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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5916-N-17]

60-Day Notice of Proposed Information Collection:

Energy Benchmarking of Public Housing

AGENCY: Office the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: Comments Due Date: **[INSERT DATE THAT IS 60 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER.]**

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000; telephone 202-402-3400 (this is not a toll-free number) or email at Colette.Pollard@hud.gov for a copy of the proposed forms or other available information. Persons with hearing or speech impairments

may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877-8339.

FOR FURTHER INFORMATION, CONTACT: Arlette Mussington, Office of Policy, Programs and Legislative Initiatives, PIH, Department of Housing and Urban Development, 451 7th Street, SW., (L'Enfant Plaza, Room 2206), Washington, DC 20410; telephone 202-402-4109, (this is not a toll-free number). Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at (800) 877-8339. Copies of available documents submitted to OMB may be obtained from Ms. Mussington.

SUPPLEMENTARY INFORMATION: SUPPLEMENTARY INFORMATION:

I. Background

The President's Climate Action Plan

The President's Climate Action Plan calls on Federal agencies to increase investments in energy productivity, eliminate energy waste, ramp up efficiency standards, and deploy the tools and technology needed to build a new energy economy. The residential building sector is responsible for approximately 21 percent of the nation's greenhouse gas emissions. Utility costs (energy and water) account for approximately 22 percent of public housing operating budgets and in similar proportion across the assisted housing sector. HUD spends an estimated \$6.4 billion annually to cover the costs of utilities in its public and assisted housing programs.¹

¹ See https://portal.hud.gov/hudportal/documents/huddoc?id=afry13_egyeff.pdf.

HUD is committed to creating energy-efficient, water-efficient, and healthy housing as part of a broader effort to foster the development of inclusive, sustainable, and resilient communities. Investments in energy and water-efficiency pay dividends by improving occupant comfort, reducing tenant turnover, stabilizing operating costs, alleviating taxpayer burden, preserving affordable housing, ensuring disaster resilience, and mitigating climate change.

The Harvard Graduate School of Design in 2003² and the Government Accountability Office in 2008³ strongly recommended that HUD require the practice of utility benchmarking across its housing portfolios in order to better manage energy and water consumption. Benchmarking is a valuable tool that compares a building's utility consumption pattern against similar buildings and helps owners measure and manage energy and water consumption across building portfolios. With utility benchmarking, HUD will better be able to analyze energy and water use patterns to identify and address underperforming buildings in order to reduce energy and water consumption while stabilizing and reducing utility costs.

Benchmarking buildings is considered an industry-standard best practice and although some obstacles remain, the process is rapidly becoming quicker, easier, and more automated. A growing number of municipal and state governments across the country are instituting benchmarking requirements to better track and analyze building performance. Most benchmarking requirements utilize the Environmental Protection Agency's (EPA) ENERGY STAR Portfolio Manager, which automatically calculates energy performance metrics including a benchmarking score for public housing properties. ENERGY STAR benchmarking scores

² See http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_9238.pdf

³ See <http://www.gao.gov/products/GAO-09-46>

range from 0-100, and properties that achieve a score of at least 75 points may be eligible for ENERGY STAR certification. It is anticipated that EPA's ENERGY STAR program will release a similar benchmark score for water consumption in approximately one year.

Benchmarking Requirements

At this time, HUD is proposing limited requirements for utility benchmarking in order to balance the need to manage the public housing portfolio against the burden on Public Housing Agencies (PHAs) to adopt a new process. Many local benchmarking laws require benchmarking on an annual basis, however HUD is currently proposing benchmarking every three years. Benchmarking laws typically require property owners to utilize whole-building data, however HUD intends to accept sampled tenant-paid utility data where whole building data is not readily available. The three-year requirement will allow building owners to begin utility benchmarking while the market continues to build support, integration, and automation into this practice.

HUD will aggregate the collected data and analyze the ranges in order to better understand the overall PHA portfolio. Overtime, HUD will use the benchmarking scores as well as other data and metrics from Portfolio Manager to measure whether energy and water efficiency is increasing, decreasing, or staying the same throughout the public housing portfolio. This information may help guide the development of new policy initiatives, financial incentives, and technical assistance for PHAs.

