



**Better Buildings Residential Network Peer
Exchange Call Series: *Think Again! A Fresh
Look at Home Performance Business
Models and Service Offerings (301)***

July 23, 2015

Call Slides and Discussion Summary

Agenda

- Call Logistics and Introductions
- Opening Poll
- Residential Network and Peer Exchange Call Overview
- Featured Speakers
 - Marshall Runkel, Director of Contractor Services and Policy, Clean Energy Works (*Network member*)
 - John Schmidt, Contractor Outreach Coordinator, New Jersey Natural Gas
 - Jim Clark, Environmental Program Coordinator, Home Performance with ENERGY STAR, Austin Energy (*Network member*)
- Discussion
 - Has your organization changed its home performance business model or expanded the services offered? How?
 - What lessons have you learned as you've tried new approaches? What service-delivery approaches have worked well? What challenges or barriers have you faced?
 - What are key factors to keep in mind as programs consider expanding/shifting into new market areas?
- Closing Poll

Call Participants

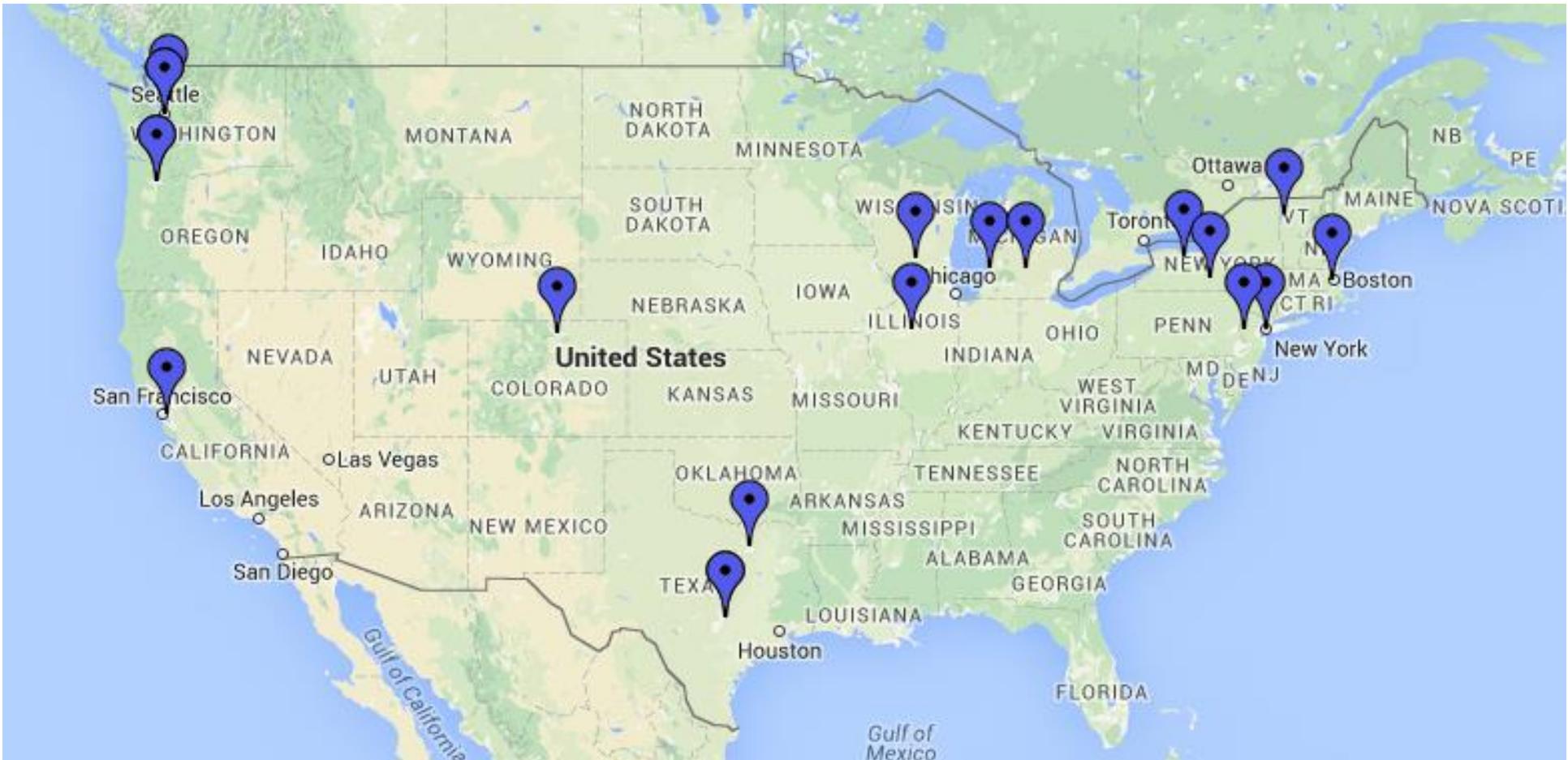
Residential Network Members

- Austin Energy
- City of Holland (MI)
- City of Plano (TX)
- Clean Energy Works
- Energy Efficiency Specialists
- Focus on Energy (WI)
- Home Performance Guild of Oregon
- Performance Systems Development (PSD) Consulting
- Vermont Energy Investment Corporation (VEIC)

Non-Members

- Advanced Energy Options
- Brendle Group
- Conservation Services Group
- EnergySavvy
- Environmental Design / Build
- New Jersey Natural Gas
- Snohomish County PUD (WA)

Call Participant Locations



Opening Poll

- Which of the following best describes your organization's familiarity with different home performance business models?
 - Very experienced/familiar – **45%**
 - Some experience/familiarity – **45%**
 - Limited experience/familiarity – **10%**
 - No experience/familiarity – **0%**
 - Not applicable – **0%**

Better Buildings Residential Network

- **Better Buildings Residential Network**: Connects energy efficiency programs and partners to share best practices to increase the number of American homes that are energy efficient.
 - Membership: Open to organizations committed to accelerating the pace of existing residential upgrades. Commit to providing DOE with annual number of residential upgrades, and information about benefits associated with them.
 - Benefits:
 - Peer Exchange Calls
 - Tools, templates, & resources
 - Newsletter updates on trends
 - Recognition: Media, materials
 - Optional benchmarking
 - Residential Solution Center

For more information & to join, email bbresidentialnetwork@ee.doe.gov.

Peer Exchange Call Series

- Calls are held the 2nd and 4th Thursday of every month at 12:30 and 3:00 PM ET
