Better Buildings Residential Network
Workforce/Business Partners Peer Exchange Call:
*Energy Advising Services in the Post-ARRA World*

*Call Slides and Summary*

June 27, 2013
Agenda

• Call Logistics and Introductions
• Introducing the Better Buildings Residential Network
• Future Call Topics
• Discussion:
  ▪ What experiences or plans do programs have offering energy advising or energy concierge services without American Recovery and Reinvestment Act (ARRA) grants?
  ▪ What fees or other funding models are programs exploring for these services (e.g., fee per referral to contractors, flat fee for advising, etc.)?
  ▪ How are programs adapting (or considering adapting) energy advising and concierge programs post-ARRA?
  ▪ Other questions/issues related to energy advising and concierge programs and funding/supporting them?
### Participating Programs and Organizations

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<tr>
<td>Alameda County, CA</td>
<td>Omaha and Lincoln, NE</td>
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<td>San Diego, CA</td>
<td>New Hampshire</td>
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<td>Boulder, CO</td>
<td>New York</td>
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<td>City and County of Denver, CO</td>
<td>Cincinnati, OH</td>
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<td>Chicago, IL</td>
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<td>Maryland</td>
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<td>University Park, MD</td>
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<td>Kansas City, MO</td>
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<td>[International Association of Certified Home Inspectors (InterNACHI)]</td>
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Discussion: Types of Energy Advisor Services and Benefits

• Programs offer range of energy advisor/concierge services:
  ▪ Homeowner education
  ▪ Connecting homeowners to contractors and referrals
  ▪ Project management for the energy-upgrade process for the homeowner
  ▪ Call center and scheduling on behalf of contractors

• Energy advisor services directly and indirectly benefit contractors and end users:
  ▪ Contractors receive a better educated homeowner (and therefore better qualified) lead
  ▪ Homeowner can be better matched to the right contractor for their needs
  ▪ Administrative support (phone answering and scheduling services) benefit:
    • Small operations without office staff
    • Larger offices whose staff may not be able to answer specific home-performance questions from homeowners
  ▪ Modeling expertise can help homeowners refine project scope
How Programs Are Adapting Post-ARRA

- Seeking other revenue sources to cover costs of providing energy services
- Shifting to more cost-effective approaches (e.g., phone-based instead of in-home advising)
- Scaling back or deactivating energy advising services
Funding Energy Advising Services: Fees

- **Fee structure options**
  - Flat fee (e.g., price per month, percentage of project total)
  - Per-call or per-referral
  - Tiered: free base service (e.g., phone advice), charge more for additional services (e.g., audit plus in-home advisor visit)
    - Boulder County considering “premier” along with phone-only & regular services

- **Contractor fees**
  - Charge for referrals and administrative support
  - Approach under consideration in Cincinnati:
    - Contractor who receives referral pays fee, regardless of whether they close deal
    - Program refers to only one contractor at a time
  - Be up front with homeowners about any conflict of interest in model design; allow homeowner option to switch to other contractors

- **Homeowner fees**
  - Charge for advising (e.g., modeling) and advocacy services (e.g., bidding process support)
  - Survey of Denver homeowners found 60% of respondents willing to pay $30-40 fee
  - Structure to avoid barriers to entry for homeowners (e.g., tiered approach)
Funding Energy Advising Services: Other Ideas

- **Loan Fees**
  - Denver examining options to incorporate advising service fee into loan fees
    - Fee would only cover a portion of advisory services, but it would be the more time-intensive ones
  - Regulatory/legal issues and options still TBD with lenders

- **Sustainability Tax**
  - Boulder County sustainability tax proposed on 2013 ballot, a portion of which would fund the energy upgrade program; the program is also exploring funding through the general fund, property tax, or sales tax

- **Partner with utilities**
- **Identify other grants and sources (e.g., foundations)**
- **Subsidize services as part of the general program budget through other funding sources**
Future Call Topics

- Future Workforce Peer Exchange Calls in 2013:
  - Aug. 22 (3:00-4:30 PM EDT): Strategies for Building Contractor Interest in Program Participation
  - Oct. 10 (3:00-4:30 PM EDT): Trends in Contractor Conversion Rates
  - Nov. 21 (3:00-4:30 PM EST): Contractor-Funded Incentives

- Poll results for additional topics of interest:
  - Workforce Development Funding (60% support)
  - Standardization/QC of Upgrades and Workforce Expectations (60% support)
  - Recruiting HVAC and Remodelers for Whole House Upgrades (20% support)
  - Incubating New Home Performance Businesses (13% support)

- Additional suggestions:
  - Home inspection industry
  - Home Energy Score / Multifamily programs
  - Funding for energy efficiency outreach