

Resolving conflicts between the desires of secondary market investors and the financial options of homeowners will be an important task of the program in the future. For example, low interest rates make the program attractive to homeowners, but not to secondary market investors. Securitizing all loans makes the portfolio attractive to the secondary market, but adds costs to the loans and places property liens on participants for loans of all sizes. Similarly, standardized underwriting ensures that the loan portfolio can be sold to investors, but may invariably exclude those without access to other financing who could have qualified based on their utility payment history – reducing the overall equity of the program.

Quantifying Job Growth

High expectations continue to be attached to the outcomes of CEWP regarding job creation. Federal stimulus funds were awarded with the expectation that the program would create jobs. Estimates of the costs of job creation range from 10.5 jobs per \$1,000,000⁴ to 8 jobs per \$1,000,000.⁵ In a 2009 jobs creation program, the City of Portland estimated 14 jobs created per \$1,000,000 spent.⁶ Participating contractors expect their involvement will generate enough work to justify hiring additional staff, but quantifying this remains a challenge.

Program Assumptions

The program does not operate with clear cost-effectiveness parameters or provide energy savings estimates to participants. There are several options for home audit/modeling software, each of which has advocates and detractors. The software being used by CEWP was publicly challenged by one of the program's enrolled contractors.

Wave 2 Research Recommendations

Continue to Improve Data Tracking and Program Processes

Automate paperwork; simplify tracking. Develop a program database tracking system that allows auto population of key inputs or ties together the data collected from the Home Performance test-in, application data, and the project details as submitted for loan documentation.

⁴ Green For All. *Policy Brief: Clean Energy Works Portland: A National Model for Energy-Efficiency Retrofits*. <http://www.greenforall.org/what-we-do/cities-initiative/portland/clean-energy-works-portland>

⁵ Lawrence Berkeley National Laboratory and Research Into Action, Inc. *Energy Efficiency Services Sector: Workforce Size and Expectations for Growth*. September 2010. [Not publically available as of October 1, 2010]

⁶ City Auditor, City of Portland. *Portland Job Creation and Stimulus: Construction spending is up, while actual job creation remains unknown*. June 2010. <http://www.portlandonline.com/auditor/index.cfm?&c=26649>



Successful participants were satisfied with their contractors, but at somewhat lower levels than with the Energy Advocate. Contacts mentioned issues communicating with contractors about scheduling, expectations, and project details. Successful participants reported high levels of overall satisfaction with CEWP and 95% said that they would recommend the project to a friend, family member, or colleague.

Despite high overall satisfaction, participants offered suggestions for improvement, especially for the financing process. Comments from these participants in some cases reflected confusion about the financing process and the need for additional information to understand how their loan would work. Several contacts remained unclear about balloon payments and how Energy Trust incentives would be applied to their loans.



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4 DROPOUTS

This chapter presents the results of telephone surveys with participants that had a Home Performance Assessment through CEWP, but withdrew from the program without completing a project.

METHODOLOGY

CEWP program staff provided the research team with a list of 86 people who had entered the program and completed a Home Performance Assessment, but had dropped out without completing a project as of July 1, 2010. This list was cross-checked against the previous email survey lists. After removing those whom we already had contacted, we had 67 unique contact names.

Working with Energy Trust and CEWP staff members, the research team developed a survey instrument designed to document participant experiences, understand their reasons for leaving the program, and identify any energy-saving upgrades or purchases they had made (or planned to make) because of their interaction with CEWP. Phone surveys occurred between July 12, 2010, and July 23, 2010. Ultimately, surveys were completed with 33 contacts, which is a response rate of 49%. Of the 33 contacts, nine entered the program in Phase II, 23 entered in Phase III, and one entered in Phase IV (Table 4.1).

Table 4.1: Dropout Survey Final Disposition

OUTCOME		COUNT	PERCENT
Complete		33	49%
Eligible but Not Completed, or Eligibility Unknown	Refused	1	2%
	Not complete	31	46%
Not Eligible	Denied dropout status*	2	3%
TOTAL		67	100%

By linking survey data to application data, we were able to quantify several basic demographic characteristics of the dropout respondents. Their reported household income ranged from \$30,000 to \$200,000, with a median value of \$72,500. Home size ranged from 647 to 3,000 sq ft, with a median size of 1,600 square feet. Their home's age ranged from 1895 to 1984, with an average age of 1943.



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RESULTS

Awareness and Initial Interaction

Contacts reported first hearing of CEWP in a variety of ways. The most common sources were friends and family members or a newspaper article (Table 4.2).

Table 4.2: Source of First Information about CEWP

SOURCE	RESPONSES	PERCENT
Friend or Family Member	9	28%
Newspaper Article	8	25%
Utility Communication (mailing or website)	5	16%
Email/Listserv or Electronic Post	5	16%
Other [includes radio, community events, or meetings]	5	16%

Contacts reported that completing the online application and navigating the CEWP website were easy, but they had more difficulty finding answers to their questions on the website (Table 4.3).

Table 4.3: Ease of Initial Interaction

HOW DROPOUTS RATED THE EASE OF...	VERY HARD					VERY EASY
	1	2	3	4	5	
Completing the Online Application (N=33)	3% (1)	—	12% (4)	21% (7)	64% (21)	
Navigating the CEWP Website (N=31)	—	—	26% (8)	26% (8)	48% (15)	
Finding Answers to Questions on the CEWP Website (N=28)	4% (1)	18% (5)	36% (10)	14% (4)	29% (8)	

Twelve of the 33 contacts (36%) offered comments about their experience with the CEWP website or had suggestions for improvements to it. Seven of the 12 respondents specifically described needing more, or more specific, information about what to expect from the program, the interest rates, and restrictions on fuel switching.

- *“I needed more information about what to expect from my experience with the Energy Advocate and contractor. It wasn’t easy for me to understand the different programs – or how the funding was different for larger and smaller projects.”*
- *“The content wasn’t as specific as I needed. I wanted to know that this wasn’t really about trying to give incentives for sustainability. I would rather have known that the program really was about giving people jobs – including bringing people from Bend here*



to do the work. I had no way to get real info about specific furnaces and water heaters and which was better and why. I would have liked more options.”

- *“We were hoping to see transparent information up-front about costs. On the website, it painted a picture of a program that was too good to be true. Initially, we were really excited.”*

Seventy percent (23 of 33) of dropout respondents reported that they were first contacted by their Energy Advocate (14 of 33) or another program representative (9 of 33). Two contacts believed they were contacted by Energy Trust staff and the remainder (8 of 33) could not recall who first contacted them to schedule a Home Performance Assessment. All dropout contacts reported knowing that an Energy Advocate would be assigned to them. Ninety-seven percent reported knowing that they needed to be present for the Home Performance Assessment, and 94% reported receiving information about the financing package and process. Seventy-three percent (24 of 33) of dropout contacts reported being told they would need to be present during an inspection after construction.

Two contacts offered additional comments about the level of information related to financing. One noted that general financing information was provided early in the process, but the details were not clear until he had progressed “quite far into the process.” Another said that, “The financing was the big bone of contention. It was foggy.”

A third contact described being confused “about who everybody was.... The first person I remember speaking with was a woman from the program. The next was a woman from the contractor, who asked me: ‘How willing would you be to spend \$15,000?’”

Experience with Energy Advocate

All 33 of the dropout contacts reported interacting with their Energy Advocate. Using a one-to-five scale (where one means “strongly disagree” and five means “strongly agree”), contacts rated their Energy Advocates on four aspects (Table 4.4). Contacts assigned the highest ratings to their Energy Advocate's knowledge of the program, and agreed the least with the statement, “*My Energy Advocate considered my circumstances when presenting the bid and financing package.*”



Table 4.4: Satisfaction with Energy Advocate

ASPECT	STRONGLY DISAGREE			STRONGLY AGREE	
	1	2	3	4	5
Knowledgeable about the program (N=33)	—	3% (1)	6% (2)	30% (10)	61% (20)
Reachable when needed (N=33)	—	6% (2)	6% (2)	33% (11)	55% (18)
Able to answer all my questions (N=33)	—	6% (2)	27% (9)	21% (7)	46% (15)
Considered my circumstances when presenting the bid and financing package (N=30)	13% (4)	10% (3)	7% (2)	23% (7)	47% (14)

Twenty-seven contacts offered additional comments about their interaction with their Energy Advocate. Twenty-one of them offered positive comments. Typically, these were brief and focused on interpersonal communication skills, such as that the Energy Advocate was friendly or knowledgeable. These comments included:

- *“He was great. He has a nice personality, is very knowledgeable and followed through. He inspired trust.”*
- *“He was great at communicating with us. The reason we said ‘no’ had nothing to do with our interaction with him or the contractor.”*
- *“He was really knowledgeable and committed, and also laid-back. In every situation where there was something I needed, he’d find a solution that worked for me. I felt like he was starting to be my best friend. It’s a fabulous program, even though I didn’t continue.”*

Twelve of the 27 (including 8 contacts who also gave positive comments) expressed concerns or had complaints about their Energy Advocate. These comments were lengthy and focused on the cost of the project, the level of information provided, and, in some cases, feeling pressured by the Energy Advocate. These comments included:

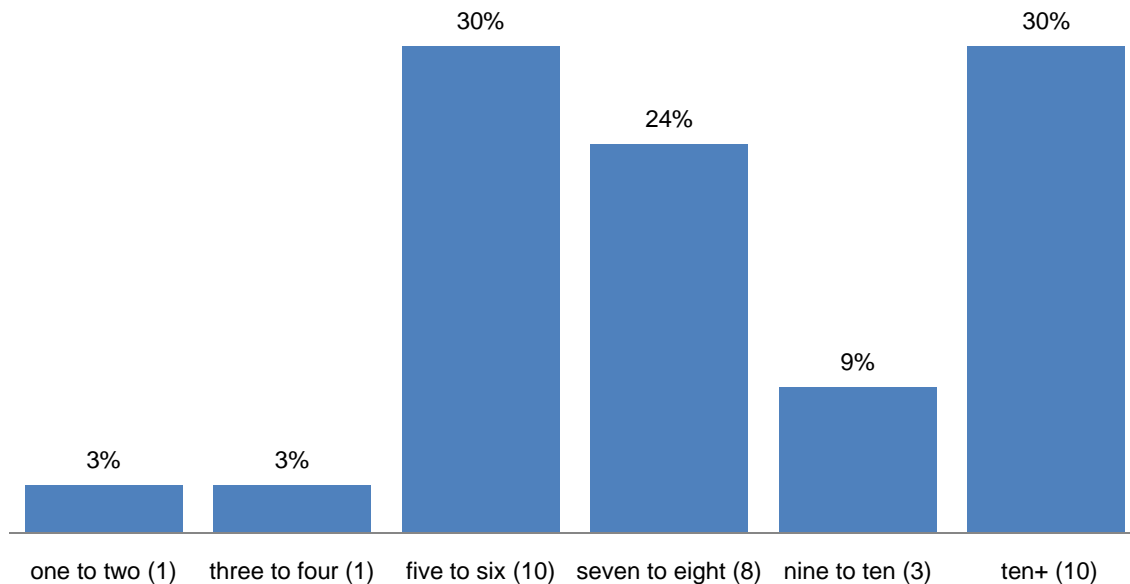
- *“I decided they were just trying to sell me a package. They were nice people, but they (the Energy Advocate and contractor) were friends. When they sent me the report, the heater cost \$7,000, but my neighbor said it should have been about \$3,000. By having one particular contractor assigned to the client, the client is at a big disadvantage. I asked the woman from the program about having a bid from a second contractor, but she said to continue with the one I was assigned. And then these two guys were friends.”*
- *“I don’t feel like he was advocating for me; I feel like he was advocating for the contractor. I raised my concerns in detail, but he didn’t attempt to address them. I didn’t see any initiative on his part to rectify the situation or address the concerns.”*



- *"He was really nice. He kept saying that he was there to make sure that the contractors did their job. But I also felt like I was being sold a program; it was a lot of money at a really high interest rate. When I voiced some concern about that, I didn't feel totally supported by him. I wanted to do only part of the program, but my energy savings wouldn't allow me to participate if I didn't do all the recommended things. He did do some research about my usage that was very helpful."*
- *"He was technically very knowledgeable, but he didn't follow up on my concerns. Actually, I thought I was still in the program. I've learned that there's a second, similar program in my neighborhood, and I've signed up with them. It's run by the Metropolitan Alliance for the Common Good, and it's offering similar energy efficiency options for 500 households in the Cully neighborhood in NE Portland. I understand it's using federal stimulus money. Since I did the furnace [on my own], I needed only \$3,000-\$4,000 in energy efficiency work. The (CEWP) loan initiation fee was \$300-\$400, which was a lot – about 10% of the total loan."*
- *"He was belligerent. When I had an objection, he said, 'So what are your intentions?' as if I HAD to decide to participate before he'd answer."*

We sought to document the level and frequency of interactions between participants and the Energy Advocates. More than half of the dropout contacts reported communicating with their Energy Advocate seven or more times (Figure 4.1).

