



Better Buildings Neighborhood Program

MWCOG IGBG and EAC Joint Meeting

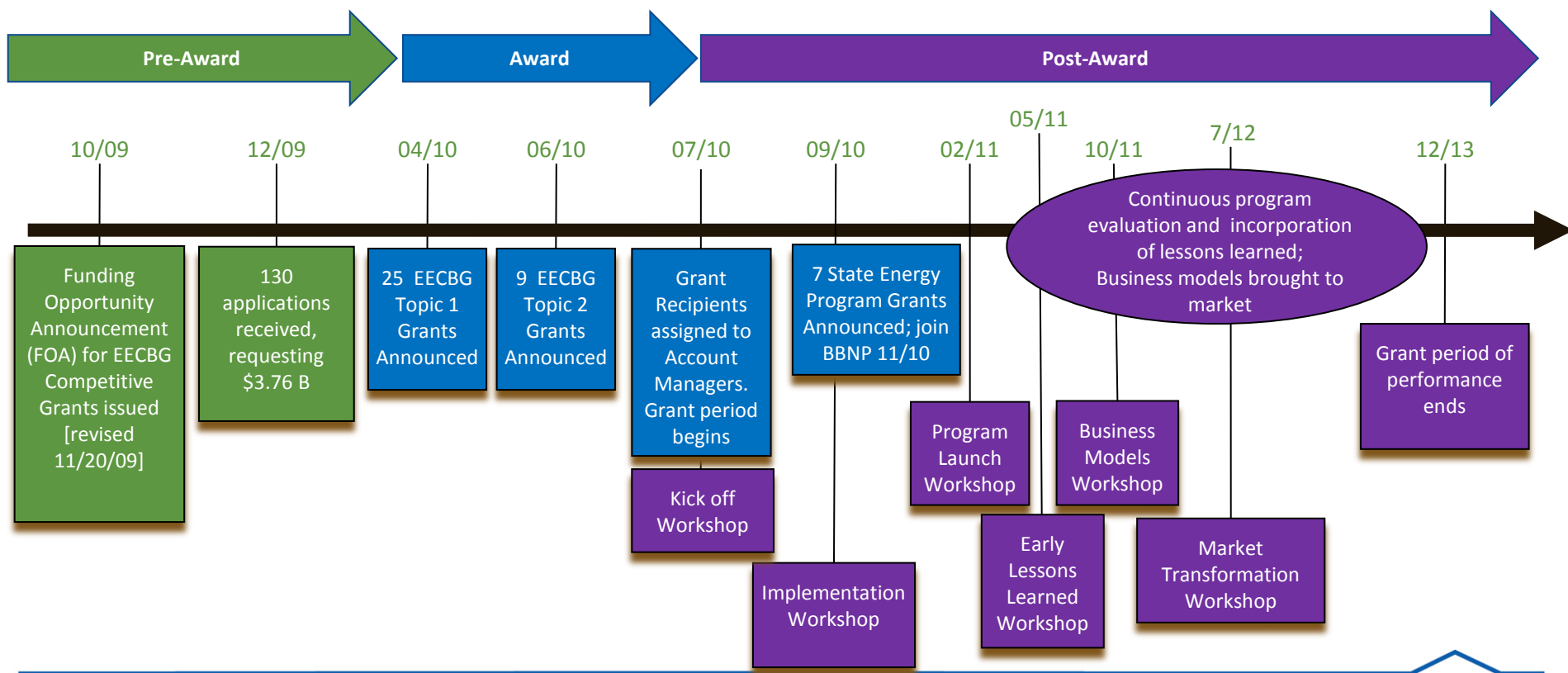
Jonathan Cohen
July 12, 2012

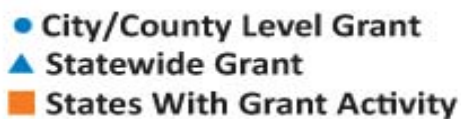
Block by block, neighborhood by neighborhood, we will make our communities more energy efficient and help families save money. At the same time, we'll create thousands of jobs and strengthen our economy.”