- Calls cover a range of topics, including financing & revenue, data & evaluation, business partners, multifamily housing, and marketing & outreach for all stages of program development and implementation
- Upcoming calls:
 - August 13, 12:30 ET: Home Energy Assessments: The Good, the Bad, and the Ugly (301)
 - August 13, 3:00 ET: Tailored Marketing for Low-Income and Under-Represented Population Segments (201)
 - August 20, 12:30 ET: Staged Upgrade Initiative Program Design (201)
 - September 10, 12:30 ET: Mastermind: TBD (201)
 - September 10, 3:00 ET: The Other 15%: Expanding Energy Efficiency to Rural Populations (301)
- Send call topic ideas to peerexchange@rossstrategic.com

Peer Exchange Call Summaries

Discussion: Challenges and Solutions

- Overcoming Challenges - Solutions:
 - Access trusted, local messengers
 - Engage your satisfied customers as champions to turn them into "lifetime customers"
 - Invite people to make a pledge with a few simple EE activities they can take
 - Connect with the right local partners (Connecticut conducted "community asset mapping")
 - Directly involve the homeowner through DIY work or as energy efficiency demonstration homes to help them feel engaged (San Diego demonstration homes)
 - Minimize paperwork to make it easier to participate

Poll Results

Participant Poll: Which of the following best describes your program's experience with energy efficiency behavior change efforts?

- Currently implementing: 31%
- Planning to implement: 31%
- Thinking about it: 19%
- Haven't thought about it: 0%
- Not applicable: 19%

The screenshot shows the Home Energy Pros website interface. At the top, the logo reads "HOME ENERGY PROS" with the tagline "Connecting home energy professionals". A navigation menu includes "Home", "Invite", "My Page", "Members", "Forum", "Blogs", "Groups", "Photos", "Videos", and "Events". Below the menu, there are links to "Back to Better Buildings Residential Network" and "All Better Buildings Residential Network Pages". The main content area is titled "Peer Exchange Archive: Program Sustainability" and lists several call summaries with their dates and PDF links:

- Incorporating Behavior Change Efforts into Energy Efficiency Programs**
July 10, 2014
[Presentation and Discussion Summary \(PDF\)](#)
- Collaborating with Utilities on Residential Energy Efficiency**
June 12, 2014
[Presentation and Discussion Summary \(PDF\)](#)
- BBRN Voluntary Initiative: Partnering to Enhance Program Capacity**
May 8, 2014
[Presentation and Discussion Summary \(PDF\)](#)
- Complementary Energy and Health Strategies**
April 10, 2014
[Presentation and Discussion Summary \(PDF\)](#)
- Mastermind: Jim Mikel, Spirit Foundation**
March 13, 2014
[Presentation and Discussion Summary \(PDF\)](#)

How do you eat an elephant? One bite at a time. A slight shift in perspective goes a long way.

