

THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
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G & C Date 12/8/10
Item Number #69
Approved ✓

November 24, 2010

LQ# 116063
WO# 991046
PO# 1012899

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the New Hampshire Public Utilities Commission to award grant funds in the amount of \$2,000,000.00 to the New Hampshire Housing Finance Authority, Vendor #174411, to implement the Greener Homes program, from Governor and Council approval through June 30, 2013. Funding is 100% Greenhouse Gas Emissions Reduction Fund (GHGERF), a nonlapsing special fund continually appropriated to the commission pursuant to RSA 125-O:23, I.

Funding is authorized from the account, Grants to Institutions - State, as follows with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office if needed and justified:

02-81-81-811010-54530000 Greenhouse Gas 125-O:23				
		FY 2011	FY2012	FY 2013
010-081-54530000-073-500579				
Grants to Institutions - State	\$500,000.00	\$1,000,000.00	\$500,000.00	

EXPLANATION

Pursuant to RSA 125-O:23, the New Hampshire Public Utilities Commission (PUC) is charged with administering the Greenhouse Gas Emissions Reduction Fund (GHGERF), the purpose of which is to reduce greenhouse gas emissions resulting from energy use in New Hampshire. On May 5, 2009, the PUC issued the second of a series of Requests for Proposals (RFP) for programs to be funded by GHGERF grants.

The RFP specified three program areas:

- I) continued funding for entities that received a 2009 GHGERF grant, applied for multi-year program budgets in their 2009 proposal, and had success in implementing their proposal;
- II) new programs that will establish a portfolio of energy efficiency projects at large energy user sites to produce significant energy savings and greenhouse gas reductions; and
- III) new programs that will improve energy efficiency and reduce greenhouse gas emissions in the affordable housing sector.

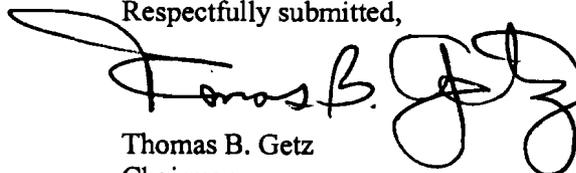
The PUC received 29 proposals to this RFP, requesting over \$78 million in grant funds. The New Hampshire Housing Finance Authority (NHHFA) proposal and five others have been selected to receive a total of \$13.4 million in this funding round. The NHHFA proposal falls within Category III, Affordable Housing and satisfies the statutory requirement that ten percent of the funds in the Greenhouse Gas Emissions Reduction Fund must be allocated to low-income programs. Attachment A provides additional information on the grant review and award process.

With these funds, the NHHFA, along with New Hampshire's Community Action Agencies, will implement the Greener Homes Program to provide rigorous energy audits, and energy efficiency upgrades for low-income apartment units in New Hampshire. The program includes energy audits performed by qualified third-party energy consultants to establish a baseline and provide cost-effective recommendations for equipment and building envelope upgrades. Audits are followed by a detailed energy analysis to allow for more accurate and comprehensive savings. The annual target of the Greener Homes Program is to upgrade the energy efficiency to approximately 785 low-income units, particularly "at-risk" affordable housing (publically financed affordable housing at, or nearing, the end of their affordable housing restriction periods) to foster the extension of affordable rents for an additional 20 years. The CO₂ reductions for this project are estimated to be over 80,000 metric tons.

This was the top-ranked proposal in the Affordable Housing Category. The proposal received high marks from the grant review committee across many of the eighteen evaluation criteria. It was the most cost-effective and had the highest benefit to cost ratio of all proposals – 8.53. For every dollar invested by the GHGERF, the program will produce energy savings of \$8.53. The proposal also brings in significant outside funding; more than \$6 million in additional funds will be contributed by NHHFA and other program partners including the U.S. Department of Energy's Weatherization Program operated by the New Hampshire Office of Energy and Planning.

The grant is contingent on sufficient GHGERF funds being available within 12 months of the effective date of the grant agreement. In the event that GHGERF funds are insufficient or are no longer available, General Funds will not be requested to support this program

Respectfully submitted,

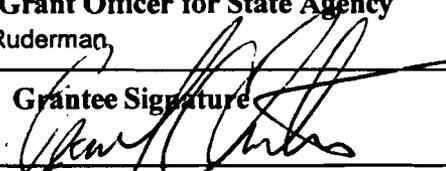
A handwritten signature in black ink, appearing to read "Thomas B. Getz", with a large, stylized flourish extending to the right.