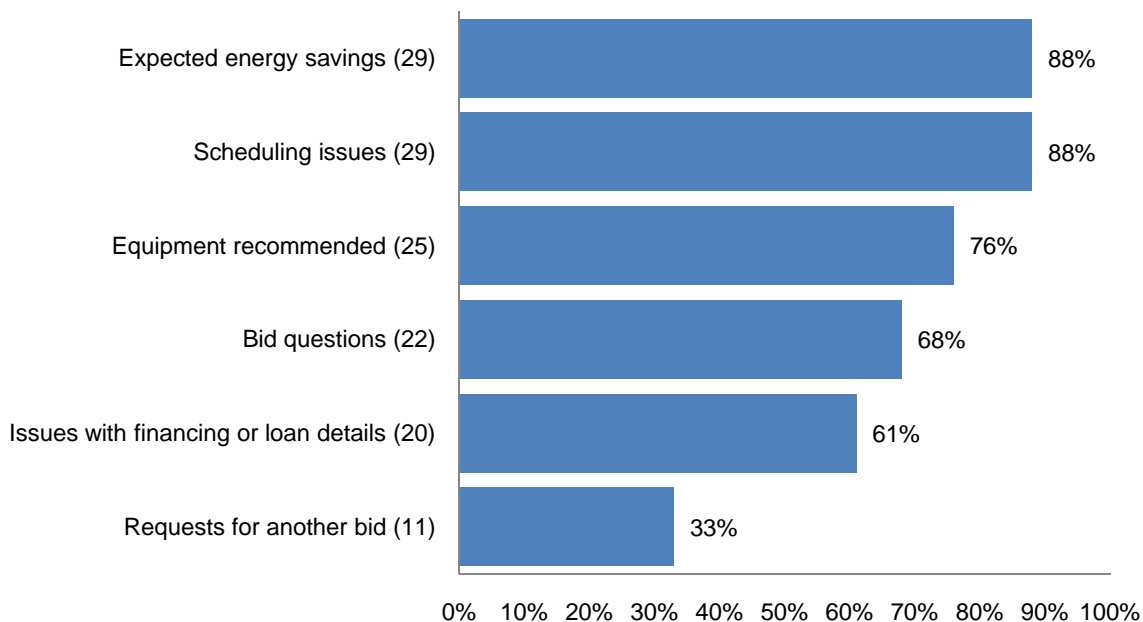
Figure 4.1: Number of Times Contact Communicated with Energy Advocate (N=33)



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When asked if any topics required more communication than others, 31 of the 33 contacts mentioned specific topics (**Error! Not a valid bookmark self-reference.**).

Figure 4.2: Topics Discussed with Energy Advocate (N=33)



The most common topics they discussed with their Energy Advocate were: financing, fees, and loan terms; bid details; specified equipment; expected energy savings; and scheduling (Table 4.5).

Table 4.5: Topics Requiring Most Communication (Multiple Responses Allowed)

TOPIC	NUMBER OF MENTIONS
Financing, Fees, and Loan Terms	11
Content and Details in Bids	9
Equipment Specified	8
Expected Energy Savings	5
Scheduling	3



Illustrative Comments

To provide additional insight and avoid losing the nuance contained in the comments provided by dropout contacts, we provide several examples for each of the typical discussion topics listed in Table 4.5. It is worth noting that topics discussed with Energy Advocates also reflect discussions with or questions for contractors. This is not surprising given the Energy Advocate's central role in program coordination and communication.

- ➔ **Financing topics**, mentioned by 11 contacts, included: the need for alternatives to CEWP-provided financing; lack of clarity about how the fees and incentives were incorporated into loan terms; how the loan would be tied to the existing mortgage; and how the project caps affected interest rates.
 - *"I was never clear about the different caps and financing rates. I asked for the information, but they gave me a quick answer and kept going. I sensed they understood the information, but they didn't take the time to explain it to me."*
 - *"The financing needed more communication. It was the \$900 in fees we were concerned about."*
 - *"The bid and the financing are two of the reasons we opted out, and were the reasons for most of our communication. When we asked about Energy Trust incentives and how we would receive them, we learned that the incentives would be applied to the \$600 cost of the test-in and test-out. That was a red flag for us, because I could get a less expensive assessment from someone else. Because it was a pilot program, they hadn't dealt with those issues yet."*
- ➔ **Questions about bids**, mentioned by nine contacts, included: concerns about what was included in the bid and the equipment specified.
 - *"We had conversations about tweaking the bid they first proposed, to try to trim the costs so it wasn't such a shock. We were trying to figure out what we could and could not afford."*
 - *"We went back and forth on the bid and financing. I didn't want to use the financing. We ended up waiting to do the energy efficiency measures."*
 - *"I requested another bid because the contractor didn't do the complete testing in my house, and they didn't share the assessment with me."*
 - *"When they tested our home and sent us the results, they told us our home was not very inefficient. They said there were maybe two things that could be done. But, when we got the list and the bid, there were about 6 or 7 things on the list. It was astronomical; it was almost laughable."*
 - *"The big issue was the sticker shock we felt about the amount of money for the amount of work to be done. We're an unmarried couple with no kids. How are*



other folks in Portland with kids and who are making less money than we are able to participate? How do they make it when the quotes come out and they get the bid?”

➔ **Needing more detail about equipment specified or wanting equipment other than what was specified** was mentioned by eight contacts.

- *“They tried to steer me into considering a new furnace and I said I wanted an electric heat pump. The contractor made arrangements to have someone come back and give me a bid to do the work, but not through the program. I didn’t hear from them for a month, and they never gave me a new bid.”*
- *“I had questions and never got answers about equipment, too. I wanted to talk to the subcontractor about the furnace and to discuss the removal of the big old octopus furnace I have – which required dealing with asbestos. The subcontractor was a friend of theirs. I wanted to call him, but didn’t get his card. It started to feel like they were all in cahoots.”*

➔ The next most common reason for communication with the Energy Advocate, offered by five contacts, was to **understand expected energy savings**.

- *“I don’t recall that the bid for what they would do and what it would cost showed estimated energy savings. I said ‘Guys, why would anyone pay thousands of dollars for energy efficiency items without knowing what kind of savings they can expect?’ So they added some information to the bid just for me. I know the margin of error for this kind of software is high. But the fact that it wasn’t included in the proposal was a concern.”*
- *“We didn’t really get an answer to our questions about energy savings. We didn’t really cover the relationship between the cost savings and the payment. Our goal was to get a cash-flow-neutral project.”*

Regardless of the issues dropout contacts discussed with their Energy Advocate, 70% of them reported that they were satisfied with their Energy Advocate, rating them a “4” or a “5” in a five-point scale (Table 4.6).

Table 4.6: Overall Satisfaction with Energy Advocate

SATISFACTION WITH ENERGY ADVOCATE	VERY UNSATISFIED		VERY SATISFIED		
	1	2	3	4	5
Overall Satisfaction (N=33)	6% (2)	9% (3)	15% (5)	24% (8)	46% (15)



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Interaction with CEWP Contractor

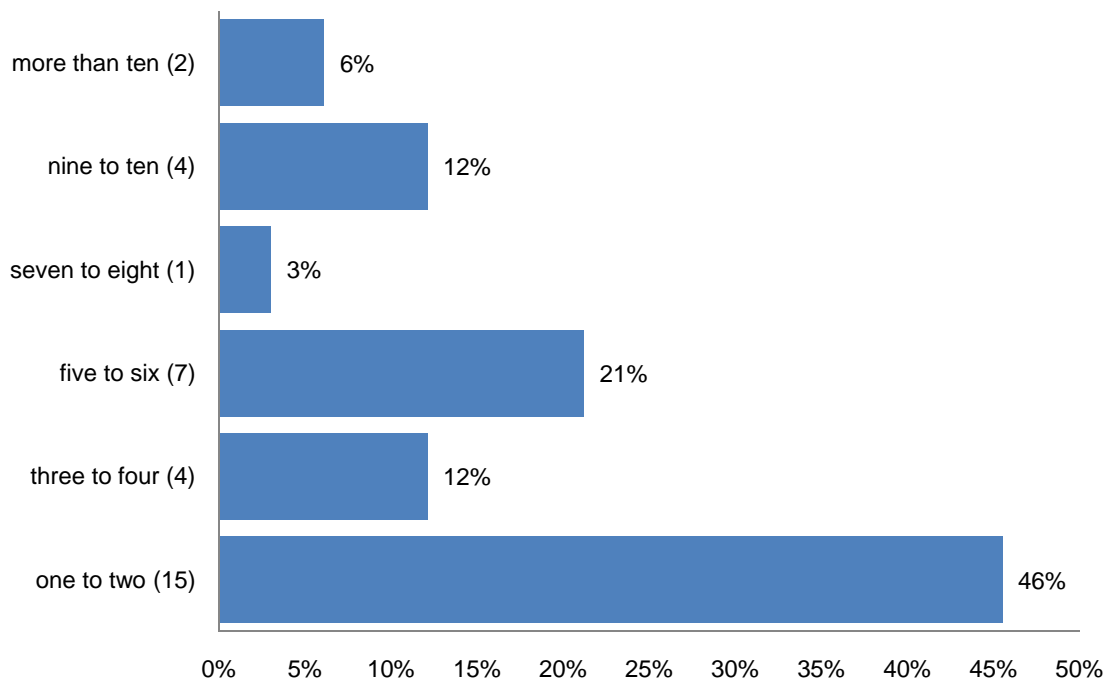
All 33 of the dropout contacts reported interacting with their contractor. Using a one-to-five scale (where “1” meant strongly disagree and “5” meant strongly agree), contacts rated their contractor on three aspects (Table 4.7).

Table 4.7: Satisfaction with CEWP Contractor

ASPECT	STRONGLY DISAGREE			STRONGLY AGREE	
	1	2	3	4	5
My contractor was able to answer all my questions (N=33)	12% (4)	3% (1)	18% (6)	12% (4)	55% (18)
My contractor considered my circumstances when presenting the bid and financing package. (N=32)	13% (4)	13% (4)	6% (5)	19% (6)	41% (13)
I was able to reach my contractor when I needed to. (N=25)	12% (3)	—	20% (5)	24% (6)	44% (11)

We also sought to understand the number of times dropout contacts interacted with their CEWP contractor (Figure 4.3). Recall that these contacts did not have any equipment installed through the program.

