

Green Jobs Green New York Advisory Council Meeting
March 22, 2012
Notes

Members of the Green Jobs-Green New York (GJGNY) Advisory Council met via video-conference at NYSERDA's Albany, New York City, and Buffalo offices on 3/22/12. Telephone access was made available to members who could not make it to a video conference site. Also present at the meeting were several NYSERDA staff members and additional staff members from Advisory Council member organizations. The Meeting was videotaped and posted at www.nyserda.ny.gov.

Attendees –

Albany Office:

Jeff Pitkin, NYSERDA; Anne Reynolds, NYSDEC; Renée McAllister, NYSERDA, Frank Murray, NYSERDA; Anthony Ng, Center for Working Families; Karen Hamilton, NYSERDA; Sue Andrews, NYSERDA; Mark Wyman, NYSERDA; Tina Carton, CSG; Kathryn Fantauzzi, NYSERDA; Hal Brodie, NYSERDA; Marilyn Dare, NYSERDA; John Ahearn, NYSERDA; Dave Munro, NYSERDA; Carlene Pacholczak, DPS; Pete Savio, NYSERDA; Mishel Filisha, NYSERDA; Bryan Henderson, NYSERDA; Chuck Schwartz, LI Green; Carley Murray, NYSERDA; Susan Moyer, NYSERDA; Kevin Carey, NYSERDA; Adele Ferranti, NYSERDA; Vicki Collelo, NYSERDA; Amy Savoie, NYSDOL; Kevin Rooney, Oil Heat Institute of Long Island; Dayle Zatlín, NYSERDA

Buffalo Office:

Lee Butler, NYSERDA; Kelly Tyler, NYSERDA; Clarke Gocker, PUSH Buffalo

NYC Office:

Rick Cherry, CEC; Jay Ackley, CEC; Sharon Griffith, NYSERDA

Phone:

Dick Kornbluth, BPCA; Les Bluestone, Blue Sea Development Company; Beth Berlin, OTDA; Samantha Wilt, NRDC; Judy Butler, Butler Builders; Jen McCormick, Empire State Development; Keith Corneau, Empire State Development; Jackson Morris, PACE

The following meeting notes capture comments, questions, and discussions held at the meeting in response to the presentations given by NYSERDA staff. A video of the meeting, copies of presentations and any handouts provided can be found at nyserda.ny.gov.

I. Welcome and Introductions, Frank Murray, NYSERDA President and CEO

Frank stated that this is the sixteenth meeting of the GJGNY Advisory Council. Changes have not yet been implemented to the Advisory Committee. Names are under consideration for reappointment and all current members are continuing on.

II. Budget Adjustment, Karen Hamilton, Program Director

Karen reviewed the budget adjustments that had been provided to the Advisory Council members via email prior to the meeting. Interest earnings were previously allocated to the Workforce Development and the Multifamily programs. Since then, the CBO Outreach program contracts were being finalized and it was identified that \$120,000 was needed to fully fund those activities. That money was allocated from the interest earnings.

III. On-Bill Recovery Update, Jeff Pitkin, Treasurer and Internal Control Officer

The On-Bill Recovery program was launched on January 30, 2012. The legislation required it to be implemented by May 30, 2012. Governor Cuomo announced that the launch would be accelerated in the State of the State Address. NYSERDA worked with DPS and the utility companies to achieve that launch date.

The early launch allowed consumers access to financing without having to make payments until June 2012. That allowed utility companies to modify their billing systems in preparation for adding charges to the bills.

Issues appeared soon after the launch. The legislation required that the consumer provide a mortgage in connection with the On-Bill Recovery loan obligation they were undertaking. The loans were subject to state banking law regulations requiring communications with consumers to be with a licensed mortgage loan originator. That was an issue because the HPwES contractors, CBOs, and other partners explaining the program to consumers were not licensed mortgage loan originators. Notification was provided to the partners in February to offer guidance on how to communicate with consumers and not violate the mortgage regulations.

In the meantime, the program worked with the Governor's office to determine a legislative fix that was introduced by Governor Cuomo as part of the 30 day budget bill amendments. The fix was to modify the statute requiring On-Bill Recovery loans to not be supported through the filing of a mortgage. They would instead be supported through a declaration that is filed in the same manner as a mortgage, recording interest, but doesn't represent a lien on the property. The declaration serves the primary purpose of what the mortgage's intent was, which is to provide notice to the purchaser of a property that has an outstanding On-Bill Recovery loan obligation.

