

**STATE OF NEVADA HOUSING DIVISION
ARRA - 2010 DRAFT STATE PLAN**

**U.S. DEPARTMENT OF ENERGY
LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM
(July 1, 2010 – June 30, 2011)**

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

440.14(b) FUNDING FOR SERVICE PROVIDERS (SUBGRANTEES)

HELP of Southern Nevada (HELP)	\$7,011,876
Neighborhood Services (NS)	\$1,241,552
Las Vegas-Clark Co. Urban League (LV-CCUL)	\$1,048,173
Community Services Agency (CSA)	\$2,027,022
Rural Nevada Development Corporation (RNDC)	\$ 760,133
Nevada Rural Housing Authority (NHRA)	\$ 760,133

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.

* Average Heating Degree Days (Base 65 F)

Clark County & Henderson	2,601
Western Service Area & Washoe County	6,022
Eastern Service Area	7,236

* Average Cooling Degree Days (Base 78 F)

Clark County & Henderson	3,201
Western Service Area & Washoe County	508
Eastern Service Area	320

*Source: Mechanical Engineering Department (UNR)

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 any new Subgrantee will be inspected by NHD 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 2010 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 2010 Weatherization Program are estimated as follows:

Type of Fuel	Eastern Rural	Western Rural	Washoe County	City of Las Vegas	City of N. Las Vegas	Balance of Clark	City of Henderson	Total Statewide
Avg. Annual Usage (KWh)	7,331	7,331	7,331	11,821	11,821	11,821	11,821	
Avg. Annual Usage (Therms)	744	744	651	498	498	498	498	
Number of households	126	126	335	473	176	691	205	2,132
KWh hrs Saved	110,845	110,845	294,706	670,960	249,660	980,197	290,797	2,708,010
Therms Saved	11,249	11,249	26,170	28,266	10,518	41,294	12,251	140,997

440.14(c)(5) AREAS TO BE SERVED

The state's ARRA 2010 Weatherization Program will provide assistance to seven general areas of the state, four of which are located in Clark County: **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) City of Las Vegas**, **5) City of North Las Vegas**

6) City of Henderson and **7) Balance of Clark County** (Clark County less the cities of North Las Vegas, Las Vegas and Henderson).

Approximately 72% of the state’s eligible households are located in the Clark County area. Due to an increase in the number of units scheduled to be weatherized in the Clark County area in 2010, NHD is proposing to utilize an additional Subgrantee to enhance the program’s delivery capacity within the Clark County area. To accomplish this objective, NHD proposes to fund the Las Vegas-Clark County Urban League to provide assistance within the City of North Las Vegas in 2010.

Listed below are the service areas, the number of households (units) scheduled to be Weatherized and the Subgrantees proposed with the 2010 ARRA Weatherization Program funds:

Service Area	Eastern Rural	Western Rural	Washoe County	City of Las Vegas	City of North LV	Balance of Clark Co.	City of Henderson	Statewide
Total Units	126	126	335	473	176	691	205	2,132
Allocation	\$760,133	\$760,133	\$2,027,022	\$2,847,156	\$1,048,173	\$4,164,720	\$1,241,552	\$12,848,889
Labor Source	Contractor	Contractor	Contractor	Contractor	Contractor	Contractor	Contractor	
Subgrantee	RNDC	NRHA	CSA	HELP	LV-CCUL	HELP	NEIGH.SVCS	

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. This State Plan addresses the second year of a three year project period scheduled for Nevada’s ARRA funded Weatherization Program.

NHD has issued a Request For Proposal to solicit qualified agencies 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.

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. The Division will inspect a minimum of 10% of the total units weatherized by any new Subgrantees. Subgrantee production and expenditure levels are monitored on a monthly

basis.

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, 2009 through February 28, 2010. Although grants were available July 1, 2009 production could not begin until wage determinations were available and also State Legislative requirements were met. SB 152 which passed during the 2009 legislative session enacted green jobs legislation which restricted production until the first week of November at the earliest when waivers to begin work were provided to the current contractors. Subsequently production information is representative of November 5th, 2009 through February 28, 2010. Actual production in earnest until December 2009 and therefore production is based on a 7 month year with 3 full months represented below.

AGENCY: Community Services Agency (CSA)
Administered program from 1979-2007 and July 2009-Present

<u>CSA</u> <u>PRODUCTION</u>		<u>CSA</u> <u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
132	84	\$792,697	\$430,796

LEVERAGED FUNDS: LIHEAP and FEAC

AGENCY: Nevada Rural Housing Authority (NRHA)
Administered program since 2008

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

<u>NRHA</u> <u>PRODUCTION</u>		<u>NRHA</u> <u>EXPENDITURES</u>	
Planned	Actual	Planned	Actual
49	66	\$298,154	\$375,919

LEVERAGED FUNDS: LIHEAP and 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
524	662	\$3,082,414	\$2,099,680

LEVERAGED FUNDS: LIHEAP and 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.

PRODUCTION

Planned	Actual
49	61

EXPENDITURES

Planned	Actual
\$298,154	\$447,713

LEVERAGED FUNDS: Wells Rural Elec, Mt. Wheeler Power, LIHEAP, FEAC

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

Service area: City of Henderson

PRODUCTION

Planned	Actual
81	19

EXPENDITURES

Planned	Actual
\$488,295	\$42,336

LEVERAGED FUNDS: Community Development Block Grant, LIHEAP, FEAC

All of the agencies listed above have been successful in administering 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.

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 2010, all counties within the state will be included in the program's service area. The service areas proposed for the 2010 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 2010 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.

440.14(c)(6)(iv) AMOUNT OF NON-FEDERAL RESOURCES APPLIED TO THE PROGRAM

No non-federal funds will be applied to the ARRA 2010 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 2010 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: **\$14,429,245**

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 **\$6,767**. 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.

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.).

The average amount of DOE funds to be applied to each dwelling unit for program operations and vehicles and equipment 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

The 2010 ARRA funds will not be used to leverage additional sources of program funds.

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