

July 14, 2014

Senator Kelvin Atkinson
Chairman, Legislative Committee on Energy
401 South Carson Street
Carson City, NV 89701

Dear Chairman Atkinson,

Thank you for your invitation to provide recommendations for changes in energy policy to your Legislative Committee on Energy. The Nevada Rural Housing Authority has followed the topics of this committee with great interest and is pleased to be able to make recommendations on policies that can help us meet our mission of providing the resources for greater independence through affordable housing and related programs.

By way of background, the Nevada Rural Housing Authority was created by an act of the legislature in 1973. Currently, the organization is a quasi-governmental unit that provides affordable housing and economic development solutions for rural Nevada. We believe when more Nevadans are able to purchase a home of their own or can find affordable rental units, we all benefit through stronger more stable and economically vital communities.

We have worked with a number of stakeholders on activities around the Renewable Generations program, and have naturally taken a great interest in the Low Income Pilot Program authorized by AB 428 of the 2013 session. It is our concern with the implementation of this program, along with other observations, that lead us to the following recommendations to improve the Renewable Generations program. We feel that these changes will better allow for the benefits of renewable energy to reach lower-income Nevadans.

1. We recommend modifying the limitation on the percentage of installed cost contained in NRS 701B.200. This limitation has been interpreted to only apply to the costs of materials, and it has proven to be a hardship in making projects for public entities and non-profit organizations work. Specifically for these types of projects, the percentage could be lifted to 75%, or it could be clarified that the law applies to all costs of a project, including labor & overhead.
2. We recommend consolidating the remaining budget allocations for solar, wind and waterpower in NRS 701B.005. Under current law, the solar program has a budget of \$255 million (approximately \$77 million left), and the wind and waterpower programs have a combined budget of \$40 million (approximately \$13.7 million left). While the wind and waterpower programs were initially popular, interest has tapered off in recent years. We feel that it is more appropriate to have the Renewable Generations budget be

EXHIBIT N – ENERGY
Document consists of 3 pages.
Entire Exhibit provided. – Meeting Date: 07-25-14

technology neutral, allowing for the three technologies to compete and for the best and most efficient projects to be built.

3. Finally, we recommend creating a permanent lower income program within Renewable Generations. AB 428 of the 2013 session created the Lower Income Pilot Program, which is intended to reach those with limited resources so that they might share in the benefits of renewable energy. Thus far, however, the program has not been implemented in accordance with the law. As a result, very few new concepts are being tested and the program is not serving its full purpose.

That being said, it has become more apparent that there is a real need for a lower-income program in order to ensure that the benefits of on-site renewable energy are reaching this sector of the population. Our proposal is to set aside \$2-3 million dollars per year, starting in 2016, out of the existing budget. This program would run until 2021, just like the existing Renewable Generations program. This would allocate \$10-15 million dollars over the life of the program to lower-income participants.

By instituting a permanent lower-income program now, we will ensure that there is not a gap for this sector when the existing pilot program expires in January of 2016. It will also help the program adhere to one of the goals outlined in NRS 701B.200, which calls for the program to include customers of lower socioeconomic status.

Thank you again for the opportunity to provide our thoughts to the committee. Please contact us with any questions or concerns. We look forward to working with you and the committee as we move toward the 2015 legislative session.

Sincerely,

Tony Green
Dir. of Asset Mgmt.
NV Rural Housing Authority



ENERGY SERVICES REPORT
NRHA Board of Commissioners
July 23, 2014

PROJECT OVERVIEW:

Currently Asset Mgmt. Director Tony Green has been working in consort with Construction & Weatherization Manager Michael Hynick, as well as NRHA Senior Consultant, Sheri Woodsgreen in the development and implementation of a Green Energy revitalization and Energy Savings program

Southgate:

Initial planning and analysis has begun in conjunction with Black Rock Solar on developing a master energy redevelopment plan for retrofitting this entire complex with Photo-Voltaic Solar Energy panels that will drastically reduce the electrical grid consumption for this complex. It is being structured so that NRHA can reap the energy savings, which will intern finance the unsubsidized portion of the process, and then provide a re-occurring revenue stream which can flow back to the property for further improvements. .

Development of Energy Savings Programs:

We are currently utilizing the skills and strategies that are currently being developed, in order to design and facilitate a master program that can be incorporated in various capacities throughout the NRHA system and ownership portfolio.

Legislative Council Bureau:

The Executive Director's office and the Real Estate Department has been requested to speak conjointly on July 35th to the Nevada Legislative Counsel in regards towards completing finite legislation and protocols for the development of energy saving programs specifically earmarked for low-income and subsidized housing projects.

Real Estate Management & Development:

Tony Green is working in consort with Eddie Hult in order to plan for renewable energy standards to be implemented going forward in the development of future NRHA projects.

'Better Buildings Challenge':

Sheri Woodsgreen & Tony Green have been working in coordination with US Govt. Housing and Urban Development Regional Energy Programs Director, Wayne Waite in the development and participation of the nationally recognized "Better Buildings Challenge" which is an outreach program for PHA's and private & public organizations in the development of energy management and savings strategies; in combination with improved renewable building standards to design, retrofit, and create technologically advanced properties and projects that will be sustainable, and grant significant savings in energy usage and management for the future.