—Dr. Steven Chu, Secretary, U.S. Department of Energy

Timeline

- Awards announced April – September 2010
 - Periods of performance May 2010 – December 2013
- EECBG competitive (ARRA) (34 awards)
- SEP competitive (FY10) “Strengthening Retrofit Markets” (7 awards)





41 grants: \$508 million total
\$1.4M - \$40M each
Recipients located in 32 states
24 locals, 13 states, 4 NGOs

Intent of Grants

- Leverage \$508M in ARRA and FY10 funding to spur nationwide energy efficiency program innovation
- Target urban, suburban, and rural environments
- Capitalize on economies of scale
- Encourage industry partnerships and investment
- Emphasize sustainability beyond the grant
- Learn what is effective and replicable

Better Buildings is using federal support to promote program innovation and market investment

What We Will Accomplish



Grant Recipient Goals by Late 2013

- Retrofit >100,000 buildings (residential and commercial)
- Use the \$508 million grants to leverage \$1 to \$3 billion in additional resources
- Engage 10,000 to 30,000 contractors in work on energy efficiency upgrades
- Save consumers approximately \$65 million annually on energy bills

Goals to Leverage Grants for the Market

- Develop sustainable energy efficiency improvement programs
- Reduce the cost of retrofit program delivery by 20% or more
- Achieve 15-30% energy savings from energy efficiency upgrades

Vision

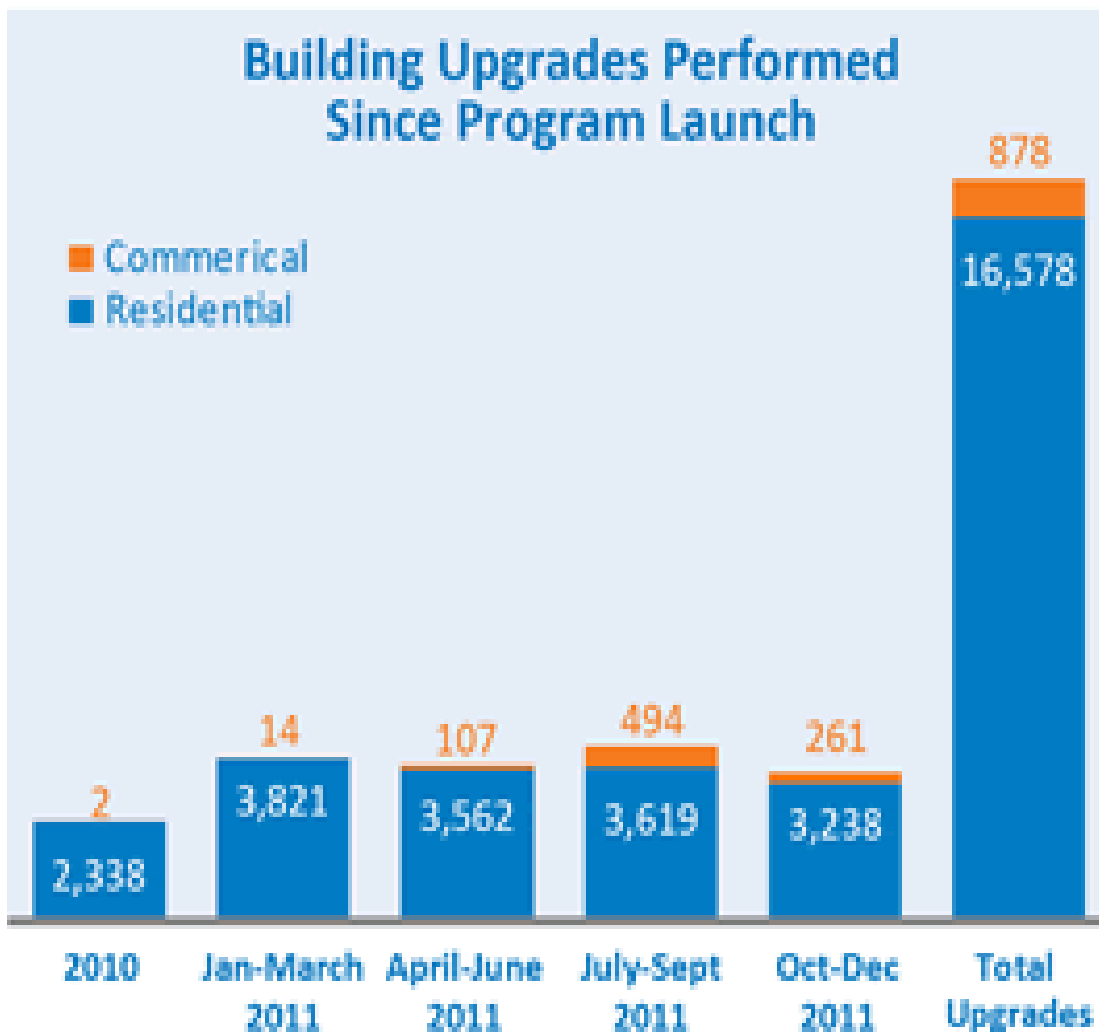
A self-sustaining market for building energy efficiency retrofits that results in economic, environmental, and energy benefits across the United States

