

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT****[Docket No. FR-5485-N-01]****Notice of Proposed Information Collection, Comment Request; Application for Healthy Homes and Lead Hazard Control Grant Programs and Quality Assurance Plans****AGENCY:** Office of Healthy Homes and Lead Hazard Control, U.S. Department of Housing and Urban Development.**ACTION:** Notice.**SUMMARY:** The proposed information collection requirement described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.**DATES:** *Comments Due Date:* April 15, 2011.**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Reports Liaison Officer, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410, Room 9120 or the number for the Federal Information Relay Service (1-800-877-8339).**FOR FURTHER INFORMATION CONTACT:** Jeffrey Simpkins, Technical Assistance Specialist, Department of Housing and Urban Development, 451 7th Street, SW., Room 8236, Washington, DC 20410; e-mail [Jeffrey.W.Simpkins@hud.gov](mailto:Jeffrey.W.Simpkins@hud.gov), or telephone (202) 402-7180.**SUPPLEMENTARY INFORMATION:** The Department will submit the proposed information collection to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended). This Notice is soliciting comments from members of the public and affected agencies concerning the proposed collection of information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or

other forms of information technology, e.g., permitting electronic submission of responses.

After the award of grants, HUD's Office of Healthy Homes and Lead Hazard Control requires its Healthy Homes Demonstration, Healthy Homes Technical Studies grantees, and Lead Technical Studies grantees which are conducting research or significant evaluation activities, to submit a *Quality Assurance Plan (QAP)* to the Office for approval before they initiate data collection. This requirement also applies to Office of Healthy Homes and Lead Hazard Control contractors who conduct such research or evaluation activities. This requirement has been established because quality assurance procedures ensure the accuracy and validity of data. The use of quality assurance plan templates helps to ensure that quality assurance activities are well planned and thorough, and standardizes the formatting of the plans, which aids both the respondents in plan development and HUD staff in their review. The use of different templates for technical studies and demonstration projects was designed to reduce respondent burden by requiring more detailed information only for the technical studies (research) projects, consistent with their more rigorous quality assurance requirements.

**Title of Proposal:** Application for Healthy Homes and Lead Hazard Control Grant Programs and Quality Assurance Plans.

**OMB Control Number, if applicable:** 2539-0015.

**Description of the need for the information and proposed use:** This information collection is required in conjunction with the issuance of Notices of Funding Availability for approximately \$150,000,000 for Healthy Homes and Lead Hazard Control Programs that are authorized under Title X of the Housing and Community Development Act of 1992, Public Law 102-550, section 1011, and other legislation.

**Agency form numbers, if applicable:** HUD 96008, 96012, 96013, 960014, 96015, and standard grant forms.

**Estimation of the total numbers of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response:** Number of respondents: 330; frequency of responses: 1; hours per response: 25; burden hours: 8250.

**Status of the proposed information collection:** This is a revision of a currently approved collection.

**Authority:** The Paperwork Reduction Act of 1995, 44 U.S.C., Chapter 35, as amended.

Dated: June 2, 2011.

**Jon L. Gant,**

Director, Office of Healthy Homes and Lead Hazard Control.

[FR Doc. 2011-14109 Filed 6-7-11; 8:45 am]

**BILLING CODE 4210-67-P****DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT****[Docket No. FR-5524-N-01]****Energy Performance Contracting—Request for Comments on Proposed Guidance and Policy Clarifications****AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.**ACTION:** Notice.**SUMMARY:** This notice solicits public comment on certain key issues that will be addressed in HUD's forthcoming guidance on the Energy Performance Contracting (EPC) program. HUD will consider all comments as it updates its guidebook entitled "Energy Performance Contracting for Public and Indian Housing" (Greenbook). This notice also clarifies existing guidance related to EPCs.**DATES:** *Comments Due Date:* July 8, 2011.**ADDRESSES:** Interested persons are invited to submit comments regarding HUD's updated Greenbook, as announced in this notice, to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street, SW., Room 10276, Washington, DC 20410-0001. There are two methods for submitting public comments. All submissions must refer to the above docket number and title.

