

November 2011

The following provides a status update on activities related to the implementation of Green Jobs – Green New York (GJGNY).

Workforce Development

Open Solicitations or Contracting Underway

GJGNY Workforce Development and Training solicitations have resulted in ten GJGNY workforce training contracts in various stages of implementation as described below:

- The four institutions awarded funds under **PON 2011: Solar Thermal Training**, have begun to develop curriculum and course materials and to purchase new solar thermal equipment for their classrooms.
- Under **PON 1816: Workforce Development Training for Energy Efficiency Program- Worker Readiness** contracts are in place with seven institutions offering a range of training including construction math, lighting retrofit, green business basics, weatherization, and introductory building science. The four contracts, to construct lab houses for building science field training and testing, are being negotiated. In addition, funding for individual certification will remain available through May 2012.
- Two newly awarded contracts under **PON 1817 - Energy Efficiency Career Pathways Training and Technical Training-** will result in the development of Small Commercial Energy Audit training based on the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc.(ASHRAE) standards – ‘Procedures for Commercial Building Energy Audits, RP-669, SP-56.’ A third contract is underway to develop a new oil-heat training program based on the National Oil-heat Research Alliance (NORA) Silver and Gold certification standards.
- **PON 2033: Green Jobs Green New York NYS Registered Apprenticeship and Building Trades Training and On-the-Job Training- Category A-Curriculum Development**, has received four proposals to date with two of these having been approved for contract negotiations. Under Category B: On-the-Job-Training (OJT), forty-two applications from employers for training funds have been approved by NYSERDA and forwarded to NYS DOL Business Services, NYSERDA’s collaborator on this initiative, with nine OJT contracts having been issued to date.

Additional solicitations to be released this winter:

- **PON 2032: Green Job-Green New York Technical Certifications-** This upcoming solicitation will provide funding to develop technical workshops; fund training centers to expand BPI field exam capabilities; and develop oil and gas furnace installation certification standards. It will be issued in December 2011.
- **PON 2397: Incentive Pool to Support Energy Efficiency Training Program Accreditation-** This opportunity will be structured to offer open enrollment to support applications to the Interstate Renewable Energy Council Institute for Sustainable Power Quality (IREC ISPQ) Credentialing Program by qualified training organizations. The solicitation is slated for release during the winter of 2011/2012.

November 2011

Ongoing WFD Activity

GJGNY Curriculum Inventory, Assessment, and Curriculum Updates (RFP 2034): PACE, the implementation contractor, has aggregated information derived from the Department of Labor (DOL) on current training programs and the current capacity of employers to hire trainees from these existing programs. During December, Pace will conduct meetings with NYSERDA Workforce Development Staff to evaluate the DOL data and to establish if there are gaps between employer needs and current skill set training opportunities. If skill gaps are found, staff will strive to develop programs to fill these gaps, in an effort to increase employee effectiveness, and increase employer competitiveness. The ultimate goal being to provide employees with the skill sets required to install and service today's high-tech energy products.

Outreach and Marketing

An introductory building science webinar was offered to CBOs to provide them with a preliminary understanding of the Home Performance with ENERGY STAR (HPwES) Program prior to the formal GJGNY training sessions. Community Based Organization (CBO) Training was held for the upstate CBOs on November 30 and December 1. The training covered all key aspects of the GJGNY Program including the core GJGNY programs: HPwES, Assisted HPwES, residential financing, Small Business and Not-for-Profit audits and financing, the Multifamily Performance Program, and Workforce Development. Presentations were also offered on the use of the CBO SharePoint site, referrals to the EmPower Program, customer screening tools, CBO roles and responsibilities, program policies, and the paperwork required for the Outreach Program. A major component of the programs included presentations by the newly appointed CBOs describing their GJGNY outreach plans and activities. A healthy dialogue followed regarding how these approaches would work within communities. Several CBOs funded from the DOE Better Buildings grant were on hand to discuss their outreach programs and the lessons they have learned over the last year while deploying their programs. Brand Cool, the GJGNY marketing contractor, then discussed upcoming CBO marketing materials and the process for customizing them. NYSERDA followed by distributing all necessary materials, manuals and contact lists. Training for the downstate CBOs is scheduled for December 12 and 13.

Aggregation Addendum – NYSERDA staff is drafting aggregation agreements that will institute the contractual obligations between Home Performance contractors participating in the aggregation program, and NYSERDA. Each agreement is being customized to address terms proposed by the CBO implementing an Aggregation Pilot in their sector. These terms may include community benefit standards (such as wages, benefits, hiring protocols, etc.), standard pricing requirements, workforce development requirements, timelines, and quality assurance procedures.

CBO's will be given access to NYSERDA's Comprehensive Residential Information System (CRIS) database to track their leads from audit through retrofit for performance payment purposes. To facilitate training on CRIS's use and access, plans are underway to develop a CRIS training module for the CBOs. All CBOs will be required to sign a confidentiality agreement prior to being granted access to the CRIS database.

