Lander, Mineral, Churchill and Nye Counties.

<u>PRODUCTION</u>		<u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
64	74	\$313,374	\$382,404

LEVERAGED FUNDS: Wells Rural Electric, Mt. Wheeler Power, Housing Trust, LIHEAP, FEAC

**AGENCY:** **Neighborhood Services (NS)**  
Administered program since 2003

Service area: City of Henderson

<u>PRODUCTION</u>		<u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
80	90	\$282,818	\$265,197

LEVERAGED FUNDS: Community Development Block Grant, Housing Trust, LIHEAP, FEAC

All of the agencies listed above have been successful in administrating cost effective programs designed to assist the program's targeted population. Monitoring reports, financial audits, on-site inspections and client survey reports indicate all of the agencies administer cost effective programs and are in compliance with state and federal rules and regulations. With the exception of HELP, all of the current Subgrantees appear to be on track to meet their 2009 production goals. HELP staff have assured us they will meet their production goals by the close of the program year. Historically, HELP has met or exceeded the production goals over the last 15 years.

All of the agencies described above have received training in basic weatherization training, blower door diagnostics, combustion appliance testing, energy auditing, inspection protocol mold and lead based paint Weatherization Practices.

440.14(c)(6)(ii)

METHOD USED TO SELECT AREAS TO BE SERVED

For ARRA 2009, all counties within the state will be included in the program's service area. The service areas proposed for the 2009 program year were based on the following: the estimated number of eligible households located in each county, the availability of state and federal funds, the ability to integrate weatherization assistance with housing rehabilitation projects and the availability of qualified service providers. Funds were distributed proportionate to the relative number of low income households residing in each of the state's counties.

The areas selected to receive assistance during the ARRA 2009 program year are based on Subgrantee proposals, recommendations received from the Housing Division's Policy Advisory Council and comments received through the public hearing process.

440.14(c)(6)(iii)

EXTENT OF PRIORITY GIVEN TO SINGLE FAMILY OR OTHER HIGH ENERGY CONSUMING DWELLING UNITS

Priority assistance is determined by a point evaluation matrix which awards additional points for households which are single family units (including mobile homes) and/or households utilizing electricity or propane as their primary source of heating or electricity as their primary source of cooling. Priority assistance is also provided to households having unusually high energy bills as identified by the state Division of Welfare and Supportive Services Energy Assistance Program or the utility companies.

440.14(c)(6)(iv)

AMOUNT OF NON-FEDERAL RESOURCES APPLIED TO THE PROGRAM

No non-federal funds will be applied to the ARRA 2009 Weatherization Program.

440.14(c)(6)(v)

AMOUNT OF FEDERAL RESOURCES OTHER THAN DOE WEATHERIZATION FUNDS

No additional federal funds will be applied to the ARRA 2009 Weatherization Program.

440.14(c)(6)(vi) AMOUNT OF DOE GRANT FUNDS

The amount of DOE funds allocated to Nevada's ARRA Low Income Weatherization Program is as follows:

2009: \$14,183,980  
2010 & 2011: \$23,097,957  
TOTAL: \$37,281,937

440.14(c)(6)(vii) AVERAGE COST PER DWELLING UNIT CONSIDERING ALL SOURCES OF WEATHERIZATION FUNDS

The average cost for each household weatherized using federal weatherization funds is approximately \$5,227. These costs include funds budgeted for NHD and its Subgrantees: administration, program operations, vehicles/equipment, liability insurance, training and technical assistance, health and safety, program outreach, program design and program evaluation.

2009: \$7,267  
2010 & 2011: \$6,440

440.14(c)(6)(viii) AVERAGE AMOUNT OF DOE FUNDS APPLIED TO EACH UNIT FOR PROGRAM OPERATIONS (labor, materials, insurance, vehicles, equipment, warehouse rent, transportation, etc.).

2009: \$5,000  
2010 & 2011: \$5,000

The average amount of DOE funds to be applied to each dwelling unit for program operations is approximately \$5,000. These costs do not include funds budgeted for administration, technical assistance, liability insurance, health and safety.

440.14(c)(6)(ix) RESERVED

440.14(c)(6)(x) PROCEDURES FOR PROVIDING ADDITIONAL ADMINISTRATIVE FUNDS TO SUBGRANTEES

The Subgrantees may not utilize more than 5% of the ARRA funds they receive for administrative costs.

440.14(c)(6)(xi)

PROCEDURES FOR DETERMINING THE MOST COST-EFFECTIVE MEASURES IN A DWELLING UNIT

An energy audit software program (REM/Design) and blower door diagnostics were used to rank and identify the most cost-effective measures installed in each house receiving assistance. The measure list is based on a number of criteria such as: climatic zone, type and rate of utility, housing type, type of heating and cooling system, etc. NHD has developed a priority list for each area of the state based on the results of the energy audit recommendations.

The energy audit program selected for Nevada's program lends itself to both site built single family homes as well as manufactured housing. The program is compatible with the Home Energy Rating software program adopted by the Nevada State Energy Office.

State program policy prohibits the installation of any conservation measures having an aggregate savings to investment ratio of less than one. The program's Weatherization Field Manual requires the measures to be installed in accordance with their relative savings to investment ratios. Exempt from the cost-effectiveness test are those measures related to reducing or eliminating any problems affecting a client's health or safety and related minor home repairs.

440.14(c)(6)(xii)

DEFINITION OF "LOW INCOME" HOUSEHOLD

NHD defines "low-income" as a household whose total annual gross income is at or below 200% of the national poverty income guidelines established by the Office of Management and Budget.

440.14(c)(6)(xiii)

DEFINITION OF "CHILDREN"

NHD defines "children" as individuals who are 6 years of age or less.

440.14(c)(6)(xiv)

AMOUNT OF FEDERAL FUNDS TO BE USED AND HOW THEY WILL BE USED TO LEVERAGE NON-FEDERAL STATE WEATHERIZATION FUNDS

No DOE or other federal funds will be used to increase the amount of weatherization assistance funds made available during the ARRA 2009 program year.

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