September 2006

This monthly e-mail update is brought to you by HUD's Public Housing Energy Conservation Clearinghouse (PHECC). It features news and resources to help public housing authorities manage energy and water costs. To see past issues of this newsletter, and to access more information and tools for public housing authorities, visit the Public Housing Energy Conservation Clearinghouse Website at http://www.hud.gov/offices/pih/programs/ph/phecc/.

To contact the Public Housing Energy Conservation Clearinghouse email pheccinfo@drintl.com or call 1-800-955-2232.

News:

• Fall Maintenance Brings Winter Savings

Events:

- Delta Institute Energy Performance Contracting Workshop for PHAs. September 18-22, 2006. Syracuse, NY.
- NAHRO Energy Seminar. September 21, 2006. Washington, DC.

Success Stories:

Energy Performance Contract Revamps Allegheny County Housing Authority

Energy Watch:

• Heating Oil Prices to Rise Again

ENERGY STAR® in Focus:

• Change the World, One Bulb or Light Fixture at a Time

Websites Worth a Click

PHECC's New Energy Performance Contracting FAQ

Fall Maintenance Brings Winter Savings

What is the best way to ensure an energy-efficient winter? Start with preventive maintenance in fall. Seal air leaks, upgrade insulation when possible, and optimize heating equipment.



Adding attic insulation can help cut utility bills come winter

Air infiltration through small holes, cracks and other openings may contribute to as much as 30 percent of a residence's heating costs. Infiltration wastes energy and money, and contributes to moisture, noise and dust problems.

To locate air leaks, conduct a leakage survey such as the one developed by <u>Urban Options</u>.

Installing <u>weatherstripping</u>, <u>caulking leaks</u>, and adding <u>insulation</u> are very cost-effective ways to save energy, improve comfort, and reduce noise.

Walls, attics, floors and ducts should also be insulated, but attics are the most critical and usually the easiest to insulate. Visit the Department of Energy for recommended insulation levels.

Caring properly for heating equipment will go a long way toward maintaining its energy efficiency and reliability. Clean or replace furnace filters monthly during operating season. Shave heating bills 5-10 percent by keeping furnaces clean, lubricated and tuned-up. Add an <u>insulating jacket</u> around hot water heaters and pipes. Clean registers, baseboard heaters and radiators, and advise residents to keep them clear of furniture, carpeting, and drapes.

Window Options

For homes with singlepane windows, consider installing <u>interior storm</u> <u>windows</u> for additional energy, comfort, and soundproofing benefits.

For more information, visit ENERGY STAR's <u>Home Improvement</u> and <u>Home Sealing</u> pages.

EVENTS

Delta Institute Energy Performance Contracting Workshop for PHAs

September 18-22, 2006

Syracuse, NY

Energy Performance Contracting (EPC) is one of the best ways for a PHA to significantly lower energy costs and make housing more comfortable without investing PHA capital. HUD also allows PHAs to retain some of the energy savings. This course uses role-plays and a case study approach to give participants the tools to implement EPCs. Click here to view a draft <u>agenda</u> and <u>register</u> for this event.

NAHRO Energy Seminar

September 21, 2006

Washington, DC

This workshop on financing comprehensive rehabs using utility cost savings covers planning; HUD policy and regulations; typical retrofit strategies; and integration into housing authority modernization, maintenance, and financing programs. Participants will hear the pros and cons of hiring an energy services company to manage an agency's energy performance contract. View more <u>information</u> or register on the NAHRO Web site.

SUCCESS STORIES

Energy Performance Contract Revamps Allegheny County Housing Authority

In 1999, the <u>Allegheny County Housing</u>
<u>Authority</u> (ACHA) of Pennsylvania entered into an EPC to upgrade over 3,000 housing units in 45 buildings over 12 years.

Walt MacFann, ACHA director of planning and development, felt that an EPC just made sense at the time. "I spoke with several other organizations that had implemented similar programs, and reviewed and researched how these organizations went about improving facilities and the benefits they achieved. Their overall satisfaction and the tangible results made the case," said MacFann.



In the first phase of the project, ACHA installed two new boilers and equipment to automate, control and manage the energy systems and pump motors in ACHA's Homestead Apartments.

Improvements at ACHA included a window/wall system retrofit, new elevator controls and pumps, energy-efficient windows and doors, new boilers, HVAC units and temperature controls, and a high-efficiency, air-cooled chiller.

To encourage water conservation, water meters were installed in each unit. This individual-meter system allows the Authority to pass the costs of any overages to tenants. Each tenant is allotted a utility allowance by the PHA. If tenants exceed the allotted utility allowance for the month, they are responsible for the difference.