The Process and Benefits of Utility Benchmarking

Utility benchmarking helps building owners better understand their buildings' energy and water performance. Analyzing buildings across a portfolio enables building owners to identify underperforming buildings in order to prioritize capital improvements and plan future budget needs. Based on an analysis of more than 35,000 buildings covered by newly established local energy benchmarking laws, EPA found an average energy use reduction of seven percent between 2008 and 2011 after benchmarking.⁴ In addition to PHA benefits, the sharing of utility benchmarking data will enable HUD to evaluate utility expenditures and offer better technical assistance.

In order to benchmark a building, two types of data must be collected and entered into Portfolio Manager. The first type of data is some basic information on the physical characteristics of a property. This includes items such as building location, square footage, heating system fuel, quantity of buildings for multiple building properties, etc. This information only needs to be entered once unless the property undergoes major construction and/or a renovation. The second type of data needed is at least 12 months of recent utility data. Once all of the required data are entered, Portfolio Manager automatically analyzes the information and calculates a variety of useful metrics including energy use intensity (EUI), water use intensity (WUI), and ENERGY STAR benchmarking scores.

In order to assist in the benchmarking process, a growing number of utility companies offer automatic utility data transfers into Portfolio Manager. When this feature is available,

⁴ See http://www.energystar.gov/sites/default/files/buildings/tools/DataTrends_Savings_20121002.pdf.

HUD highly encourages PHAs to utilize it, as it has the potential to significantly reduce the time burden and likelihood of data entry errors. When automatic digital data transfer is not possible, PHAs should consult their utility provider's website to see if they offer downloads of historical data.

In order to fully analyze a building, Portfolio Manager needs utility consumption for the whole building. HUD expects PHAs to submit whole building data where available. Metrics calculated with less than whole building data are not accepted by EPA for the purposes of Energy Star certification.

When a property's utilities are 100% PHA paid, PHAs should be able to collect and enter all of the required utility data. In properties where tenants pay some or all of the utility bills, PHAs should work with their local utility providers, as many utility providers offer digital data transfers containing whole building data including both owner-paid and tenant-paid accounts. Each utility provider will have unique requirements for releasing the data in order to protect tenant privacy. HUD recommends that PHAs pursue this option where available as it provides more complete and accurate data while minimizing the time burden. When utility companies are not able to provide data for tenant paid accounts, PHAs should collect a sample of tenant-paid utility data.

II. Proposed Information Collection

Through this notice, HUD proposes that PHAs operating 250 or more public housing units under an Annual Contributions Contract (ACC) use the ENERGY STAR Portfolio Manager program to benchmark all properties no less than every three years and report the automatically generated metrics to HUD beginning no later than 2018. PHAs are encouraged to voluntarily submit benchmarking data to HUD on an annual basis. Although not required, PHAs operating less than 250 ACC units are encouraged to benchmark and submit the requested metrics. In the future, HUD may expand this collection to PHAs that operate fewer than 250 ACC units and are already required by State and/or local law to benchmark their buildings using whole-building data or for other programs run by the Office of Public and Indian Housing where appropriate. In addition, ACC units in buildings that have or will convert to 100% Project Based Vouchers (PBV) through the Rental Assistance Demonstration (RAD) will also be required to benchmark. At this point, the Energy Star Score for Water is still under development. HUD will not require this data point until at least 120-days after this feature is completed and HUD has notified PHAs as such. The next three-year submission after the notification shall include both energy and water data.

HUD has identified the following tasks associated with the process for obtaining and submitting Portfolio Manager scores.

Year 1

1. Enter building data into ENERGY STAR Portfolio Manager
2. Connect PHA account with the HUD account and share appropriate property information.
3. Compile and enter owner-paid utility data, where applicable.
4. Compile and enter tenant paid utility data, where applicable.
5. Report automatically generated metrics calculated by Portfolio Manager.

Subsequent Years

In subsequent years, PHAs will have less work to complete. The data required in step 1 will only need to be updated if the property underwent a major renovation including but not limited to an addition, demolition, or major change to the mechanical system (i.e.: change in heating fuel, change to the domestic hot water system, etc.). Steps 3, 4, and 5 will need to be updated at the time of the data submission.

The required metrics will be considered valid for three years. For example, an ENERGY STAR Score based on the 2016 reporting period would be accepted by HUD for the 2016, 2017, and 2018 reporting years.

