

# Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

<b>1. Agency/Sub agency Originating Request:</b> <b>U.S. Department of Housing and Urban Development</b> HUD-Office of Public and Indian Housing -Office of Public Housing Investments		<b>2. OMB Control Number:</b> a. New      b. <input type="checkbox"/> None <div style="text-align: right; background-color: yellow;"><b>2577-0062</b></div>	
<b>3. Type of information collection: (check one)</b> a. <input type="checkbox"/> New Collection b. <input checked="" type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, <b>without change</b> , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, <b>with change</b> , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number  For b-f, note item A2 of Supporting Statement instructions.		<b>4. Type of review requested: (check one)</b> a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated  <b>5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <b>6. Requested expiration date:</b> a. <input checked="" type="checkbox"/> Three years form approval date      b. <input type="checkbox"/> Other (specify)	
<b>7. Title:</b> Public Housing Energy Audits			
<b>8. Agency form number(s): (if applicable)</b> Not Applicable			
<b>9. Keywords:</b> Housing, Public Housing, Public Housing Authority, Energy Audit			
<b>10. Abstract:</b> This rule proposes to revise HUD's energy audit requirements applicable to HUD's public housing program for the purpose of clarifying such requirements, as well as identifying energy-efficient measures that need to be addressed in the audit and procedures for improved coordination with physical needs assessments. In addition, the rule moves the energy audit requirements to a different part of HUD's title of the Code of Federal Regulations.			
<b>11. Affected public: (mark primary with "P" and all others that apply with "X")</b> a. Individuals or households      e. Farms b. Business or other for-profit      f. Federal Government c. <input checked="" type="checkbox"/> Not-for-profit institutions      g. <input checked="" type="checkbox"/> State, Local or Tribal Government		<b>12. Obligation to respond: (mark primary with "P" and all others that apply with "X")</b> a. Voluntary b. Required to obtain or retain benefits c. <input checked="" type="checkbox"/> Mandatory	
<b>13. Annual reporting and recordkeeping hour burden:</b> a. Number of respondents      4,854 b. Total annual responses      4,854 Percentage of these responses collected electronically c. Total annual hours requested      111,270 d. Current OMB inventory      79,330 e. Difference (+,-)      31,940 f. Explanation of difference: 1. Program change:      31,940 2. Adjustment:		<b>14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)</b> a. Total annualized capital/startup costs b. Total annual costs (O&M) c. Total annualized cost requested      \$2,516,580 d. Total annual cost requested      \$8,006,875 e. Current OMB inventory f. Explanation of difference: 1. Program change:      \$10,891,735 2. Adjustment:	
<b>15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")</b> a. Application for benefits      e. <input checked="" type="checkbox"/> Program planning or management b. <input checked="" type="checkbox"/> Program evaluation      f. Research c. General purpose statistics      g. Regulatory or compliance d. Audit		<b>16. Frequency of recordkeeping or reporting: (check all that apply)</b> a. <input type="checkbox"/> Recordkeeping      b. <input type="checkbox"/> Third party disclosure b. <input type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion      2. <input type="checkbox"/> Weekly      3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly      5. <input type="checkbox"/> Semi-annually      6. <input checked="" type="checkbox"/> Annually 7. <input type="checkbox"/> Biannually      8. <input checked="" type="checkbox"/> Other (describe) once every 5 years	
<b>17. Statistical methods:</b> Does this information collection employ statistical methods? Yes <input checked="" type="checkbox"/> No		<b>18. Agency contact: (person who can best answer questions regarding the content of this submission)</b> Name: Bruce D. Rieder Phone: 202-402-6330	

---

### 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal Agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3). Appear at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of the information;
  - (iii) burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official:  X	Date:
Signature of Senior Officer or Designee:  X Colette Pollard, Departmental Reports Management Officer Office of the Chief Information Officer	Date:

