

RESIDENT ENERGY CONSERVATION PROGRAM PUBLIC PRIVATE VENTURE (PPV) HOUSING FREQUENTLY ASKED QUESTIONS (FAQ)

1. Why did the Navy decide to start RECP?

In September 1998, OSD issued a policy to transfer responsibility for the payment of utilities from PPV projects to residents. The Navy is implementing the RECP program now that most PPV housing is individually metered. Research shows that residents use 20+% less in utilities when they are directly responsible for utility payments. The RECP helps to bring PPV utility usage in line with usage in private communities, and results in savings that will be reinvested to improve PPV community quality of life.

2. When will the RECP program start at my installation?

The tentative roll out schedule for live billing is shown by the Region of the country where the Navy has PPV homes, as follows:

New Orleans: January 2013
Northwest, Midwest, Southeast: April 2013
Southwest: July 2013
Mid-Atlantic and Northeast: October 2013

For more specific information about when the RECP will roll out for a specific installation contact your local Navy housing office (a master list of all Navy installation housing offices is located at www.cnic.navy.mil/housing).

3. How does this program work?

The Resident Energy Conservation Program (RECP) establishes like type groups of housing and measures the average usage for each like type group every month. A 10% buffer is then added above and below the average to create a Normal Usage Band. Residents will receive monthly statements on how their usage compares to the Normal Usage Band. Those using more than the Normal Usage Band pay for the excess and those using less than the Normal Usage Band will receive a rebate or credit for the difference between the Normal Usage Band and their actual usage.

4. How do Sailors, Marines and their families benefit from RECP?

Dollars saved through conservation will be put right back into the PPV project in the form of capital reinvestments such as new housing, renovations, community amenities, quality of life programs, etc. Sailors and Marines will earn rebates if they use less than the normal usage band for their like type group.

5. How is my usage target determined?

Your house will be combined with other housing units into like-type groups (LTG) of metered homes that have similar characteristics that affect home energy performance such as the square footage, age, and condition of the home. Each month the average usage of utilities for the LTG are developed with a 10% buffer above and below the average to create a Normal Usage Band. Residents with usage above the Normal Usage Band will pay for the excess and those conserving relative to the Normal Usage Band will receive a rebate for their savings.

6. What if there is an extremely hot or cold month?

Your utility usage target is established on a monthly basis to account for actual weather changes.

7. Can I get information about my like-type group?

Yes, your Resident Services Manager/Housing Office can provide you with that information.

8. How will this program affect my Basic Allowance for Housing (BAH)?

There will be no impact to the BAH allowance.

9. Isn't a utility allowance already part of my BAH?

Yes. An allowance for "normal" utilities is a part of the BAH. BAH includes an allowance for the following utilities: electricity, gas or other heating fuels, and water/sewer. The BAH includes the cost of utilities based on averages from residents living in the private sector who are directly responsible for paying for their utilities. This program is intended to encourage residents to achieve normal usage and to reward them for conservation beyond normal expectations. If you conserve and use utilities wisely within the normal range, you will have no out-of-pocket utility expense and with a little extra effort could be eligible for a utilities rebate.

10. How does billing work?

Every month residents will receive a monthly statement that shows how their usage compares to the Normal Usage Band for their specific like type group. Residents who use less than the Normal Usage Band will accrue a credit or rebate and residents who use more than the upper Normal Usage Band will pay for excess consumption. Before residents are responsible for payments they will experience a "mock billing period." Mock billing will allow residents to adjust their consumption before live billing starts. After mock billing the live billing period starts and residents will be directly responsible for their utility usage.

11. Does this program mean I have to pay a utility bill every month?

No. If your usage is within the Normal Usage Band you will not have to make any payments. Only if you exceed the Normal Usage Band will you have to pay and then only for the amount over the Normal Usage Band. If you are below the Normal Usage Band you will receive a rebate for the difference between the amount consumed and the lower end of the usage band.