That amendment was introduced by the Governor on February 16, 2012. NYSERDA immediately changed program guidelines to alert future applicants that if the legislation were enacted, any mortgage in connection with their loan would be replaced with a declaration once the legislation was enacted. All consumers who applied to the program up to the date of the legislation being introduced were asked by NYSERDA if they wanted to continue with the

mortgage for its entire term. One important distinction between the mortgage and the declaration is that the interest payments a consumer makes on a mortgage loan might be tax deductible. NYSERDA felt the need to allow consumers who already applied for the loan to have the option of maintaining the mortgage for the full term.

The language in the Governor's 30 day budget bill amendment was also included in the version of the budget bill submitted by the Assembly, but not in the Senate's version. NYSERDA has been working to clarify and respond to the Senate's questions about the need for the legislative amendment. NYSERDA consulted with the NYS Association of Realtors, NYS Bankers Association, and the Association of Counties. Everyone agreed that the use of this instrument would not present an issue for consumers who purchased properties in NY, and that it could provide improvements over the original statutes. During a property transfer, the norm would be to extinguish all mortgages on an existing property. With the declaration not being a lien on the property, it does not need to be extinguished.

QUESTION: If a homeowner has \$2,500 of out-of-pocket expenses for insulation and windows that are eligible for federal tax credits, and it is being financed over a period of time, would a homeowner take the total anticipated expenditure or the annual actual expenditure?

RESPONSE: A homeowner should consult with their tax advisor to determine that.

QUESTION: What are the Senate's objections to the language?

RESPONSE: The Senate's budget resolution did not include the Governor's proposed amendment language because it would not lead to a reduction in the number of loan defaults. That is the stated rationale in the Senate's budget resolution. Since then, NYSERDA is aware that there are questions and concerns arising. They seem centered around whether using a declaration will present difficulties for consumers purchasing the property instead of continuing to use the mortgage. NYSERDA is hopeful that this proposal will be included in the Senate's budget. It is encouraged that the contractors and CBOs reach out to Legislators and Senators to explain why this change is important.

QUESTION: Is there any way of preserving the tax deduction? Was it qualified as a mortgage?

RESPONSE: The loan itself would not be secured by the real property so the interest payments would not qualify for tax deductibility. In general, interest payments on a mortgage would qualify for tax deductibility.

FOLLOW-UP: Is there conversation to try to figure out how to keep it as a mortgage and still allow people who are not brokers to deal with it? Is there a way to have the law changed so that this type of mortgage could be done by groups under contract by NYSERDA?

RESPONSE: Many of these mortgage regulations came out of the Federal SAFE Act which required each state to implement regulations providing consumer protections. Many

conversations occurred with the NYS Department of Financial Services. It would have been problematic for them to provide an exemption for this particular mortgage when all other mortgages being offered in NYS had restrictions. NYSERDA did try that.

QUESTION: Was the first objection which was based upon loan defaults dropped?

RESPONSE: The information was in reference to what was noted in the resolution included in the Senate's budget proposal.

Jeff continued with the presentation by reviewing the slides. Over 3,700 financing applications have been received through the end of February 2012. The approval rates are increasing. The aggregate cumulative approval rate is up to 63% from 60% in December. That reflects the tweaks in the underwriting standards. The denial rate has gone down from 33% to 29%.

The trend line slide shows the number of applications received by month. Starting in February 2012, it shows applications for On-Bill Financing vs. unsecured. During the month of February, about 55% of the total applications received were from consumers who elected to apply for an On-Bill loan. Contractors and CBOs have said that having the opportunity to more fully engage in communication with the consumer would be helpful to the consumer's interests. NYSERDA is hopeful that the proportionate amount of applications for On-Bill financing will increase.

There have not been many changes in reasons for loan denials since December. The percentage of denials for credit scores went up a little bit. They were up by 2%, offset by 1% in the category of bankruptcies and others. Through the end of February, over 1,400 loans have been approved which totaled about \$13 million in capital for the residential program.

There is continued progress in the relative amount of loans being approved using alternate criteria. It reflects success for the program in broadening access to financing to consumers who would not normally meet criteria under traditional standards.

