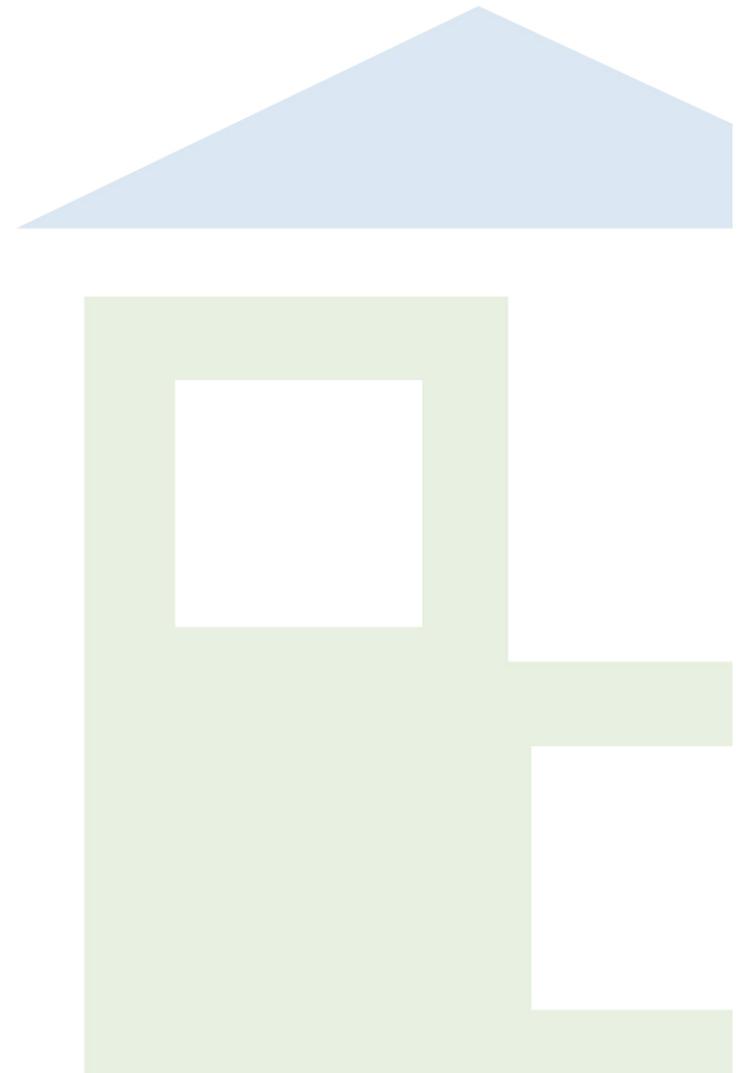




Dr. Kathleen Hogan
Deputy Assistant Secretary for
Energy Efficiency

Business of Energy Efficiency Workshop
October 24, 2011



Business of Energy Efficiency

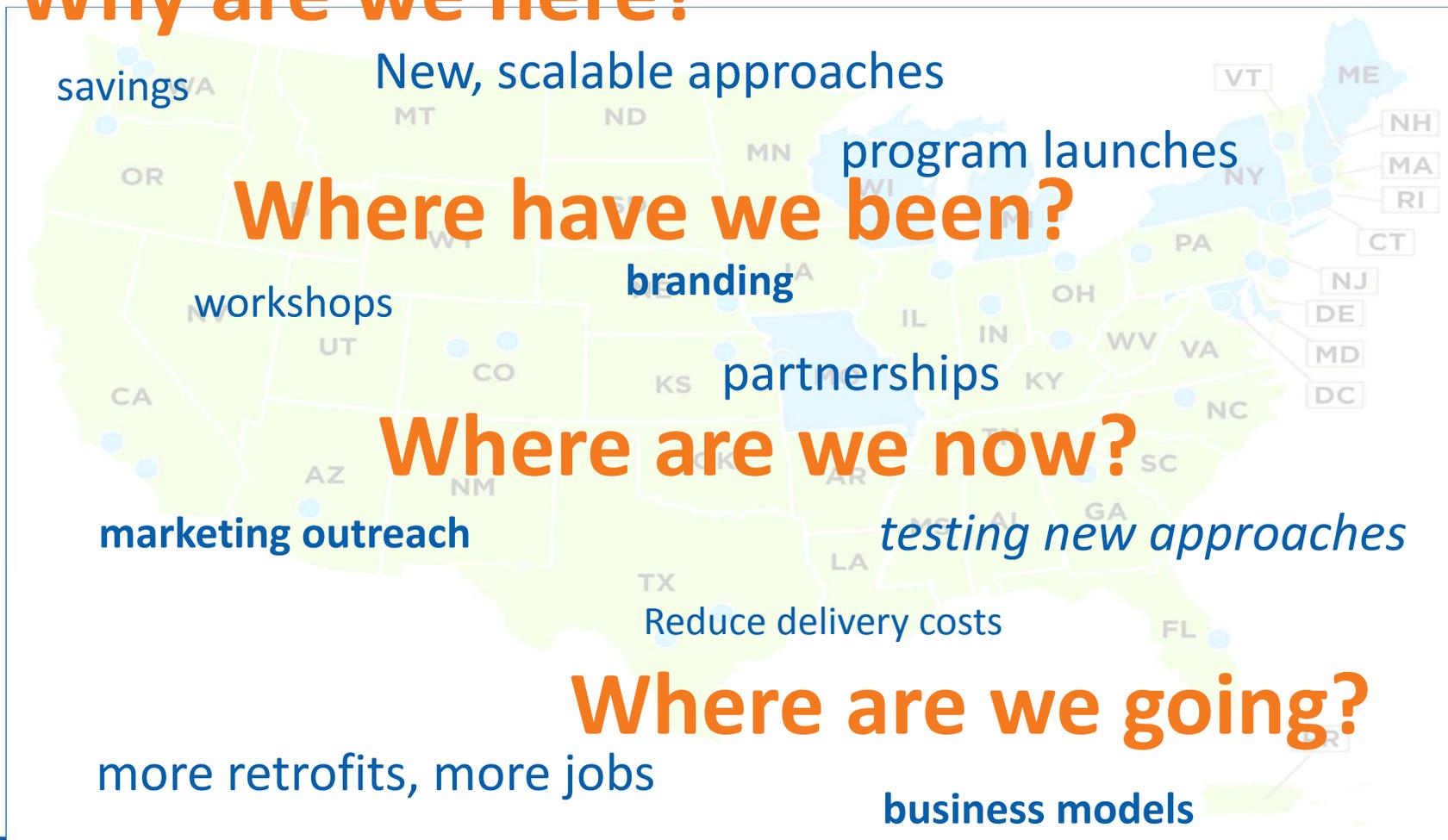


jobs
Why are we here?

Where have we been?

Where are we now?

Where are we going?



Why are we here?