The CBO SharePoint site has been completed and a demonstration was provided for NYSERDA staff prior to CBO training, CBOs will also be required to sign confidentiality agreements prior to being granted access to this site. SharePoint is critical to the implementation of the GJGNY Outreach Program as CBOs will use SharePoint to:

November 2011

- Access documents
- Download program information and materials
- Upload leads for matching with NYSERDA's system, which supports performance payments
- Upload monthly reports
- Calendar
- Links (CBO sites, NYSERDA links, EFS, etc)
- Directory of Contacts
- Use the SharePoint site as a customer relationship management tool, if desired
- Converse with NYSERDA and other CBOs
 - Regarding program deployment
 - What is working
 - Best practices

Several additional foundational tools have been developed by the marketing contractor for use by the CBOs including: an overview brochure, homeowner case studies, website copy, and email blast copy. The brochure and case studies are customizable and allow the CBO to include specific pre-approved content such as: their logo, contact information, and other information about their organization.

Staff continues to finalize contracts with the CBOs selected through the second GJGNY Outreach solicitation (RFP 2327)

One-to-Four Family Homes		
Home Performance with ENERGY STAR® - Audit Status (as of 12/1/2011)		
	Totals	Goal/Budget
Audit Applications	17,466	NA
Average Number of Applications Per Month	1,519	NA
Approved Applications for Free Audit	14,966	NA
Approved Applications for Reduced Cost Audit	1,294	NA
Total Approved Audit Applications	16,620	NA
Scheduled Audits	12,438	NA
Completed Audits	10,842	46,000
Projects Contracted	3,252	NA
Projects Completed – 1,601 Market Rate and 622 Assisted	2,223	15,000
Audit Funds Invoiced	\$2,506,800	\$11,596,000

The 2,223 GJGNY projects completed since program's launch on November 15, 2010 are associated with a free/reduced-cost audit. They represent 30% of the total 7,329 Home Performance projects completed since the launch of GJGNY. This percentage of the overall projects continues to rise. During November, 76% of the audit-eligible completed projects originated from a GJGNY audit.

November 2011

Program demand continues to escalate as the Program received 2,163 audit applications in November representing a 42% increase over the monthly average of 1,519. As stated above, the current conversion rate from completed audit to project contract is 30%, although several contractors are reporting greater than 50% conversion rates. However, project completions have dropped significantly in the past several months due to changes in the HPwES program rules related to eligible measures. This drop in completions has not yet impacted the cumulative conversion rate, and NYSERDA's ongoing coordination with NYS Department of Public Service staff is expected to result in a turnaround in the completion rate.

The Assisted HPwES customers represented 28% of the November project completions.

Green Jobs - Green New York Residential Financing November 2011 (as of 11/30/2011)							
1- to 4- Family Homes	Applications Received	Applications Approved	Loans Closed				
			Value	Total	Market Rate	Assisted	
Total- November	335	448	\$1,244,541	137	102	35	
Total- Program to Date	2,961	1,563	\$6,742,244	802	604	198	
Tier 1	November	313	420	\$1,154,400	125	96	29
	Program to Date	2,961	1,480	\$6,452,504	767	583	184
Tier 2	November	22	28	\$90,141	12	6	6
	Program to Date	113	83	\$289,740	35	21	14

Financing Summary	Tier 1	Tier 2
Loans Closed	767	35
Value	\$6,452,504	\$289,740
Average Loan*	\$8,413	\$8,278
Average Term*	11.3 Years	13.9 Years
3.49%*	81%	74%
3.99%*	19%	26%
Approval Rate**	60%	
Denial Rate**	40%	
<small>*Refers to closed loans only ** Does not include applications pending review or withdrawn; of those loans denied, ~21% did not submit the necessary documentation required to be evaluated under Tier 2.</small>		

The residential loan underwriting criteria for Tier 2 loans were revised in July to allow a Debt-to-Income Ratio of up to 70% if the borrower has a FICO score of 680 or higher (prior standard was up to 55% with a FICO score of 640 or higher), and also to allow borrowers to qualify as long as they have had no bankruptcy within the last 5 years (reduced from 7 years). An additional modification was made to the Tier 2 underwriting criteria in October which waives the Debt-to-Income requirement for those applicants approved

November 2011

for Assisted HPwES. These changes are expected to increase the penetration of the alternate Tier 2 loan underwriting to 12%. Tier 2 already represents over 5% of the cumulative loan approvals, up from less than 3%.

NYSERDA continues to work with staff of the Department of Public Service and the utilities to implement On-Bill Recovery (OBR), which was signed into law on August 4, 2011. NYSERDA is using this increased coordination with the utilities for OBR to pursue a more streamlined process for financing applicants seeking to obtain their utility billing and payment history information (necessary for Tier 2 review). Currently, only two utilities (RG&E and NYSEG) have established a streamlined process with NYSERDA. .

Signature Title Agency and Escrow (Signature) has been selected as NYSERDA's Mortgage Servicer for OBR. Signature will complete county property searches for owners-of-record as well as, recorded-mortgages for all OBR Loans. Energy Finance Solution (EFS) will serve as the OBR Loan Originator.