The overall amount of Tier 2 loans continues to increase. As of the end of February, about 7% of the total loans issued are to consumers meeting the alternate criteria standards (Tier 2).

The loans broadly are performing well. The delinquencies are at a low level. The loans in the portfolio are on average only about 4 or 5 months old. In general, delinquency rates typically increase and spike around the mid-point of the loan term and then decline. We have not reached that point in the loan portfolio yet.

The revolving loan fund – total of \$51 million was allocated out of the GJGNY budget. The Multifamily and Small Business/Not-for-Profit sectors had their first loans issued.

Since the December meeting, NYSERDA completed the selection of a bond underwriting team that will assist in the issuance of bonds allowing for the sourcing of capital through the secondary markets. Three firms were selected under RFP 2459: Citigroup Global Markets, Inc.

(National), Jefferies & Company, Inc. (Regional), and Samuel A. Ramirez & Co., Inc. (MWBE). NYSERDA is working with them to proceed with the first bond issuance.

The Citigroup team believes that the On-Bill Recovery loan structure will qualify for AAA rating through the Capital Markets. There may be a need to separate On-Bill loans from unsecured loans because they do not qualify for a AAA rating. Moving forward, NYSERDA might have to do two separate bond issuances. NYSERDA is in discussions with Fannie Mae who had offered an energy loan product that was used through the Home Performance with ENERGY STAR program for about 10 years. There were 5,500 loans issued to NYS consumers to finance energy efficiency work, with over \$42 million worth of loans. Obtaining the performance data on that loan portfolio is critical to NYSERDA's ability to tell the story to the rating agencies that these loans perform well. Fannie Mae has expressed an interest in cooperating with NYSERDA to provide aggregate data. It will help to project expected levels of delinquencies and defaults for the unsecured loans to be financed through bonds.

NYSERDA is looking at a bond issuance in the fall of 2012. The issuance of bonds is being accelerated because NYSERDA is looking to use a Qualified Energy Conservation Bond (QECB) structure. There is growing concern that the federal government could cut back this bonding authority sometime in 2013. NYSERDA thinks it's prudent to proceed with issuing bonds even though the loans are not yet all issued from the portfolio.

QUESTION: Are all of the numbers from the start of the GJGNY program, in November 2010? On the budget figure, what is the period of time do the budget numbers correspond to?

RESPONSE: Yes. The budget represents the total amount that was allocated out of the GJGNY funding. The total amount of \$112 million. \$51 million were allocated to support loans. Of that, the Advisory Council agreed with NYSERDA's recommendation to allocate 50% (\$26.7 million) for the residential sector. Those loans started being issued in November 2010 and to date NYSERDA has issued 1,200 loans for \$10 million worth of funding. The Small Business/Not-for-Profit and Multifamily financing programs were launched in the summer of 2011. They will be quickly catching up.

FOLLOW-UP: Is that \$51 million sitting there? Is the burn rate where you want it to be? When first looking at the numbers, what was NYSERDA anticipating/planning for in terms of going through the allocations vs. where things are now?

RESPONSE: When discussions were happening about funding and allocating it to the revolving loan fund, there were thoughts on what the uptake could be from Residential vs. Small Business/Not-for-Profit vs. Multifamily. NYSERDA will reexamine as uptake in the three sectors increases. The budget amounts are not fixed and could change. Initially, it was thought that these were three year budgets that would be reevaluated. The plan is to issue bonds, replenish the revolving loan fund, and continue to make loans. The Small Business/Not-for-Profit is managing loans in a different way, using participating lenders. It is challenging to forecast what will be the uptake and the period of time the loans will cover.

QUESTION: When the residential loans get replenished, if there is a strong demand for Small Business/Not-for-Profit and Multifamily, can more funds be allocated to those programs?

FOLLOW-UP: NYSERDA fully intends to be flexible and respond to what needs arise. Regarding the On-Bill financing structure that will be implemented in the coming months for the Small Business/Not-for-Profit sector, there could be an opportunity to use the same kind of securitization approach to the bond markets that are being used for the Residential sector.

IV. Status Updates

a. One-to Four-Family Homes, John Ahearn, Program Manager

John reviewed the charts and said the free and reduced cost audit program continues to be popular and successful. Over 23,000 applications have been received, with 21,000 receiving approval. There were 15,000 audits completed, with 4,200 projects moving into contracts. There were 3,395 projects completed, with 2,411 at market rate and 984 at assisted. Total audit funds invoiced are \$3.3 million. The budget is set at \$11.6 million and there are plenty of resources left to support additional audits.

