

**MINUTES of the
POLICY ADVISORY COUNCIL**

October 20, 2015

Call to Order and Roll Call

The **Policy Advisory Council** (PAC) was called to order by Michele Montoya at 1:30 p.m. on Tuesday, October 20, 2015, via video conference between in the Housing Division's offices in Carson City and Las Vegas, Nevada.

Committee Members Present:

Chair Michele Montoya, Sub-grantee Representative
Vice-Chair Betsy Ransdell, At Large Representative
Kimberly Lukasiak, Utility Company Representative
Sherry Manning, Consumer Groups Representative (phone)
Debra Parra, At Large Representative

Committee Members Absent:

None

NHD Staff Members Present:

Sue Martin, Weatherization Program Manager
Colleen L. Platt, Deputy Attorney General
Jim Smallridge, Compliance Audit Investigator
Patrick Conway, Grants and Projects Analyst II

Others Present:

Ferrel Hansen, Rural Nevada Development Corporation (phone)
Aaron Linfante, Rural Nevada Development Corporation

Public Comment

Michele Montoya opened the meeting for public comment. There was no public comment.

Introductions of New PAC Member

Michele Montoya asked for an introduction of the new PAC Member who replaced Celine Apo as the Utility Company Representative on the Commission. Kimberly Lukasiak introduced herself stating she has worked for Southwest Gas for fifteen years in several departments with the last seven years being in the area of rates and regulatory. She has bachelor's degrees in business, psychology, and environmental studies in addition to a master's degree in public administration.

Kimberly Lukasiak also mentioned the recent Southwest Gas' Conservation and Energy Efficiency (CEE) filing with the Public Utilities Commission in April of 2015. Unfortunately, the funding for billing assistance and weatherization was not approved with the next year's plan (FY 2015-16). In April 2016, Southwest Gas will be filing another annual CEE plan and intends to request funding for these programs again. As they get closer to the new filing date, they may request assistance in documenting support for weatherization funding from the sub-grantees and Nevada Housing Division.

Approval of Minutes from April 14, 2015 Meeting

A motion was made by Sherry Manning and seconded by Betsy Ransdell to approve the meeting minutes of April 14, 2015. The motion passed 5-0.

Closeout of Production and Expenditures of FY 2015

The FY 2015 Closeout Production and Expenditures Report was given by Sue Martin. The Weatherization Assistance Program receives funding from six sources: Funds for Energy Assistance and Conservation (FEAC); Department of Energy (DOE); Low-Income Home Energy Assistance Program (LIHEAP); Southwest Gas (SWG); Home Energy Retrofit Opportunities for Seniors (HEROS); and Low-Income Housing Trust Funds (HTF). HTF are accounted for separately by a different Section in the Housing Division. Weatherization Assistance Program Funds were distributed based on population and available to low-income clients in all 17 counties throughout the State. SWG funding was only available in Northern Nevada.

For fiscal year 2015 a combined total of \$4,738,952 of all weatherization funds were distributed to six sub-grantees. A total of \$4,298,961 was expended as of June 30, 2015, which is approximately 91%. A total of 939 units were weatherized, exceeding the production goal for the year, at an average cost per unit of \$3,627. Since the LIHEAP funding is on a federal fiscal year (October 1st to September 30th), a portion of these funds were carried over into the new State fiscal year of 2015-16.

Year to Date Production and Expenditures of FY 2016

Sue Martin stated that for fiscal year 2016 a combined total of \$4,571,834 weatherization funds have been allocated to five sub-grantees. The City of Henderson's Neighborhood Services is no longer participating in the Weatherization Assistance Program as a sub-grantee. The funding included \$286,921 of LIHEAP funding carried over from fiscal year 2015. As of September 30, 2015, all of the LIHEAP funding was expended but new LIHEAP funding is expected later in fiscal year 2016. Also, as of September 30, 2015, the combined total of all weatherization funds expended is 15% with the unit completion rate at 22%. The average cost per unit over this same time period is \$3,916. Both the funds expended and units complete should be at 25% per NHD's contracts but historically the program has had some sub-grantees that have slow starts for various reasons. Two of the sub-grantees, Community Services Agency and Rural Nevada Development Corporation, have been requested to submitted corrective action plans explaining the reasons they are behind and how they plan to achieve their production and expenditure goals for the fiscal year. Formal responses to the request for corrective action plans have not yet been received.

Michele Montoya said the reason Community Services Agency got behind was because of a lack of qualified contractors but she is not in a position to discuss how this will be addressed in their corrective action plan. Aaron Linfante said the reason Rural Nevada Development Corporation is behind was because of staffing issues that have now been resolved. Both agencies stated that the various licensing processes have slowed things down.

Update on the Quality Control Inspector (QCI) Process

Jim Smallridge stated the Department of Energy (DOE) has required that all of the inspectors in the DOE program become trained and credentialed as Quality Control Inspectors (QCI), which is only available at certain training center making it sometimes hard to obtain the necessary training and testing. Presently, there are six Quality Control Inspectors certified in the State of Nevada. Once Aaron Linfante of RNDC is certified, all of our sub-grantees will have the capability of inspecting DOE work. However, there is going to be more requirements to come in this area. Other weatherization staff persons that are anticipating having to meet QCI certification requirements are the project auditors, installers, and crew leaders. DOE has increased budgets to allow for an increase in training. The QCI test has a 70% failure rate for persons who first take the test. In response to this DOE has increased the number of times per year a person may take the test.

Update on Governor's Office of Energy Funding for the Direct Energy Assistance Loan (DEAL) Program

Patrick Conway said the Direct Energy Assistance Loan (DEAL) Program will provide an interest free loan of up to \$6,000 for current state employees who are NV Energy customers with the loans being paid back through payroll deductions. Veterans may receive as much as \$8,000. Sub-grantees will conduct an energy audit on every home but the employee may select any of the measures that need to be completed on their home regardless of which measure may have the greatest energy saving benefit. The program is a pilot with an initial budget of \$1.5 million from the Governor's Office of Energy. At this point, it is anticipated commencing in December or January.

Any Changes to the Federal Legislation for the Department of Energy (DOE) Program

Patrick Conway stated that the only changes that are being considered on the federal level are the implementation requirements associated with the OMB Uniform Guidance. These requirements are mostly applicable to the fiscal aspects of grant awards and will not go into effect for the Weatherization Assistance Program until FY 2017. However, in the future, it will be necessary to modify contract documents to update citations related to the new OMB Uniform Guidance.

Michele Montoya provided the members of the Policy Advisory Council (PAC) with a copy of the US Department of Energy's National Evaluations Summary of Results of Weatherization Assistance Program. She also stated she would like to keep "Any Changes to the Federal Legislation" as a standing item on the PAC agenda.

Agenda Items for next PAC Meeting

The following items were suggested by committee members for the next PAC meeting:

- Approval of DOE State Plan
- Possible Revision to PAC By-Laws regarding terms of Chair and Vice-Chair
- Any changes to the Federal Legislation of the DOE Program (Standing Item)
- Update on the Direct Energy Assistance Loan Program
- Update on Southwest Gas Funding and Letter to Support Program
- Update on NHD Staffing

Next Meeting Date

The next meeting date was discussed for sometime in April of 2016 depending on the adoption schedule for the State Plan.

Public Comment

Michele Montoya again opened the meeting for public comment. There was no public comment.

Adjournment

A motion was made by Betsy Ransdell and seconded by Debra Parra to adjourn the meeting. The motion passed 5-0. The meeting adjourned at 2:12 p.m.

Respectfully submitted by,

Patrick Conway
Grants and Projects Analyst II
Nevada Housing Division