Energy Efficiency in Buildings



- Large potential savings
 - Nationally: \$10's of billions each year
 - Per home: ~ \$400 / year
- Large jobs potential – non-exportable
 - Low income weatherization -- large job creator
 - Multiple job types / levels
 - Address unemployed in the construction industries
- Capture best energy source: fuel of first choice
 - Less than the price of new power generation
- Need demonstrated solutions that knock down past barriers
 - Motivate cost-effective retrofits
 - Provide skilled workers
 - Provide access to financing
 - Prove efficiency works – makes good business sense
 - Models to take home retrofits across the country

Building upgrade programs key



- Expand as Recovery Act stimulus subsides
 - March 2012 spending deadline
- Expand as utilities / program administrators work toward higher savings targets (in some areas)
 - 20+ states with savings targets
 - Need new programs as savings from light bulbs go away due to 2012 light bulb standard

Advancing Energy Efficiency



ACCELERATING APPLIANCE STANDARDS



**STRENGTHENING THE PROGRAM /
DISTINGUISHING TOP PERFORMERS**



CODES: Accelerate Adoption and Compliance



UPGRADES:

Residential

Commercial Building

Industrial

Better Buildings Neighborhoods

Better Buildings Commercial
Challenge

Better Buildings, Better Plants

STATE and LOCAL POLICIES



SEE Action
STATE ENERGY EFFICIENCY ACTION NETWORK

Where have we been?



Some Better Building Highlights



41 Grantee Programs for innovative models / leverage

Became Better Buildings Neighborhood Program

90% launched

Shared lessons and challenges in 32 webinars; 25 peer exchange calls; 4 workshops

Completed >8,000 building upgrades (*based on 2 rounds of reporting*)