The conversion from audits to retrofits continues to be strong at 29%. Many contractors are finding much higher conversion rates feasible under the program. Contractors are using the free and reduced cost audits successfully as a marketing tool. It gets them in the home and they are showing great success contracting work based on that.

For all of 2011, the Assisted Home Performance program accounted for 35% of the total completed projects.

Since the start of GJGNY in November 2010, NYSERDA saw a spike in production in early 2011 and low levels of production occurred while adjusting to changes in the program in the fall of 2011. Even though recent production is down from where it was last year, it is still viewed as positive because the program and contractors have adjusted to changes.

The percentage of financing on the completed projects is positive. In the past several months, financing has gone from covering around 10% of projects to around 32%. The program is reaching new audiences that are unable to pay for improvements out of pocket.

QUESTION: What about geographical distribution? Are there any trends in where the work is happening?

RESPONSE: The trends continue to reflect the strong markets in Western NY and downstate is growing. The hottest market continues to be in the Rochester area. The growth in Westchester and Long Island is increasing in the last few months. Additional data will be provided in the next monthly update.

b. Outreach and Marketing, Sue Andrews and Mark Wyman, Project Managers

Sue said most of the CBOs have been very active in the last few months after the program launch in January. As of March 7th, 10 CBOs reported that 4,700 consumers inquired about GJGNY programs and services (defined as a lead). The leads resulted in 61 audits and 2 retrofits. On the Small Business/Not-for-Profit program side, there have been 27 leads and one for Multifamily.

Five CBOs are reporting that workforce activity is good, with 365 referrals, 92 people signing up for training, leading to 12 employed people.

CBO strategic plans have been submitted and they include how they intend to generate leads. Most of the leads are coming from events and meetings. Key partnerships are being developed. They include community leaders and lenders. The CBOs are canvassing constituents across the state and developing referral programs. Some are working with homeowners associations, realtors, and inspectors.

GIS mapping is a valuable tool to target areas for outreach. CBOs are mapping where they are for the One- to Four-Family sector. Some are even mapping by age to help better focus on areas to target.

The program is coordinating with the DOE's Better Buildings effort. RFP 2228 was released in 2010 and NYSERDA entered into agreements with seven municipalities. They re-granted 90% of their award back to NYSERDA to be used in the loan fund. The remaining 10% was kept to assist promotion of GJGNY. NYSERDA is working closely on events with the sub-grantees in Schenectady, Rensselaer, Penfield, Chautauqua County, and Central NY.

There has been a lot of media coverage which is helping to generate leads. An in-depth television interview, along with several print articles and editorial pieces took place in early 2012. There has been coordination with NYSERDA's Communications department for press releases.

Research shows that social media will play an important role in getting the word out about GJGNY. The affordable housing blog post generated a lot of activity about retrofits.

The SharePoint site has proven to be a valuable tool for the deployment of NYSERDA's outreach effort. It organizes everything for the CBOs. They have

access to all materials and are able to ask questions. All documents are housed on the site, including presentations, marketing materials, press release templates, and reports. Calendar notices are listed for events and meetings. All upstate training sessions were recorded and matched up to the PowerPoint presentations. They are now being used for CBOs hiring new staff or looking for a refresher on how to use the site. The SharePoint site also has a discussion board. It is a great tool for notifying CBOs when there are program changes.

CBOs have been given access to NYSERDA's Comprehensive Residential Information System (CRIS) database. As CBOs generate leads, they are tracked in the database from audit to completion. If a consumer is stalled in a certain area, this information allows the CBOs an opportunity to reach out and encourage them to move forward. A training was provided in January and a user guide is posted on the SharePoint site. Additional procedures are currently being developed.

NYSERDA held several webinars in early 2012. They covered marketing procedures, contract reporting, CRIS database training, and the solar thermal and renewable energy program overview.

CBOs have customizable marketing materials. The overview brochure has been translated into Spanish and traditional and simplified Chinese. The Home Performance fact sheet has been translated into Spanish. Emails and postcards have been developed to help the CBOs gather leads. Website copy is also available to CBOs who create their own websites.