In an effort to improve contractor cash flow, an advance payment option (25% of the amount financed) is being developed and will soon become available to HPwES Contractors on those projects receiving a GJGNY Loan. Upon receipt of the Certificate of Completion, EFS will release the remaining 75% of loan proceeds to the contractor.

NYSERDA is also coordinating with LIPA to enable HPwES customers who receive a LIPA incentive to assign these incentives to NYSERDA; through EFS, NYSERDA will then disburse the utility incentive funds to contractors at the time of the HPwES project completion. LIPA will reimburse NYSERDA (typically within 2-3 months). These program changes are intended to increase coordination with utilities, address contractor concern regarding the timeframe required to receive payment for projects receiving a GJGNY loan, and provide contractors with a down payment on financed projects.

A final agreement with the Master Loan Servicer, Concord Servicing Corporation, was executed on October 2nd. This agreement includes Multifamily and Small Business/Not-for-Profit buildings, as well as On-Bill Recovery financing. With the Master Loan Servicer Agreement in place, PON 2350 will be issued shortly seeking additional lenders to originate GJGNY residential energy loans. Collection services will remain with Concord, the Master Loan Servicer.

NYSERDA is completing the contractual process for seven municipalities to serve as host communities for NYSERDA's Revolving Loan Fund, and one municipality who will administer their own energy efficiency Loan Fund. These agreements will be funded under the \$40 million DOE BetterBuildings grant awarded to NYSERDA.

Multifamily				
Audit Status (as of 11/30/11)				
	Affordable Housing	Market Rate Housing	Totals	Budget/Goal
Number of Audit Applications	45	38	83	500
Audit Funds Encumbered	\$592,640	\$298,713	\$891,353	
Audit Funds Invoiced	\$315,200	\$150,213	\$465,413	\$3,000,000
Audits Completed	30	25	55	400
Number of Projects withdrawing from MPP after audit*	8	17	25	
Number of Projects in Pipeline**	36	27	63	
Projects Contracted (to have measures installed)	13	7	20	
Households (HH) associated with Projects Contracted	2,237	1,616	3,853	
kWh Savings of installed measures**	1,921,419	31,457	1,952,876	
MMBtu Savings of installed measures**	9,309	5,358	14,667	
Dollar savings of installed measures**	\$435,862	\$75,780	\$511,642	
<i>*MPP Projects must achieve a minimum of 15% in energy savings. Projects may choose to proceed outside MPP. Some may chose smaller work scopes which will not achieve program standard and thus not be eligible for MPP and some may elect to access utility incentives. If energy efficiency projects are completed, building owners that have an authorized audit would still be eligible to apply for GJGNY financing. **Represents both a scope of work that is totally, or partially, installed at this time. Projects that receive GJGNY supported audits and/or financing may also receive incentives through the System Benefits Charge (SBC), Energy Efficiency Portfolio Standard (EEPS), Regional Green House Gas Initiative (RGGI), and/or utility programs, such that the projects' energy savings may not all be attributed solely to GJGNY.</i>				

The GJGNY financing program for multifamily building owners is now available. Building owners participating, or who have participated in the Multifamily Performance Program, may be eligible for this reduced interest financing. More information on GJGNY multifamily building owner financing can be found at: <http://nyserda.ny.gov/en/Page-Sections/Multifamily-Performance-Program/Financing.aspx> .

Small Business / Not-For-Profit (SB/NFP)

Energy Audits: The FlexTech program was expanded during January 2011 in support of the GJGNY legislation. GJGNY energy audits are offered statewide at no charge to small businesses and not-for-profits (SB/NFP) with an average electric demand of 100kW or less and ten employees or less. For participants ineligible for GJGNY audit funding, FlexTech also uses American Recovery and Reinvestment Act (ARRA) funding to provide free energy audits to any small business or not-for-profit with an average electric demand of 100 kW or less.

As of October 31, 480 GJGNY audits and 263 ARRA audits have been completed.

Energy Efficiency Financing: The Small Business/Nor-For-Profit Energy Efficiency Financing Program was launched in June 2011. As of November 30, 2011, six lending institutions have signed up to be listed as participating lenders on the NYSERDA website.

November 2011

On October 19, 2011, NYSEERDA held a financial training session for NYSEERDA's Energy Smart Coordinators. NYSEERDA additionally presented an overview of the Program to public and investor-owned utilities, the New York Power Authority (NYPA), the Long Island Power Authority (LIPA) and Department of Public Service Staff on November 22, 2011. Training on the implementation of this program was provided to NYSEERDA's FlexTech Auditors on November 29, 2011, with regional financing program presentations being held for community based organizations in December 2011. NYSEERDA is also working with utilities and other relevant parties to incorporate GJGNY financing opportunity text into their marketing and outreach material.

To date, three applications for financing have been received from Flex Tech participants.

Evaluation

The initial Process and Market Characterization and Assessment efforts are currently underway and in the final stages of primary data collection. Primary data collection is expected to conclude and analysis to begin in December. The estimated completion date for this study is March 2012.