Thomas B. Getz
Chairman

The State of New Hampshire and the Grantee hereby mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name New Hampshire Public Utilities Commission		1.2. State Agency Address 21 South Fruit Street, Suite 10, Concord, NH 03301	
1.3. Grantee Name New Hampshire Housing Finance Authority		1.4. Grantee Address 32 Constitution Drive, Bedford, NH 03110	
1.5. Effective Date G&C Approval	1.6 Completion Date June 30, 2013	1.7. Audit Date	1.8. Grant Limitation \$2,000,000
1.9. Grant Officer for State Agency Jack Ruderman,		1.10. State Agency Telephone No. (603)271-2431	
1.11. Grantee Signature 		1.12. Name & Title of Grantee Signor Dean Christon, Executive Director	
1.13. Acknowledgment: State of <u>New Hampshire</u> , County of <u>Hillsborough</u> , on <u>11/17/10</u> Before the undersigned officer, personally appeared the person identified in block 1.11., known to me (or satisfactorily proven) to be the person whose name is signed in block 1.12., and acknowledged that <u>he</u> executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) <u>Patricia M. Donahue, J.P.</u>			
1.13.2. Name and Title of Notary Public or Justice of the Peace <u>PATRICIA M. DONAHUE, MANAGING DIRECTOR, ADMINISTRATION</u>			
1.14. State Agency Signature(s) 		1.15. Name & Title of State Agency Signor(s) Thomas B. Getz, Chairman NHPUC	
1.16. Approval by Attorney General (Form, Substance and Execution) By: <u>[Signature]</u> Sr. Assistant Attorney General, On: <u>11/17/10</u>			
1.17. Approval by the Governor and Council  DEPUTY SECRETARY OF STATE			

DEC 08 2010

2. SCOPE OF WORK: In exchange for grant funds provided by the State of New Hampshire, acting through the agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT A (the scope of work being hereinafter referred to as "the Project"). Except as otherwise specifically provided for herein, the Grantee shall perform the Project in the State of New Hampshire.

3. EFFECTIVE DATE; COMPLETION OF PROJECT.

3.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date in block 1.5 or on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire whichever is later (hereinafter referred to as "the effective date").

3.2. Except as otherwise specifically provided for herein, the Project, including all reports required by this Agreement, shall be completed in its entirety prior to the date in block 1.6 (hereinafter referred to as "the Completion Date").

4. GRANT AMOUNT; MANNER OF PAYMENT; LIMITATIONS.

4.1. The Grant Amount is identified and more particularly described in EXHIBIT B, attached hereto.

4.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT B.

4.3. In accordance with the provisions set forth in EXHIBIT B, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 4.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.

4.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.

4.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.

5. SPECIAL CONDITIONS. Modifications to these General Conditions and any additional grant conditions shall be set forth in Exhibit C attached hereto.

6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all applicable statutes, regulations, and orders of federal, state, county, or municipal authorities that impose any legal obligations or duty upon the Grantee, including the acquisition of any and all necessary permits.

7. RECORDS AND ACCOUNTS.

7.1. Between the Effective Date and the date seven (7) years after the Completion Date the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.

7.2. Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these general provisions.

8. PERSONNEL.

8.1. The Grantee shall, at its own expense, contract for or provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.

8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who is a State officer or employee, elected or appointed.

8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.

9. DATA; RETENTION OF DATA; ACCESS.

9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs or data, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.

9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State, unless otherwise specified in Exhibit C.

10. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.

11. EVENT OF DEFAULT; REMEDIES.

11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

11.1.1. failure to perform the Project satisfactorily or on schedule; or

11.1.2. failure to submit any report required hereunder; or

11.1.3. failure to maintain, or permit access to, the records required hereunder; or

11.1.4. failure to perform any of the other covenants and conditions of this Agreement.

11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

11.2.1. give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and

11.2.2. give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and

11.2.3. set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and

11.2.4. treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

12. TERMINATION.

12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.

12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.

12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.

12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.

13. CONFLICT OF INTEREST. No representative, officer, member or employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.

14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any contractor, subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its representatives, officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, worker's compensation or emoluments provided by the State to its employees.

15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State.

