Existing Homes Working Group Workshop on Program Design

September 29, 2009

1:00 – 5:00 p.m.

Introductions

- Name
- Organization
- Role/responsibilities at your organization
- Today, I want to learn/cover/discuss…

Agenda

- 1:15 Background Presentation
- 1:45 Discussion
- 2:30 Break
- 3:00 Subgroup Meetings
- 4:00 Discussion of Subgroup Outcomes
- 4:45 Wrap up

What is this workshop all about?

Existing Homes Working Group

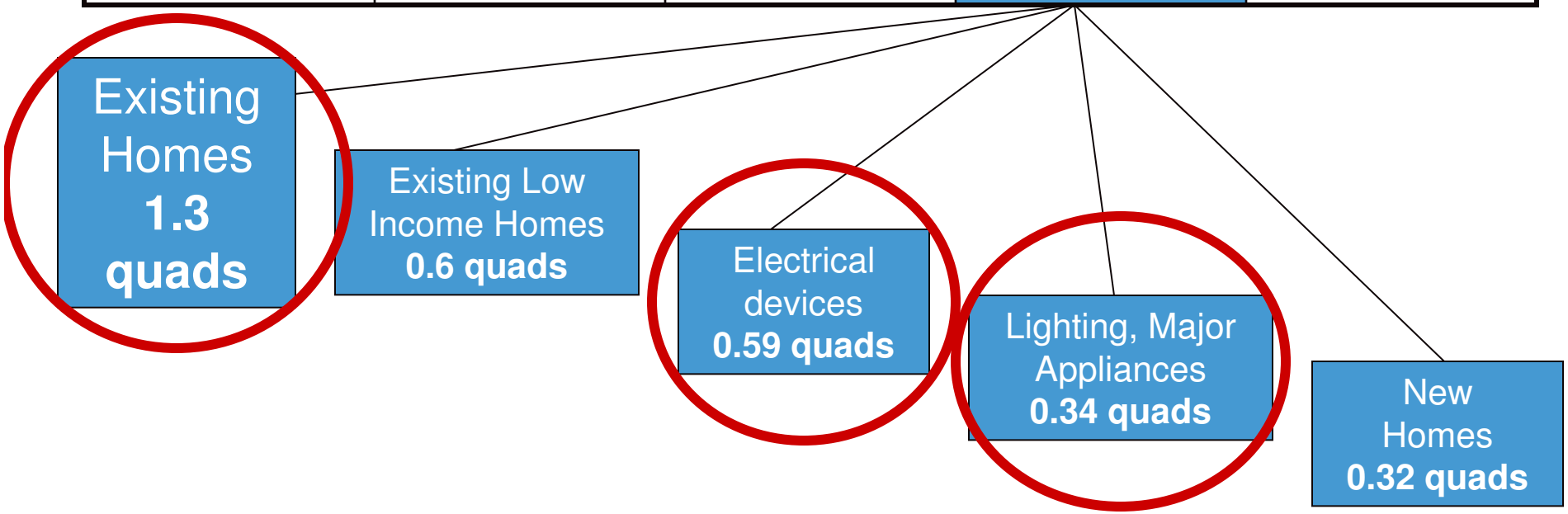
- Purpose: Identify best approaches to increase efficiency in existing homes
  - Support energy efficiency program efforts
  - Strengthen relationships with industry
  - Provide consistent messages to the market
- Participants
  - CEE members and invited representatives from HVAC, windows, insulation, water heating, appliances, lighting, and electronics industries
  - Add in other market actors as we gain traction, develop consensus on key issues

Context for Our Work

- Efficiency programs need to deliver more energy savings
- Savings potential of individual end uses is decreasing
- Number of existing homes dwarfs new homes built annually
- Recent upsurge in political support for existing homes retrofits

McKinsey Report

	Energy Use 2008	Business As Usual 2020	Savings from EE 2020	Percent Savings Available
Energy Use (quads)	10.8	11.4	**3.16**	28%



How to Address this Opportunity?

- At 2008 CEE Industry Partners Meeting, we decided to develop a Program Guide
- Program Guide is:
  - White paper defining efficiency opportunities, a common goal, and how we can work together to achieve it
- Program Guide has been focus of our work for the past year

Program Guide Goals

- Set out an agreed upon vision for existing homes
- Compile market and technical information needed to develop programs locally
- Capture lessons learned/successful approaches
- Bring industry expertise/research to the table

Enable more consistent programs and messages to be delivered to consumers, resulting in greater energy savings

Program Guide – Contents

1. Purpose and Vision ✓
2. Existing Homes Market ✓
3. Technology ✓
4. Workforce Capacity ✓
5. Policy Context ✓
6. Program Case Studies
7. Marketing

- Today's Workshop
- Webinar on Oct 16
- Con Call on Nov 5

What We've Done So Far: Quick Review of Program Guide Sections 1-5

1. Vision for Program Guide

"This document enables efficiency programs to work with manufacturers, retailers, non-governmental organizations (NGOs), and other stakeholders to deliver programs that capture all cost-effective, measurable energy savings opportunities in existing homes."