Due to the individual-meter system, tenants can realize financial savings if they reduce their water consumption to an amount below the utility allowance. "It's an incentive to save more water," said Eugene Virostko, project manager for Honeywell, the energy service company partnering with ACHA.

ENERGY WATCH

Heating Oil Prices Expected to Rise

Heating oil customers can expect to pay 6 to 8 percent more for heat this winter, according to an energy price forecast released by the Energy Information Administration (EIA). Heating oil is a distillate fuel similar to diesel and is refined from the same crude oil that is used to produce gasoline and other petroleum products. Crude oil forecasts of more than \$70 a barrel this year, compared to an average of \$61 per barrel last season, are expected to drive up heating fuel prices.

Fall Fuels Outlook			
	Current US Average Price	Projected 4th Quarter 2006	4th Quarter 2005
Electricity (\$/Kwh)	\$0.10	\$0.09	\$0.09
Natural Gas (\$/ Mcf)	\$10.96	\$12.24	\$14.65
Heating Oil (\$/gal)	\$2.14	\$2.06	\$1.84

Source: Energy Information Administration

The <u>EIA</u> predicts heating oil will cost an average of \$2.06 per gallon in the fourth quarter of 2006 and \$1.97 per gallon in the first quarter of 2007. The projections are an increase from last winter's average prices of \$1.84 per gallon in the fourth quarter of 2005 and \$1.75 per gallon in the first quarter of 2006.

In 2005 the world consumed an average of <u>84 million barrels per day</u> and produced <u>84.4 million barrels</u>. In such a tight market, any major event quickly affects the price of oil and products made from it. The U. S. consumes over <u>20 million barrels per day</u>. BP's recent <u>shutdown of its Prudhoe Bay, Alaska</u>, oil fields, accounting for an EIA estimated 400,000 barrels per day of domestic production, could drive prices even higher this winter than historical demand alone would. But, because the United States imports roughly 2/3 of its crude oil needs, so could political unrest in the Middle East civil war in Nigeria and erratic behavior in other politically unstable oil-rich countries.

To combat rising prices, explore opportunities to purchase heating oil now, before winter sets in. Comparison-shopping before demand is high may yield dramatic savings. Filling fuel tanks in summer also helps protect them from condensation that could damage a half-full tank.

ENERGY STAR® IN FOCUS

Change the World, One Bulb or Light Fixture at a Time



Through the <u>Partnership for Energy Efficiency</u>, DOE, HUD and EPA will launch the annual <u>"ENERGY STAR Change a Light, Change the World Campaign"</u>-and mark the second annual "ENERGY STAR Change a Light Day"-on October 4, 2006, during Energy Awareness Month.

The objectives of Energy Awareness Month and the ENERGY STAR campaign are to promote energy efficiency and conservation, reduce residential energy costs and protect the environment. The campaign urges Americans to <u>pledge</u> to replace one <u>bulb</u> or <u>fixture</u> in their home with a bulb or fixture that has earned the <u>ENERGY STAR</u> label.

The Partnership has sent an invitation to every U.S. Governor, encouraging them to issue proclamations declaring October 4, 2006, ENERGY STAR Change a Light Day; more than half issued proclamations in 2005. This year, HUD is encouraging PHAs to host an ENERGY STAR Change a Light Day <u>event</u> at a Public Housing community and to invite mayors, local government officials, board members, residents and press. Invite your local mayor or government official to change a light at the event and issue a proclamation declaring October 4, 2006 ENERGY STAR Change a Light Day.

HUD is also asking PHAs to <u>become pledge drivers</u>, by posting a unique link to the pledge form on their Web site, and encourage residents and staff to take the pledge. Pledge drivers have access to statistics generated from pledges, which can serve as a tool to gauge resident participation in the community. Download the <u>Pledge Driver Tool-kit</u> from the <u>ENERGY STAR Web site</u> for more information and explore <u>bulk purchasing of ENERGY STAR light bulbs and fixtures</u>.

For more information on Energy Awareness Month and event coordination support, go to http://www.energystar.gov/joincal or contact your local HUD field office or HUD Regional Energy Coordinator.



WEBSITES WORTH A CLICK

PHECC's New Energy Performance Contracting FAQ

<u>PHECC's newest resource</u> answers some commonly asked questions about the ins and outs of energy performance contracting. If your questions are not addressed, send an e-mail to <u>pheccinfo@drintl.com</u>.