Figure 4.3: Number of Times Respondent Communicated with Contractor



We asked contacts if they had any comments about their experience with their CEWP contractor. Thirty-one of the 33 contacts offered comments. Three specifically noted that they had almost no contact with their contractor – that almost all of their contact with the program was through their Energy Advocate. Eleven had only positive comments about their contractor. In general, these comments were brief and focused on the professionalism and knowledge their contractor seemed to have. These comments included:

- *“They only came out to do the assessment and get information for the bid. They were really nice; I liked them.”*
- *“They really bent over backwards trying to make this work. And I know it was a big disappointment for them that I couldn’t continue. I think they did a good assessment; they were very no-nonsense and personable.”*
- *“I really felt they were knowledgeable and willing to explain what they were finding during the test-in. There was a nice rapport between them and the Energy Advocate. When some of my paperwork seemed to have disappeared, they were very apologetic and were quick to get it right. We hired them to do some work, but outside of the program.”*

Seven contacts had mixed comments – often starting with a positive comment about the contractor and then describing problems they experienced. These comments were more lengthy and nuanced. Comments of this type included:

- *“It was interesting to see them work. I learned a lot from them. They seemed really good. I just wish their quote had been lower. We have a small house, and their quote seemed inflated. The bid spooked us; I thought we could do some of this work on our own for a third of the cost. Plus, we would have had to pay \$300 to the contractor, \$300 to CEWP, and \$300 to the lender just to start the process. The quote was \$6,000 for complete re-insulating and buffering (caulking and weather-stripping) of the basement, and insulation in the attic, and a little bit of insulation blown into the walls.”*
- *“He answered all of my questions well. I’d drink a beer with him. My problem is with the system. I understand that it’s a pilot program. I’m glad you called – it’s nice because we were considering writing an email to the program. They should explain up front that I could not shop around for other contractors. The City should have many more contractors on the list than the seven they offered us. If they assign a middleman to you, you are at a disadvantage, because they don’t really represent you.”*
- *“I was satisfied with his concern about environmental things and that he was respectful of the property. I was less satisfied with the details of what he was going to do. If we’d done all the things on the list, it would have increased our energy bills by \$125 a month. We weren’t sure we wanted to do all of the things they recommended. After we revised the list of things to do, they told us we wouldn’t qualify for the financing. This wasted time for us and for them. Also they presented the bid for an energy-efficient water heater*



and furnace. We didn't want to do both. They presented them to us tied together in order to receive the Energy Trust incentives.”

Ten contacts had primarily negative comments, which typically involved communication issues and skepticism about the cost of the proposed project or the equipment recommended. These comments also were somewhat lengthy, and included:

- *“It seemed like they wanted to spend as much of my money as possible – to increase the bill – and didn't consider the total debt I would have. Instead, they focused on the monthly payment, which was not as important to me. They really didn't listen or understand my situation. For example, they wanted to replace the water heater and would have had to tear out cabinets [to do so]. That would have been about \$2,000. I called George Morlan for another bid and they came in at about \$600.”*
- *“I felt like they were slightly sales-aggressive. He proposed things that were unrealistic. He strongly suggested that we replace our water heater, but we chose not to because it wasn't cost-effective for us.”*
- *“I asked why the bid was so high. The Energy Advocate said it's because the contractor knew so much more about energy efficiency, so I needed to pay extra for that expertise. It all seemed unnecessarily complex and confusing.”*
- *“I felt that he was really aggressive in trying to sell me more services and work than I thought would be included in an energy efficiency program. I felt that anytime I balked at something, he challenged my position or ideas.”*

As shown in Table 4.8, dropout contacts rated their overall satisfaction with their contractor slightly lower than the Energy Advocate, with 66% reporting they were satisfied (offering a “4” or a “5” on a five-point scale).

Table 4.8: Overall Satisfaction with Contractor

SATISFACTION WITH CONTRACTOR	VERY UNSATISFIED					VERY SATISFIED				
	1	2	3	4	5	1	2	3	4	5
Overall Satisfaction (N=33)	12% (4)	3% (1)	18% (6)	24% (8)	42% (14)					



Experience with Financing Proposal

Nineteen of the 33 dropout contacts reported receiving a financing proposal or loan paperwork.⁸ Fifteen of the 19 reported having questions or concerns about the financing package. The most common concern, voiced by 6 of the 15, was that the interest rate was unattractive. This was followed by concerns about fees (5 of the 15). Three contacts described being focused on total or net costs of the project, not the financing terms. Two other dropout contacts had questions about how the incentives were applied.

- *“My questions were about why we would want to finance with ShoreBank in particular and why we needed to pay the \$900. We were fortunate that we had the money the bank so we could pay for the work, and that we have a line of credit. We had no reason to add \$900 to a job costing less than \$10,000.”*
- *“I trimmed down a lot of elements in the proposal and realized that the capital I needed would be very low. I wanted to see if I could proceed without the financing. I was told I couldn’t. I thought that was kind of silly, so I quit the program then. I did the energy upgrades recommended in the HP assessment on my own with an outside contractor. I definitely used the suggestions in the audit, and the bid was about the same. But, because I didn’t have to finance it, I saved a ton of money, including the loan origination fees.”*
- *“We knew that there would be fees for the Home Performance Assessment and a loan origination fee. But then there was another \$300 fee, I think just for being in the program. That irritated me. I don’t like surprises.”*

Point of Dropout

All but one of the respondents confirmed that they had dropped out of the program, and each of the 32 remaining contacts were asked to describe the point at which they decided not to go forward with their project through the CEWP. Twenty-four of the 32 contacts reported dropping out after receiving their bid proposal. Six reported dropping out after reviewing loan documents and one decided to drop out before he received a bid.

Contacts described several reasons for dropping out of the program. The most common reasons had to do with the overall cost of the project (offered by 19 contacts) and the financing details (offered by 11). Comments about these topics were detailed and in some cases reflected frustration:

⁸ Because the financing details often are included in the bid package, it is possible that in some cases contacts were thinking of the details as described in the bid and that they hadn’t actually received financing documents from SBEC. Nevertheless, their questions or concerns are important to document.



- *“It was too much money over too much time. Also, my Energy Advocate was evasive when I asked about energy savings. He said that my bills might not go down. I just don’t make enough money to invest in something like that. It’s a program for rich people.”*
- *“I started to get wiggled out about having to spend money to seal the house and then having to spend money to install fans to improve indoor air quality. The estimate for the blown-in insulation was much higher than the other estimates I’d gotten – I ended up getting that done by another contractor for significantly less cost.... The final thing was that, of course, everything was tied to the financing and since I could have gotten financing from other mechanisms at a better rate and all the other incentives would still be available, the financing package didn’t appeal to me.”*
- *“I thought the contractor’s prices were expensive, and the requirement to put in a new water heater when mine is only 10 years old. If they had been willing to leave the water heater, I might have said ‘Oh well,’ and done the work.”*
- *“Part of my frustration is my understanding that the federal government is trying to use incentive dollars to put people to work. But I have access to 4.5% home equity money, so I don’t need this program’s higher priced loans – and the feds are helping banks and low-income people, but they are asking me, who has been out of work and wants to green up our home, to pay \$10,000 to do this work. I’d have been more willing to jump on board if they had been more willing to share the wealth with me and make it more affordable.”*
- *“When I checked the bid against other prices online, and asked my friends, I realized the equipment was too expensive. When I asked why the program existed, the Energy Advocate and the contractor said it was a jobs stimulus program. I realized I was in the wrong program; the title was misleading and I felt disappointed that the city had its name on the program.”*
- *“I asked the program people: ‘That’s going to be \$7,000 for a heating system and the weatherization will be about \$5,000?’ She said ‘yes’ and tried to get me to continue, but I was done at that point.”*

Subsequent Activity

Seventeen of the 33 (52%) dropout contacts reported making home improvements or taking other actions to reduce their home’s energy use after they dropped out of the program. When asked to describe what they had done, eight reported adding insulation, six mentioned other weatherization efforts (duct sealing, weather-stripping, caulking, or venting), four mentioned windows, and three mentioned installing CFLs. One contact reported making other sustainability improvements like gardens and bee hives.

An additional twelve contacts reported that they hoped or planned to do something in the future. Five of these said they intended to install insulation, while three intended to add other



weatherization measures, and two mentioned changing their water heater. The rest mentioned a variety of projects, including appliances, roofs, duct work, electrical upgrades, and rain barrels.

Suggested Changes

Contacts were asked what, if any, changes would have led them to continue with the program. The most common response, mentioned by 14 dropouts, was better financing options, followed closely by improved program flexibility. The two issues were often mentioned together, as illustrated by comments below:

- *“It’s a great program, I’d like to participate. However, some of the recommended actions were intended to get us to a certain, lower interest rate. For instance, I would have had to install a new water heater. I don’t need one. I have an old furnace, but it works fine. If I decided not to get the new furnace, the loan rate would have been even higher. If we could have participated by just putting insulation in the walls, attic, and basement, and gotten a good loan rate, I would have done it.”*
- *“Maybe if there were different financing options. Also if we could have done just part of the work – like the one thing we could afford that would have given us the greatest benefit, which was insulating the duct work under the house.”*
- *“If I’d had the ability to pick and choose which items I wanted to proceed with, and the ability to negotiate interest rates.”*
- *“If they would have offered an option where it wasn’t financed through a bank – where I could have used my own money, or money from a better source.”*
- *“We [were told] we had to do a certain amount of things, spend a certain amount of money to qualify. It would have been nice to get part of it done at least.”*
- *“We would have liked to qualify for the program with the measures we decided to do. It would have helped if we could separate the water heater and the furnace [in order to get the] Energy Trust incentives.”*

Comments about financing and flexibility were followed by comments about cost (including fees). Project costs were mentioned 11 times, and in some cases overlapped with comments about financing:

- *“It’s set up for a different scale of work than ours. And, obviously, the fees were disproportional to the scale of work we wanted to do.”*
- *“I can’t tell you how excited we were about this program. We could have been cheerleaders for the program. We would have continued if we had gotten a more reasonable estimate and a little more awareness on the part of the Energy Advocate we interacted with.”*



- *“I would have liked more incentives through the stimulus money to cut the price in half, which would signal to me that the government really is trying to create jobs AND help me.”*
- *“The pricing has to be in the ballpark of other contractors'. When someone told me it's not just about insulating your home, but it's about putting people back to work, it seemed like I was being taken, especially when the cost was at least double what I can get someone else to do the work for.”*

In a second question about any other recommended changes, 23 contacts offered suggestions. Generally, these mapped their previous comments and focused on two topics: offer more flexible ways to finance projects (including choosing another lender, improving the terms, and allowing people to move forward with smaller projects), and expand the program to include solar installations or window replacements.

Finally, we sought to identify the components of CEWP thought to be most valuable to participants. Contacts rated six program features on a one-to-five scale where “1” means not at all valuable and “5” means very valuable (Table 4.9). The information obtained from the Home Performance Assessment (when provided) was rated most valuable, followed by the presence of an Energy Advocate. The financing features were considered least valuable; just 31% of respondents rated this a “4” or a “5.”

Table 4.9: Value of CEWP Program Components According to Dropouts

ASPECT	NOT AT ALL VALUABLE			VERY VALUABLE	
	1	2	3	4	5
Information from HP Assessment (N=33)	12%	0%	12%	18%	55%
Energy Advocate (N=33)	6%	9%	12%	12%	58%
On-Bill Repayment Option (N=31)	10%	13%	6%	10%	61%
Incentives Available from Energy Trust (N=33)	12%	9%	15%	18%	42%
Contractor Assigned to You (N=33)	9%	6%	27%	27%	27%
Financing Features (N=32)	22%	22%	22%	16%	16%

SUMMARY

Dropout contacts offered extensive and complicated descriptions about their experience with CEWP. The most common reasons for dropping out centered on the cost or scope of work proposed and access to better financing. Several contacts mentioned pricing specifically and received information indicating that job creation was driving the program, rather than energy efficiency.