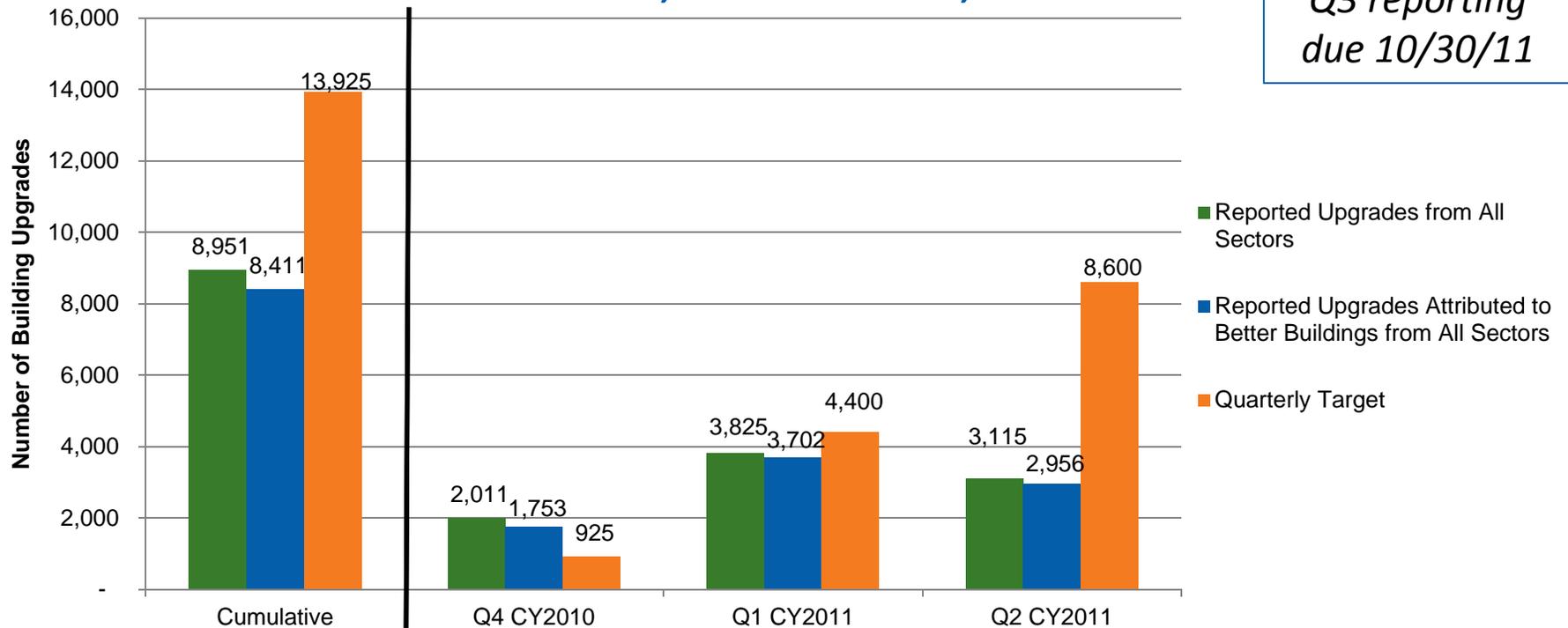
31 launched consumer facing websites

EECBG Competitive Accomplishments



Better Buildings - Building Upgrades Completed October 1, 2010 - June 30, 2011

Q3 reporting
due 10/30/11



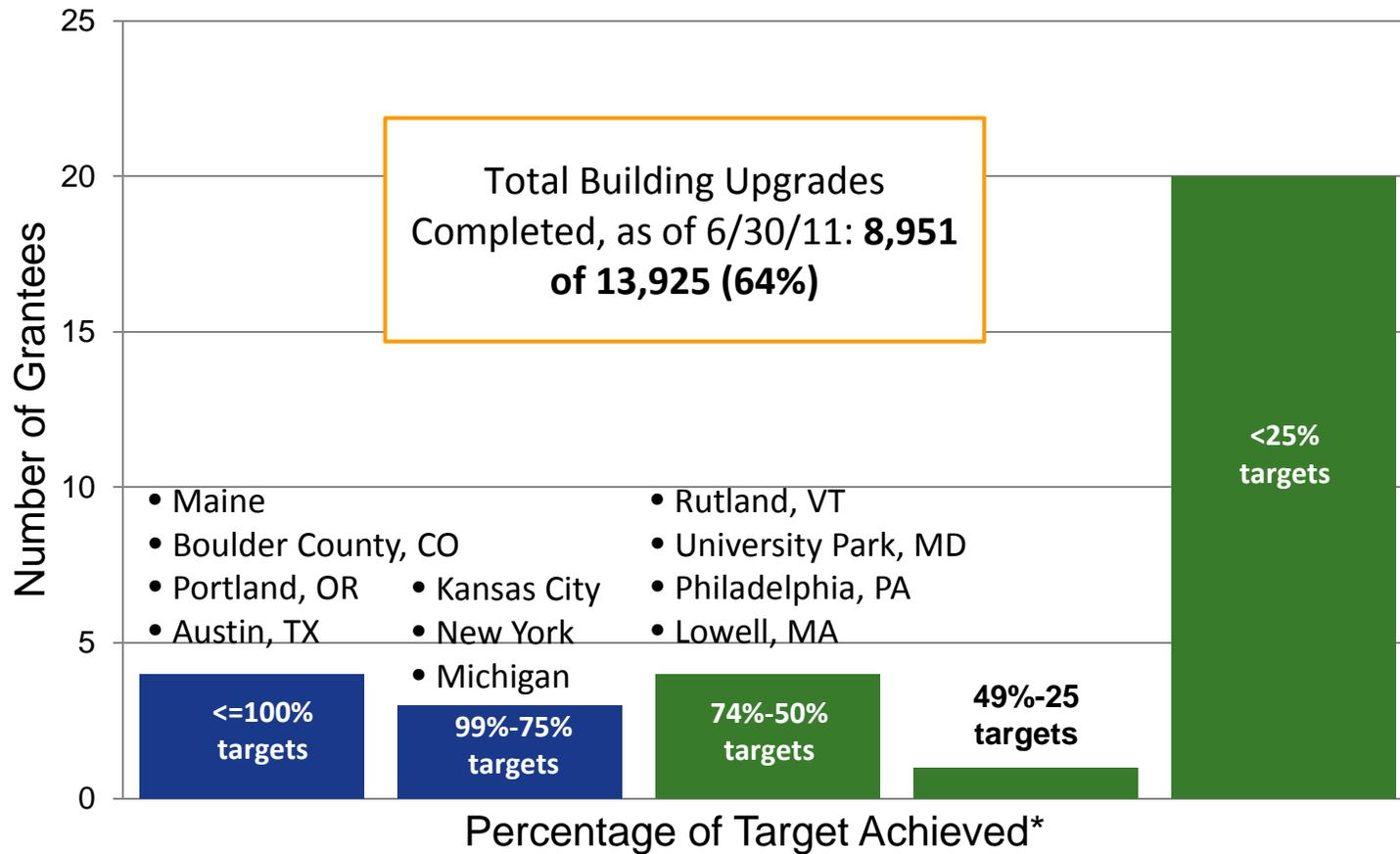
Additional Data of Interest

- Non-federal leverage = \$70.1 million
- Job-hours = 311,854 in Q2 2011 ≈ 600 FTE

Accomplishments



Grantee Progress Towards Meeting Building Upgrade Goals, Q2 2011



*Excludes 9 grantees whose target was 0 upgrades in Q2 2011

Program Names



- Austin Energy's Clean Energy Accelerator Program
- Be SMART Maryland
- Better Buildings for Greensboro
- Better Buildings for Michigan
- Better Buildings New Hampshire – A Beacon Communities Project
- Better Buildings Northwest Ohio
- Better Buildings Lowell Energy Upgrade (BLEU)
- Camden POWER - A Better Buildings Initiative
- Better Buildings Near Eastside Neighborhood Sweeps
- The Clean Energy Loan Program
- Clean Energy Works Oregon (CEWO)
- Community Power Works
- CPS Energy Savers
- Efficiency Maine
- emPowerSBC
- Energize Northern Westchester
- Energize Phoenix
- Energy Impact Illinois
- Energy Upgrade California in Los Angeles County
- EnergySmart
- EnergySmart (including other programs)
- EnergyWorks
- EnergyWorks KC
- Fayette County Better Buildings Initiative
- Greater Cincinnati Energy Alliance
- Green Madison
- Home Performance with ENERGY STAR
- Mass Save®
- Milwaukee Energy Efficiency (Me²)
- Missouri Agricultural Energy Savings Team- A Revolutionary Opportunity (MAESTRO)
- Neighbor to Neighbor Energy Challenge
- Neighborworks H.E.A.T. Squad
- Nevada Home Energy Fitness Campaign
- reEnergize Program
- RePower Bainbridge
- RePower Kitsap
- SEEA WISE
- STEP-UP

Where are we now?



Where Are We Now?

BBNP Mission: Grow the number of sustainable energy efficiency programs across the country

Approach:

- Test Many Models
- Collect Promising Approaches
 - Continuous Grantee Program Evaluation
 - Analyze Business Models
 - Collect and Analyze Grantee Program Data
- Identify Actions that Warrant Replication (and those to avoid in the future)
- Promote Lessons Learned