Status through 2011/early 2012 (1 of 2)



Building Upgrades Performed Since Program Launch

■ Commercial
■ Residential



Preliminary figures:

Jan-Mar 2012 >4,200 additional upgrades

>21,500 total upgrades
~20,200 residential
~1,300 commercial

Status through 2011/early 2012 (2 of 2)



Draft data through March 2012

- Audits
 - ~81,300 residential audits
 - ~2,500 commercial audits
- Paying for Upgrades
 - ~\$7,500 average invoiced cost (residential)
 - ~\$9,600 average loan amount (residential)
 - >3,300 loans provided (*some missing data*)
- Workers
 - >1,200 building contractors performing energy upgrade work
 - >1,600 trained (*optional data field*)

JUST IN:

Through Mar 2012 (*draft*)

>21,500 total upgrades

~20,200 residential

~1,300 commercial

Data through 2011

\$130 million in energy upgrade sales

TESTING INNOVATIONS



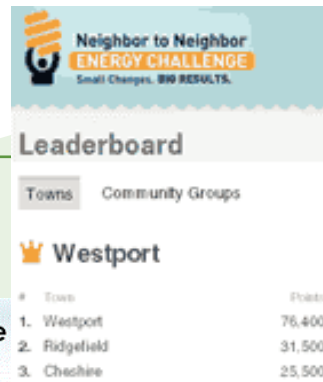
Testing New Approaches



Driving Demand	Financing	Data and Evaluation	Workforce Development
22 Different Approaches	21 Combinations	12 Evaluations Being Performed	9 Models Being Tested

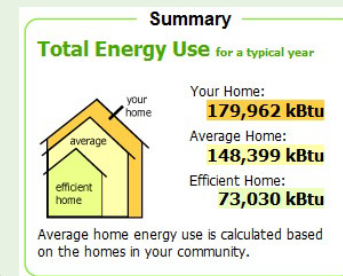
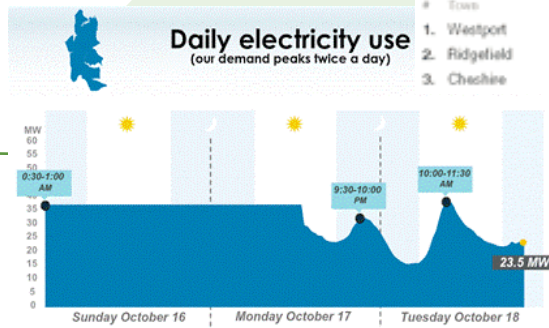
Innovations in Driving Demand

Connecticut employs an **online leader board** to track energy upgrade progress, instigating friendly competition among neighbors.