Suggestions offered by program dropouts reflect the need for more transparency: how the project works; the relationship between the Energy Advocate and contractor; pricing and bid options; and flexibility – particularly in financing options, partial payments, opportunities to avoid fees, and access to better terms.

Dropout contacts valued the information in the Home Performance assessment and a large portion reported taking subsequent action (or intending to take action) to improve their home's energy use.



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CONCLUSIONS AND RECOMMENDATIONS

In June 2009, using a \$3.2 million award from the federal American Recovery and Reinvestment Act (ARRA), the City of Portland, in collaboration with Multnomah County and Energy Trust of Oregon, launched a pilot residential energy efficiency program called *Clean Energy Works Portland* (CEWP).

The CEWP pilot tested a program approach expected to create local jobs while cutting household energy use and reducing carbon emissions. The CEWP pilot was expected to provide low-interest, long-term financing to 500 homeowners for pre-approved energy efficiency improvements to reduce their annual household energy use by at least 10%. Options ranged from basic weatherization upgrades to more comprehensive Home Performance measures, including: insulation; duct and air sealing; and efficient water heaters, furnaces, or heat pumps.

In the pilot program, each participant was assigned an Energy Advocate and a CEWP-approved contractor. Energy Advocates provide information to homeowners and support to contractors. Contractors are responsible for conducting a Home Performance Assessment, preparing a bid for the improvements identified in the assessment, and installing the approved measures. Homeowners must finance the projects through a loan from the program's sole lender, ShoreBank Enterprise Cascadia (SBEC). Homeowners will repay the loans over 20 years on their heating utility bill.

In August 2009, Energy Trust of Oregon contracted with Research Into Action, Inc. to provide evaluation activities in rapid succession as CEWP was launched and processes evolved. This report summarizes three waves of CEWP pilot project evaluation activities conducted between August 2009 and July 2010, and synthesizes the experiences of and lessons learned by participants, staff, and contractors. The waves generally corresponded to the first three phases of CEWP and mapped the program's growth from fewer than 50 participants to well over 200. Each of the waves included unique combinations of survey populations, program documentation, and analysis of program status documentation.

CEWP launched with a limited 50-home test pilot and built steadily upon that experience in rolling phases that allowed the program to adjust terms and screening, recruit additional Home Performance contractors, and build on experience with the program without a gap in program activity. After the gap between Phase I and Phase II in October 2009, each of the subsequent phases overlapped.



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FINDINGS

Successes

In the first year of operation, those involved in the CEWP pilot program worked through many process and policy issues to establish a program model stable enough to earn a \$20 million dollar award through the Energy Efficiency Community Block Grant (EECBG) process established in ARRA. This funding will support an expanded version of the program, *Clean Energy Works Oregon* (CEWO).

CEWP involved multiple organizations and thus required extensive collaboration. The CEWP Steering Committee and other stakeholders to date have successfully navigated the requirements of this collaborative effort, and continue to work together toward meeting existing and expanded goals for both CEWP and the larger CEWO effort being planned for 2011.

The CEWP website serves as an effective portal for interested homeowners and applicants, providing basic information about what to expect from the program and obtaining the information required to process applications. In the first year of operation, CEWP staff refined the process and simplified the application. A pre-screening step added after the pilot program's initial phase improved the likelihood that homes with problematic existing conditions (such as knob-and-tube wiring) would be excluded early enough to avoid unnecessary costs.

The program trained a cohort of Energy Advocates capable of explaining CEWP features to applicants and assisting them in understanding the bids they receive from contractors. CEWP has steadily expanded the number of qualified contractors authorized to conduct Home Performance Assessments and complete energy efficiency projects through the program. In September 2009 there were six contractors enrolled; by September 2010 this had grown to 16.

Finally, the program has provided home assessment services to over 500 Portland homeowners and completed projects in more than 200 homes. While not every home receiving a Home Performance Assessment ultimately installed measures and accepted financing through CEWP, a substantial portion of those that dropped out of the program reported that they had completed a retrofit project or intended to take action to reduce their home's energy use subsequent to their CEWP involvement. Saving energy is an important motivation for CEWP participants, many of whom reported seeking information on the energy savings they could expect from their projects.

Remaining Issues

As CEWP evolves from a Portland-based pilot project to a statewide program, improvements to data tracking and reporting will be required. The program does not operate with a single database, making it difficult to obtain information on measures installed, loan amounts, cost data and estimated energy savings associated with CEWP projects. Detailed project information was not available until September 2010, almost a full year after the pilot program launched.



The program clearly meets the needs of a segment of homeowners who want help to improve the energy efficiency and comfort of their homes, but it does not meet the needs of all homeowners who have energy efficiency upgrade opportunities. Overall satisfaction and value indices were lower for participants that had dropped out of the program than for those that completed their CEWP projects. On average, dropout contacts had higher income and larger homes than participants who completed projects through the program, perhaps indicating that program dropouts had access to other financial products with which to pay for their projects. More worrisome are the comments offered by dropout participants frustrated by the restrictions on contractor selection, limitations on competitive bidding, and lack of options for avoiding program fees and financing terms.

Consistent with the program's logic and design, CEWP provides the services of an Energy Advocate and a Home Performance Assessment to every participant. Energy Advocates are expected to help participants navigate the program and understand the rationale behind the bid they receive. These services are valued by participants but can, in some cases, be perceived as pressure to accept a bid or that the program representatives and contractors are working for each other's interest, not the participants.

CONCLUSIONS AND RECOMMENDATIONS

Ensure that Applicants are Provided with Alternatives

By providing a qualified contractor, project assistance through an Energy Advocate, high-quality audit information, and access to financing, the CEWP model attempts to overcome several of the barriers to investments in residential energy efficiency upgrades. The success of the model to-date reflects the power of this combination of services for some homeowners. However, the program should also include a path for engaging the hundreds of homeowners interested in energy efficiency upgrades but screened out because of their energy intensity or credit score, or those who dropped out because they preferred a different source of project funding or want to install only a portion of the projects identified.

- ➔ **Inform all applicants of their program options with Energy Trust and capture the contact information and demographic details for applicants screened out or dropped out of the program so that they can be engaged in other energy efficiency efforts or offered another path through which to pursue energy efficiency upgrades.**

Clarify Expectations for Energy Advocates

The CEWP pilot project assumed that the Energy Advocate would be a central point-of-contact for participants, providing information and guidance on a variety of complicated matters; contacts report valuing the services of the Energy Advocate. The number of Energy Advocate interactions reported for both participants and dropouts shows that a majority of participants require more than five interactions and, perhaps unsurprisingly, participants that ultimately drop out of the program have more interaction with Energy Advocates than those that install projects.



A high number of interactions, especially with those who ultimately drop out, will likely increase administrative costs. If administrative costs are found to be too high, or if CEWO determines that it cannot sustain the level of support provided by Energy Advocates in the CEWP pilot, CEWO leadership will need to clarify and communicate project support expectations to Energy Advocates.

- **Track each interaction event in the program database to be able to assess the costs of Energy Advocate services.**

Assign a New Title for Energy Advocates

The word *advocate* carries connotations of activism and creates an expectation that the Energy Advocate will protect the interests of program participants. Comments provided in each of the three waves of research and in verbatim responses to the last two surveys indicate that participants expect their Energy Advocate will represent the participant to the contractor and advocate for the participant's interest, and ensure that the bid from the contractor is fair and that the work is done properly. These expectations may be more than the Energy Advocate can deliver.

- **Drop the term *advocate* from the Energy Advocate title. Energy Advocates act more as advisors or program representatives; align the title with the activity.**

Consider Dropping Energy Intensity Screening

CEWP was designed to maximize the likelihood that an enrolled home would have substantial energy-saving projects. To this end, each applicant has an *energy intensity score* calculated prior to program acceptance. For the first eight months of the pilot program, applicants with an energy intensity score below median value were excluded from the program. In April 2010, in order to increase the number of qualified applicants, the energy intensity threshold was dropped to 25%. While it is logical to assume that the largest energy users would be the most likely to pursue opportunities for energy savings, because CEWP employed a Home Performance approach and requires only 10% modeled energy savings, it is likely that most homes will have opportunities for improvement and the energy intensity score requirement could be lowered further or eliminated.

- **Assess the effect of using a lower energy intensity score threshold on the ability to identify viable projects.**

Simplify Credit Screening Process

CEWP was also designed to identify homeowners with sufficient credit to be able to move forward with the projects identified. To this end, each applicant has their utility bill payment history assessed and is subject to a standard credit check. Across the United States, some on-bill financing programs allow credit to be extended based solely on utility bill payment history, using



utility bill payment history as a proxy for credit. Using a single assessment of credit viability could lower administrative costs and speed up enrollment.

- **CEWP staff should work with SBEC to assess the relationship between utility bill payment history and credit score and whether it is feasible to shift to a single requirement for credit approval.**

Align Fees with Project Details

Fees required to participate in the CEWP pilot totaled \$900 per completed project, regardless of size. Each loan is assessed a \$300 loan origination fee and each project is assessed a \$600 Home Performance Assessment fee. Of the \$600 Home Performance Assessment Fee, \$300 is paid to the Home Performance contractor to cover the cost of the test-in and \$300 is allocated to cover the costs of the Energy Advocate.

The amount of the fees and their purpose emerged as a topic of complaint or comment in surveys of participants with installed projects and those that withdrew from the program. As CEWP transitions to the larger CEWO, this fee structure will continue to create barriers to participation.

- **The following options for restructuring fees should be considered:**
 - **The \$300 of the Home Performance Assessment fee could be waived for participants that choose to go forward with their projects.**
 - **The services of an Energy Advocate could be an additional, optional for fee service.** Alternatively, the program could decide that the services of the Energy Advocate are simply too important to the logic and expectations of the program and cover those costs directly.
 - **The loan origination fee could be adjusted for smaller projects so that the fee is never more than 3% to 5% of the total loan.** Identifying best practices or fees allocated by similar programs could provide context for establishing a threshold.

Distribute the Information from the Home Performance Assessment

Participants value the information in the Home Performance Assessment and a substantial portion of dropouts report either taking action or intending to take action to reduce their home's energy use. However, it is rare for participants to receive a copy of their Home Performance Assessment.

Currently, there is no charge for the Home Performance Assessment test-in and only those who continue in the program pay the Home Performance Assessment fee. The cost and potential value of the Home Performance Assessment may lead CEWO to assess a charge for the service to those who drop out of the program without completing a project.



- **Since participants are charged for their Home Performance Assessment and dropouts need the information to pursue projects on their own, ensure that all enrolled homeowners receive a copy of their Home Performance Assessment report.**





APPENDICES

APPENDIX A: TEST-OUT SURVEY TEXT – VERBATIM RESPONSES

APPENDIX B: DROPOUT SURVEY TEXT: VERBATIM RESPONSES



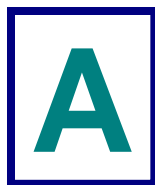
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TEST-OUT SURVEY TEXT – VERBATIM RESPONSES

Website Comments

- *For the most part, finding the info was easy, once I found out about the PROGRAM...Applications are generally fairly simple, and any further questions I had, I addressed to the site. They were very good about responding quickly to any queries I had regarding the program.*
- *Access (by dropdown menu) to more detailed information on measures that would qualify, financing (including qualifying for tax credits), potential barriers (e.g., knob-and-tube wiring).*
- *FAQ could be expanded to understanding relationships and process for working with various contractors and program reps.*
- *Some answers to questions did not seem to fit within the categories.*
- *Having a phone number and name of just one person who knew what was going on.*
- *I don't have any troubles. Once I was accepted in the program there was always someone available to help me.*
- *I would have liked to know a little bit more about the fees involved in the program prior to even filling out the application.*
- *I would make it easier for initial interested parties to learn of the costs for the program up front. The fee for the program, the set fee for the bank loan, and the fee for the testing.*
- *More specificity regarding specific items that qualified, windows, fireplace etc.*

Is there anything you'd like to add about your experience with your contractor?