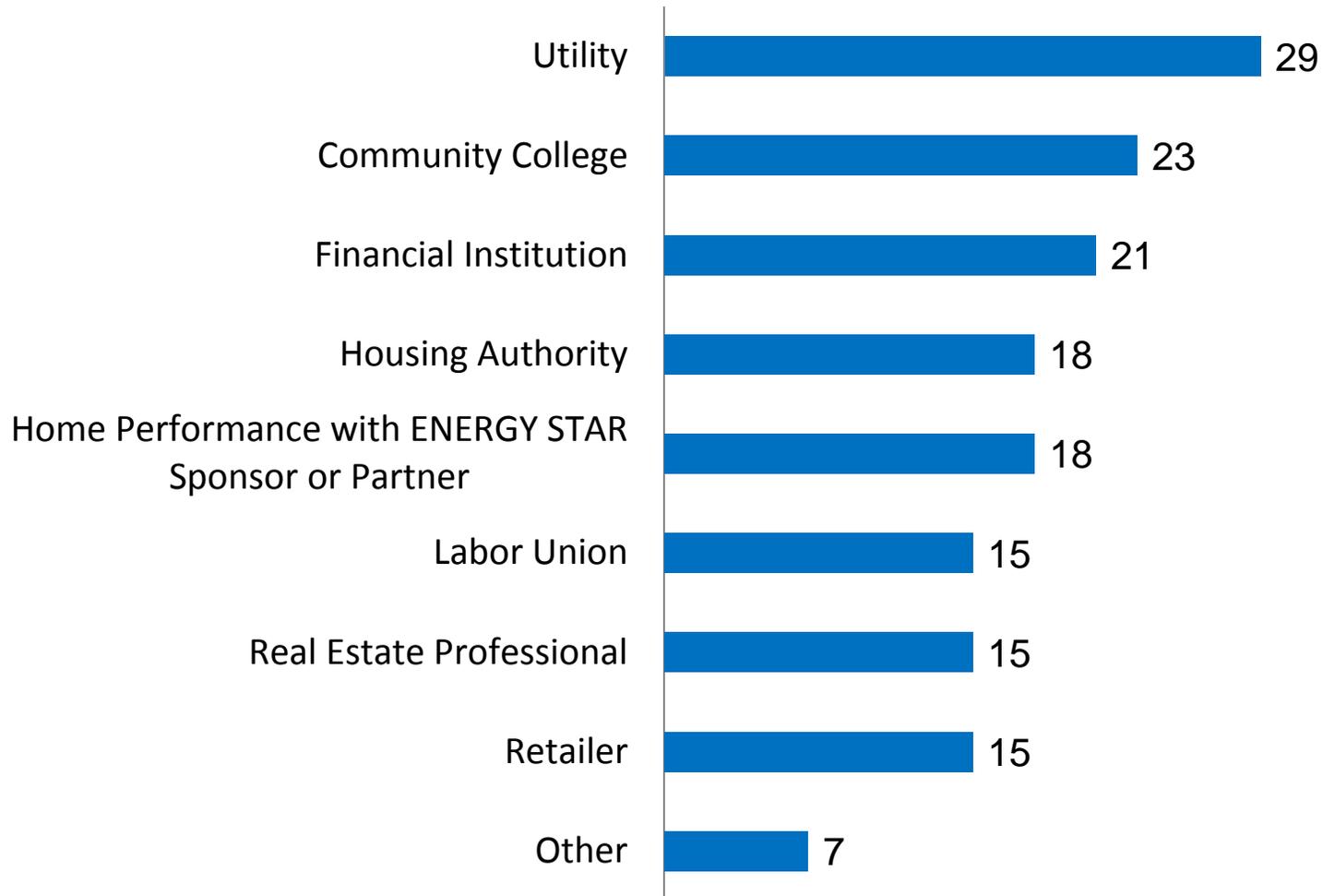


Testing New Approaches

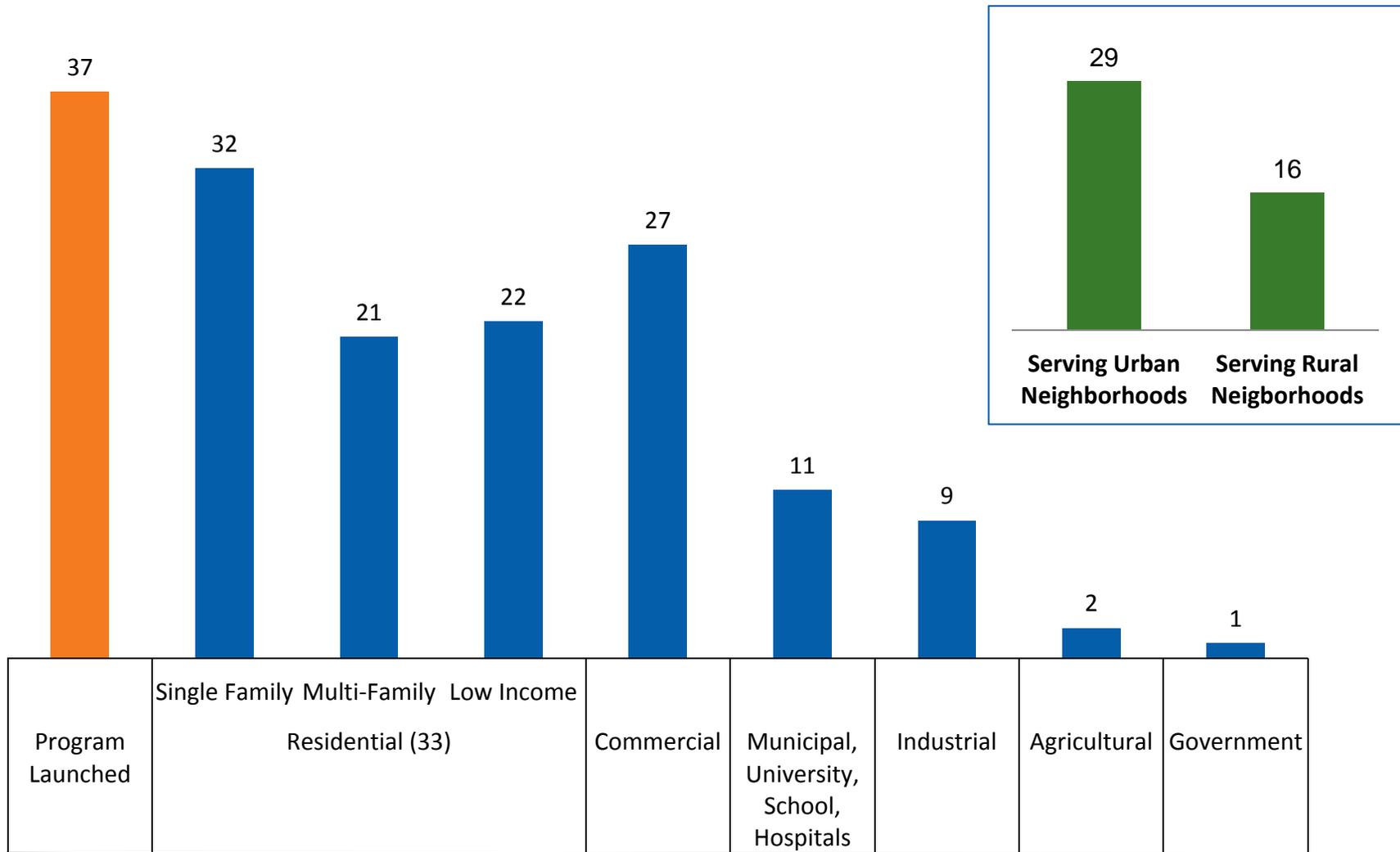
Communitywide competition
Loans that stay with the property
Community workforce agreement
University partnership
Equipment loans for businesses
Energy advisors
Fast financing approval
Carrotmobs
Bundling projects for contractor bidding
Neighborhood sweeps
Energy data dashboards
Cash for carbon
Neighborhood infrared home scans

Driving Demand	Financing	Data and Evaluation	Workforce Development
22 Different Approaches	21 Combinations	12 Evaluations Being Performed	9 Models Being Tested