16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses

EXHIBIT A

SCOPE OF SERVICES

In exchange for receiving grant funds in the amount of \$2,000,000 from the New Hampshire Public Utilities Commission (PUC), the New Hampshire Housing Finance Authority, (NHHFA or Grantee) and its partners in this project, the state's six Community Action Agencies, agree to implement the Greener Homes Program (GHP) to provide rigorous energy audits and energy efficiency upgrades for multi-family properties in New Hampshire that consume excessive energy. Except as otherwise provided in this contract, the requirements set forth in the NH Public Utilities Commission Request for Proposal dated May 5, 2010 and Grantee's Proposal dated June 1, 2010, as well as the revised budget and scope, submitted electronically October 28, 2010, are incorporated herein by reference as further defining the services to be rendered. Specifically, the NHHFA, through the GHP program, agrees to:

1. Target 785 low-income apartment units for implementation of the following:
 - a. Energy retrofits and weatherization improvements through the use of energy audits performed by third-party energy consultants to establish a baseline and provide cost-effective recommendations for equipment and building envelope upgrades;
 - b. The comprehensive audit will be followed by a detailed energy analysis using the Weatherization Assistance Program (WAP)-approved modeling software (TREAT) for energy modeling to allow for more accurate and comprehensive savings associated with the proposed work scopes; and,
 - c. Perform comprehensive energy efficient upgrades to the targeted low-income units.
2. Coordinate directly with the Greener Homes Advisory Committee to inform and receive advice on the program as well as the coalition of supportive owners and developers of at-risk affordable housing as well as program funders.
3. Establish a partnership with a Program Implementer to provide the capacity linkage to a firm with extensive experience in the management of statewide energy and emissions reduction programs. Specifically, the Program Implementer will:
 - a. Develop an Energy Audit template that meets the requirements of the GHP by addressing topics, including but not limited to, TREAT modeling requirements, GHP eligible measures, contractor requirements, and reporting requirements;
 - b. Develop outreach and education materials for energy auditors to address weatherization requirements by adapting existing materials and/or creating new materials, including but not limited to, program fact sheets and training session presentations outlining GHP specific requirements;
 - c. Determine technical review and quality assurance inspection protocols that ensure projects comply with the GHP's rules and guidelines, including but not limited to, expected timeframes, revision and scope of work criteria, rejection and disapproval standards, and tracking and reporting requirements;
 - d. Develop a detailed business process map identifying each step of the GHP.
4. Target "at-risk" affordable housing (publically financed affordable housing at, or nearing, the end of their current periods) to foster the extension of affordability restrictions for an additional 20 years.

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suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or its contractors, subcontractor, or subgrantee or other agent of the Grantee in the performance of the Project. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE AND BOND.

- 17.1. The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
- 17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and
- 17.1.2 comprehensive general liability insurance for all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

- 17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice thereof has been received by the State. A certificate of insurance demonstrating compliance with subparagraphs 17.1 and 17.2 shall be attached to this Grant Agreement.
18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.
20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.
21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.
22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

ATTACHMENT A - GRANT REVIEW PROCESS

The PUC issued a Request for Proposals (RFP) on May 5, 2010 for the second round of Greenhouse Gas Emissions Reduction Fund programs. The RFP was developed in consultation with the state's Energy Efficiency and Sustainable Energy Board, created by the legislature in 2008 "to promote and coordinate energy efficiency, demand response, and sustainable energy programs in the state" and its specific statutory charge to "[p]rovide recommendations at least annually to the public utilities commission on the administration and allocation of energy efficiency and renewable energy funds under the commission's jurisdiction." RSA 125-O:5-a, I.

The May 5, 2010 RFP requested proposals in three categories:

- Category I was for continuation of programs by entities that applied for multi-year programs in response to the 2009 RFP; received a grant for initial or first year funding from the GHGERF fund in 2009; and, demonstrated successful implementation of the first stage of their proposal.
- Category II requested proposals for programs that will establish a portfolio of energy efficiency projects at large energy user sites to produce significant energy savings and greenhouse gas (GHG) reductions.
- Category III requested proposals for programs that will significantly improve energy efficiency and reduce GHG emissions in low-income residential housing.

