

# ENGINEER'S ENERGY CONSUMPTION MODEL

Policy Statement and Request for MSHDA Approval of  
Utility Allowance (UA) for Low Income Housing Tax Credit (LIHTC) Development

Project Name:	MSHDA Project No.:
Address (City, County):	Management Agent:
Funding Description ( <i>i.e. LIHTC, HOME, Section 8, etc.</i> ):	
Proposed Effective Date of UA:	Utility Types Included in Model:

*Utility Types are Electric, Gas, Water/Sewer, Trash, etc.*

Under Treas. Reg. § 1.42-10(b)(4)(ii)(E), an LIHTC building owner may calculate a utility allowance using an energy and water and sewage consumption analysis (Energy Consumption Model).

Factors to consider - The energy consumption model must, at a minimum, take in to account specific factors including, but not limited to: (1) unit size, (2) building orientation, design and materials, mechanical systems, appliances, and characteristics of the building location. The utility estimate should also take in to account property type, climate and degree-day variables by region in the State and local utility rates. Alternately, the engineer may base the model on the characteristics of a property with existing buildings of similar size and construction in the geographic area of the building(s). To use a similar building model, the engineer must document that the two buildings have substantively similar characteristics.

Building's Consumption Data and Utility Rates – The utility rates used for the energy consumption model must be the rates in place 60 days prior to the date the UA change request is submitted to MSHDA.

Tenant Notification – The Owner must make available the proposed utility allowance to tenants at the **beginning of the 90-day period before** the approved utility allowance is used to determine gross rents of rent-restricted units. {1.42-10(b)(4)(ii)(B)}

Estimates Provided by Licensed Engineer – The utility allowance must be prepared by a properly licensed engineer. The licensed engineer must not be related to the building owner within the meaning of IRC §§ 267(b) or 707(b).

<b>Name of Licensed Engineer:</b>	
<b>State of License / License Number:</b>	
<b>Company Name:</b>	<b>Address, City, State, Zip Code:</b>

PROJECT NAME	#	Location
--------------	---	----------

MUST BE COMPLETED BY THE OWNER		Yes	No
1	Tenant notification - The proposed UA was made (and is still currently) available to tenants at the beginning of the 90-day period before the proposed effective date.		
2	Has the Owner made any energy efficiency improvements within the last two years? If yes, please list the improvements (e.g. roofing, windows, or insulation) and the date(s) upon which the improvement was made. _____		
3	The licensed engineer is not related to the Owner within the meaning of IRC §§ 267(b) or 707(b). (If not related, indicate "yes".)		
<b>Required Attachments</b>			
4	Copy of Engineer's state license		
5	Engineer's signed Certification of Estimate (or equivalent form) (must also be signed by an authorized representation of the Owner)		
6	Energy Model / Technical Report. Date of Model/Report: _____		
7	Supporting Documentation for the Energy Model and Certification of Estimate		
8	Documentation that the utilities rates used in the model are current (less than 60 days old at time of submission of the UA request to MSHDA).		
9	A list of the project's buildings or comparable building(s) in the geographic area used to arrive at Energy Consumption Model's UA.		

Utility Allowance for Each Bedroom Size / Unit Type (Insert additional rows and/or attach additional sheet if necessary).							
			Proposed Utility Allowance (UA)				
Unit Type / Bedrooms	Number of Units	Current UA	Electric	Gas	Water / Sewer	Trash	Proposed UA

Unit Types - Apartment, townhouse, detached single family unit, etc.

**OWNER CERTIFICATION**

I, as an authorized representative of the ownership entity ( \_\_\_\_\_ ), which is the owner of the above-referenced Low Income Housing Tax Credit (LIHTC) development, hereby request that MSHDA approve the Energy Consumption Model utility allowance as calculated by a licensed engineer.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Printed or Typed Name of Signatory

\_\_\_\_\_  
Contact Address, Phone, E-mail

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**MSHDA Approval:**

\_\_\_\_\_  
Compliance Officer / Authorized Representative

\_\_\_\_\_  
Date