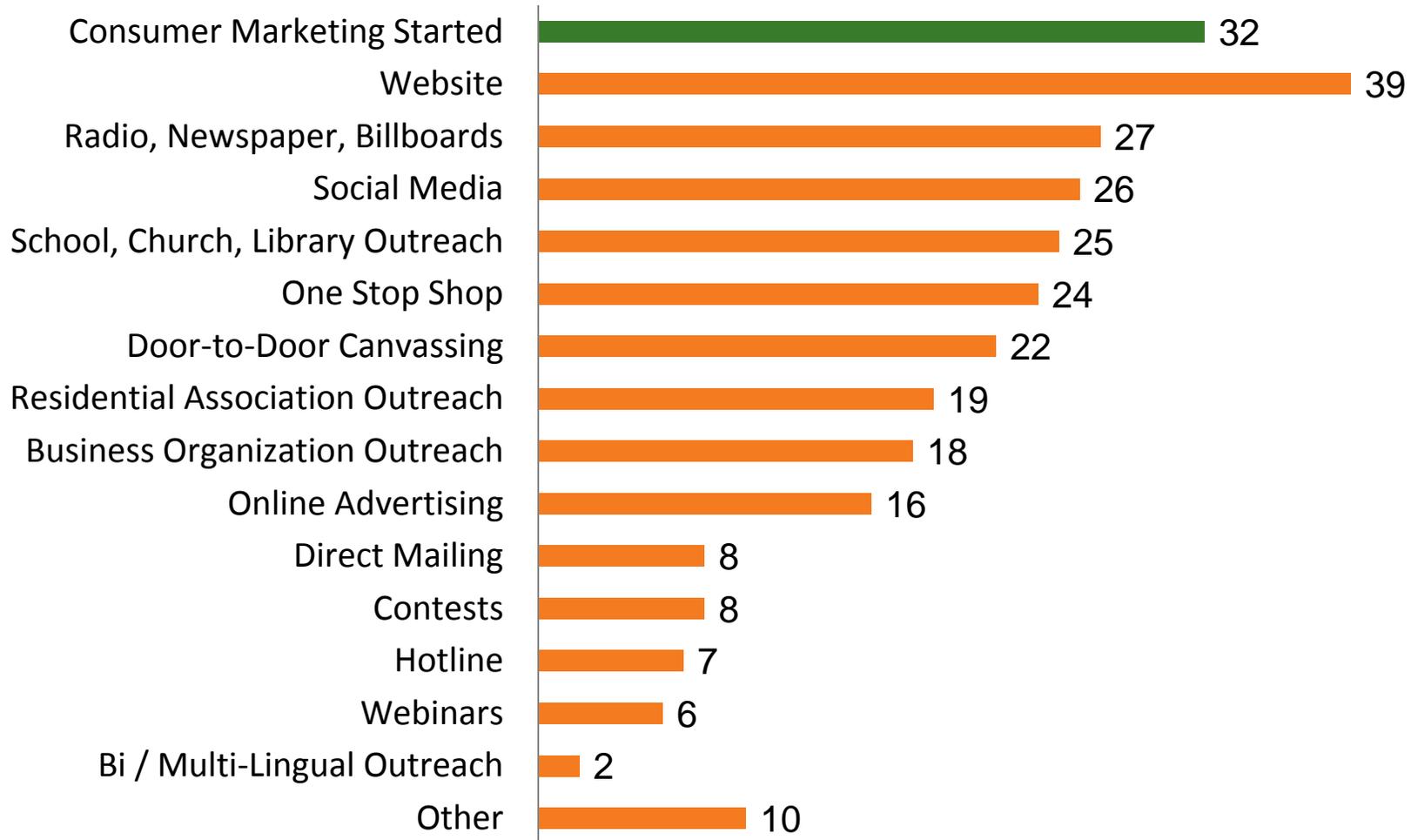
Program Partners



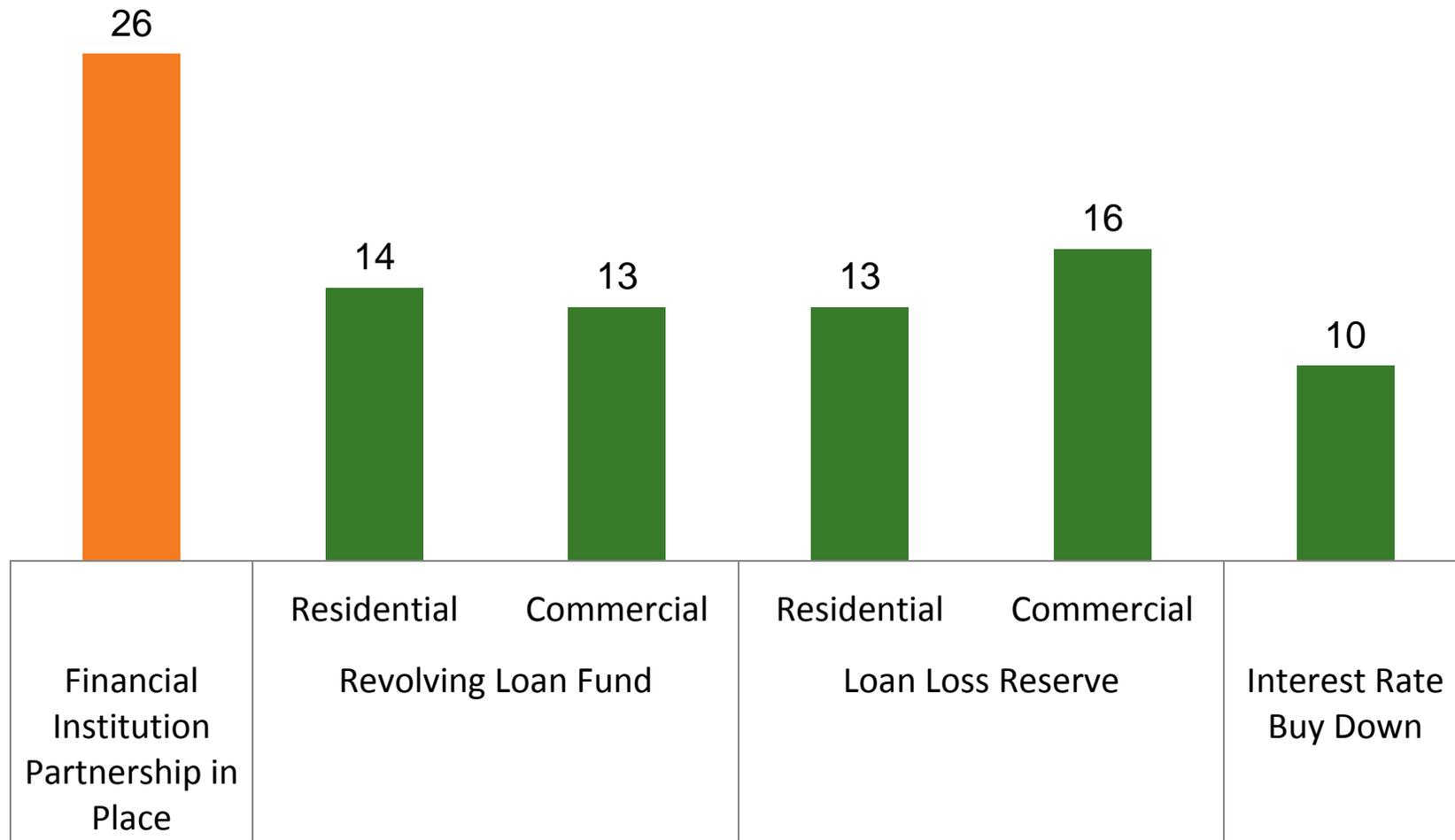
Target Audience



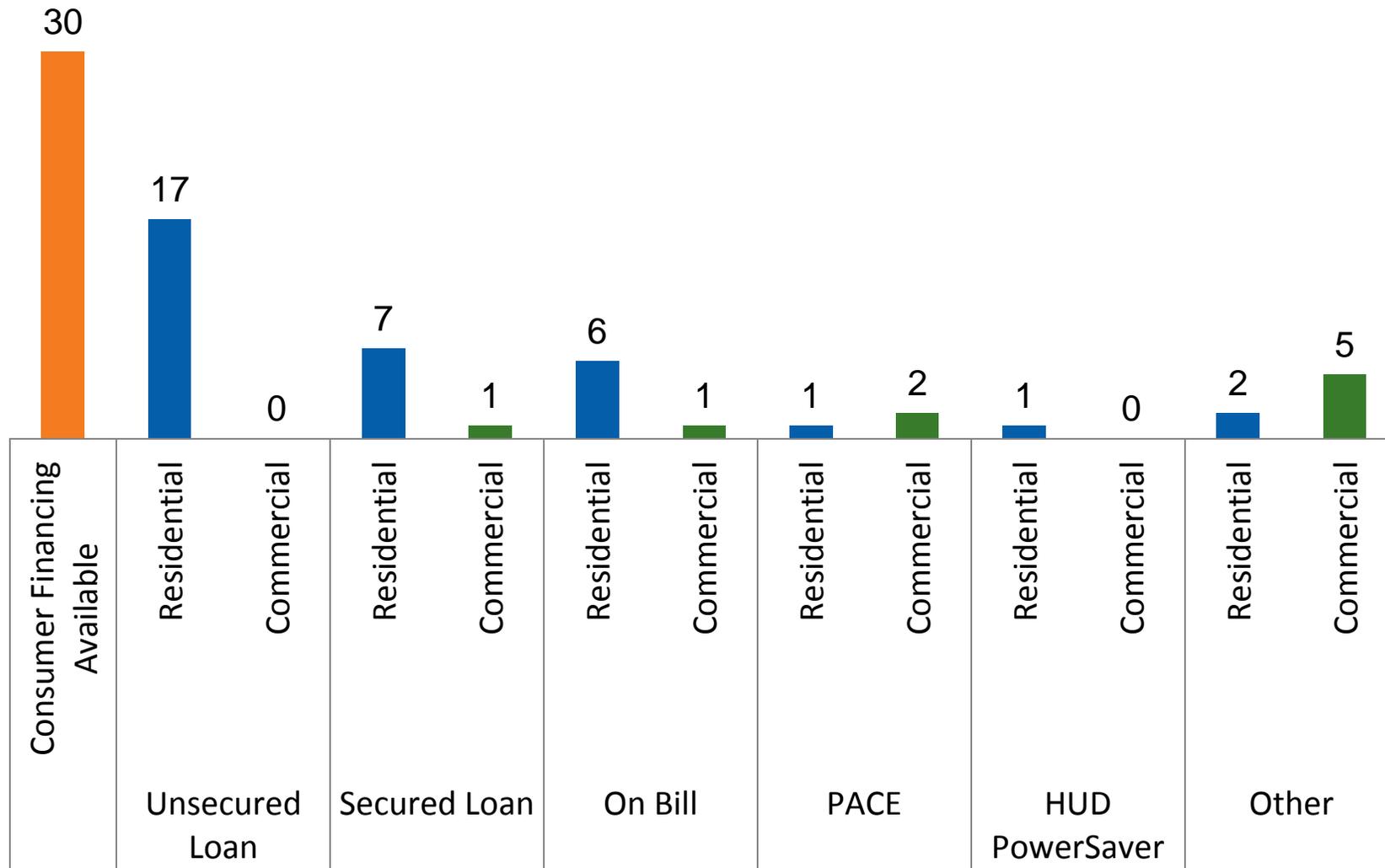
