

Energy Performance Contracts (EPCs): Capturing the resident-paid utilities incentive on the Operating Subsidy Calculation Form HUD-52723 - Calendar Year 2010

(References: 24 CFR 990.185(a)(2) and Notice PIH 2009-47)

- Step 1** Calculate rental income (rents charged to residents from the June 2009 rent roll).
- Step 2** Calculate the number of units occupied by eligible lower-income families for the June 2009 rent roll.
- Step 3** Calculate the PUM rental income (Step 1 divided by Step 2).
- Step 4** Calculate the inflated PUM Rental Income:
- PUM Rental Income (step 3) multiplied by
 - 1.0148 (reflects 1.48% CY 2010 rental income inflation factor)
- Step 5** Calculate monthly EPC energy savings for each utility:
- The baseline utility allowance is the existing utility allowance reviewed and updated per 24 CFR 990.185(a)(2)(i) to insure that residents are receiving the proper allowances before energy conservation measures (ECMs) are begun. The post-ECM utility allowance is the updated utility allowance after the energy conservation measures have been installed per 24 CFR 990.185(a)(2)(iii).
- Monthly EPC savings **by utility** are calculated as follows:
- Baseline utility allowance monthly consumption less
 - June 2009 consumption multiplied by
 - June 2009 utility rate multiplied by
 - Number of units
- Step 6** Calculate the PUM EPC energy savings:
- Sum the monthly utility savings (step 5) for each utility.
 - Divide the Step 6a sum by number of units occupied (step 2)
- Step 7** Calculate revised PUM rental income
- Inflated PUM Rental Income (step 4) less
 - PUM EPC energy savings (step 6)
- Step 8** **Formula Income** - Enter revised PUM rental income from step 7 on form HUD-52723, Section 3, Part B, Line 01
- Step 9** Submit worksheet showing the above calculations as an attachment in SAGIS or submit separately to appropriate Field Office.

SEE NEXT PAGE FOR EXAMPLE OF THIS CALCULATION