**Submission of Hard Copy Comments.** To ensure that the information is fully considered by all of the reviewers, each commenter submitting hard copy comments, by mail or hand delivery, should submit comments or requests to the address above, addressed to the attention of the Rules Docket Clerk. Due to security measures at all federal agencies, submission of comments or requests by mail often result in delayed delivery. To ensure timely receipt of comments, HUD recommends that any comments submitted by mail be submitted at least 2 weeks in advance of the public comment deadline.

**Electronic Submission of Comments.** Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. HUD strongly encourages commenters to submit

comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the <http://www.regulations.gov> Web site can be viewed by interested members of the public. Commenters should follow instructions provided on that site to submit comments electronically.

**No Facsimile Comments.** Facsimile (Fax) comments are not acceptable.

**Public Inspection of Comments.** All comments submitted to HUD regarding this notice will be available, without charge, for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the documents must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number). Copies of all documents submitted are available for inspection and downloading at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Shauna Sorrells, Director, Public Housing Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW., Room 4232, Washington, DC 20410-4000, telephone number 202-402-2769 (this is not a toll-free number). Persons with hearing- or speech-impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

#### **SUPPLEMENTARY INFORMATION:**

##### **I. Background**

Section 9(e) of the United States Housing Act of 1937 (1937 Act) (42 U.S.C. 1437 *et seq.*), as amended, establishes an Operating Fund for the purpose of making assistance available to public housing agencies (PHAs) for the operation and management of public housing, including the management of energy costs associated with public housing units, with an emphasis on energy conservation. HUD's regulations implementing the Operating Fund are located at 24 CFR part 990. Section 990.185 provides that PHAs may qualify for financial incentives when undertaking conservation measures that are financed by an entity other than HUD. PHAs that take advantage of HUD's third-party financed energy reduction incentives typically do so through EPCs. An EPC is a financing technique that uses the cost savings

from reduced energy consumption to pay the cost of installing energy conservation measures (ECMs).

##### **II. Updating the Greenbook and Request for Public Comment**

HUD issued the Greenbook in February, 1992, and it is available at <http://www.huduser.org/publications/pdf/energy.pdf>. The Greenbook serves as the principal policy guidance for PHAs interested in pursuing EPCs. The Greenbook defines and clarifies how PHAs may undertake EPCs in accordance with HUD regulations, and provides PHAs, HUD field staff, potential performance contractors, and other stakeholders with information about HUD incentives, required documentation, and other necessary approvals in the EPC process.

Since the publication of the Greenbook, HUD has updated guidance related to EPCs through a series of notices, checklists, and by providing technical assistance to PHAs contemplating energy projects. HUD is currently drafting a comprehensive update of the Greenbook to consolidate all current EPC procedures into a single source. A major benefit for updating the Greenbook is to standardize the submission, review, and approval processes in an effort to streamline EPC processing time, while preserving HUD's responsibility to approve qualified projects within regulatory requirements.

In advance of issuing a revised Greenbook, HUD is seeking public comment to inform its development of comprehensive guidance regarding the use of EPCs. HUD's goal is to provide a meaningful opportunity for PHAs, energy engineers, energy service companies, financial analysts reviewing EPCs, and the general public to participate in the development of useful and effective guidance that promotes and streamlines the use of EPCs. HUD will consider all comments submitted in response to this notice in developing its updated and revised Greenbook.

The following is a list of topics on which HUD specifically seeks comments.

##### **1. Streamlining the Process**

Currently, the approval process for EPCs takes approximately 14-18 months, from the time the PHA develops their Request for Proposal/Qualifications until there is a Notice to Proceed from the Department. HUD plans to reduce this time, and seeks comments on the following specific questions:

a. What is a reasonable approval timeline for an EPC?

b. What obstacles or roadblocks, if any, exist in the current approval process?

c. What can HUD do to streamline the approval process?

d. What alternatives to current procurement procedures would expedite the approval process?

e. How would a formal appeal process for disapproved EPCs benefit PHAs, Energy Services Companies (ESCOs), or other stakeholders?