The Southeast Energy Efficiency Alliance's award-winning elephant in the room ads **use humor** to increase EE awareness

Bainbridge Island's **energy dashboard** displays the island's collective real-time energy use on commuter ferries



Charlottesville has a **handheld software tool** that Americorps volunteers use to engage homeowners at events

Massachusetts equipped a hybrid SUV with a **thermal imaging system** to document evidence of wasted energy in homes



Rutland has created a **H.E.A.T Squad** of friendly neighborhood experts to educate the community about EE benefits

Innovations in Workforce Development



*In Pennsylvania, **contractors are being trained** on building performance inspections, sales, and business development to augment their technical skills*



Community Power Works' Community High-Road Workforce Agreement guides workforce standards, wages, hiring requirements, and quality standards for workers involved in the energy upgrade program

Community High-Road Agreement:
for Seattle's Residential Retrofit Programs



*Omaha and Lincoln, Nebraska, **partnered with small businesses to purchase EE products in bulk and store them** so contractors have a local one-stop-shop from which to obtain products*



*EnergyWorks' "**business incubator**" in Kansas City will house 10 offices devoted to fostering growth for green start-ups*

ENERGY IMPACT ILLINOIS | RESIDENTIAL

Whole Home Energy Assessment and Upgrade Contractors

[Find Participating Heating/Cooling Contractors](#)

*Energy Impact Illinois' workforce liaison will **connect trainers with contractors and match trained job seekers to businesses** looking for certified workers*



*Kitsap County, Washington, **provides professional sales training to contractors** to better prepare them to promote their work and the benefits of Kitsap's program*

Innovations in Financing

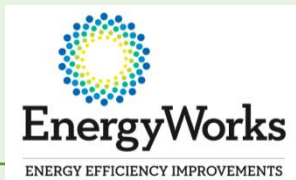
Seattle's Community Power Works **assigns a dollar value** to the carbon emission reductions from EE upgrades in commercial buildings and gives the money back to the building owner



Better Buildings Greensboro **combed through existing EE and RE lending programs** for ideas on establishing their own incentives



Philadelphia offers low-interest loans with **interest rates tied to the degree of EE attained**. The more EE measures, the lower the interest rate



For Energy Impact Illinois, Transcend Equity Development Corporation invests in a building's EE upgrades and **uses energy savings to recoup its investment**



Community Power Works and Energy Smart customers use **on-bill financing** to make loan payments with their utility bills.



Efficiency Maine's revolving loan fund **allows owners to repay certain loans at a 4.99% fixed rate over 15 years**

Innovations in Data Collection and Evaluation



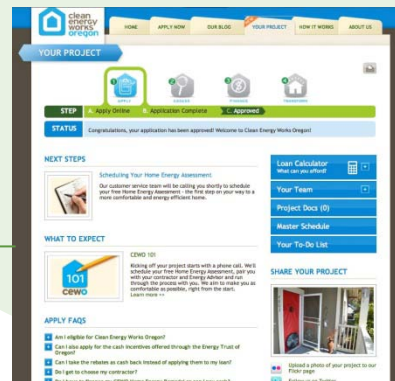
Connecticut learned to **listen to the voice of the consumer** when evaluating their program and is now sharing advice with other communities on how to do the same

Neighbor to Neighbor Energy Challenge
Listening to the Consumer Behavior Analysis Workshop

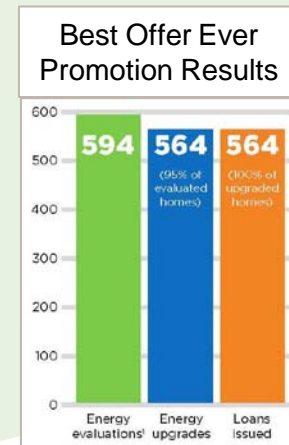


Michigan is using experimental design principles to learn from dozens of **neighborhood sweeps** that will inform future statewide EE efforts