A direct mail campaign and website banner was created for the Small Business/Not-for-Profit sector.

Case studies, mailings, and a brochure were created to facilitate contractor recruitment. A workforce piece is being developed.

NYSERDA is currently working on developing website subpages to acknowledge the CBO outreach effort. "Sitelets" are also being developed for the CBOs to send consumers to. NYSERDA will track the information to help generate leads.

A Small Business/Not-for-Profit kit is being developed and will contain program information on On-Bill Recovery and case studies.

A main area of marketing focus has been on Workforce Development activities. There has been coordination with the DOL's One Stop Operating System. It is a way to track how workers are doing at each phase of the process. There are two downstate CBOs focusing on reaching the Asian American markets. Both are doing primarily Multifamily work. Procurement training manuals are currently

being translated. A content provider for building operations training is currently being sought out.

RFP 2327 was released to fill gaps in the existing Outreach program and they were awarded to Northwest Bronx Community and Clergy Coalition, Civic Association Serving Harlem, Make the Road New York, Neighborhood Housing Services of Jamaica, Inc., and Pathstone.

QUESTION: With this RFP, what is the total number of CBOs that NYSERDA is working with? Do you feel like you have good coverage?

RESPONSE: NYSERDA is working with 18 CBOs. There is not complete coverage throughout the state. The CBOs are willing to expand if they are receiving interest from people not exclusively in their territory. NYSERDA is confident that there is enough coverage.

Mark gave an update on the Aggregation Pilot. In December 2011, NYSERDA delivered a draft documents to six CBOs proposing aggregation activities in the 1-4 family sector. The documents were addendums to the Home Performance with ENERGY STAR Participation Agreement. Key features to the addendums include contractor eligibility criteria; language on community benefits standards including wage and benefit thresholds; targets for hiring locally and MWBE contractors; and the provision of workforce development and training to hirees. Community scale pricing is another element to the addendum. Homeowners and their neighbors benefit when having work done at the same time and the contractor can buy materials in bulk because there is a percentage discount over combined cost of measures.

To be able to deliver comprehensive services in bulk, there will be enhanced project timelines, and adjusted modeling and quality assurance criteria. The enhanced timelines will help homeowners to have the best experience. Word of mouth is so important to the aggregation pilot. NYSERDA has been partnering with the DOL to establish a reporting protocol to demonstrate success of the community development goals. CBOs have developed a job assignment protocol for participating contractors. It lays out clear expectations for how work will be delivered through the program. There is a basic design for the program that gets tailored for each region based on how the CBOs feel it will best serve their community.

A region by region phased launch is in the works. NYSERDA thinks that this approach will help for a more smooth transition, especially for the CBOs entering at a later date. PUSH, PPEF-Central and LIPC will be launching in April. El Puente, NHS-Staten Island, RUPCO, and BOEDC are in position to be launching

soon after, with Make the Road NY after that. A CBO pilot is being considered by NHS-Jamaica.

QUESTION: The community scale pricing varies per region. Can you give an estimate of what the pricing will be?

RESPONSE: The more customers who come in, the greater the discount will be applied. So far, LIPC is tiered from 5-10%, PPEF-Central is 2.5-7%, and PUSH is 5-10%. That is based on the cluster of customers who close on the work, not just for having a completed audit.

QUESTION: With the aggregation approach, is there any change in terms of the process for consumers choosing to finance the work? Are they still going through the individual application process?

RESPONSE: There is no change. The original design and part of the value that the CBOs have to offer is that they can help customers access resources that NYSERDA has to offer. The hope is that they will play a more active role in assisting with the financial resources and overall with their enhanced assistance.

QUESTION: How many of the key features are standardized? Which ones are individualized? Is the community scale pricing negotiated with the contractor in deciding who will participate or is that determined by the individual CBOs? How much flexibility do the CBOs have for their structure?

RESPONSE: Because it is a pilot program, everything is flexible. NYSERDA is test-driving market approaches. The numbers vary from region to region. When proposing to NYSERDA, each CBO got letters of support from a minimum of three contractors, for the basic pilot blueprint. Those contractors have been consulted during the ongoing design of the pilot.

FOLLOW-UP: Is workforce development and contractor eligibility individualized by CBO or is that standard across all of them?