##### **2. Net Present Value**

Currently, HUD is considering requiring that the Investment Grade Energy Audit incorporate Net Present Value calculations. Does the industry use a standard rate of return for these calculations?

##### **3. Measurement and Verification (M&V) Requirements**

Under PIH Notice 2009-16, HUD currently recommends that PHAs obtain independent 3rd party M&V reports annually for projects over \$10 million, and every three years for projects costing less than \$10 million.

a. What benefits are there to implementing mandatory independent 3rd party M&V for all projects? What considerations should be made in implementing such a requirement?

b. What qualifications should be required of parties performing 3rd party M&V? Should such requirements for 3rd party M&V companies include a requirement that they hold "current" certifications? And how should a "current" certification be defined (e.g., certification received in the past two years)?

c. How could significant differences between a 3rd party report and the ESCO's M&V report be reconciled?

d. How can the measurement and verification of energy cost savings be improved?

e. What additional controls, if any, are needed to ensure that utility cost savings are properly calculated and reported in M&V reports? Should such controls include a requirement that the calculated cost savings be certified by a Professional Engineer (PE)?

f. What additional controls, if any, are needed to ensure that the costs of EPCs are properly repaid from energy savings?

##### **4. Removing Barriers to EPCs**

Over the lifetime of HUD's EPC program, there have been approximately 240 EPCs executed by PHAs. The vast majority of these EPCs have been completed by medium and large PHAs. HUD would like to involve more PHAs in the EPC program, especially small PHAs.

a. How can HUD improve PHAs' capacity to perform self-developed EPCs?

b. What can HUD do to improve access to EPCs for small PHAs? For instance, should HUD allow for EPCs for several small PHAs to be bundled together and performed by one (1) ESCO? By bundling EPCs together, would the overall scope be more attractive and provide a large enough investment/incentive for the ESCOs?

### 5. Section 3 Compliance

The Section 3 program requires that recipients of EPC incentives, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents and qualified businesses in connection with the EPC project (see 24 CFR part 135). How can HUD improve Section 3 compliance and employment associated with EPCs?

### 6. Energy and Water Auditing and Investment Standards

Energy and water conservation investment opportunities are typically determined by an investment grade audit of a portfolio's energy and water usage and costs and the various factors affecting consumption. In some cases, EPCs have been found to be impractical because sufficient savings from low-cost conservation measures could not be leveraged. HUD is interested in knowing whether the current approach for identifying cost-effective energy and water conservation measures enables or impedes the development of comprehensive retrofit strategies for materially reducing utility costs.

a. Are some high-cost measures not reachable through EPCs because the ratio of savings is too low relative to the investment and transaction costs?

b. How can renewable energy investments be encouraged under EPC?

c. Should EPCs permit the investments of green building measures if sufficient savings or other resources can be leveraged to cover investment costs?

d. Should HUD adopt an alternative assessment and auditing protocol for PHA's undertaking self-direct EPCs? Could a Green Physical Needs Assessment provide a useful mechanism for developing an investment plan for reducing utility costs? Could a Home Energy Rating System program (HERS) audit be used by very-small and small-PHA's undertaking EPC's and if so how should the projected energy savings be estimated?

e. What steps can be taken to lower and control non-investment transaction costs?

### 7. Leveraging

PHAs are encouraged to leverage external resources to offset the costs of energy and water conservation investments. In some cases, accessing available rebates and incentives can be difficult and not well aligned with the EPC process and implementation period. HUD is interested in knowing how leveraging can be increased in conjunction with EPCs.

a. What challenges exist in aligning EPCs with the processes and requirements established for available external energy efficiency and water conservation programs? Are different auditing protocols used or required? Do requirements for using business process improvement (BPI) certified contractors pose implementation barriers? Are inspection and quality assurance requirements duplicative? Are there load-ordering investment requirements that conflict with EPC investment priorities?

b. How can or should the EPC process be modified to enable greater leveraging of incentives and rebates available from external sources such as utility and local governmental programs?

c. What approaches or mechanisms are needed to enable PHAs to access and leverage energy efficiency and renewable energy tax credits?