Understanding how EE can solve a financial, public relation, or customer service problem for the utility is the right place to start.

Residential Program Solution Center – We Want Your Input!

Web portal of residential EE upgrade program resources, & lessons learned to plan better, avoid reinventing the wheel.

- BB Neighborhood Program, Home Performance with ENERGY STAR Sponsors+
- Provides:
 - Step-by-step guidance
 - Examples
 - Tools and Templates
 - Quick Links and Shortcuts
 - Lessons learned
 - Proven Practices posts
 - Tips
- Continually add content to support residential EE upgrade programs—**member ideas wanted!**



<https://bbnp.pnnl.gov/>

Program Experience:
Marshall Runkel
Director of Contractor Services and Policy
Clean Energy Works

Marshall Runkel
Director of Contractor Service and Policy



CEW New Service Lines

- *Radon, Seismic, Solar*
- *Automated Contractor Assignment and Scheduling*
- *Early Results*



Homeowner Interests

About Your Project

Help us pair you with the contractor that best meets your needs by answering the following questions.

What is the *main* reason you want to get started with Clean Energy Works? *

- Energy efficiency/weatherization (home is ineligible if built after 1993)
- Earthquake readiness (home is ineligible if built after 1970)
- Solar panels
- Radon testing & mitigation

I'm also *seriously considering* these additional upgrades: *

- Energy efficiency/weatherization (home is ineligible if built after 1993)
- Earthquake readiness (home is ineligible if built after 1970)
- Solar panels
- Radon testing & mitigation

Asking homeowners to identify primary and secondary interests on application.

Contractor Capabilities

Contractors identify their ability/appetite to receive leads that have indicated primary/secondary interests in different service lines.

Primary job types

- Energy efficiency/weatherization (home is ineligible if built after 1993)
- Earthquake readiness (home is ineligible if built after 1970)
- Solar panels
- Radon testing & mitigation

Secondary job types

- Energy efficiency/weatherization (home is ineligible if built after 1993)
- Earthquake readiness (home is ineligible if built after 1970)
- Solar panels
- Radon testing & mitigation

Automated Pairing/Scheduling

Next Steps

Schedule Your 100 Point Performance Check

The calendar below shows open time slots in green. Click the time slot that works best for you, then click "Schedule Appointment" when prompted to confirm your time.



GreenSavers
BETTER HOMES FOR A BETTER WORLD

Next available appointments:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
July 19	20	21	22	23	24	25
26	27	28	29	30 8:30 am	31	Aug. 1

EnergySavvy's Optix system matches homeowners with contractors and prompts homeowners to schedule an appointment with contractor.



Seismic

City of Portland + FEMA Grant
Recruiting Homeowners
July – August 2015
Goal 100 Projects



Seismic

New Yorker Article + CEW PR

4000+ Homeowners on Wait List

CEW Annual App Goal in One Week

Rapidly Evolving Industry

Tech Crunch story
from 7/22/15.

Energy efficiency
niche service offer
needs to adapt
to/integrate with
changing market.

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Sponsored Maserati's Porsche-punching Alfieri coupe coming in 2016 

Microsoft Layoffs, Facebook Revamps Newsfeed, Reddit Screws Up | CrunchWeek a week ago 

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Pacific Crest Securities has joined what investment bank?
SELECT ONE ANSWER
 KeyBanc Capital Markets
 SunTrust
 PNC
 JPMorgan
 Bank of America

amazon home services

Questions?

Marshall Runkel

<https://cewo.org/>



Program Experience: Clean Energy Works

- Clean Energy Works (CEW) has added different service lines to their offerings in addition to energy efficiency (EE): solar, radon, and earthquake readiness.
- For customers with a primary interest in something other than EE, this is an opportunity for CEW to introduce the concept of home performance while evaluating their home on other measures. For example, if a home is not sited suitably for solar, the contractor could suggest weatherization measures to cut energy use.
 - Every home has a home performance contractor come to their home as part of the initial visit, regardless of their stated interest.
 - There is not yet much data about whether connecting these other home improvement measures has led to more home performance upgrades, but early indications are positive.