12. How and when will I expect a rebate or a payment?

Residents whose monthly utilities usage is below the Normal Usage Band will be notified in the monthly utility usage report including the amount of the rebate earned. When the accumulated rebate exceeds \$25 the property manager will issue a check to the resident. Residents have the option to "bank" the savings if they want and use savings to offset future payments. The payments work in a similar fashion – the resident will be notified monthly and will make payment whenever the total owed exceeds \$25.

13. How do I know that my utility usage report is correct?

Your monthly utility usage report is based on the individual utility meters on your home. The PPV project company will collect information from the meters and develop a usage report for each home. If you feel there are inaccuracies on your bill, please contact your property manager for review.

14. How can I be sure my home is energy efficient?

Residents can request their property manager perform an evaluation of the home to ensure that all of the appliances and energy using features of the home are in good order. The property manager will also provide tips on how to make your home more energy efficient.

15. If my neighbor in the same like type group has a more efficient kitchen appliance, does that entitle me to new appliances?

No. We account for these differences by setting the 10% plus or minus buffer around the utility usage target.

16. We have two children in our family and live in a 3-BR home. Many of our neighbors do not have children. Will the monthly usage average for our like-type group be skewed?

The rent for PPV homes is typically the BAH rate. BAH does not vary depending upon family size. Families are placed in homes appropriate for the size of the family and only similar homes will be included in average calculations.

17. What happens if I don't pay on time? Will late payments affect my credit?

Residents with a past due account will receive delinquency notice letters and a late fee. Extreme delinquencies can result in a notice to vacate housing and can potentially affect your credit. The PPV partnership will work with you to arrange payment plans if you need help making payments.

18. Am I responsible for paying for water usage?

At this time PPV homes are not individually metered for water therefore the RECP excludes water. Water conservation is very important because excess usage drains funds from the PPV project. You can expect to see the property manager promote water conservation initiatives in your PPV housing area even though the homes are not individually metered.

19. If this is a Department of Navy program, do I have to participate if I am in another branch of Service?

All military members, regardless of branch of Service, living in Navy and Marine Corps PPV housing must sign a lease that requires the resident to participate in RECP. The Army and Air Force are transferring responsibility for payment of utilities to residents that live in their privatized housing much like the Navy and Marines Corps.

20. How can I reduce my energy usage in PPV housing?

The easiest way to reduce your energy usage is by regulating your thermostat to minimize heating and or cooling requirements. Wise use of hot water, lighting and appliances can also contribute significantly to energy savings. Finally, you can request the property manager perform an energy audit to identify energy savings strategies specific to your home.

21. Is there a waiver policy if a member in my family has a medical circumstance that requires us to use more electricity?

Yes, a waiver from the RECP can be requested if your family member is enrolled in the Exceptional Family Member (EFM) program and you can demonstrate the medical condition has a direct impact on utility usage. In addition, handicapped members outside of the EFM may also submit a waiver request for consideration. Each housing office will have procedures for submitting a waiver. Wounded Warriors are exempt from RECP.

22. What utility rate will I be charged when living in PPV housing?

You will be charged the same rate the PPV partner is charged to provide utilities to your home. The rate will be included on your bill and is available at any time by contacting your PPV property manager. Sometimes the utilities are provided by the supporting Installation for the PPV project and other times it will be the rate from a 3rd party utility provider. By law, the PPV partner is not allowed to charge you a higher rate than they pay for utilities.

23. Why is the pilot RECP buffer of 20% changing to 10%?

A 20% buffer was initially used to minimize RECP financial impacts to residents during the pilot program. Using RECP pilot data it was determined that a 10% buffer should result in increased conservation without significantly increasing the financial burden on residents. In fact, it is easier to earn a rebate under the 10% program, and simple conservation measures such as monitoring thermostat settings and turning off appliances and lighting can result in frequent rebates.