The RFP was circulated electronically to a list of more than 950 individuals and organizations known to have an interest in energy policy and programs, as well as to members of the Energy Efficiency and Sustainable Energy Board (EESB Board) and over 100 interested parties. The RFP was also posted on the PUC and Office of Energy and Planning websites. Twenty-nine proposals requesting a total of \$78 million in funds were received in response to the RFP.

The PUC employed a two-tier grant review process to evaluate the proposals. The initial review team consisted of four members including Rebecca Ohler (Air Resources Division, DES), Joanne Morin and Eric Steltzer (Office of Energy and Planning), and Jack Ruderman and Barbara Bernstein (Sustainable Energy Division, PUC). The second tier review team consisted of the three-member Commission, Chairman Thomas Getz and Commissioners Clifton Below and Amy Ignatius.

The review team evaluated all proposals using the 14 criteria set forth in RSA 125-O: 23, VII and NH Code of Administrative Rules Puc 2604.03 and 4 general conditions set forth in the RFP (e.g., completeness and clarity of proposal content). Following an initial round of screening, the team interviewed ten applicants. The team scored all proposals using a range of 1 to 10 points for each of the 18 criteria and general conditions, and provided written comments highlighting the pros and cons of each proposal. The evaluations also provided a recommendation to the Commission as to whether each program should receive funding.

The initial review team met with the Commissioners to brief them on the committee's recommendations. The Commissioners were provided with copies of the written evaluation forms and had an opportunity to ask questions of members of the initial review team. Subsequently, the Commissioners met on

several occasions to deliberate on the review team's recommendations and their own assessment of the proposals.

The overall funding level – \$13.4 million – was determined based on the balance currently available in the Greenhouse Gas Emissions Reduction Fund plus a reasonable estimate of likely RGGI auction proceeds through early December, 2011. (RSA 125-O:23, VIII provides that the “commission may enter into agreements for the implementation of programs under this section that are contingent, in whole or in part, on future proceeds from budget allowance auctions held within 12 months of the date such agreements become effective.”) Within this budget, the Commission selected six winning proposals among the three categories and established funding levels for each of them. In Category I (program continuation), three entities, the Business Finance Authority, the Retail Merchants Association, and the New Hampshire Department of Resources and Economic Development, were selected for funding totaling \$4,400,000. A single entity, TRC Energy Services, was selected for Category II (energy efficient projects at large energy user sites) for a grant amount of \$5,000,000. Finally, two entities, the New Hampshire Housing Finance Authority and the New Hampshire Community Loan Fund, Inc., were selected for Category III (programs for low-income residential housing) for funding totaling \$4,000,000.

EXHIBIT B

GRANT AMOUNT, TERMS AND METHODS OF PAYMENT

1. This is a two phase grant award. Phase One commences upon approval of this grant agreement by Governor and Council and concludes on December 31, 2011. Phase Two begins January 1, 2012 and ends June 30, 2013.
2. In consideration of the satisfactory performance of the Phase One services described in Exhibit A as determined by the State, the State agrees to pay the New Hampshire Housing Finance Authority, (NHFFA) an amount not to exceed \$1,000,000 for Phase One of this \$2,000,000 grant agreement.
3. Grantee may invoice the PUC on a monthly basis, or at a minimum on a quarterly basis, through a process developed by Carbon Solutions New England (CSNE) and the NH PUC using electronic documents and web-based applications ("the Reporting System"). Expense transactions, including but not limited to, receipts, purchase orders and sales invoices will be the basis for invoices generated to the NH PUC using the Reporting System. Grantee agrees to use the Reporting System provided by CSNE and the NH PUC and Grantee also agrees to accept and use system changes to the Reporting System during the grant term. Invoices, reports and supporting documentation will be submitted using the on-line invoicing and reporting system developed by CSNE.
4. The first quarterly report will cover the period from the date of Governor & Council approval through March 31, 2011; the quarterly report is due April 30, 2011. All other quarterly reports will cover calendar year quarters.
5. Invoices will be reviewed and measured against the scope of services and approved by the Director of the Sustainable Energy Division or his designee upon approval of the quarterly report. Quarterly reports must be current at the same time or before the invoice is submitted. Otherwise the invoice will be held until the report and invoice backup are received. Invoices shall be supported by a summary of activities and a detailed listing and documentation of expenses incurred.
6. Funding for Phase Two is contingent upon approval of the PUC after reviewing the results of Phase One. The PUC reserves the right to withhold funding, in whole or in part, for Phase Two if, at the conclusion of Phase One, the PUC determines that the Grantee has failed to successfully perform the Phase One services described in Exhibit A.
7. In consideration of the satisfactory performance of the Phase Two services described in Exhibit A, as determined by the State, the State agrees to pay the Grantee an amount not to exceed \$1,000,000.
8. Five (5) percent of the Phase Two grant funds or \$50,000 will be held back until completion of the project. Payment of this final 5% will be made after Grantee provides a final grant report, no later than 30 days from completion of the project, or from the end date of this grant agreement, June 30, 2013, whichever comes first.
9. Grantee will document expense transactions with appropriate back up including receipts for all project partners, contractors and subcontractors. This includes expenses incurred by companies employed on construction projects funded through the grant. At a minimum, receipts must be provided documenting labor cost, labor overhead, material cost, material overhead, and capital expenditures for all partners,