Program Experience: Clean Energy Works

- A customer interested in participating in the CEW 100-Point Performance Check completes a form and indicates their primary and secondary interests in home improvements: seismic, solar, energy efficiency, radon.
 - The EnergySavvy Optix tool connects them with contractors with the same primary or secondary interest.
 - Customers are able to schedule appointments online with participating contractors, which has drastically reduced time that CEW has to spend on the phone.
- For Summer 2015, CEW had a goal of receiving 100 sign-ups to the seismic service line in order to receive a FEMA grant.
 - The July [New Yorker article](#) about the Cascadia fault pushed sign-ups for the seismic service line to over 4,000, exceeding the annual goal in a week.

Program Experience:
John Schmidt
Contractor Outreach Coordinator
New Jersey Natural Gas

Always
Delivering
Strong
Balanced
Renewable
Local
Reliable
Innovative
Resourceful
Trusted



STAGED UPGRADES

- Established in 1952
- Largest independent Local Distribution Company in New Jersey
- Provides safe, reliable service to over 510,000 customers in Monmouth, Ocean, Morris, Middlesex and Burlington counties
- Maintain over 7,100 miles of natural gas pipelines
- Primarily residential and small commercial customer base

- Launched in September 2009
- Provides energy-efficiency rebates and incentives for the installation of high-efficiency equipment
- Promotes energy-efficiency and conservation measures
- Designed to complement New Jersey's Clean Energy Program (NJCEP)

Three Paths

- Installation of a qualified high-efficiency furnace/boiler or water heater
 - \$500 or \$100 enhanced rebates – to qualify the customer must have an energy audit provided by NJNG Staff
 - “Any” contractor
- Installation of a qualified high-efficiency furnace or boiler AND the installation of a high-efficiency qualified water heater
 - \$6,500 OBRP at 0% with a 5 year term – to receive payment the customer must have an energy audit provided by NJNG Staff
 - Contractor needs to be trained by NJNG
- Customers taking a whole-house approach
 - Installation of qualified equipment and additional energy efficiency measures
 - NJCEP Certified Home Performance with Energy Star (HPwES) contractor (requires BPI Certification)

SAVEGREEN by the Numbers

- Over 30,500 energy audits completed
- Over 32,000 enhanced rebates paid
- Over 5,200 customers have participated in our 0% APR On-Bill Repayment Program (OBRP)
- Provided grants, incentives and OBRP loans totaling \$105 million
- More than 2,200 contractors participating in our program

Service Delivery Approach

- There is a 6 to 1 ratio of customers entering our program through the HVAC path.
- We recognized these customers as an opportunity to offer “staged upgrades”
- Our Energy Auditors are utilizing Home Energy Score to help motivate customers to do additional Home Performance work.
- Customers are presented with the score and asked to sign a release.
- The release allows NJNG to share the customers audit information with HPwES contractors.

Challenges and Lessons

- The Challenge for us has been to use the large market base of rebate customers and to motivate this base of customers to do additional Home Performance work.
- additional challenges:
 - Making the customer purchase again.
 - The # of air sealing and insulation contractors to do this specific work.
- We have utilized our opportunity of requiring the energy audit to speak directly to our customers.
- Our outreach efforts with our contractors and the supply houses in our service territory has resulted in good program awareness.

Program Experience: New Jersey Natural Gas SAVEGREEN

- New Jersey Natural Gas [SAVEGREEN Project](#) works to expand the market for home performance work by combining Home Energy Score (HES) audits with HVAC work and energy upgrades and by expanding contractor infrastructure for air sealing/insulation.
- SAVEGREEN has three paths that customers can take.
- Under the first path, customers install a qualifying boiler, furnace, or water heater, and receive a rebate.
 - After installation, customers receive a free audit, which is a basic assessment of the home, including a walk-around, gas meter check, and water heater check.
 - Customers receive a score immediately from the auditor, and recommendations for how to make their new equipment work most efficiently (e.g., attic insulation).