## Supporting Statement for Paperwork Reduction Act Submissions

### A. Justification

1. What information is being collected, from whom, and why is it needed? Explain what the information is and why it's necessary. Identify any legal or administrative requirements that necessitate the collection.
  - a. Section 9 of the U. S. Housing Act of 1937, 42 U.S.C., 1437q, authorizes the Secretary of the Department of Housing and Urban Development (HUD) to make annual contributions to the Public Housing Authorities (PHAs) under the Capital Fund Program (CFP) for capital improvements to the existing low-income projects. As the units get older, they need modernization in order to bring them up to the standard that would provide clean safe and decent living environments to the low-income residents. Each year Congress appropriates funds to approximately 3100 PHAs for modernization, development, financing, and management improvements.
  - b. Under existing regulations, 24 CFR 965 Part C, all PHAs must complete an energy audit (EA) for each PHA-owned project under management at least once every five years. The existing regulations also require that standards for energy audits must be equivalent to state standards. However, state standards for energy audits are variable or non-existent . The existing regulation further requires PHAs to purchase equipment that meets or exceeds minimum energy efficiency requirements and to follow operating practices directed to maximum energy conservation. Accordingly, it is HUD's view that energy audit standards present an area where additional guidance will produce more useful results.
  - c. Because of the increasing importance of energy conservation, HUD is taking a more proactive approach towards encouraging energy efficiency in its housing programs. In order for public housing agencies (PHAs) to improve their capital planning processes, HUD determined that there is a need for stronger energy audit data. HUD is proposing a rule, Public Housing Energy Audits, that defines the energy conservation measures (ECMs) that a PHA must consider at a minimum when performing an energy audit. This proposed rule also defines certain minimum qualifications for energy auditors procured by PHAs to perform energy audits. HUD will be publishing separately a proposed rule on physical needs assessments (PNAs) that will require the completion of PNAs in conjunction with energy audits in order to integrate the audit properly with the PNA. HUD seeks to have PHAs move toward coordinating the performance of PNAs and energy audits with each other to maximize the effective use of the information.
  - d. An energy audit is an assessment and evaluation of the performance and condition of real property physical components affecting energy consumption. The audit includes document review, utility consumption review and analysis, and identification of potential energy conservation measures (ECMs) and their associated implementation costs and energy savings.
2. What's it for; and for whom? What information is collected and how is it collected. Explain how the information is to be used; for what purpose and by whom.
  - a. The information is collected through physical inspection and document review.

- b. Energy audits are used by PHAs to inform energy allowance calculation, identify energy conservation measures, evaluate energy performance contract (EPC) potential, and evaluate potential utility cost savings.
  - c. The EA is required to be submitted to the appropriate field office for their monitoring of PHA performance.
  - d. EA data will be input into the Physical Needs Assessment (PNA) tool to be used by PHAs and HUD for their strategic planning purposes.
3. Is the information submitted electronically? Will it ultimately reside in an automated system?

Describe whether, and to what extent, the collection of information is automated (item 13b1 of OMB form 83-i).

- a. The EA data is not collected on a HUD form and as currently the EA report will be submitted by PHAs to their respective field office.
  - b. Some of the information collected by an EA will be entered into the sustainability portion of the PNA tool. HUD is engaged in a process of developing an automated form of the PNA into which the requested data will be entered by the PHA and which will be submitted electronically to HUD. The PNA form provided for each PHA to complete will be pre-populated to the greatest extent possible for each PHA with available data from the PIH Information Center/Inventory Management System (PIC/IMS).
  - c. The energy audit information integrated into the PNA will be housed in an electronic data base at HUD.
4. Is this information collected elsewhere? Also, review current information collection packages for potential consolidation.
- a. The energy audit process includes document review of existing data collections such as energy consumption data and utility billings, prior energy audits and functions as a consolidation of existing data. Additional information collected to complete the energy audit is not collected elsewhere.
5. Does the collection of information impact small business or small entities (item 5 of OMB form 83-I)? Describe any methods used to minimize burden.
- a. This collection of information does not significantly impact small businesses or entities. All PHAs are already required to perform an EA under existing regulations. This proposed program change in the EA requirement will establish minimum standards for the data that is collected.
6. Why can't the information be collected less frequently – or not at all?
- a. Energy audits, required to be performed once every five years for each PHA, allow the PHAs to identify where energy efficiency could be improved. These improvements result in lowered utility bills and subsidies. No audits or reduced frequency of audits would result in fewer improvements and continually high operating subsidies.. PHAs are required to weigh the benefits (increased utility savings) against the costs (costs of implementing ECMs) to determine if this strategy would be cost effective. No analyses

would result in failure to identify where greater efficiencies can be achieved, resulting in higher operating subsidies.

- b. Less frequent EAs will result in lost opportunities to implement cost saving ECMs as costs for technologies employed in energy conservation measures change over time and as new technologies are introduced to the market.

7. Explain any special circumstance requiring:

- respondents to report information more than quarterly;
- a written response in fewer than 30 days;
- more than an original and two copies of any document;
- respondents to retain records other than health, medical government contract, grant-in-aid, or tax records for more than three years.
- a statistical survey not designed to produce results that can be generalized to the universe of study;
- the use of a statistical data classification that has not been reviewed and approved by OMB;
- a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing data with other agencies for compatible confidential use; or
- respondents to submit proprietary trade secret, or other confidential information.

- a. There are not special circumstances as described above that relate to this information collection.

8. Identify the date and page number of the *Federal Register* notice (and provide a copy) soliciting comments on the information. Summarize public comments and describe actions taken by the agency in response to these comments. Describe all efforts to consult with persons outside the agency to obtain their input.

- a. A proposed rule (24 CFR Part 905; Docket # FR 5507-P-01; RIN 2577-AC84;; Public Housing Energy Audits) incorporating this information collection and soliciting public comment is published concurrently

9. Explain any payments or gifts to respondents, other than remuneration of contractors or grantees.

- a. No payments or gifts to respondents are provided.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation or agency policy.