- *Started out well, but found it very difficult to reach him. He was very busy. Workers nice but needed repeated do-overs. Very much liked the people who put in my mechanicals but would never recommend the energy contractor. Still have not received help for tax-rebate answers (I have filed an extension).*
- *Home Visions West provided excellent service. Paul and Christian carefully explained options and/or demonstrated where leaks/drafts were occurring that would be remedied by duct and air sealing.*
- *I dealt with a different contractor for each part of the process, i.e.: heating, water heater, interior installations (fans and venting), insulators. The only part I really had a problem*



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with was the installers that did the blow-in foam insulation in the walls. They didn't do the job completely at first, and had to come out three times to get it done properly. I am a little concerned about some of that work: they didn't properly plug all of the holes they drilled in the exterior walls at first, and now some are showing signs of discoloration. Don't know if it's mold, or just a brownish discoloration common to the materials they used. Would like someone to look at it and tell me one way or the other. Otherwise, the various contractors did their jobs well and within the timeframes indicated prior to work start. They did their best to accommodate my unique personal schedule with as little disruption as possible.

- *EcoTech was great.*
- *I was told at the very end that they had bumped a water spigot. I recently looked at the work and noticed that water is building up under my house. This could be bad.*
- *Scheduling process was difficult and I did not actually speak with a contractor, so the office had to continuously reschedule things because they did not know what the actual work entailed. The subcontractors did not communicate with each other and I was often left alone just sort of watching all these various contractors come in and out of my house with no real sense of cohesion. There was no onsite supervision by anyone I had originally met with. Granted, personal circumstances dictated I be home during some of the process, so I witnessed all this. If I had just given them the keys and said "go for it" everything would have been just fine. One subcontractor had expressed much displeasure at the fact the general contractor did not communicate certain things to them, and if they had been able to they could have saved me from some major additional work I'll need to do to my home in the future if I choose. But overall, for the work that was done and the program in general, these were relative minor issues to deal with. I thought the contractors did top notch work and in the end that's my biggest concern.*
- *I was the first home that they did and the guys missed doing the air sealing and a couple of other things but Chris, my energy advocate, had them come back and finish the work. I felt that this was a learning experience for the contractors so I was patient about this. All in all, I had a very positive experience with the contractor and the work they did.*
- *The overall air-tightness on test was underwhelming. There is a large air leak that had not originally been detected. A side contract was discussed but the contractor has not followed up with an estimate.*
- *Contractor (Bull Run) did the work expeditiously and as expected, with the exception of slowness in completing last details (repairing window they broke; repainting patches where insulation was blown in). On balance, b/b+ grade.*
- *I would have preferred to get 3 bids and choose. If not doing this as part of CEWP, I would NOT have paid for the home performance -- I *knew* I needed insulation ("duh"). Also, contractors generally waive the cost of the assessment if you undertake a project*



with them. So I feel I spent more than I had to. As far as the work, I can't begin to tell you how frustrating the level of incompetence was. I already complained about this to ETO and CEWP, so you have the file. Just lots of no shows...coming 1-2 hours late....coming but leaving right away saying wrong equipment. Also did horrible "patch" job on my cedar shingles where insulation blown in. All lumpy. And the icing on the cake....my camera has been missing ever since the time of this project. I can't prove, but can't imagine where else it went. Bull Mountain..priceless! Never again!

- *One new member of the company gave bad advice, twice, so the company had to come back 3 times and that expense probably hurt their bottom line.*
- *The quality of work was good, but very poor communication. We came home one night to discover we had no hot water; on two other nights, no heating. With no warning. On another occasion, they even locked one of our (indoor-only) cats outside on the porch when they left. They over-ran the schedule, and didn't say when they'd finish.*
- *Very fast...needed better communication about schedule.*
- *I wish that the contractor had drilled holes in the outside of the house to blow in the insulation, so that there weren't any drywall patches in the interior.*
- *Discrepancy from the initial walk through on the bidding process to actual contract and execution.*
- *My contractor was terrific!*
- *We really liked our contractor, he and his crew were very respectful and took a lot of time to answer any questions and concerns.*
- *We're still waiting for building permits.*
- *Marshall Runkel was a very nice man, very knowledgeable, his crew did excellent work, more than met my expectations.*
- *There were significant communication omissions with the contractor. Ultimately, the work was of good quality, but the lack of communication and coordination with the contractor became the single most difficult step in the process.*
- *Feel plumbing proposal was out of line for market. I cancelled the hot water heater on contract due to pricing. I was informed that the rates are set by the Federal Government and contractor had no control. Would suggest you address this issue.*
- *Overall, it went pretty well. it was a bit confusing because my wife handled the first meeting or two with them, then I handled the rest. They gave my wife the impression that they were going to do some things that they didn't end up doing. They maxed out the budget so we can't be too upset, but it wasn't ideal. Also, I didn't feel like we were presented with a full list of options for us then to choose what we wanted. We were*



presented with a list of things that went right up to (actually, a bit over after a revision) the program max and we gave a yes or no on the whole thing. I also thought they didn't do some of the insulation work they said they would at the beginning, but the advocate called them on that during the check-out meeting. Plus, they didn't seal some pretty significant leaks from windows and doors. Again, overall, the house is much better now; but I don't really feel like Neil Kelly was looking out for us or the ideals of the program. one other note, though, the main guy from Neil Kelly with whom I dealt (and whose name I've forgotten) seemed like a great guy, there was another guy who seemed shady and more interested in selling us a bunch of fancy stuff and other home remodel projects.

- *Very good and polite and helpful.*
- *We're happy with the results but wished things were made clearer at the onset by our contractor.*
- *Overall, the work was basically done well. However, my contractor had issues with time, scheduling, scope, budget, and communication. I can't say I'd recommend them or work with them again. And, this leads me to not want to encourage others to use this program.*
- *A few things weren't stated up front that should have been, such as what to expect as far as restoration work (I ended up having to repaint all the replaced shingles myself, which I didn't expect). Some of the shingle replacements were done rather haphazardly – and at least one replacement was overlooked and they had to come back to finish it.*
- *I really liked my contractor, however, it would be nice if the program allowed for receiving competitive bids from multiple contractors.*
- *My contractor, Heat Relief, was great. Unfortunately, the subcontractor, a crew directed by Bart James, was absolutely awful. Work that was supposed to be completed in 1-2 days dragged out for 8 and was shoddily done. I was still having to badger Bart to complete it more than two months later. Shingles keep coming off the side of our house, the crew used different shingles than the ones we requested and left dirt all over the side of the house. Marc Harrison of Heat Relief graciously offered to help us repaint in compensation for all the trouble his subcontractor caused. Unfortunately, because of the weather, that still hasn't happened and our house has had ugly gray "polka dots" all over it since work "ended." Overall very dissatisfied with the workmanship and lack of professionalism of James' crew.*
- *Contractor went way beyond call of duty to clean up, repair un-related things and take care of the house.*
- *The singular term "contractor" is really misleading. The contractor contracts out the heating aspect of the work to a third-party, in our case Heat Relief. The communication between those two parties failed and we ended up with a heating unit placed in the worst possible location without our consent -- all due to miscommunication. Thankfully everyone worked together and the problem was fixed. The other complaint was that our*



home was left in shambles. Red dust, bits of wood, insulation nails. The workers laid down single hallway tarp. A board with nails was left sitting on my front porch as everyone was in hurry to leave. These guys know I have a baby and a toddler and I felt the way they left my house was rather inconsiderate and dangerous for my kids. I can't say if it was one or both contractors. I was hoping that our advocate would have advocated more in these situations and been accessible in some such capacity. The use of the word "advocate" connotes an active participant who looks out for the interests of the parties through the entire process on many different levels. Our advocate was more of a quality assurance agent, who's job more contractor-centric assessment, which is great in regards to quality assurance. Problems that arose were answered with a well here's there number and go ahead and work it out. Which is fine and swell, no harm. However that is not advocacy in the sense that the title connotes. Perhaps a title change would be better suited. Our dude was good and cool, but I was hoping for more help around the issues that arose with the contractors.

- *At first it moved slowly, but when addressed our contractor moved very quickly and efficiently.*
- *I will keep them in mind for any future needs and recommend them to others.*
- *Project manager was switched. Crew that showed up didn't know anything - paperwork from initial test was missing.*
- *Did a great job!*
- *H.E.L.P. was an excellent contractor to work with - we would certainly recommend them and hire them again in the future.*
- *the sub-contractors did not do a very good job in regards to clean up and patching the holes in my house.*
- *We had ongoing communications and scheduling problems with our contractor. We had to constantly reach out to him to get an update, he did not manage his subcontractors well and went significantly over the time frame he originally gave us. Considering that we have a young child and had to move out of our house for the duration of the construction we were not thrilled with the length of time it took. It could have been handled much better. Even after the construction was done it took weeks to get our final paperwork and get them to come back out to do the final little repairs they said they'd do.*
- *Excellent job!*
- *I had more interaction with the HVAC company and their staff then the contractor. I met with 2 brothers initially that were owners of the contracting company. I met them 2 times prior to the work beginning and then I never saw or heard from them again. There was also a mistake and they didn't tell me that I needed to move my water heater which was something I didn't know about until they had to move it. The best contact for me*



throughout the process was the HVAC company (Heat Relief) they were very helpful. It was hard for me to make decisions and answer questions when there was no one continuous person I felt was there to lead me through the process. It all got done, I am happy but there was some confusion prior and during the installation of the ducts and the moving of the water heater.

- *The spray foam contractor that COAT hired to insulate my crawl space, was the last to leave my house one evening and he failed to secure my house. I came home to the front door and screen door propped wide open with the key laying on the dining room table. The house was left that way for several hours. I immediately called and filed a complaint with COAT, my energy advocate, and Nicolette Reibold (the program coordinator).*
- *I would have preferred all the work to have been done in one block, than spread out over the weeks.*
- *The short version: I would never recommend sustainable solutions. Although we are mostly satisfied now with the final outcome of the work they did, the process was ridiculous. We were never given a schedule in writing of when the work would take place, and the verbal schedule, if you can call it that, from the contractor was really lacking in both clarity and accuracy. Adam's communication skills in particular are just terrible. We had numerous problems with the actual work they did in terms of shoddy quality, poor planning, deviating from the written bid, not completing tasks, etc. Most of the issues were ultimately resolved to some degree, but it took multiple phone calls and my husband taking time off work to follow Adam around making sure things got done properly. We've worked with other contractors, both with our house and with our businesses, and have never had a contractor so genuinely unconcerned with doing things right. The tests say that we're better insulated now, but if I had it to do over again, I would not participate in this program despite that.*
- *They were very accommodating when I added a list of several misc. items onto my project. They were friendly, cleaned the space whenever they left, answered my many questions, and were detailed and honest.*
- *We just completed our punch items and I still had one little straggling issue I needed help with, haven't heard from them yet.*
- *Green Hammer were great to work with.*
- *The contractor actually did a pretty good job. A couple of small things were finished differently than the original bid. He was professional and finished on time. I thought the bid was pretty pricey however.*
- *The only thing I would add about Bull Mountain Heating and Cooling (my contractor) was when scheduling they needed to make clear when they were going to be there. Also, it was my understanding that they would be there in consecutive days from start to finish.*



In my case the job spanned a weekend and therefore days in between work that was done. Other than that...they were excellent to work with.