Grantee Initials *DR*
Date *11/5/10*
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contractors and subcontractors. Expense transactions for the grantee will need to be provided and matched to expense categories listed in the grantee's proposal.

10. Grantee agrees to provide economic data for activity performed during the project and after completion of the project including time records for all employees, contractors and subcontractors who directly work on the project as a result of this contract. This includes workers employed on construction projects funded through the grant.
11. Grantee, through the Reporting System, will report on status of project to include:
 - a. Reporting of all discreet marketing activities to include at a minimum, Activity, Activity Date, Estimated Reach, Audience, Distribution Method (Channel), Cost, Activity Goal, and Description;
 - b. Progress on outreach to affordable housing sites including (at a minimum) name and location of projects, total numbers of homes in apartment buildings, owner contact information, number of audits, and the number of completed weatherization projects;
 - c. Progress on partnerships with energy consulting firms (at a minimum to include): name and location of participating firm, number of audits, number of completed weatherization projects; and,
 - d. Training events for energy auditors including location, training description, number trained, hours of training, and training cost.
12. Utilizing the Reporting System, for each retrofit project, grantee will provide notification to the NH PUC and CSNE when the construction phase of each project starts and is complete.
13. Upon audit completion and for each retrofit project, Grantee will provide:
 - a. Household demographics and basic housing characteristics for each unit using the electronic reporting system provided by the PUC. This summary information will include, at a minimum, audit contact, audit location, building type, square footage, and year of construction;
 - b. A TREAT XML file will be submitted with each audit using the Reporting System;
 - c. A minimum of two years (preferably three years) of pre-project energy usage in an excel format and a signed data release form authorizing University of New Hampshire, Carbon Solutions New England (CSNE) access to two years pre-project data and 3 years post-project of energy use;
 - d. Complete time records for each specific project upon project completion; and,
 - e. List of measures actually installed and actual costs of measures.
14. If CSNE is unable to obtain energy usage data from any energy provider, after the project is completed the Grantee is responsible for providing energy usage for missing periods of time to CSNE in an Excel spreadsheet for that energy provider upon request.
15. If the program has a behavioral change component, Grantee agrees to coordinate with CSNE on developing a protocol and metrics for measuring behavioral change. Grantee will use the protocol and report on behavioral change as part of its reporting requirements.
16. The State agrees to make payment to the Grantee within 30 days from the receipt of approved invoices.
17. All obligations of the State, including the continuance of any payments, are contingent on the availability of funds derived from the Greenhouse Gas Emissions Reduction Fund pursuant to RSA 125-O:23.

Grantee Initials DR
Date 12/3/10
G&C 12/08/10
Page 2 of 3

DELIVERABLES

1. The Grantee agrees to prepare and submit quarterly reports to the PUC, in a form and manner prescribed by the PUC. The first quarter report will cover activities in December 2010 through March 2011, with the report due April 30, 2011. All reports thereafter will be due one month after the end of the quarter continuing throughout the life of the grant. Reports shall include a detailed summary of all work completed in comparison to the scope of services, including an account of milestones achieved, and a description of any obstacles encountered as well as any planned milestones that were not achieved. Any activities or benefits that occurred as a result of the grant not included in the scope of services should also be noted. In order to receive approval to proceed with Phase Two, Grantee will provide the PUC with a summary of Phase One activities by December 15, 2011. Within thirty (30) days of the conclusion of the grant award, in lieu of a quarterly report, Grantee shall submit a final report providing a detailed summary of the results of the grant project, obstacles encountered and any work from the Scope of Service that was not completed.
2. The Grantee agrees to carefully collect all data requirements of the project listed in Exhibits A & B and provide such data to Carbon Solutions New England (CSNE) and the NH Public Utilities Commission using the Reporting System described in Exhibit B. Required data for all projects must be complete at the time of invoicing and quarterly reporting.