2. Market Information

Barrier	Stakeholder
Unable to find qualified contractors to make improvements	Homeowners, Efficiency Programs
Absence of industry standards	Homeowners, Efficiency Programs, Contractors
Limited knowledge of building science and whole home solutions	Homeowners, Contractors
Lack of marketing and sales skills	Contractors
Service programs are costly	Efficiency Programs
Contractors reluctant to adopt new business approach	Contractors
“Green” message doesn’t always focus on energy efficiency	Homeowners, Contractors

3. Technology Information

- End Uses
  - Lighting
  - Appliances
  - Space Conditioning
  - Water Heating
  - Electronics
- Envelope
  - Insulation
  - Windows
  - Duct Sealing
  - Air Sealing
  - Assessing Envelope Energy Efficiency
  - Combustion Safety Testing

4. Workforce Development

- Overview of training and certification actors
  - GreenCollarEdu.net, Green Builder College, CleanEdison
  - BPI, RESNET, NATE
  - Workforce^3 One, Get Into Energy
- Spotlight on workforce development efforts
  - NYSERDA
  - Avista
  - Northwest Energy Efficiency Taskforce
- Gap analysis

5. Policy Context

- Sources of information on policy

ALLIANCE TO SAVE ENERGY
Creating an Energy-Efficient World

ACEEE
American Council for an Energy-Efficient Economy

DSIRE

- Federal initiatives
  - NAPEE
  - US DOE and US HUD Partnership on Existing Homes
  - ARRA funds
- Other policy initiatives