Program Experience: New Jersey Natural Gas SAVEGREEN

- Under the second path, customers install both a furnace/boiler and a water heater, and can participate in on-bill financing for the upgrades.
- Under the third path, customers pay for an audit that includes a blower door test and infrared test, and customers receive a detailed report with suggested measures. Once this audit is complete, customer can be eligible for extensive rebates to implement the recommended measures.
 - Income-qualified customers can receive the audit for free.
- New Jersey Natural Gas regularly holds trainings for contractors to keep them up-to-date on the latest standards and technologies.

Program Experience:
Jim Clark
Environmental Program Coordinator
Home Performance with ENERGY STAR
Austin Energy

Program Experience: Austin Energy

- Austin Energy is the municipal utility of Austin, TX and its environs.
 - Seventh largest utility in U.S., third largest municipal utility
 - Serves 435,000 meters and 1 million residents
 - 2,800 MW peak demand
- City of Austin and Austin Energy's energy goals:
 - By 2020: 800 MW through energy efficiency and 35% of utility's portfolio in renewables
 - By 2040: Zero waste for the city of Austin
 - By 2050: City of Austin carbon neutral

Program Experience: Austin Energy

- Energy drivers in Austin-area are heat and summer-related. How best to keep the cold air in and the hot air out?
- Began integrating different programs in 2005 into a whole-house energy efficiency/home performance approach, offering loans and rebates following a home energy assessment by participating contractor. Examples of most common projects:
 - Replace air conditioning unit with more efficient one.
 - Seal, insulate, repair, or replace ducts.
 - Upgrade insulation.
 - Install window film.
- Deemed savings of 1.8 kW and 1,975 kWh per job.
- Until this year, performed about 2,000 jobs a year; decline for this year was due to a problem with online application tool.

Program Experience: Austin Energy

- Austin Energy also has a solar incentive, currently offering \$1.00 per watt up to 10 kW per residence for installation.
- For a few years, receiving solar incentive for homes older than ten years required meeting EE standards or participating in Austin Energy's home performance program.
- Now, receiving solar incentive requires only having a home performance assessment and receiving a cost estimate for actionable items. No EE work has to be completed to receive the solar incentive.
- Solar contractors are resistant to joining the two programs, as it can extend the process and potentially lower the power need from solar.
- Home performance contractors are not supportive of requiring a bid without mandatory implementation, as it can be a waste of contractor resources if a customer is just going through the motions.

Discussion Questions

- Has your organization changed its home performance business model or expanded the services offered? How?
- What lessons have you learned as you've tried new approaches?
 - What service-delivery approaches have worked well?
 - What challenges or barriers have you faced? How can those challenges be addressed?
- What are key factors to keep in mind as programs consider expanding/shifting into new market areas, such as the following?
 - Coordination with the HVAC industry – staged upgrade approaches
 - Solar/renewable energy
 - Seismic upgrades
 - Radon mitigation
 - Other
- Other questions/issues related to business models or services?

Discussion: Changing Service Delivery Approaches

- How to connect contractors with customers – do you ask what the customers want or probe to find what they need?
 - Giving customers just what they want (e.g., solar) may reduce home performance improvements.
 - Interviews and assessments may be seen as an additional unwanted step, but could increase home performance.
 - Energy Smart (Ohio) has an [extensive survey](#) for potential participants, with the reward of \$49 off a home assessment for completing it; asks about the problems, rather than the solutions.
- How customers engage home contractors is changing.
 - Amazon Home Services, Porch, Thumbtack are all home service aggregators that link customers to contractors.

Discussion: Solar and Home Performance

- Other programs have felt the friction between solar and home performance.
 - Some customers are just interested in solar and have no interest in energy efficiency measures.
 - Solar is tangible and can be shown off to your neighbors, but home performance is more about comfort and is less showy.
- Possible solutions to solar/home performance disconnect:
 - More marketing of the benefits of home performance before installing solar – show the comfort benefits and cost savings to the customer.
 - Provide incentives to solar contractors if home performance work is completed.
- A [previous Peer Exchange](#) call in December 2014 discussed the connections between solar and home performance, and included Austin Energy as one of the speakers.

Closing Poll

- After today's call, what will you do?
 - Seek out additional information on one or more of the ideas – **63%**
 - Make no changes to your current approach – **37%**
 - Consider implementing one or more of the ideas discussed – **0%**
 - Other (please explain) – **0%**

Please send any follow-up questions or future call topic ideas to:
peerexchange@rossstrategic.com