With these funds, the New Hampshire Housing Finance Authority, (NHHFA or Grantee) and its partners in this project, the state's six Community Action Agencies, will implement the Greener Homes Program (GHP) to provide rigorous energy audits, and energy efficiency upgrades for low-income apartment units in New Hampshire. The program includes energy audits performed by qualified third-party energy consultants to establish a baseline and provide cost-effective recommendations for equipment and building envelope upgrades. Audits are followed by a detailed energy analysis using Weatherization Assistance Program approved modeling software to allow for more accurate and comprehensive savings. The annual target of the GHP is to upgrade the energy efficiency to approximately 785 low-income units, particularly "at-risk" affordable housing (publically financed affordable housing at, or nearing, the end of their periods) to foster the extension of affordability restrictions for an additional 20 years. The CO2 reductions for this project are estimated to be over 80,000 metric tons over the lifetime of the project.

State of New Hampshire
Department of State

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NEW HAMPSHIRE HOUSING FINANCE AUTHORITY was established, and made a body corporate and politic effective July 1, 1981 under the laws of 1981, Chapter 204-C.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 4th day of November, A.D. 2010

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

EXHIBIT C
SPECIAL PROVISIONS

Intentionally left blank.

Grantee Initials DTZ
Date 12/15/10
G&G 12/08/10
Page 1 of 1



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/3/2010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME: PHONE (A/C No. Ext): 603-352-2121 E-MAIL: csr24@clark-mortenson.com ADDRESS: NEWHAMPSHIREHOU PRODUCER CUSTOMER ID #: NEWHAMPSHIREHOU	FAX (A/C No.): 603-357-8491
	INSURED New Hampshire Housing Finance P O Box 5087 Manchester NH 03108	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Acadia Insurance		0
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** 834747648 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			CPA025347412	7/1/2010	7/1/2011	EACH OCCURRENCE \$1000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1000000 MED EXP (Any one person) \$5000 PERSONAL & ADV INJURY \$1000000 GENERAL AGGREGATE \$2000000 PRODUCTS - COMP/OP AGG \$2000000 \$
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WCA025439412	7/1/2010	7/1/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$100000 E.L. DISEASE - EA EMPLOYEE \$100000 E.L. DISEASE - POLICY LIMIT \$500000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Workers Compensation Statutory Limits for State of NH
All Executive Officers are included in Workers Compensation coverage

CERTIFICATE HOLDER

Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord NH 03301-2429

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

James M. Neal



New Hampshire Housing

Bringing You Home

Dean J.Christon
Executive Director
e-mail: dchriston@nhhfa.org

MEMORANDUM

TO: Public Utilities Commission (PUC)

FROM: Dean J. Christon, *DR*
Executive Director

DATE: November 1, 2010

RE: Authorization to Sign Documents

The following chain of authority establishes that I am a designated "officer" for New Hampshire Housing Finance Authority (Authority), who has authorization to execute documents related to the implementation of programs administered through New Hampshire Housing:

In accordance with New Hampshire Housing Finance Authority's By-Laws adopted on 7/1/81 and last revised on 10/23/97, "except as otherwise authorized by vote of the Authority, the Chairperson (of the Authority) shall sign all contracts, deeds, and other instruments made by the Authority."

In the Authority's operating policies last revised and approved by the Board of Directors on 5/27/10, authority is designated to the Executive Director "without further Board approval" to "sign any and all documents necessary or convenient to implement any activity that is delegated to the Executive Director" and "The Executive Director is authorized to execute any and all documents necessary for the conduct of Authority business". (Operations Manual, II-1).

This information serves as a summary of the documentation of record establishing the authority of the "Executive Director", to execute documents on behalf of New Hampshire Housing.

New Hampshire Housing Finance Authority

32 Constitution Drive Bedford, NH 03110 Mailing Address: P.O. Box 5087 Manchester, NH 03108 (603) 472-8623 TDD: (603) 472-2089

Littleton Office: 41 Cottage Street Littleton, NH 03561

www.nhhfa.org