HUD is seeking feedback on the required submission parts and will finalize the schedule with the issuance of an Office of Public and Indian Housing Notice.

Required Format

PHAs will be required to enter data into ENERGY STAR Portfolio Manager and submit to HUD the automatically generated metrics. HUD anticipates collecting the required data and metrics via a web-based portal, database, or other simplified digital format. In addition to submitting metrics, PHAs may be asked to link their account with the HUD account and share property information to enable further analysis. Once PHAs connect their accounts with the HUD account and share property information, there is no additional time burden on PHAs as the relevant data automatically flows between the accounts.

Sampling Protocol

In order for Portfolio Manager to analyze a building, PHAs will need to gather and enter utility data for the whole building. This includes both PHA-paid and tenant-paid accounts. PHAs should work with their local utility companies to determine if they are able to provide the PHA with digital transfers of tenant paid accounts. Utility companies that offer this service generally have procedures in place to protect tenant privacy. If PHAs are not able to obtain complete tenant paid account data from the local utility company, or similar entity, PHAs shall collect a sample of tenant-paid utility data. If using a sample of tenant-paid accounts, PHAs must meet or exceed the minimum standards of the sampling protocol outlined below. As a reminder, metrics calculated with less than whole building data are not accepted by EPA for the purposes of ENERGY STAR certification.

PHAs have the choice of selecting one of two sampling protocols from existing programs – a) a robust sampling protocol, appropriate for use in financial estimates; and b) a lighter sampling protocol, appropriate for general use, which is outlined for use in the Better Buildings Challenge (BBC). PHAs are encouraged to collect as much utility data as possible and to sample from a variety of housing unit sizes and types in order to ensure the accuracy and usefulness of the resulting metrics.

In accordance with the BBC Multifamily Sampling Protocol, the minimum number of housing units for which tenant-paid utility data must be collected and included in the referenced metrics is based on the size of the property:

Housing Units in Development	Minimum Sample Size
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1-4	1
5-9	2
10-19	3
21-29	4
30-49	5
50-74	6
75-99	7
100-149	8
150-200	9
201+	10

At some point HUD may establish a different sampling standard for submittals for the purpose of assisting PHAs in establishment of utility allowances. If HUD decides to pursue that path, HUD will provide sufficient advance notice before changing the sampling standard. HUD will consider requests for additional time to submit benchmarking data from PHAs who experience unexpected delays in obtaining sufficient sample data from utility providers or otherwise encounter unforeseeable technical difficulties.

Effective Date

The utility benchmarking requirement described in this notice will apply no later than 2018. This will allow HUD and PHAs time to implement the protocol. HUD will alert owners of the effective date through an Office of Public and Indian Housing Notice, issued after OMB issues a Notice of Action approving this PRA collection.

III. Information Collection Burden and Solicitation of Comment

A. Overview of Information Collection

Title of Information Collection: Public Housing Energy Benchmarking.

OMB Approval Number: New proposed collection.

Type of Request: New proposed collection.

Form Number: N/A.

Description of the need for the information and proposed use: Please see Section II of this notice.

Respondents: Public Housing Agencies and tenants of public housing

Estimated Number of Respondents: 3,089

Estimated number of Responses (Buildings/Developments): 7,715

Average Hours per Response: 8.5

Total Estimated Burden Hours: 65,578 hours

HUD estimates that the burden requirements associated with these activities is approximately 8.5 hours per development for the first year and 15 minutes in subsequent years. The burden hours take into account another existing information collection covering the use of ENERGY STAR Portfolio Manager, ENERGY STAR Certification (OMB- 2060-0347) by the Environmental Protection Agency. That collection allows for 5.25 hours per year per development for the input of utility consumption data into Portfolio Manager.

The Department expects to participate in roundtable discussions with stakeholders on Energy Benchmarking during the comment period, which will provide additional opportunities for receiving feedback on the proposed requirements.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in section A on the following:

- (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- (2) The accuracy of the agency's estimate of the burden of the proposed collection of information;
- (3) Ways to enhance the quality, utility, and clarity of the information to be collected; and
- (4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

HUD encourages interested parties to submit written comment in response to these questions.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. chapter 35.

Dated: September 28, 2016

Merrie Nichols-Dixon, Deputy Director
Office of Policy, Programs and Legislative Initiatives

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