Marketing & Outreach Strategies



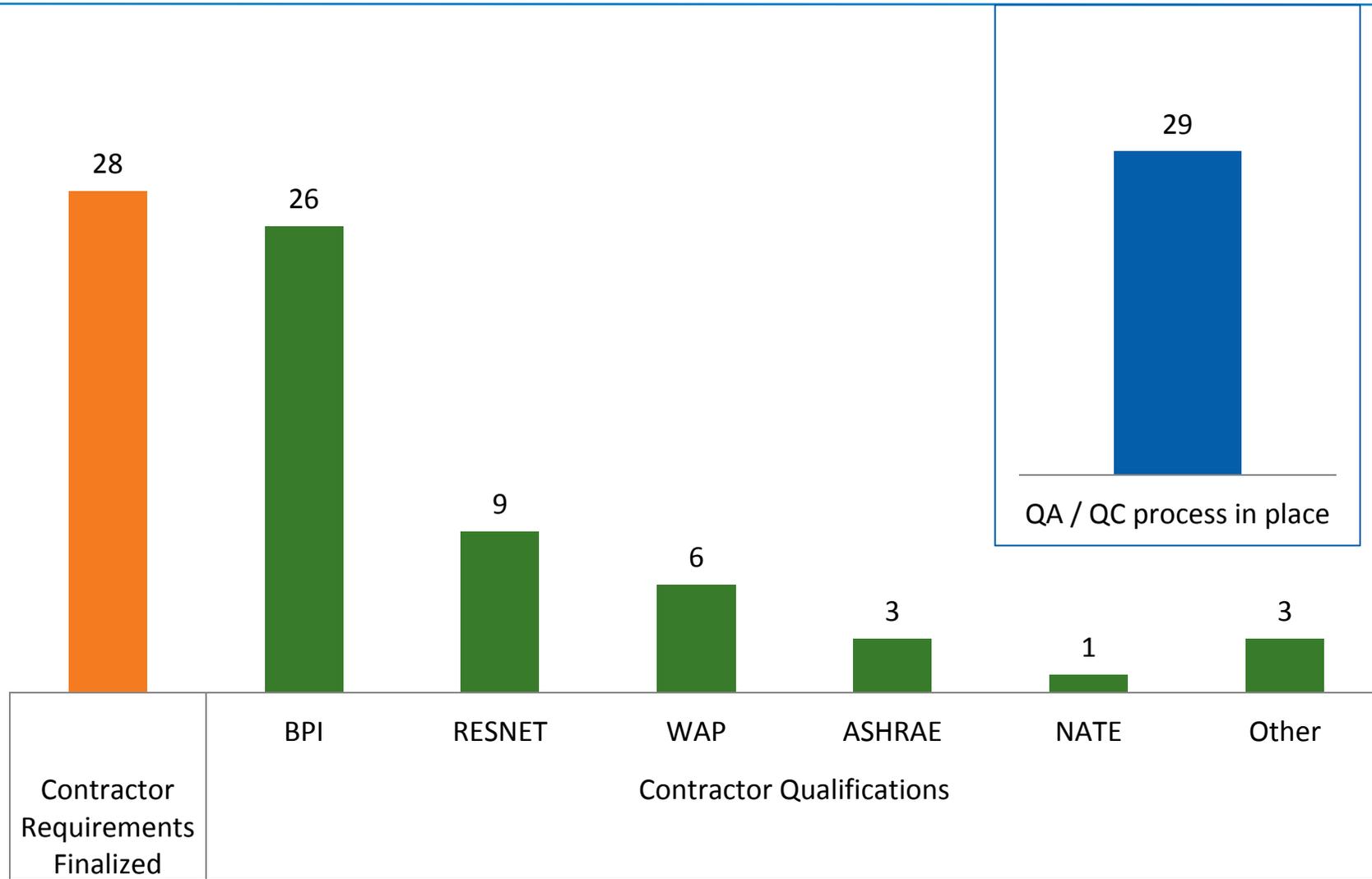
Loan Funds



Loan & Repayment Types



Contractor Qualifications



Where are we going?