EfficiencyFirst
America's Home Performance Workforce

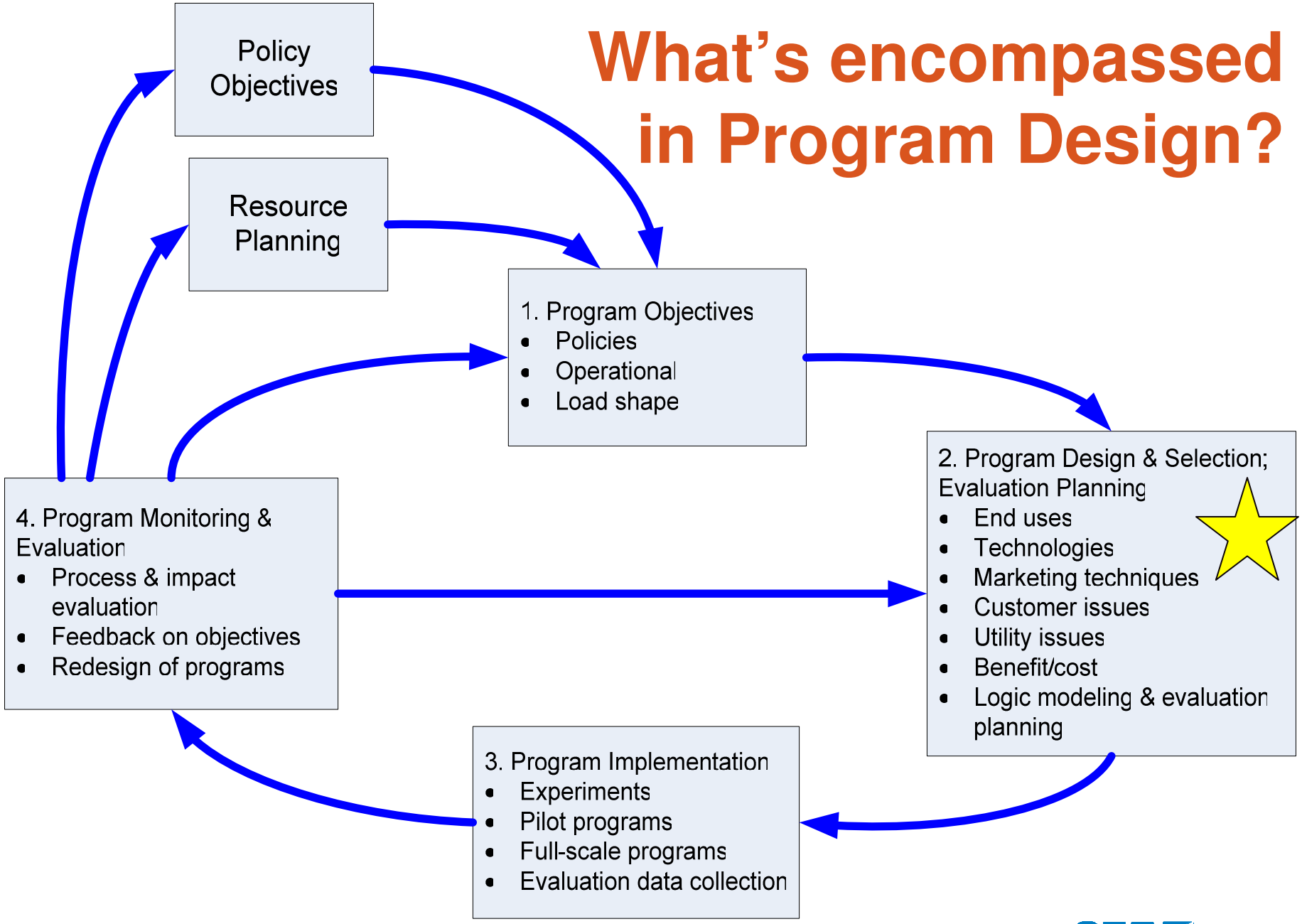
Questions and Discussion on Background

Today's Focus:
Section 6 - Program Design

6. Program Design

- With the understanding we've developed over the past year that's captured in the previous five sections of the Program Guide, our goal is to:
  - Research, understand, and present the most effective strategies for partnering to achieve significant energy savings in existing homes
- We'll begin that work today

What's encompassed in Program Design?



Adapted by CEE from Pierre Landry, SCE, and *Demand-Side Management, Vol. 4: Commercial Markets and Programs,* EPRI, 1987.

Building a Successful Comprehensive Efficiency Program for Existing Homes

Build a network of contractors who employ trained and certified technicians to assess and complete the needed efficiency upgrades while simultaneously increasing consumer understanding of and willingness to pay for these services and motivate action by offsetting some portion of upfront costs in a manner that leverages existing infrastructure and delivers energy savings cost effectively over both the short and long term.

Building a Successful Comprehensive Efficiency Program for Existing Homes

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What about those barriers?

Barrier	Program Design Element
Unable to find qualified contractors to make improvements	Training & Certification
Absence of industry standards	Training & Certification
Limited knowledge of building science and whole home solutions	Training & Certification Marketing
Lack of marketing and sales skills	Marketing
Service programs are costly	Financing & Incentives
Contractors reluctant to adopt new business approach	Financing & Incentives Marketing
“Green” message doesn’t always focus on energy efficiency	Marketing

Training and Certification

- A suggested definition:
  - For purposes of this workshop, we're talking about working with contractors (the businesses) and technicians (the people doing the work) to improve their skills to deliver efficiency and to improve the likelihood that they will do so on a regular basis
- Friendly amendments?
- Topics to tee up for this subgroup?

Financing and Incentives

- A suggested definition:
  - For purposes of this workshop, we're focusing on motivating consumers to act by offsetting some portion of the up-front cost required to upgrade the efficiency of their homes
- Friendly amendments?
- Topics to tee up for this subgroup?

Marketing

- A suggested definition:
  - For purposes of this workshop, we're focusing on educating and/or motivating consumers to take action to improve the efficiency of their homes
- Friendly amendments?
- Topics to tee up for this subgroup?

Initial Discussion on Program Design

- **Industry Reps:** How do you approach "program design?" What existing homes program approaches work best from your perspective? What are you most interested in working on together with CEE members?

  Efficiency Programs: What did I miss here? Would you characterize anything differently? What are the other critical elements of program design?

CEE

Networking Break
Meet Back at: _____

Subgroup Process

What if I'm not an expert in program design?

- Self-select into one of three groups
  - Training & Certification
    - Sue Hanson, Focus on Energy
  - Financing & Incentives
    - Rebecca Foster, CEE
  - Marketing
    - Margie Lynch, CEE
- Discuss case study and questions in agenda
- Reconvene in 1 hour
- Report conclusions and recommendations to group

Reports from Subgroups

Next Steps

- Continue focus on Program Design and incorporate findings into Section 6 of Program Guide
  - Webinar
    - October 16, 1:00 p.m. Eastern
    - Spotlight on Long Island Power Authority
  - Next Existing Homes Working Group Call
    - November 5, 1:00 p.m. Eastern
- Continue to refine Sections 1-5
  - Still seeking feedback!

Thank You!

Please fill out your evaluation forms…

Contact

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