- *It would be better if they made communication a priority.*
- *The overall communication was not great. I would've liked to know what work was being done on what days and who to talk to about concerns or changes. The schedule was delayed because of some road work but afterwards some items still seemed to drag on. Some of the subs left a lot of mud and dirt on the floor which they said would clean up but didn't. The basement stairwell walls are also quite marked up. Work equipment was placed on a table that I'd covered specifically to protect the items on it. I realize the people doing the work don't have time to ask permission to touch everything in my house but I should be told how much room they need and what items of mine they plan to use (tables, brooms etc) in case their use isn't appropriate.*
- *Still uncertain about the quality of the heat/air system through "Heat Relief", we are currently talking to them about issues with the system. HELP the contractors are not responsible for this.*
- *I was initially disappointed in the work the contractor did with the water heater installation and its function (low water pressure). They called upon a plumber to fix the problem; however, the plumber took a couple of weeks to contact me. The contractor was very apologetic and contacted the plumber again. After the plumber came out and fixed it the water heater and pressure worked fine.*
- *Contractors need to be better about cleaning up when work is finished.*
- *They were great.*
- *They did a lot of extra things for my house.*

What were your questions or concerns about the financing?

- *Basic questions about what needed to be signed and what needed to be notarized.*
- *Part of the contract did not apply to us, but they were willing to strike it. They also did not have a notary available the day we signed, so that was an inconvenience.*
- *I wanted to know if you could pay extra and pay off early.*
- *No one from CEW, ETO or the bank ever briefed or assisted us with accessing the government tax credits that were integral to the economic logic of participating in the program.*
- *Only thing that was not clear is why leave the credits for the end of the loan. Paying interest on ETO credits seems a little off to me.*



- *The first mortgage bank did not consent to the new mortgage on the property. This puts me in default of my first mortgage.*
- *Payback schedule and process - this was clarified immediately.*
- *Prepayment penalties, fixed rate v. variable, credit rating, and banking advantages.*
- *The rate was higher than we were promised it would be. Also we really didn't know about a lot of the details about the balloon payment program until we went in to sign. It would have been nice to have more details on it all before going in.*
- *General questions about the terms of the loan, which were answered competently to our satisfaction. One thing that wasn't initially clear was that credits and rebates would offset the final balloon. But that was explained when we asked.*
- *Loan terms, which were answered.*
- *There were a few things that I had to ask which weren't explained upfront without me asking.*
 - 1) *the conditions on the transferability of the loan*
 - 2) *the fact that there is a balloon payment on the loan**The inability pay-down extra principal without sending a check to a different address is rather annoying. I would like to be able to set my automatic bill payments via my bank to a fixed dollar amount each month and let any extra automatically be applied to principal – that's especially true given the balloon payment.*
- *I was curious if I wanted to pay extra how I go about doing that.*
- *I was concerned that the loan documents I signed didn't account for the energy discounts through the Energy Trust. It took a very long time for the loan officer to be able to show me how I was not signing for a loan amount that was significantly more than the project would actually cost. She may have truly not understood my question, but it seemed to me that she just didn't care because I asked several times in several different ways how I could be sure that on paper it wouldn't look like I owed the bank much more than I was supposed to. Until I made her show me the line in the contract that mentioned the energy credits, her answers basically consisted of "trust us" -- hardly comforting in the middle of a recession caused by such banking rhetoric.*
- *Unexplained balloon at the end of the project.*
- *The specific terms around the lean on the house. The presentation really downplayed the lien on the house part, which would have been nice to put out upfront.*
- *Way loan written with balloon payment at end.*
- *We just wanted to handle the paperwork in person rather than over e-mail. Shore Bank obliged and answered all of our questions at the signing.*



- *Pre-payment penalties.*
- *We were concerned about the \$300 loan cost as we did not hear about this until we were well into the process of this program. Also, the woman working with us from Shorebank was a bit of a challenge to work with. She was short-tempered, not very helpful, and cold when we talked with her or met with her for the loan signing.*
- *Early payoff, paying more than the minimum payment, how the billing would be done and shown on my gas bill.*
- *I felt the loan signing process was unorganized and made me feel uncomfortable; I met with a different person to sign papers rather than the person I had been communicating with on the phone. This would have been ok except the new person could not answer some of my questions about the loan. I recently received a letter stating they need me to sign additional papers that were missed at our meeting. I would like to have more confidence in a bank where I am making a \$15,000 transaction.*
- *We asked about different payment methods, and about making additional monthly payments. There was not a lot of flexibility in their payment options. We will be sending an additional check to Shorebank on a monthly basis in order to reduce the overall interest. We were also confused by the "balloon payment" which was explained to us, but also kind of confusing.*
- *Wanting to understand early settlement issues.*
- *Some pieces were not clearly laid out, the closing process was also confusing.*
- *As with almost all financial paper work, it was not written in plain English but in financial double talk which is incomprehensible at best. Even the bank's people could not adequately translate their own paper work. This has a lot to do with why we do not trust the banking industry. It did cause stress and some uncertainty. They need to be urged to hire actual writers not associated with the banking industry and then learn basic communication skills.*

Suggestions for Improvement

- *I was a part of the initial pre-pilot program, and was frustrated by the kinks that had not been worked out yet, and which I understand have since been addressed. The biggest frustration was political, I believe. I had very much wanted to turn my gas furnace into an electric one, but was prevented from doing so because apparently that would not have made Northwest Natural very happy. There could be no switching of fuel sources which I felt was an injustice to those of us wishing to be more environmentally conscious by way of a heat pump.*
- *One thought: Use the CWEP contact as an opportunity to promote other energy saving, recycling and low impact behaviors/activities. Seems like it would be an easy sell to*



people who are already benefiting from the program. Also maybe arrange for participants to have materials so information can be distributed to friends, family and other social networks....of course all that assumes that Portland will be able to expand this program to more households. THANK YOU for this program; it made my home improvements affordable and, after researching all the options, it was good to test my thinking with the CWEP advocate and contractor.

- *I would've liked to know exactly what would be done at the audit so that we'd have time to prepare (move furniture to expose ducts etc). I would also like to have a fact sheet ahead of time about the numbers that would be measured, average for square footage, and other information that would help me understand what the measurements were.*
- *More direct follow-up with the program might be good. As I mentioned earlier in the survey, the insulation issue concerns me; I need to know if the discoloration on the plugs they used to fill the drilled holes in the exterior of the house is benign, or if I need to address it prior to painting the exterior in a particular fashion. It would also be good to know if it IS an issue that extends beyond the plugs themselves to the insulation inside the walls...Otherwise, the program is fairly efficient, the interactions with those overseeing the process were clear and concise, and the products (aside from possibly the insulation) were appropriate and adequate for my needs and the overall improvement of the property. I couldn't have done this work ANY other way due to my being on a fixed income. I'm not sure how much (if anything) I'm saving yet on my utility bills, as my gas bill doubled (due to the installation payments for the project) and my electric and water bills are pro-rated budget payments that stay constant until they do their "true-up" evaluations annually. It hasn't been done yet for this year for the electric/water bills, so I won't know for a couple of months yet whether or not they're coming down. I certainly HOPE so...*
- *Put out some info up front about what hurdles you face if you have knob and tube wiring.*
- *The crawl space has what looks like an unfinished project.*
- *I have recommended this program to others and I think it's great. My house is lots warmer and I'm not spending any more money. It was very helpful to have an energy advocate since I would never have known if the work was done right or not. Plus, I loved that I did not have to be the one to confront the contractor about the work and the quality. I don't really have any suggestions. It was a pretty easy process.*
- *Lower interest rate - maybe more options from other banks, streamline the paperwork (we had to go back and forth a lot). There were a couple of communication losses with the contractor but they put forth the extra effort to get everything correct in the end. I can only begin to describe the difference in comfort we have in the house, the energy bills will show us savings next winter.*



- *Allow people to vet their own contractors and make their own deals. My advocate said he could tell if bid was within normal limits, and that was part of his role, but I'd rather have 3 bids and make people compete for my business more. I think I would have saved money.*
- *This is a great program!*
- *The bank's paper work was the only sticking point. I have a master's degree and they were incomprehensible. Especially when you're financially challenged, it's frightening to see terms like 'balloon payment'. The fact that the bankers cannot even explain what that means or why it's there is disturbing. I had to go on trust from the program rep. that it would go away when the incentive kicks in. That was not written anywhere. No one really seemed to understand the bank's paperwork. Of course, if doesn't kick in when they said it does - I'm the one that loses my house. So you can see that it's a significant item. We DO NOT trust banks. So the area that needs most work is eliminating their worthless paperwork and creating clear information in plain English.*
- *Improve communication overall--some confusion between us and contractor (they called to cancel on a Monday, and we didn't even know they were planning on coming).*
- *I think there should be a suggestion as to how to get the first mortgage lender to consent.*
- *Provide paperwork checklist and timeline to set expectations from the beginning of the process. Allows customer to gauge the level of involvement and touch points needed to participate. On site, pre-construction meeting with contractor to go over what's being done and what the homeowner can do to facilitate the installation process. Develop punch out list with customer based on contract obligations and have Energy Advocate present to close the loop and have a "third party" review the work.*
- *Provide more details about financing. We were told 5%. The bank came back with 5.378 not telling us that .378 covered their "expenses" to close the loan for us. And our loan rep. wasn't exactly a ray of sunshine. Not exactly there to help us. She just wanted a signature. The bank part of it all was the worst experience. We were more than happy with everything else.*
- *I'd prefer to have been given a list of everything they could have done then allow me to work with the advocate to pick the ones that I want. this probably isn't an issue for those homes who don't go over the project maximum, but I can't imagine we're the only house that has or will.*
- *Make initial contact and application info easier.*
- *Didn't like working with Shorebank. Would like at least another financial institution to choose from.*



- *I don't think that matching a home owner so strictly to a contractor is a good idea. I would suggest allowing a home owner to get more than one estimate from your various contractors.*
- *Open the program to more residents; I know a lot of interested home owners! Letting people know it will be "X bank" contacting them. I got an email asking for all my private info and had no way to know if they were for real because they didn't really mention the program, etc. After a few emails back and forth, I was assured the bank was actually a bank and working with CEWP.*
- *Add competitive bids. I realize the energy advocate is there to help oversee that, but I would feel more comfortable if at least one other contractor bid the project.*
- *I think it could be helpful for the contractors to notify the homeowners about how to prep their house for the work that was done. This seems quite basic, but for a large project like mine, I wasn't quite sure all that needed to be moved/covered and at what point during the project. I asked if there was anything I needed to do in advance, but was told no, so when the workers arrived at my house, they ended up doing a lot of the moving/covering and it just ended up being very messy and there was slight damage in areas. Not a huge deal, just a lot of work for me afterward.*
- *I'm hoping the troubles I had were a fluke or related to this being a pilot program. I do think this is a good way to get folks to improve the energy efficiency of their home affordably. But I think the professionalism and customer service aspect of everyone involved could be greatly improved upon.*
- *Don't require the loan as part of the package.*
- *In the end Brina from Bull Mountain found some things that he wanted his workers to come back and fix. It meant having to schedule a time to let the workers back in the house, but it was well worth it and was appreciative that Bull Mountain has such good QA/QC.*
- *You need Energy Advocates who help with the paper work and timelines, separate from the more technical assessment Advocates.*
- *There was a mishap at the start where we did not have the final loan docs signed but the contractors were due to start work so they had to be pushed back at the last minute. We were not aware that they had to be informed by us as to when the loan would be finalized and signed. Everyone was flexible and worked with us to start at a later date*
- *My only problem was having to take time off work to allow home access. I don't know how you could address that.*
- *At the final inspection a few areas under the crawl space weren't covered with the new vapor barrier that we paid for. This is resolved as they added more barrier.*



