Market Transformation in Connecticut
Integrating home performance into existing trades

Evolving to Whole Home Success
Session 2: Sustainable Business Models

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Market Transformation

- Overview of Home Performance in Connecticut
  - Successes
    - Home Performance market jump-start in 5 years
  - Lessons learned
    - Scalability
    - Contractor management
    - Quality control
- Plans for the future
  - Integration with trades
    - HVAC
    - Builders & remodelers
  - Adding value to contractor business models
The Connecticut Energy Efficiency Fund

- Created by legislature to provide cost-effective electric energy efficiency and load management programs.
- Expanded to include natural gas programs - electric and gas programs are fully integrated.
- PA 11-80 establishes new goals and oversight for the Fund; 2012 goal to achieve 20% more savings per home.

Objectives

- To advance the efficient use of energy
- To reduce air pollution and negative environmental impacts
- To promote economic development and energy security.

$3 in electric, gas and fossil fuel system benefits for every $1 invested in energy efficiency
Primary HPwES Program
Home Energy Solutions

- 26 statewide vendors through RFP
- $75 customer co-pay
- $0 for income eligible customers
- Direct install of core services
  - Blower door guided air-sealing
  - HVAC flow tests & duct sealing
  - 25 CFLs per home (LEDs coming Q4)
  - Low flow showerheads & aerators
- “Kitchen Table Wrap Up”
- Rebates and low-interest financing
Program Successes

- Mature, fully-subsidized program
  - Then (2006)
    - 3 vendors
    - Duct sealing pilot
  - And now (2011)
    - 26 vendors
    - 300 BPI technicians
    - 19,326 homes

- Lessons learned
  - Scaling a program
  - QA/QC
  - Data

- Shifting to a market-based program
  - How?
Proposal Based Track

- **2012 Kick-off**
  - 150 attendees

- **Target Audience**
  - Trades
  - Focus on HVAC contractors

- **Objectives**
  - One-stop shopping for customers
  - Avoid the pass-off
  - Provide mechanism to trigger rebates

- **Feedback**
Why HVAC Contractors?

- State licensing requirements
  - Quality control
- Well-established businesses
  - Capacity & experience
- Existing customer relationships
  - Service plans
  - Fuel delivery
- IECC 2009 forcing home performance
  - Duct sealing
  - Load calculations
HVAC Outreach

- **Trade Associations**
  - Connecticut Heating and Cooling Contractors – CHCC

- **Panel Style Events**
  - Value in messaging from peers
  - More engaging than power-point lectures
  - Audience enjoys technical details and stories from the field

- **Feedback**
  - Sell on comfort – then energy savings
  - Home Performance is not a big “money-maker”
  - Adds value to the business
Concluding Remarks

• Success developing a home performance workforce in the state
• Importance of data management & QA/QC learned during scaling
• Existing trades are an enormous untapped market for home performance
• Customers buy comfort first
Thank you

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