

January 8, 2013

Re: Program Announcement for Hurricane Sandy Relief

Dear Participating New York Home Performance with ENERGY STAR® Contractor,

The New York Home Performance with ENERGY STAR program offers the following clarifications and modifications of Program rules to help facilitate the submittal of storm relief projects to the Program and to provide assistance to those who sustained property damage as a result of Hurricane Sandy.

This additional assistance is available to all households in the 13 counties designated by FEMA as eligible for disaster assistance:

Bronx, Kings, New York, Richmond, Queens, Nassau, Suffolk, Westchester, Putnam, Orange, Rockland, Sullivan, and Ulster

- **Removal of Test-in Requirements.** Test-in requirements will be waived for storm damaged homes that are not in a condition that can support test-in. The home must be habitable at the time of test-out.
- **Start of Work.** Contractors are reminded that work can be started prior to receiving workscope approval. Full approval and completion documentation will need to be received by the program in a reasonable amount of time after the completion of the work for incentives to be processed. The loan approval process remains unchanged, and contractors proceeding with work without signed loan agreements do so at risk.
- **Oil Project Incentives.** Incentives for oil projects are funded by quarterly Regional Greenhouse Gas Initiative (RGGI) auctions and are very limited. Contractors are urged to check the Contractor Portal for the available balance of funds before including oil incentives in a project proposal. A reservation system is in development to waitlist projects in the order of receipt for possible funding from the next auction.
- **Eligibility for Program Incentives.** The pre-qualified measures list may be used to determine eligibility for the 10% cash back (HEMI) incentive and 50% Assisted subsidy. Please consult the Eligible Measures list found here: [HPwES Eligible Measures List](#)

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- **Loan Approvals.** Loan approvals will be extended to accommodate for delays in the installation of approved energy efficiency measures. If a loan approval is extended, Homeowners will not be required to re-qualify for the loan. The \$150 loan processing fee will be waived for a customer applying for a second loan when work on both projects will be completed within 12 months of the original application. (Note: A homeowner may obtain more than one loan for up to a combined total of \$25,000 subject to the 15 year payback rule on the combined total of the loans. Only one loan at a property can be an On-Bill Recovery (OBR) loan.)
- **Ability to Finance Storm Repair Work.** Storm repair work will be treated as a health & safety measure. The dollar value of health & safety measures, accessories, and efficiency measures not listed in the pre-qualified list that are allowed to be excluded from cost-effectiveness calculation of an Unsecured Loan remains at 15% of the total project cost with a cap of \$2,000.
- **Punch List Items.** Loans may be closed with punch list items, provided that the punch list items do not to exceed 15% of the loan amount, and are to be completed by the contractor when circumstances permit. The Certificate of Completion must describe and value the incomplete work and anticipated completion date. The contractor will owe a refund to the customer if the work is not completed within the timeframe agreed to with the customer. The HEMI or Assisted subsidy will be paid upon approval of the initial Certificate of Completion. Contractor incentives up to the value of the punch list items will be withheld until the items are complete or deleted and documented on a final Certificate of Completion.
- **Establishment of Base Case Efficiency.** For the purposes of energy modeling, the efficiency (e.g. AFUE, EF) of inoperable space and water heating equipment shall be assumed to be the rated or “nameplate” efficiency of the equipment. If the rated efficiency of the equipment is unavailable (e.g. equipment no longer on the premises), contractors shall interview the homeowner to ascertain the equipment type, vintage, etc. and use their best judgment to estimate equipment efficiency.

The R-Value and/or U-Factor of exterior surfaces shall be modeled as closely as possible to the pre-flood condition accounting for degradation following BPI guidelines.

- **Coordination with FEMA Award, Insurance, or Rebates.** The HEMI and Assisted subsidy will be reduced if the total benefit from all sources (FEMA, insurance, utility rebates, and program incentives) together exceed 100% of the cost of the replacement. Documentation of all awards must be provided to CSG and the customer must certify that these reflect the total benefit from all sources.
- **Full Approved Project Cost Eligible for Financing without Subtracting FEMA, Insurance, or Utility Rebates.** The homeowner may choose to finance 100% of the approved project cost net of program incentives subject to the cost-effectiveness requirements of the loan.
- **Expedited Review and Approval of Participation Agreements for New Contractors and Modification of Existing Participation Agreements to Serve Counties Eligible for Disaster Assistance.** NYSERDA will fast-track its review and approval process to enable contractors that meet Program requirements to become Participating Contractors and for current Participating Contractors to expand the areas served to include the 13 counties.

- **Expedited Review and Approval of Participation Agreements For Home Performance Contractors that desire to become Participating EmPower Contractors.** NYSERDA will fast-track its review and approval process to enable contractors that meet EmPower Program requirements to become EmPower Contractors.

Thank you for your continued support of Home Performance with ENERGY STAR and the important role you can play in providing relief for those affected by the Hurricane Sandy. Best wishes to you, your staff and families for the holidays and the New Year.

Sincerely,

A handwritten signature in black ink, appearing to read "John Ahearn". The signature is fluid and cursive, with a large initial "J" and "A".

John Ahearn
Program Manager
Home Performance and Residential Financing Programs

cc: Building Performance Contractors Association
Constituency Based Organizations
Efficiency First