- *Didn't know about the project manager being switched until loan documents signed - may have made a difference - the 1st once promised things he couldn't deliver. Patchwork on shingles did not get painted. Crew needed to come back because an attic door wouldn't open. More communication on the contractor's part would be better. Having a choice of 2 contractors would be good. Being able to pay additional loan payment on gas bill is not possible and wasn't explained.*
- *We ran into a bit of confusion with Shore Bank and felt uncomfortable handling loan docs online. They were very nice though and let us come into the bank and sit down with a loan officer to get our questions answered and the papers signed.*
- *Most of my frustration was with the contractor. The overall program and our advocate were great. Shorebank was pretty disorganized in getting our loan documents together and signed but they did finally figure it out. Overall a positive experience that I would recommend (and have) to others.*
- *I would have more involvement with the contractor during the installation.*
- *Include window replacements, please.*
- *Get a new contractor.*
- *Include water reducing options, windows, solar, eco roofs.*
- *Disclose program, loan, and testing fees up front so everyone is aware this program does cost additional money over the cost of construction. Make it possible for people to shop around for loan processing costs or interest rate.*
- *The representative from Shorebank (during the loan signing) was less-than-friendly and seemed completely disinterested in the program. Other than that it was a great process and I'm happy with the results.*
- *The ability to get competing bids from approved contractors. Mine was pretty good but competitive bidding may keep costs down. The project seemed a little pricey for the work done.*
- *In addition to providing the survey, having random, in construction, progress checks of all personnel working on the project (contractors and advocates) to determine the efficiency and effectiveness of the program.*
- *I would appreciate an educational aspect to the program. Either future home improvements that can be made, skills to make them, or actionable items to increase our efficiency based on our actual usage patterns.*
- *Clearer information about the loan process/or possible different bank.*



- *My one and only suggestion is for contractors to be little more careful with exterior landscaping and cleanup. The contractor and/or employee inadvertently trampled a small part of my garden, and left it strewn with sawdust and insulation debris. Otherwise a great program well-executed.*
- *More flexibility in the payment options, allowing people to put money down (if they want to) to lessen the overall debt.*
- *Check all clean up after every completion phase with each contractor.*
- *Maybe make the financing piece more upfront and easier to contact/deal with.*





DROPOUT SURVEY TEXT – VERBATIM RESPONSES

Website Comments

- *I used the website only to fill out the application. The website was down a lot when I tried to fill out the application. Over time they fixed that.*
- *When I first checked the website in August, the program was just starting. I got a first email that we might qualify, then I didn't hear anything for a while. I threw my name in the hopper and we ended up getting selected. That took a long time. We were excited about participating, but I still wasn't sure that I understood the program.*
- *We were hoping to see transparent info up-front about costs. On the website, it painted a picture of a program that was too good to be true. Initially we were really excited. We thought, "It's a pilot program and it's in Portland, and we're doing as much as we can to use energy as we work on the house we bought last November."*
- *I thought I had applied in November but I didn't hear back. Then I learned that there was a longer application process and so I reapplied. Between November 2009 and March 2010, the website didn't change much, but in March it seemed like a new system was in place.*
- *My only issue was that I was so eager to be in the program that I lied about the kind of wiring I had. Having the EA and the amount of time they could spend were truly valuable. I'll write Shawn/the program to tell them that.*
- *We didn't have any questions to address via the website. If we had any questions, we called our Energy Advocate.*
- *When I used it, the application kept recycling. I got frustrated and I quit it. I called the program to find out why and submit my application.*
- *The content wasn't as specific as I needed. I wanted to know that this wasn't really about trying to give incentives about "clean" or "sustainability." I would rather have known that the program really was about giving people jobs, including bringing people from Bend here to do the work. I didn't know that until they arrived. The main contractor said that the furnace guy would tell me the information I needed, but the furnace guy sold only 2 models. I had no way to get real info about specific furnaces and water heaters and which was better and why. And I would have liked more options other than those the program offered. The title gives you the feeling that you're working on things to be more energy efficient. But I discovered they were working on technology that is 20 years old. For instance, they came in and did the blower test in my 100-year-old house, and it was leaky, of course it was leaky. That's 20-year-old technology.*



- *I didn't use the website, except to fill out the application.*
- *If everything had been broken down during the application process. The interest rates for the loans should have been linked to the application. I had to go through several screens to identify the percentages. I think they should do away with the general energy questions in the application process such as: "Do you think you can really save more energy by changing your water heater?" The real need-to-know stuff should be clear and easier to find, more straight to the point.*
- *It wasn't clear what the parameters were for whether you qualified or not. Initially, I was under the impression that there was a maximum income limit. I'd underestimated our income at first, but then I was told that income really wasn't a problem. So I wasn't sure if there really were an income limit. I'm the sole owner of the house, although both my husband and my names are on the gas company bill. I assumed that, since the gas company said it was OK for us to participate, it was, even though it wasn't clear on the website.*
- *I needed more answers. I needed more information about what to expect from my experience with the EA and contractor. I didn't understand, or it wasn't easy for me to understand, the different "programs" (specifically, funding for larger and smaller types of projects). I like to gather a lot of information and needed more details.*
- *There wasn't very detailed information about the program. I assumed they'd give that to me when they contacted me. It seemed like they assumed I knew the program details. It would have been nice if they had provided that.*
- *The whole reason I looked at the program was because I had full intentions of putting in a heat pump, and I have. I went through the program and didn't find out until the guys did the assessment that I couldn't switch from a gas furnace to an electric heat pump. I had just switched from an electric water heater to a gas on-demand water heater. The reason I did that was to free up electric space for the heat pump. Also the interest rate was higher than what I was paying for my home equity loan, so a lower interest rate would have been helpful.*

Comments on Initial Information about Financing, Energy Advocate, and Program Processes

- *I was always a little confused about who everybody was. The first person I remember speaking with was a woman from the program. The next was a woman from the contractor, who asked me: "How willing would you be to spend \$15,000?"*
- *We got general financing info early on, but the financing details did not come into it until we were quite far into the process.*
- *The financing was the big bone of contention. It was foggy.*



- *I was so frustrated (trying to start the process). I submitted information by email. Then I followed up by phone. I didn't hear anything for a month or so. When I called, a woman from the program said they hadn't received my information, and said to send it again. I did, but they did not contact me at all for about a month. Then a woman emailed me that they had received my information. I do not like to email; I prefer calling. Then they sent me an application asking for my SSN, etc. They finally said they got the information from me and then they contacted me that someone (EA) would contact me. Jason (my EA) came over with the contractor to do the home performance assessment.*
- *They were all very good at their jobs.*
- *We were also working with ETO on a PV installation project, so I'm a little confused about what they did, and what the CEWP program did. ETO kind of screwed up about the energy audit.*

Comments on Energy Advocates

- *Was very personable and knowledgeable and spent a lot of time with us doing the assessment. After Mike left our house, I didn't hear from him again. He was on a string of emails between us and the contractor, but didn't respond to us directly. I imagine that's in part because the contractor responded so quickly.*
- *He was just real good. He seemed to know his stuff.*
- *He was great. I really liked Mike. He was really knowledgeable. He really made it attractive.*
- *Mike had a very balanced approach. He learned about my background as COO of Earth Advantage and got deeper into the aspects of the project because he knew I understood the program. He was very accommodating.*
- *He did a fine job doing what he was supposed to do. He didn't try to talk us into staying in the program. I liked that.*
- *The big issue was the sticker shock we felt about the amount of money for the amount of work to be done. We're an unmarried couple with no kids. How are other folks in Portland with kids and who are making less money than we are able to participate? How do they make it when the quotes come out and they get the bid?*
- *I was pretty satisfied with him.*
- *He was knowledgeable but he didn't really understand my situation.*
- *Neil Kelly was the contractor. I have previously gotten bids for other work on my own. Neil Kelly was by far at least 25% higher than any other bids I've ever gotten. I expressed my concern about that to Shawn. He replied that Neil Kelly was trying to pay their*



workers a living wage. I found that insulting. It assumes a few things about me that I didn't appreciate. I didn't think it was a professional response to someone you're trying to serve, especially in these economic times. He's been to my 800-square-foot home in the neighborhood I live in, so he knows I don't have a lot of money. In some ways, I think he was saying, "Neil Kelly is just trying to pay their poor workers." But I've lived in this town for 10 years and I know many people who work there, and they're doing OK. I was as nice as I could be about it with him, but it was a major turn-off for me and my partner.

- *He didn't impress me too much. First, don't come over to my house late, with a baseball cap on, tired (I had to give him coffee), and with no shower. And he had an attitude with anything I said. First impressions are everything. It's one thing to come to me (I'm in my 40s) like that, and another to come to a 60- or 70-year-old like that. To be honest, if he had been my employee, he would have been fired, and fast. I'm in the construction business, and I hire and manage lots of people. He was belligerent. When I had an objection, he said, "So what are your intentions?" as if I HAD to decide to participate before he'd answer. He also didn't understand how the financing would really work for me. Also, when they did the blower door test, they blew soot all over the place and didn't clean it up. They should have prepped a lot more for it, to protect my antique chair or ask us to move it. It felt like the \$85,000 government hammer deal. When I had a question about the costs, they told me the program was about putting people back to work. Also I remodel homes myself, so I took it with a grain of salt. My wife was interested because she thought it was about replacing windows. They recommended \$8k for a water heater I can install myself for \$1k. He turned me off to the whole program.*
- *He was a nice person but he missed stuff. And he said that if I didn't agree with the numbers, I should work out the issues with Seth, the contractor.*
- *I like him. He was very straightforward. He had a good grasp of reality. He didn't really try to influence any decision I made. I didn't get a sense that he was a salesman, though I know that in a very real sense he was. I had a sense I could trust him.*
- *He was very helpful.*
- *I don't feel like my EA was advocating for me; I feel like he was advocating for the contractor. I raised my concerns in detail. But he didn't attempt to address them. I didn't see any initiative on his part to rectify the situation or address the concerns.*
- *He was really nice. He kept saying that he was there to make sure that the contractors did their job. But I also felt like I was being sold a program; it was a lot of money at a really high interest rate. When I voiced some concern about that, I didn't feel totally supported by him. I wanted to do only part of the program but my energy savings wouldn't allow me to participate if I didn't do all the recommended things. He did do some research about my usage that was very helpful.*



- *He was very candid. In our situation, we weren't sure it would make sense, so his input helped. I really understood the variables to make the decision. He did a great job.*
- *I'd say about a 10. He was really knowledgeable and committed, and also laid-back. When I was a little concerned about something, he could discuss it with me in a way that was comfortable and also effective. In every situation where there was something I needed, he'd find a solution that worked for me. I felt like he was starting to be my best friend. It's a fabulous program, even though I didn't continue.*
- *He was great at communicating with us. The reason we said "no" had nothing to do with our interaction with him or the contractor.*
- *I was interested in replacing my refrigerator and putting a skylight in the kitchen. but when Jason and the contractor, Greg, came over, they told me I needed to do something about my HVAC system and insulation. I decided they were just trying to sell me a package. They were nice people, but they were friends. My main conflict is that, from the beginning, whoever is responsible for telling customers like me about the program, they should have told me that they were going to send just one contractor who was assigned to me. Everybody wants to shop around, but I discovered that I wouldn't be able to. When they sent me the report, the heater cost \$7,000, but my neighbor said it should have been about \$3,000. The extra seems like it would pay for the middle man, which I didn't need. By having one particular contractor assigned to the client, the client is at a big disadvantage. I asked the woman from the program about having a bid from a second contractor, but she said to continue with the one I was assigned. And then these two guys were friends. Jason was supposed to help me, but he seemed just to be trying to sell me a package. I called and said, "Thank you, but no."*
- *It was vague. I waited for a bid. When the bid arrived, it was four lines long -- no detail. I had talked specifically about bidding the duct work separately. The bid was line items only, with no detail. I'm a retired contractor. I've never seen such a bid. And the EA hadn't either. He had to get back to me with more info. He should have done that research before he gave it to me. He was a nice guy, and was glad he had a good financing package, but he didn't give a good bid.*
- *He was great. He has a nice personality, is very knowledgeable, and followed through. He inspired trust.*
- *He is a really nice guy. He brought up a lot of safety issues that I'd never have thought about and that gave us a lot of food for thought. I mentioned that we were thinking of switching to a gas stove and water heater and he said we might check carefully about that, for our kids' safety. There were some minor things we had had done before the program, and he said that the contractors had done good work but it wasn't quite to code. He was very good at explaining things. Was clearly knowledgeable but not cocky.*



Did any of the following topics require more communication than the others?