RESPONSE: There is the ability to customize this. NYSERDA created a shell document with proposed criteria, and so far, there has been no adjustments made to the eligibility criteria. It says that you need to be a contractor in good standing (not having a probationary status) with the Home Performance program. The phased launch will ensure that it is a positive experience for everyone. It will eventually be opened up to all contractors meeting the eligibility criteria. In the meantime, it will be tested with a small group of contractors who signed the letters of support.

FOLLOW-UP: Can you give an example of some of the unique terms for each region?

RESPONSE: The proposed wage thresholds range from \$13.25 to \$18.30. There are different approaches for bringing in customers and assigning them to contractors. The CBO will gather qualified leads, get their reservation numbers, and hand them over in bulk to the contractors. In Syracuse, it was decided that giving a contractor a neighborhood with a thirty day timeframe to handout and collect applications individually and then immediately deliver the audit services. The thought is that when neighbors see what other neighbors are up to, they will also want to participate. Whatever the contractor gathers at the end of thirty days determines the cluster.

COMMENT: This is a huge effort to provide information and support to CBOs who aren't used to working with NYSERDA and all of its requirements. Congratulations on the efforts and work. The aggregation pilot is one of the innovative aspects of the program and it is critical for it to succeed. The phased out approach will help that to happen.

c. Workforce Development, Vicki Colello, NYSERDA Project Manager and Amy Savoie, NYS Department of Labor

Frank commended the Department of Labor for their cooperation in developing the Workforce Development program with NYSERDA. Vicki spoke about PON 2033: NYS Registered Apprenticeship and Building Trades Training and On-the-Job Training. The funding is broken out into two categories. Category A, which is for curriculum enhancement was set at \$800,000 and Category B, which is for on-the-job training, was set at \$1,825,000.

Category A is for the registered apprenticeship programs or for organizations teaching building trades training programs that are verified by third party independent organizations. Awards have been granted to Solar One to develop curriculum for Green Building Operations and Maintenance training and to the Urban League of Rochester to add Basics of Building Science to a Youth Build Pre-Apprenticeship construction training program. There are two other contracts under negotiation and there is a lot of interest from organizations who have not yet submitted proposals. There is \$150,000 remaining in this category.

Category B's on-the-job training program is very active. About \$400,000 has been committed so far. That money is for NYSERDA partners to hire people from the One Stop Career Centers, to give them on-the-job training in energy efficiency, weatherization, green building principles, and solar water heating installation. Applications are accepted via email and 50% of the employee's wages are reimbursed for up to six months, with a maximum of \$10,000 per employee. The contractors are also eligible to receive \$4,000 per hire for off-site training. The

intention is to have the employees stay on after the six months of training is up. The application deadline is currently set for May 31, 2012, but it will be extended until at least December 31, 2012.

The entire process was covered in detail. If a contracting company wants to hire, they send in an "Intent to Apply" application, listing the title and salary range they are looking for. NYSERDA reviews the application to assure that Applicants (NYSERDA service providers) are eligible for the program and in good standing, and then forward the information to NYSDOL. Amy led the group through the NYSDOL side of the process. The NYSDOL used their expertise and mirrored previous successful programs for their work under PON 2033. The goal was to make it very simple for the contractor to participate.

Once receiving the intent to apply acceptance email from NYSERDA, the NYSDOL performs due diligence to make sure they will be a good fit for job growth and training. They have a 72 hour turnaround time for the due diligence process. The information is then sent to NYSDOL's Business Services staff, which has teams in each region of the state. They work with businesses and find workers to help meet their needs. Skill sets and rate of pay requirements are discussed. The job candidates are enrolled in One Stop Career Centers located throughout NYS. Next, job matching takes place to find the appropriate people meeting the skills desired by the employer. The Business Services Representative (BSR) works with the contractor to develop the training plan. The contractor will then interview prospective employees, make a selection, and then perform a skills assessment. That includes setting goals for the employee by the end of the six months. Together, the BSR and the Contractor assemble a completed application, which is sent to NYSERDA for contracting. NYSDOL provides follow-up and monitoring, and continues to work with NYSERDA during the contract term. The entire process from intent to apply to contracting can move quickly if the Contractor is ready to hire and there are no major issues with the due diligence process.

