

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5154

To authorize public housing agencies to use public housing operating funds as collateral for financing energy conservation improvements and to freeze utility consumption levels for purposes of determining Operating Fund assistance, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2010

Mr. HIMES introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To authorize public housing agencies to use public housing operating funds as collateral for financing energy conservation improvements and to freeze utility consumption levels for purposes of determining Operating Fund assistance, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Public Housing Energy  
5 Savings Act of 2010”.

1 **SEC. 2. UTILITY AND WASTE MANAGEMENT COST SAVINGS.**

2 Subparagraph (C) of section 9(e)(2) of the United  
3 States Housing Act of 1937 (42 U.S.C. 1437g(e)(2)(C))  
4 is amended—

5 (1) by striking the subparagraph designation  
6 and heading and all that follows through “Contracts  
7 described in clause (i)” in clause (ii) and inserting  
8 the following:

9 “(C) TREATMENT OF UTILITY AND WASTE  
10 MANAGEMENT COST SAVINGS.—

11 “(i) IN GENERAL.—The treatment of  
12 utility and waste management costs under  
13 the formula shall provide that a public  
14 housing agency shall receive the full finan-  
15 cial benefit from any reduction in the cost  
16 of utilities or waste management resulting  
17 from energy conservation improvements in  
18 one or more of its public housing projects,  
19 subject to the following:

20 “(I) THIRD PARTY CON-  
21 TRACTS.—In the case of energy con-  
22 servation improvements in public  
23 housing undertaken pursuant to a  
24 contract with a third party, such con-  
25 tracts”;

1           (2) in clauses (iii) and (iv), by striking “clause  
2           (i)” each place such term appears and inserting  
3           “subclause (I)”;

4           (3) in clause (iv), by striking “the date of the  
5           enactment of this clause” and inserting “December  
6           26, 2007,”;

7           (4) by redesignating clauses (iii) and (iv) as  
8           subclauses (II) and (III), respectively, and realigning  
9           such subclauses, as so redesignated, so as to be in-  
10          dented 8 ems from the left margin; and

11          (5) by adding at the end the following new  
12          clauses:

13                   “(ii) FINANCING OF IMPROVE-  
14                   MENTS.—Energy conservation improve-  
15                   ments may be undertaken pursuant to a  
16                   contract for the improvements only, and  
17                   the public housing agency may finance  
18                   such improvements for a period of up to  
19                   20 years. A public housing agency may  
20                   pledge operating assistance under this sub-  
21                   section as security for such financings in  
22                   an amount not to exceed the lesser of—

23                           “(I) the amount of the debt serv-  
24                           ice, plus such appropriate debt service

1 coverage factor as the Secretary may  
2 establish; and

3 “(II) the amount of the reason-  
4 ably anticipated utility cost savings  
5 resulting from the improvements, as  
6 determined by the Secretary.

7 The Secretary may also permit the pledg-  
8 ing of the installed equipment related to  
9 such improvements.

10 “(iii) FREEZE OF CONSUMPTION LEV-  
11 ELS.—

12 “(I) IN GENERAL.—A public  
13 housing agency may elect to be paid  
14 for its utility costs, including utility  
15 allowances, under the formula for a  
16 period, at the discretion of the agency,  
17 of not longer than 20 years based on  
18 the agency’s average annual consump-  
19 tion during the 3-year period pre-  
20 ceding the year in which the election  
21 is made (in this clause referred to as  
22 the ‘consumption base level’).

23 “(II) INITIAL ADJUSTMENTS IN  
24 CONSUMPTION BASE LEVEL.—The  
25 Secretary shall make an initial one-

1 time adjustment in the consumption  
2 base level to account for differences in  
3 the heating degree day average over  
4 the most recent 20-year period com-  
5 pared to the average in the consump-  
6 tion base level.

7 “(III) ONGOING ADJUSTMENTS  
8 IN CONSUMPTION BASE LEVEL.—The  
9 Secretary shall make adjustments in  
10 the consumption base level to account  
11 for an increase or reduction in units,  
12 a change in fuel source, a change in  
13 resident-controlled electricity con-  
14 sumption, or for such other reasons as  
15 the Secretary considers appropriate.

16 “(IV) THIRD PARTIES.—A public  
17 housing agency making an election  
18 under subclause (I) may use, but shall  
19 not be required to use, the services of  
20 a third party in its energy conserva-  
21 tion program. The agency shall have  
22 the sole discretion to determine the  
23 source, terms, and conditions of any  
24 financing used for its program.”.

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