How To: Review a High Performance Building (HPB) Report

This Job Aid provides Lenders with a 5-step process to review the HPB Report required for a Green Rewards Mortgage Loan.

Step 1. Validate HPB Report and Form 4099.H

a. Verify that you have the following:

- Final HPB Report in Word or PDF; and
- Final Form 4099.H in Excel.

b. Understand the Property

Understand the "big picture" at the Property. Read Section 1 and Section 2 of the HPB Report. Learn about the configuration of the Property's energy and water usage and billing which will impact eligibility, including:

- Whether utilities are master metered, separately metered, sub-metered, or reimbursed (i.e., paid by owner and then reimbursed by tenants);
- Whether hot water is supplied from a common boiler or individual unit heaters; and
- Whether each Energy and Water Efficiency Measure (Efficiency Measures or EWEM) is saving energy, water, or both, and who pays for each utility.

c. Understand the data entered in the Form 4099.H

- Review the **Check Errors** tab to view HPB Consultant responses to any QC Alerts.
- While a QC Alert does not necessarily indicate a problem with the HPB Report, the HPB Consultant response should adequately address any alert (see Page 2 for common issues and what to do if there are errors).

Step 2. Discuss HPB Report and 4099.H with Borrower

- Review the HPB Report with your Borrower and discuss the savings opportunities.
- Identify the EWEMs that the Borrower selects to implement.

Step 3. Select Energy and Water Efficiency Measures in Form 4099.H

In the Form 4099.H Excel File, identify the Borrower's selected EWEMs:

- Go to: **Lender Validation** tab > **EWEM Selected for Implementation** table > **Selected for Implementation** column;
- Select "Yes" for each EWEM selected by the Borrower.

Step 4. Confirm Green Mortgage Loan Eligibility

Use the Form 4099.H Excel File to confirm Green Mortgage Loan eligibility.

- Go to: **Lender Validation** tab > **EWEM Selected for Implementation** table.
- **For the Selected EWEM**, Source Energy Savings must be 15% or greater, and Source Energy Savings + Water Savings must be 30% or greater.

Step 5. Rate the Report

Use the Form 4099.H Excel File to rate the quality of the HPB report.

- Go to: **Lender Validation** tab > **HPB Report Rating** table > Column E;
- Rate the HPB Report as a "1", "2", or "3", and identify the reviewer and date approved (see rating definitions on following page.)

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STEP 1 (CONTINUED)

d. Check for Common Issues

✓ **Are the HPB Report and the Form 4099.H consistent?**
- Form 4099.H Excel file should match the tables in the HPB Report.
- Description of EWEMs should be consistent throughout the HPB Report.

✓ **Are there unexplained irregularities in the historical energy and water consumption data?**
- Variation between months and seasons is expected, but single months that show a sudden **spike** or **drop** in usage may indicate a billing error or missing data.
- Data issues such as missing data, modeled data, or billing errors should be clearly noted.

✓ **Were custom occupancy numbers used in the calculations?**
- Custom occupancy numbers should be adequately explained, and Occupancy Rate should be realistic.

✓ **Are the EWEMS valid?**
- All EWEMs must be capital improvements to the Property.
- Operations and maintenance improvements and improvements to leased equipment are not valid EWEMs.
- If available, ENERGY STAR and WaterSense certified fixtures, products, or appliances must be specified by the HPB Consultant.

✓ **Are the cost savings being correctly attributed to the payer of each utility bill?**
- Projected energy and water cost savings should accrue to the payer of each utility bill:
  - Centrally supplied Domestic Hot Water (DHW) → all energy savings generally accrue to the owner.
  - Individually supplied DHW → energy savings accrue to the party paying for the energy that heats the water.

✓ **Are the energy and water consumption savings correct given the configuration of the Property's systems?**
- All DHW-saving EWEMs should save **both energy and water**; verify that the type of energy saved (electric, gas, etc.) align with the types of energy used to heat water.
- The amount of energy savings for DHW-saving improvements should generally be less than half of the water savings. For example, if water savings are 20%, the associated energy savings should be less than 10%.

✓ **Are the water usage assumptions and adoption rate reasonable or have they been excessively modified?**
- Use the following table to verify that water fixture assumptions are reasonable; custom values within these ranges are fine, but look out for:
  - Recommended fixtures with a Gallons per Use lower than the low end of the range.
  - Usage per Person per Day estimates higher or lower than the recommended ranges.
  - Ensure that the Adoption Rate seems reasonable given the fixtures selected.

Ranges for Water Fixtures	Gallons per Use	Usage per Person per Day
Toilets	0.8 – 5.0 GPF	4 - 6 flushes
Bathroom Faucets	1.0 – 3.0 GPM	0.5 – 3 minutes
Kitchen Faucets	1.0 – 5.0 GPM	0.5 – 5 minutes
Showerheads	1.25 – 5.0 GPM	5 – 15 minutes
Dishwasher	3.5 – 15 gal/cycle	0.1 – 0.3 cycles
In Unit Washing Machine	10 – 40 gal/cycle	0.2 – 0.5 cycles
Common Washing Machine	11 – 45 gal/cycle	0.2 – 0.3 cycles

Adapted from USEPA Water Conservation Plan Guidelines.
Note: WaterSense standard for bathroom faucets allows a minimum flowrate of 0.8 gpm; however, in order to recommend 0.8 gpm, the HPB Consultant must verify that a WaterSense certified model is currently available.

e. Found an error or need a clarification?

- Work directly with your HPB Consultant to resolve issues or questions.
- Each time the HPB Report and Form 4099.H are resubmitted to the Lender, the HPB Consultant should add the Revision Date under the Initial Submission Date field in the Form 4099.H.

STEP 5: RATING DESCRIPTION

Rating	Description
1	No questions
2	Minor issues or clarifications needed
3	Major issues or multiple turns needed