



April 27, 2017

Morris L. Woodruff, Secretary
State of Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

FILED³

MAY 02 2017

Missouri Public
Service Commission

RE: Comments on Commission Case No. EX-2016-0334

Dear Mr. Woodruff,

The National Housing Trust hereby joins with the following low-income and housing groups—Blue Hills Community Services, Greater Kansas City LISC, McCormack Baron Salazar, Missouri Community Action Network, Tower Grove Neighborhoods Community Development Corp., Urban League of Metropolitan St. Louis, Volunteers of America, and WJL Companies—to provide comments regarding PSC File No. EX-2016-0334, which involves a review of MEEIA rules by the Missouri State Public Service Commission. If you have any questions regarding the information provided in this filing, please contact Annika Brink at (202) 333-8931 x141 or abrink@nhtinc.org.

COMMENTS OF the National Housing Trust and low-income and housing groups

I. Organizational Background

The *National Housing Trust (NHT)* is the only national nonprofit that protects and improves multifamily affordable housing through public policy advocacy, real estate development, and lending. NHT engages in policy work in all 50 states and owns over 3,500 units of multifamily housing across ten states and the District of Columbia. Since its inception, NHT has preserved or helped to preserve more than 36,000 affordable homes through real estate development, lending, and technical assistance.

NHT recognizes energy efficiency improvements to multifamily affordable housing as a powerful tool to achieve Missouri's public policy objectives, lower expenses for owners and residents, maintain housing affordability, and improve the health and comfort of building occupants. Since 2014, NHT has helped to facilitate cross-sector conversations in Missouri on the topic of energy efficiency in multifamily affordable housing.

II. Comments

The National Housing Trust is pleased to provide Comments for the consideration of the Public Service Commission in this important matter. The following Comments relate specifically to policies that ensure that hard-to-reach sectors such as low-income and multifamily are adequately served by MEEIA programs.

The National Housing Trust has previously submitted comments on the MEEIA rules on November 14, 2014 (jointly signed by 10 housing groups) and May 22, 2015 (submitted independently).

Non-Energy Benefits

4 CSR 240-20.092, Section (1) (II), reg. page 161 and 4 CSR 240-20.094 (9) (B), reg. page 173.

We strongly support the proposed rules' inclusion of language defining "non-energy benefits" or NEBs and enabling their inclusion in cost-effectiveness testing. We further encourage the Commission to insist that utilities begin to include NEBs in their filings.

We support the consideration of non-energy benefits as a task outlined for the Stakeholder Collaborative, though we encourage robust and ongoing Public Service Commission staff support to ensure that this discussion yields concrete results. In the future, the Commission should consider setting a flat non-energy benefits "add" for low-income energy efficiency, which, in the 17+ states that have adopted some sort of measurement of NEBs, ranges from a 7.5% to 25% bonus on the benefits side of a given cost-effectiveness test. The Commission could call for a statewide NEBs study to aid in the setting of an appropriate add.

We encourage the Commission to add language to the MEEIA rules directing utilities to use a NEBs add once such an add has been approved by the Commission based on the results of a future statewide NEBs study.

Annual Energy and Peak Demand Savings Goals

4 CSR 240-20.094, Section (2) (A-B), reg. pages 169-170.

The National Housing Trust supports the retention of annual energy and peak demand savings goals, as included in the proposed rules.

Potential Studies and Applications for Approval of Plans

4 CSR 240-20.094, Sections (3) (A-B) and (4) (A-G), reg. pages 170-171.

Regarding market potential studies, the National Housing Trust supports the proposed rule addition that directs utilities to consider both primary data and secondary data. We believe that there is much to learn about the affordable multifamily sector from analysis conducted in other markets.

Additionally, we appreciate that the proposed rules explicitly state that "[E]nergy savings from multifamily buildings that house low-income households may count toward [a utility's low-income energy savings] target." We know that in the absence of such clarity, the affordable multifamily sector is all too often overlooked.

We also strongly support the provision in the proposed rules that requires utilities to:

- "provide an opportunity or commission staff and stakeholder review and input in the planning stages of the potential study."

And, in the case of Electric Utility Demand-Side Programs or Program Plans, we strongly support the provisions that require utilities to:

- "hold a stakeholder advisory meeting"
- and provide other pertinent documentation, for example of assumptions, process, etc.

Cost-Effectiveness Testing

4 CSR 240-20.094, Section (4) (I), reg. page 171.

The National Housing Trust supports the designation of the Total Resource Cost test as the preferred cost-effectiveness test, as affirmed in the proposed rules.

Updated Tax Credit Language

4 CSR 240-20.094, Section (8) (A), reg. page 173.

The National Housing Trust supports the updated language regarding state tax credit recipients. The proposed rule language now better reflects 2013 changes to RSMo 393.1075 that expanded access to MEEIA programs, as well as the repeal of RSMo 253.561.

State-Wide Collaborative

4 CSR 240-20.094, Section (9) (B), reg. pages 173-174

The National Housing Trust strongly supports the proposed language to add more structure to the State-Wide Collaborative, including the establishment of individual working groups, the increased frequency of whole-group meetings, the exploration of a non-energy benefits adder, and the creation of a charter document. We hope that this added structure will take the collaborative to the next level, moving it from a state of passive education to one of active collaboration on concrete projects.

Statewide Technical Reference Manual (TRM)

4 CSR 240-20.094, Section (10) (A-E), reg. page 174

We believe that the universal adoption by utilities of a statewide technical reference manual, supported by a robust and open stakeholder process, will create economies of scale, promote efficiencies, lead to greater accountability, and result in the growth of beneficial energy efficiency programs across the state. We support the proposed TRM language contained in the Consensus Recommendations submitted by various parties.

Thank you,

Annika Brink
Energy Efficiency Advisor
National Housing Trust

Edgar Palacios
Acting Director
Blue Hills Community Services

Stephen Samuels
Executive Director
Greater Kansas City LISC

S. Cady Seabaugh
Vice President
McCormack Baron Salazar, Inc.

Kurt Brewer
Executive Director
Missouri Community Action Network
(State Association for Missouri's Community
Action Agencies)

Sean Spencer, Executive Director
Dana Gray, Community Outreach Coordinator
Tower Grove Neighborhoods Community
Development Corp

Melissa Davenport
Assistant Program Manager of Weatherization
Dept.
Urban League of Metropolitan St. Louis

Dennis Hidalgo, LEED AP O+M
Energy & Sustainability Manager, Housing
Volunteers of America

William Liebermann
Owner
WJL COMPANIES