- a. No assurance of confidentiality is provided to respondents.

11. Justify any questions of a sensitive nature, such as sexual, religious beliefs, and other matters that are commonly considered private.

- a. The information collection does not contain questions of a sensitive nature.

12. Estimate public burden: number of respondents, frequency of responses, annual hour burden. Read the complete instruction form 83i. Explain how the burden was estimated. Generally estimates should not include burden hours for customary and usual business practices;

- if this collection uses more than one form, provide separate estimates for each form and aggregate the hour burdens in item 13 of OMB Form 83i; and

- provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.
- The cost of contracting out and paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.

a. The burden of the information collections in this proposed rule is estimated to increase the burden for the existing collections at 2577-0062 as follows:

Section Reference	Number of Respondents	Number of Responses Per Respondent	Estimated Average Time for Requirement (in hours)	Estimated Annual Burden (in hours)
905.300(b)(10) <sup>1</sup>	620	1	65	40,300
905.300(b)(14) <sup>2</sup>	620	1	25	15,500
905.300(b)(14)(vii) <sup>3</sup>	62	1	45	2,790
900.300(b)(15) <sup>4</sup>	62	1	45	2,790
965.308-Energy Performance Contracts	5	1	24	120
965.402-Benefit/Cost Analysis	15	1	3	45
965.502-Establish utility allowances	*	*	*	*
965.506-Establishment of Surcharges for Excess Consumption	200	1	1	200
965.507-Review and revise utility allowances	1920	1	25	48,000
965-508-Individual Relief Criteria	1000	1	1	1000
Optional Form HUD-50078	350	1	1.5	525
Revised Paperwork Burden for OMB Control #2577-0062 including the new rule				111,270
Total Burden from Previous OMB Control #2577-0062				79,330
Total additional burden as a result of this new rule at 905.300(b)				31,940

\*PHAs use the same method to calculate new utility allowances as to update utility allowances. These calculations are generally done at the same time as utility allowance revisions. Therefore, the burden hours to calculate new allowances (965.502) are included within the burden hour calculations for reviewing the revising utility allowances

<sup>1</sup> Burden of energy audit performed once every 5 years for each of 3200 PHAs including data collection and site inspection.

<sup>2</sup> Burden of analysis and comprehensive report.

<sup>3</sup> Optional burden of expanded analysis as directed by PHA, estimated to be exercised by 10% of respondents.

<sup>4</sup> Optional burden of considering green measures as directed by PHA, estimated to be exercised by 10% of respondents.

- b. The skill set for this work would be knowledge of energy conservation and green principles in modernization, coordination of existing data, data analysis, contract procurement, coordination of site observations, and evaluation of reports and recommendations. The skill level required for the information collection and record keeping for a PNA is assumed at the GS 14, Step 1 level of the federal government pay scale resulting in an hourly cost of \$41, representing an annual cost burden for all PHAs of \$2,516,580 (61,380 hours X \$41).
- 13. Estimate of the annual cost to respondents or recordkeepers (do not include the cost of hour burden shown in Item 12 and 14). Read the complete instructions on the form 83i.
  - a. Energy Audits will typically be performed by contracted providers. HUD estimates that audits performed to the new standards established by the proposed rule would cost \$33 per public housing unit resulting in an annual cost estimated at \$8,006,875 (1,213,163 X \$33) divided by 5 years).
  - b. There are no specialized material or equipment costs associated with this information collection.
- 14. Estimate annualized costs to the Federal government.
  - a. Estimated annual cost to the Federal government is estimated as the cost for field offices to receive and review each submission at 4 hours per respondent EA. The skill set for this work is estimated at the equivalent of a GS 14 step 1 in the Federal government pay scale resulting in an hourly cost of \$41 representing an annual cost burden to the Federal government of \$101,680 ((620 X 4) X \$41).
- 15. \*\* Explain any program changes or adjustments reported in items 13 and 14 of the OMB Form 83i.
  - a. This is a revision of the energy audit portion of an existing information collection (OMB Control #-2577-0062). All PHAs have been required to perform energy audits. The increased burden recognizes that the proposed energy audit standards represent a higher standard than currently exists, although many PHAs may already be performing at that standard. The current standard is simply to meet whatever state standard may exist; the proposed standards are more specific in that they identify classifications of ecms that must be considered, include review and evaluation of energy consumption and costs, require a physical observation, require a simple payback analysis for ecms, and expand the potential scope of an energy audit to include consideration of green measures.
- 16. If the information will be published, outline plans for tabulation and publication.
  - a. The information results will not be published.
- 17. Explain any request to not display the expiration date.
  - a. HUD is not seeking approval to not display the expiration date of the OMB approval.
- 18. Explain each exception to the certification statement identified in item 19.
  - a. There are no exceptions to the certifications statement identified in item 19, OMB 83-I.

B. Collection of Information Employing Statistical Methods

- a. This collection of information will not employ statistical methods.