What BBNP Will Accomplish



Grant Recipient Goals by Late 2013

- Retrofit >150,000 buildings (residential and commercial)
- Use the \$508 million grants to leverage \$3 billion in additional resources
- Create or retain approximately 30,000 jobs
- Save consumers approximately \$65 million annually on energy bills

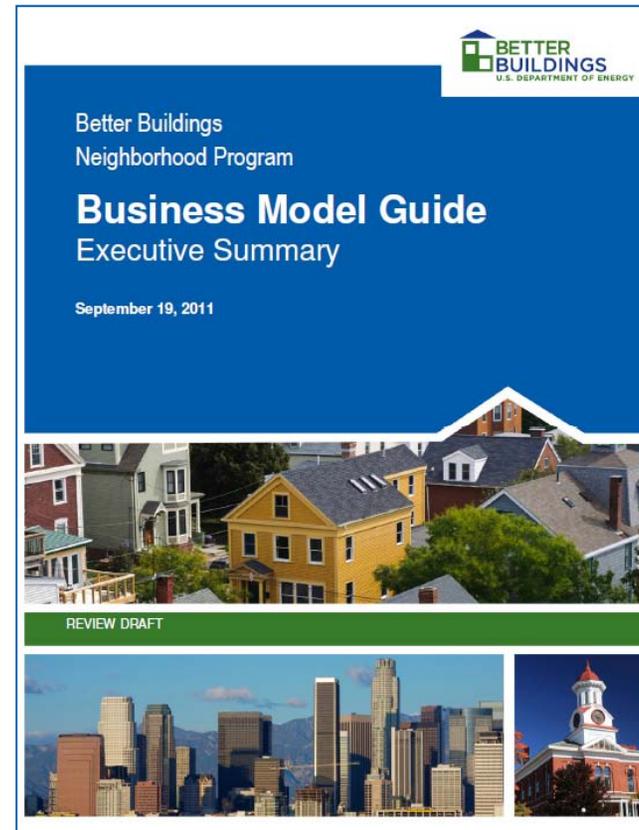
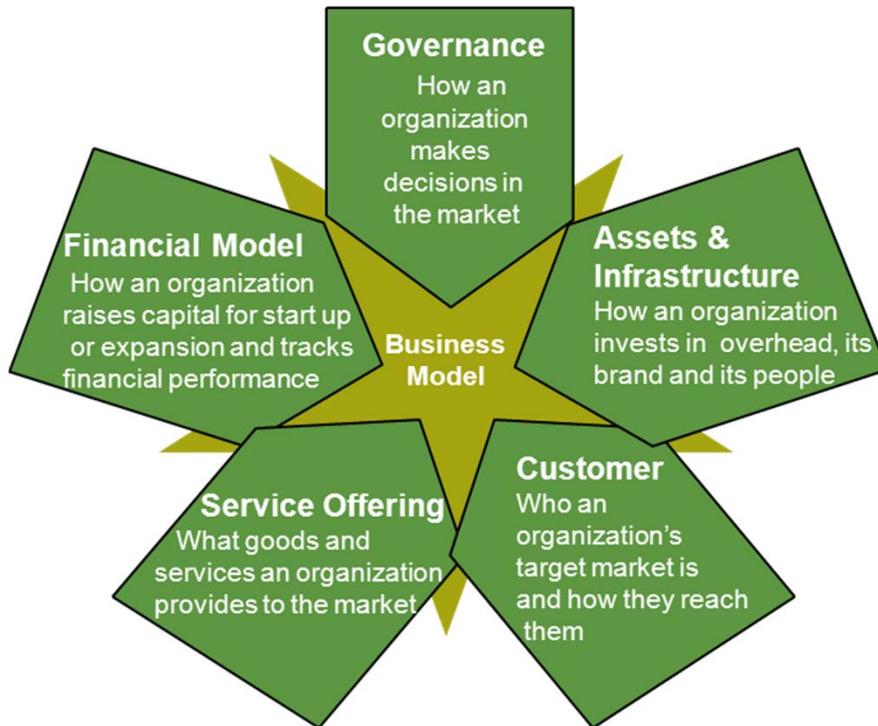
Goals to Leverage Grants for the Market

- Develop sustainable energy efficiency improvement programs
- Reduce the cost of retrofit program delivery [by 20% or more]
- Achieve 15-30% energy savings from energy efficiency upgrades

Vision

A self-sustaining market for building energy efficiency retrofits that results in economic, environmental, and energy benefits across the United States

Sustainability through Business Models



Better Buildings Business Models will help grantees turn their answers to strategic questions into concrete business plans

The way forward- Business of EE workshop



How will the market work financially?

Where do I see my program in 3-5 years?

Who will the customers be and what will they want?

Will the program continue to exist as it is?

What players and partners will deliver services in a future market?