### III. Policy Clarifications

HUD is also using this Federal Register notice to clarify existing policy regarding EPCs.

#### 1. Allowable M&V options for EPCs

Several stakeholders have questioned whether HUD intended to limit the use of certain M&V options currently available in HUD's EPC program. In response to this concern, the Department wishes to clarify that it will continue to allow all M&V options detailed in the International Performance Measurement & Verification Protocol (IPMVP). These M&V options are accepted methods for measuring and verifying the amount of utilities consumed by a building or the change in the amount of utilities consumed by a building due to a retrofit. The Department finds that these M&V methods can be conducted accurately and represent the utility consumption or change of utility consumption in EPCs.

#### 2. Resident Paid Incentive

HUD has been asked whether the add-on subsidy incentive, found at 24 CFR 990.185(a)(3), is available to finance ECMs where the utilities are resident-paid. HUD re-affirms that PHAs may not use the add-on incentive for that

purpose. PHAs undertaking energy conservation measures that are financed by an entity other than HUD may include resident-paid utilities under the consumption reduction incentive consistent with 24 CFR

990.185(a)(2)(iii). This approach allows a PHA to exclude from its Operating Fund rental income calculations any rents received that are as a result of decreased utility allowances resulting from decreased consumption. The PHA must exclude from its calculation of rental income the increased rental income due to the difference between the baseline allowance and the revised allowances of the projects for the duration of the contract period.

#### 3. Prohibition Against Liens

HUD re-affirms that, when using an ESCO as part of an EPC, no lien or encumbrance is to be placed on public housing rental property (real or personal property, such as fixtures). Similarly, if the PHA is considering financing of an EPC with another third party, such as a bank, no liens may be placed on public housing rental property including any bank account, reserve or other personal property (including the energy improvement fixtures) of the PHA. All public housing property is subject to the Declaration of Trust and use requirements of the Annual Contributions Contract and section 9 of the United States Housing Act of 1937. All public housing property is required to have a currently effective and recorded Declaration of Trust. Any secondary lien must be reviewed and approved by HUD Headquarters. Any Capital Fund financing or Operating Fund financing under section 9 or section 30 of the 1937 Act must also be approved by HUD Headquarters.

#### 4. Funds resulting from the Operating Fund Benefit

Funds resulting from the Operating Fund Benefit may not be included in an approved EPC cash flow. There are two types of incentives offered for reduced utility consumption. The first is the Rolling Base Consumption Level (RBCL) (24 CFR 990.170). The purpose of the RBCL is to encourage PHAs to make management and maintenance decisions that result in energy-efficiency improvements, whether large or small, through the normal course of operation. This incentive is part of a PHA's normal operating subsidy eligibility and results in excess subsidy that decreases over a four year period and is an Operating Fund Benefit. The Operating Fund Benefit is not an EPC incentive. The second type of utility cost reduction incentive are those incentives offered

under the EPC program (24 CFR part 185). To qualify for these incentives, the PHA must obtain third-party financing and ensure that the projected savings are sufficient to cover the costs of the improvements. These are large-scale projects that require effort beyond the normal course of operation. The Operating Fund regulations do not allow the combining of these two incentive types to increase savings and to include more energy conservation measures within an EPC.

Dated: May 27, 2011.

**Sandra B. Henriquez,**

*Assistant Secretary for Public and Indian Housing.*

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**BILLING CODE 4210-67-P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5415-FA-30]

### Announcement of Funding Awards for the Technical Assistance and Capacity Building under the Transformation Initiative Program Fiscal Year 2010

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice of funding awards.