Topics:

- ➔ Scheduling issues
 - ➔ Bid questions
 - ➔ Expected energy savings
 - ➔ Recommended equipment
 - ➔ Requesting or receiving additional bids
 - ➔ Financing, loans, or interest rates
- *The scheduling was a problem. We had to change the appointment time, because my husband wouldn't be home. We live in a somewhat historical house and my husband is really stubborn about not changing it, say through putting vents in the roof. We did get an energy audit and got light bulbs.*
 - *The financing. Because that was my big question about whether to move forward with the project. I would like to have moved forward, but it was about spending the money.*
 - *Energy savings: I don't recall that the bid for what they would do and what it would cost showed some estimated energy savings. I said, "Guys why would anyone pay thousands of dollars for energy efficiency items without knowing what kind of savings they can expect?" They kind of said, "Well, you're right, I guess." And so they did a kind of add-on just for me. I know the margin of error for this kind of software is high. But the fact it wasn't included in the proposal was a concern. I don't know if they hadn't refined the program yet and now it's part of the program or not. Also we talked about the pros and cons of including the high efficiency gas furnace and the challenges associated with doing the program without it. They would have had to isolate the existing furnace and mitigate back drafting through the plenum if I didn't replace it. The contractor said they would cover the cost of sealing the plenum to resolve the back draft solution in the cost of the bid for free. Also, we did discuss my issues around the incentives. I'd already received a tax credit for air sealing, which is why they clarified they would seal the plenum for free. I didn't want to discover later that I wouldn't qualify for other incentives. I got two different sets of numbers. Mike had to list what he believed were all the incentives I'd be qualified for and the financing, based on my income. Bernice (the contractor) had to do the bid. There was a little disconnect between the incentives they identified. They had to determine which incentives I could get through the program. At the time, I was under-employed, so they were trying to figure out what I would qualify for, based on my income.*
 - *We went back and forth on the bid and financing. I didn't want to use the financing. We ended up waiting to do the energy efficiency measures until possible tax energy credits are passed by Congress.*



- *Because we only did the test in, we never really heard details about our estimated savings. More of the equipment talk came from Andrew, the contractor. We had solar panels added in November, so we wanted to switch from gas to electric, and what we wanted to do didn't qualify for the program. The bid and financing are two of the reasons we opted out, and were the ones we most discussed with Tom. When we asked about the ETO incentives and how we would receive them, Tom said the ETO incentives would be applied to the \$600 cost of the test in/test out. This was undisclosed, both that the testing cost \$600 and that the incentives would be applied to the cost of the test. That was a red flag for us, because I could get a less expensive assessment from someone else. And we were concerned that, since we opted out, we'd be responsible for that cost. Also, these fees weren't part of the discussions we had regarding the financing. That wasn't discussed well at first; I don't think they really had answers to our questions. Once we discussed it, they handled it well. Because it was a pilot program, they hadn't dealt with those issues yet.*
- *Financing. At some point, I wanted to see if I could continue without the financing.*
- *Tweaking the bid they first proposed to try to trim the costs so it wasn't such a shock. We were trying to figure out what, of the work that was proposed, we could and could not afford.*
- *We should have communicated more about the equipment. He and the contractor didn't give us enough info about it.*
- *The financial issues did require more communication. Once I did the online request, there was a 3- to 4-week dead time. During that time, I got a bid for a furnace from a contractor because I was in the midst of a remodel. I'd already accepted the bid when I heard back from the program. That took away the biggest chunk of the reason to participate in the program. The other things they recommended that I do were not enough to justify a 20-year payback period. Once you're accepted into the program there's another \$600-700 charge for audit and other administrative costs that would be included in the loan, so you've got quite a fee for a 20-year loan.*
- *The financing. It seemed like I talked to 2-3 different people (pretty much anyone who had contact with me). It was difficult to understand the sequence and all the applications for tax rebates, etc., and questions that come up later, such as since it's a personal loan tied to the home, who would be responsible to pay it off: us or the next owner(s) of the home. Cameron was fairly knowledgeable and referred me to others. Also, I wanted to know if I were contractually obligated to pay for services if we decided not to participate later, so I always asked about that at each step in the process.*
- *The financing needed more communication. It was the \$900 fees (to the contractor, lender and CEWP) we were concerned about. Also, we wanted to know if we owed for the initial visit (which included the HP assessment), whether or not we went through with the project. They clarified that fine.*



- *I needed more information about recommendations they made during the assessment. Tom (EA) said he would discuss it with Seth at Neil Kelly, and never got back to me. One example: Seth was here doing the assessment and said I needed exterior wall insulation. I asked him about that. Seth explained that he assumed that since I didn't have insulation in some walls, there wouldn't be any in the walls he was testing. Seth was in a hurry and had to leave. Tom said Seth could check the wall with a machine. I asked Seth four times to check it but he was rushed and didn't do it. I asked Tom about that and he said it was weird but tried to make excuses for Seth, so Tom removed a light socket and felt insulation in the wall, so he determined we wouldn't need insulation in the walls. Tom then discussed other energy efficiency measures the program said he would do when he was there, including installing a showerhead, kitchen sink restrictor and light bulbs. They left here and I didn't hear anything from him for a couple of weeks. A couple of days later, Tom said I don't know why you haven't gotten the bid yet. He took his time putting the bid package together -- and the bid included the wall insulation. When I asked him about that, he said he forgot. We also had discussed adding some type of heat pump furnace or fireplace insert in a separate room that's an energy hog, but the bid included only the insert. I understood they were going to give me all my options, but the bid didn't. I had questions about the various options and impacts on the interest rate. He didn't give me complete answers. And then he pestered me to act -- and I mean pestered me -- about proceeding with the program. He said that if I didn't choose to participate in just a couple of days, they'd cancel me. To be honest, I didn't participate in the program because of that.*
- *Because of all of our schedules, finding a place and time that would work for all of us was "interesting." And the contractor contact was busy, too. That was nobody's fault.*
- *The part I was never clear about, whether it related to Shawn or the contractor, was the different caps and financing rates. That was never very clear. I asked for the info but they gave me a quick answer and kept going. I sensed they understood the info, but they didn't take the time to explain it to me.*
- *We didn't really get an answer to our questions about energy savings. We didn't really cover enough the relation between the cost savings and the payment. Our goal was to get a cash-flow-neutral project. The only thing we were willing to do outside of the program was replacing the outside door, which wasn't covered by the program.*
- *Energy savings was my main concern. My communication with Tom about that was pretty good.*
- *The equipment and why we didn't qualify.*
- *They did the analysis and saw that I already had good insulation and that I had partial knob-and-tube wiring. They tried to steer me into considering a new furnace and I said that wasn't what I wanted because I was planning to put in an electric heat pump. Neil Kelly was my contractor, a high-end firm. The NKC rep had made arrangements to have*



someone come back and give me a bid to do the work, but not through the program. I didn't hear from them for a month, and they never brought a bid back to me.

- *The technical package did, because I had some real concerns about some items. The audit was very professional; I've done those kinds of things, and I was really impressed with the blower door test equipment. But I never got a printout on the expected savings. I imagine they were going to do that after the final house test, but I never received the information.*
- *The bid, because Shawn was really pushing for us to do something. The bid included some extras we weren't at all interested in. We got another bid, but it very much felt like they were trying to raise the amount of the loan and looking for projects to do that. When they tested our home and they sent us the results, they told us our home was not very inefficient. They said there were maybe two things that could be done. But when we got the list and bid, there were about 6-7 things on the list. It was astronomical; it was almost laughable. (See Q11) Shawn gave us some general info about the loan, for instance, that the interest rate would be between 5-7%.*
- *Bid: I had a lot of electrical issues to deal with before they could do the work. Paul (contractor) and Shawn recommended I ask an electrician to give me a bid on the electrical work. They said it would cost \$100 to have the electrician come out. I asked what it was for. They said, "It's a \$100 fee." I said, "I know people in the trade and I'm sure I can get a free estimate." They both snickered at each other and said, "Good luck with that!" They were like together on it. I called a friend who's with a big company here and he sent someone out, did a great job, and they did it for free. I understood this was stuff I needed to do before they could do the program work. It was just kind of painful to communicate with both of them. I would email both of them, trying to get an answer from even one of them, and I didn't hear from either of them. That was especially true of the contractor. By the time I understood that, I didn't feel it was worth continuing to work with him on the project. Also, equipment: I had questions and never got answers, either. At one point, I had wanted to talk to the subcontractor about the furnace and I wanted to discuss the removal of the big old octopus furnace I have, which would involve dealing with asbestos. The subcontractor was a friend of theirs. I wanted to call him, but I didn't get his card. It started to feel like they were all in cahoots with each other.*
- *I requested another bid because the contractor didn't do the complete testing in my house, and they didn't share the assessment with me. And Zane should have been well aware of that. If he has the quals to do that, he should know what's involved in the testing process. I asked for another contractor and bid several times, because I didn't get what I asked for and what others I know have gotten through the program. But Zane didn't address that at all. He told me it would be very difficult to get a new contractor and testing and that I might be charged for an additional assessment.*
- *I didn't know I could have asked for a second bid.*



- *We discussed what we would need to do. The job was more about insulation and sealing holes, instead of adding big equipment. In the end, it was a small amount of work, but with big fees attached. If it had been a bigger job, it would have made more sense to continue with the program. The bid also was an issue. We didn't think the bid was up for changing: We assumed it was a bid for a certain amount of work with a certain contractor. I didn't know there was an option to negotiate or get another bid from a different contractor. Our contractor gave us enough information so we could decide what we would do.*
- *We discussed getting another bid, but it was too late to make a change that would have made a difference to me. I started to feel a little stuck. I picked my contractor because I got their card at the Better Living Show. I wish I had researched that more. By the time I realized that and might have gotten another a bid, Shawn (my EA) said I probably would have had to start the program all over, including getting a new EA. I didn't want to do that.*
- *They really need more information telling the applicant what kinds of projects can be done through CEWP, and what cannot, so I could have known that right away. I'd hoped to get a more efficient refrigerator and skylight. I asked Jason about that, but he said, "I don't know." He should have known whether or not I could. As to expected energy savings: Jason and the contractor (Greg) gave me some general info about energy savings, but they were to go over detailed energy savings if I'd agreed to go ahead with the work. He gave me only a little info; Greg gave me more.*
- *No. Trying to set up times was what we talked about the most.*
- *The bid re: equipment. We also discussed the incentives. I wanted to know about the incentives, and he didn't really know enough; he could have had more information, especially about tax incentives, and others, outside of tax incentives. He didn't have that info. Also, I may have misconstrued the program, because I thought there would be incentives from the program. He said there were, but I wasn't clear about what those were, because he was vague about them. I still don't know.*
- *We asked for a second bid from the same company, to add an item. Also, the financing was an issue because some of the paperwork from the bank wasn't clear.*
- *We ended up not using the financing package, and so didn't do the program all the way through. He was fine. He understood our concerns completely.*

Contractor Comments

- *When I got the bid, I said I didn't want something and she sent a new bid. She was always timely in responding, which may be why Mike (the EA) didn't respond as much. The biggest things they recommended were a new furnace and water heater and no one explained to me why replacing them was a good idea -- certainly not a good financial*