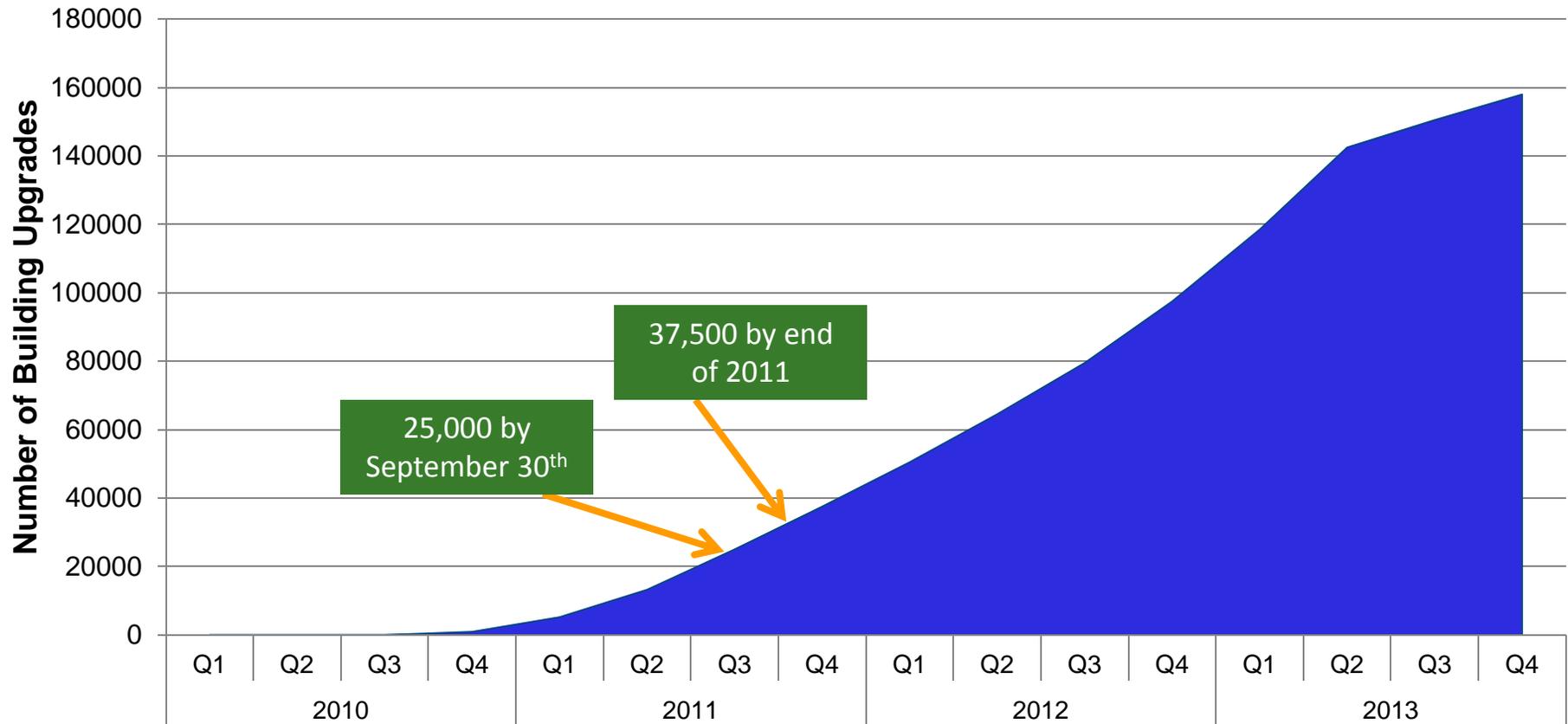
How can I reduce fixed and variable costs?

How can I adapt my program moving forward?

How many retrofits will I need to generate sufficient revenue?

How can I transition services to other market players?

Building Upgrade Cumulative Targets

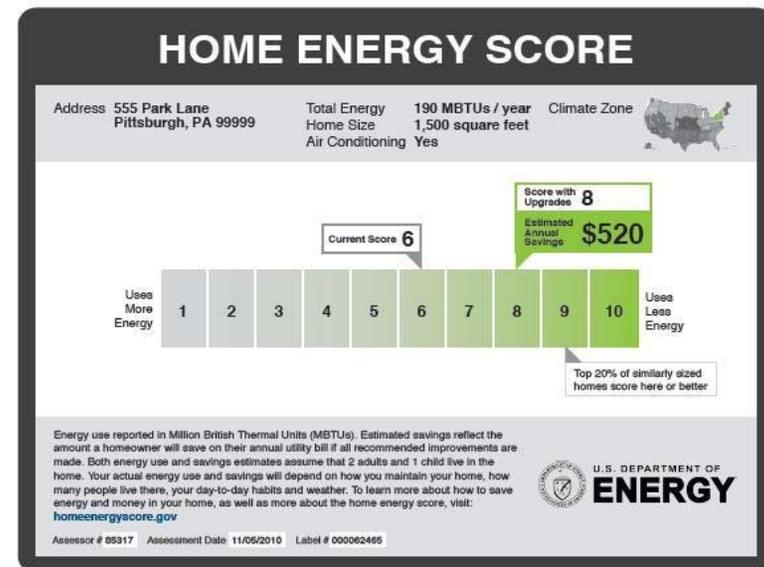
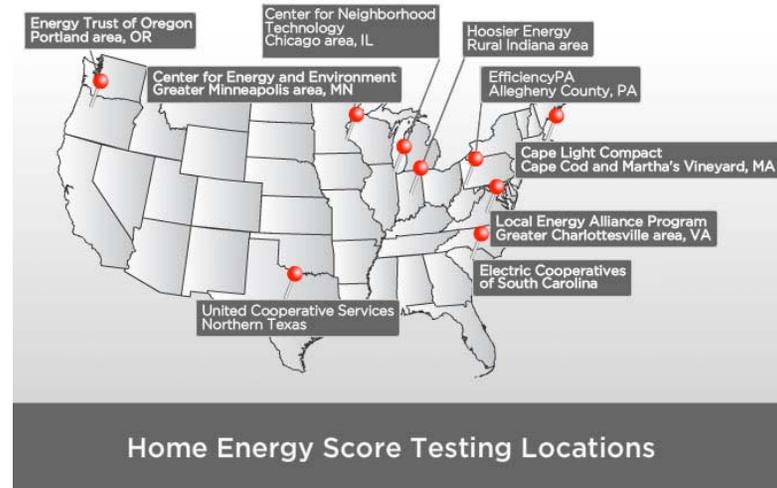


Building Residential Retrofit Industry: Better Information / Demand



Home Energy Score: A Reliable, Easy to Understand Tool

- DOE has completed 9 pilots across U.S. – over 1,000 homes (Jan.-June 2011)
- Analysis underway - focus:
 - Efficacy of the scoring tool and methodology
 - Homeowner understanding and response
 - Assessor feedback
- Based on findings, DOE will refine the tool and the program
 - National Launch -- Dec 2011



Building Residential Retrofit Industry: Guidelines for Home Energy Professionals



Premise: Demand is function of price and quality.

Goals:

- Help improve retrofit work quality
- Increase workforce career mobility
- Assist trainers developing training materials
- Build confidence of consumers and lenders

Status:

- 1) **Job Task Analyses** - Published on EERE/WAP Workforce Guidelines Website; outreach plans underway
- 2) **Standard Work Specifications** - 2nd round of public comment late 2011
- 3) **Standardized Training Curriculum** - available online (WAPTAC.org)
- 4) **Training Program Accreditation** - available now (IREC is the accreditation body), announcement and outreach plans underway
- 5) **Worker certification** – 4 certification blueprints finalized; new certifications for each industry available in 2012.

State/Local Government Assistance

States Energy Efficiency Action Network (SEE Action)



DOE/EPA facilitate

- Working Groups
- Meetings
- Development of key deliverables
- Coordination platform

SEE Action: Next Steps

- Blueprints finalized for all eight working groups
 - Short, mid, and long-term goals
 - 15+ Projects selected for funding
 - Funded projects completed or in progress
- Executive Group / Co-Chair Meeting – December 13
 - Coordinate outreach on resources to stakeholders
 - Measure progress toward goals
- Ongoing implementation
 - Development of key materials
 - Outreach goals to key states and local governments



Vision

A self-sustaining market for building energy efficiency retrofits that results in economic, environmental, and energy benefits across the United States

THANK YOU

Lightning Round