**SUMMARY:** In accordance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989, this announcement notifies the public of funding decisions made by the Department in a competition for funding under the Notice of Funding Availability (NOFA) for the Technical Assistance and Capacity Building under the Transformation Initiative program for fiscal year 2010. This announcement contains the names of the awardees and amounts of the awards made available by HUD.

### FOR FURTHER INFORMATION CONTACT:

Holly A. Kelly, Acting Director, Technical Assistance Division, Office of Community Planning and Development, 451 Seventh Street, SW., Room 7218, Washington, DC 20410-7000; telephone (202) 402-6324 (this is not a toll-free number). Persons with speech or hearing impairments may access this telephone number via TTY by calling the toll-free Federal Information Relay Service during working hours at 800-877-8339. For general information on this and other HUD programs, call Community Connections at 1-800-998-9999 or visit the HUD Web site at <http://www.hud.gov>.

**SUPPLEMENTARY INFORMATION:** The Fiscal Year 2010 Technical Assistance and Capacity Building under the Transformation Initiative program funds were awarded under two funding categories:

#### OneCPD

The purpose of OneCPD is to provide state government, local government and nonprofit recipients of federal community development, affordable housing, economic development and special needs funding with the assessment tools and technical and capacity building assistance needed to fully understand their local market conditions, to increase their capacity to successfully carry out federal assistance programs while leveraging other public and private resources, and to achieve positive and measurable outcomes. Under OneCPD, technical assistance will involve the delivery of expert statutory, regulatory, and technical support that improves the program knowledge, skills and capacity of CPD's grantees and their partners. Capacity building efforts will be directed at advancing the efficiency and performance of grantees and their partners (e.g., for-profit and public or private non-profit organizations) in the

administration of federal affordable housing, community and economic development programs, the leveraging of other resources and the furthering of key Departmental objectives, including but not limited to, energy efficiency and green building.

#### Core Curricula

The purpose of the HUD Core Curricula for Skills-Based Training is to develop and deliver training courses and seminars to improve the core skills of HUD grantee staff commonly needed for the administration of many HUD programs. Funds will be awarded to develop "core curricula" in the several areas including (1) Development Finance, (2) Environmental Review and Compliance, (3) Asset Management and Preservation of HUD-Assisted Projects and (4) Construction and Rehabilitation Management.

The competition was announced in the NOFA published on January 4, 2011 (FR-5415-N-30) and closed on February 24, 2011. The NOFA allowed for approximately \$24 million for OneCPD and Core Curricula awards. Applications were rated and selected for funding on the basis of selection criteria contained in the Notice. For the Fiscal Year 2010 competition, 17 awards totaling \$23,303,000 were awarded to 13 different technical assistance providers nationwide.

In accordance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (103 Stat. 1987, 42 U.S.C. 3545), the Department is publishing the grantees and the amounts of the awards in Appendix A to this document.

Dated: May 31, 2011.

**Clifford Taffet,**

*General Deputy Assistant Secretary for Community Planning and Development.*

## APPENDIX A

Recipient	State	Amount
<b>OneCPD</b>		
Cloudburst Consulting Group Inc .....	MD .....	\$4,515,500
Corporation for Supportive Housing .....	NY .....	125,000
Dennison Associates, Inc .....	DC .....	200,000
Econometrica, Inc .....	MD .....	500,000
Enterprise Community Partners, Inc .....	MD .....	4,599,000
First Nations Development Institute .....	CO .....	100,000
Housing Assistance Council .....	DC .....	650,000
ICF Incorporated, L.L.C .....	VA .....	4,224,000
Minnesota Housing Partnership .....	MN .....	750,000
National Association for Latino Community Asset Builders .....	TX .....	900,000
National Center on Family Homelessness, Inc .....	MA .....	700,000
Training & Development Associates, Inc .....	NC .....	5,094,500
University of Texas-Pan American .....	TX .....	350,000