The due diligence review for vetting a business was covered more in-depth. The DOL checks status on previous NYSERDA and NYSDOL contracts and grants; that the company is a registered business with the Department of State; have no violations on their unemployment insurance, workers compensation, and disability insurance; no violations or open investigations on NYS labor standards and safety and health, Federal OSHA, and public works; and file with the Workers Adjustment and Retraining Notification to make sure that there is nothing that would prevent an employee from being in a safe work environment.

Vicki added that NYSERDA has received 52 application intentions, 22 companies have been awarded funds, 52 people have been hired, and the average wage per hour is \$16.85. NYSERDA expects to see an uptake in participation with the CBO

presence, and the change in the economy. A webinar to review the PON and share success stories is being planned.

The goal is to bring people in at entry level, allow them to have a career path and get promoted into higher level positions. It is a great opportunity to promote workers and then backfill lower level positions.

QUESTION: Do the 22 companies being awarded funds correspond to the \$400,000?

RESPONSE: Yes, the 22 companies have almost \$400,000 in contracts.

QUESTION: Is there a link to the GJGNY CBOs doing the workforce piece? Are they aware of this opportunity to be able to make connections?

RESPONSE: Yes, they were provided with training and given an overview of the solicitation. Individuals are being referred to the One-Stop system for job opportunities.

QUESTION: What time period does this PON cover?

RESPONSE: The PON was released in June 2011. Applications started to arrive at the end of summer 2011. The first workers started in September 2011.

d. Multifamily, Lee Butler, Project Manager

Lee said that the program is up to 107 audits and that is almost evenly split between affordable and market rate housing. Of those, 66 audits have been completed. He added that 25 buildings dropped out of the program after the audit phase. Some of the reasons are that they didn't hit the 15% target or they decided to work in another program. Overall, there has been a good success rate of moving people forward in the pipeline. The program currently has 82 projects in the pipeline. Of those, 32 projects have installed enough measures to provide a savings of almost \$1.6 million in energy savings.

In the financing portion of the program, the first co-loan was closed. The loan was for \$500,000 through HVB Leasing for a project at Carnegie House Apartments. That loan generated a lot of interest from prospective building owners and the program is anticipating receiving more applications. A working group has been developing an On-Bill Recovery version that is anticipated to in place by May 2012.

e. Small Business/Not-for-Profit, Marilyn Dare, Project Manager

Marilyn gave an update on the audit status by saying that 980 FlexTech audits have been completed. Four parties are interested in moving forward with financing.

The focus of the SB/NFP program is on implementation and three firms were selected for an expeditor pilot to assist with the backlog of audits, contact the customers, and gather information on the types of expeditor services small businesses/not-for-profits are interested in. This is laying the groundwork for a future solicitation which will combine the auditor and expeditor functions.

Statement of Interest forms have been received from nine lenders indicating whether they will work with the small business, not-for-profit, or multifamily sectors. One NFP loan was closed with Canandaigua National. SEFCU expressed an interest in promoting the program to their customers.

The program is finalizing the On-Bill Recovery process to meet the May 30, 2012 deadline. The focus has been on the loan underwriting standards, program rules, and utility processes. Once complete, the current solicitation will be modified to allow participating lenders to either originate the loan using their own underwriting standards or use the On-Bill Recovery loan using NYSERDA's underwriting standards.

QUESTION: Are the FlexTech Audits free?

ANSWER: Yes, as long as the entity's demand is 100 kilowatts or less.

QUESTION: What do you plan to do with the huge backlog of audits? Will you be converting them into work?

ANSWER: NYSERDA has engaged three firms and divided up 700 audits between them by region. They will be reaching out to customers to find out if they have implemented the audit measures, whether they need assistance and, if assistance is needed, whether or not they require assistance applying for incentives or financing.

QUESTION: Do you plan to add any additional contractors to help with the backlog of audits? When is the solicitation planned to be released?

ANSWER: NYSERDA plans to use the information gathered from the expeditor pilot to help mold identify what type of services will be needed. The auditor and expeditor function will be combined for a solicitation later in 2012.

V. Public Input, Karen Hamilton, Program Director

None

VI. Closing Remarks and Next Steps, Karen Hamilton, Program Director

Meetings for the rest of the year will be June 26, September 13, and December 12, all at 1:00 pm. Electronic calendar invitations will be sent. Advisory Council changes will be finalized. If you are a current Advisory Council member whose term gets filled by someone else, you are always welcome to attend the meetings. They are open to the public.