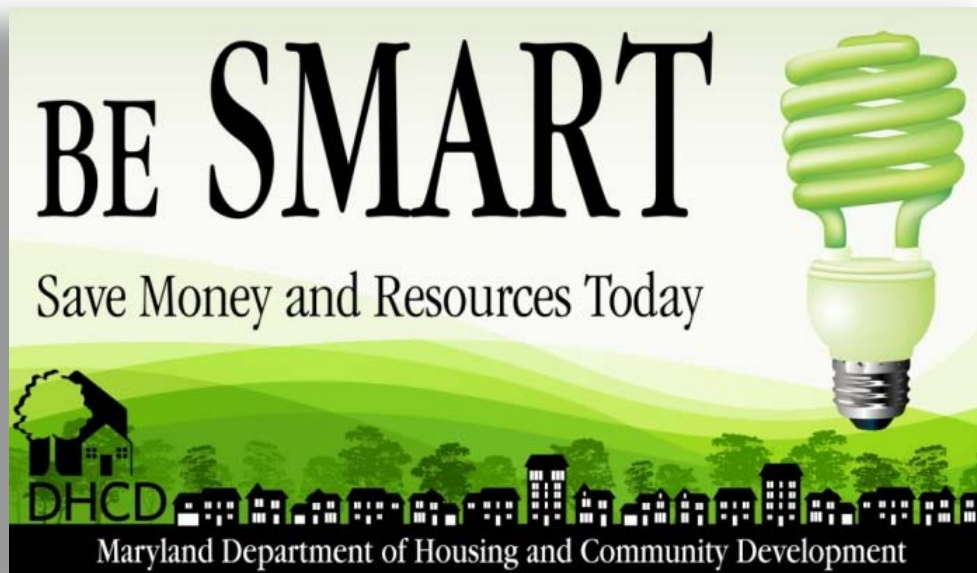
Energize Phoenix is partnering with researchers at Arizona State University to **evaluate how in-home energy dashboards influence residents' energy use behaviors**



Portland uses a semi-customized CRM platform that enables the program, contractors, and consumers all to see where a customer is in the upgrade program process at any time, along with their next steps.



Austin's Best Offer Ever promotion returned great participation and nearly 600 upgrades, thanks in part to **real-time customer tracking** that enabled the program to identify and fix mismatches in contractor capacity vs expiring loan pre-approvals



Maryland's Be SMART Program: Financing for Energy Efficiency

MARTIN O'MALLEY, *Governor*
ANTHONY G. BROWN, *Lt. Governor*
RAYMOND A. SKINNER, *Secretary*
CLARENCE J. SNUGGS, *Deputy Secretary*



\$20M GRANT

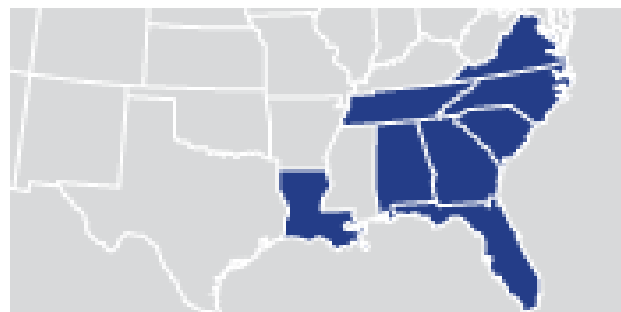
- **Residential**: Be SMART Home loan option; Residential Rebate
- **Multifamily**: Be SMART Multi-Family -- Revolving loan fund run by Maryland Department of Housing and Community Development
- **Commercial**: Be SMART Business -- \$25M from state for schools, only installation not audit, designs. DHCD gave MEA \$2M for it
- **Agriculture**: High energy users targeted; Goal of 8-16 farms
- **Contractors**: Pipeline of 63 contractor applications received and being re-evaluated for program.
- **Code Training**: To date, 18 trainings with 795 participants



Website and Information Line

www.mdhousing.org/besmart

1-855-876-5717 or 410-514-7740



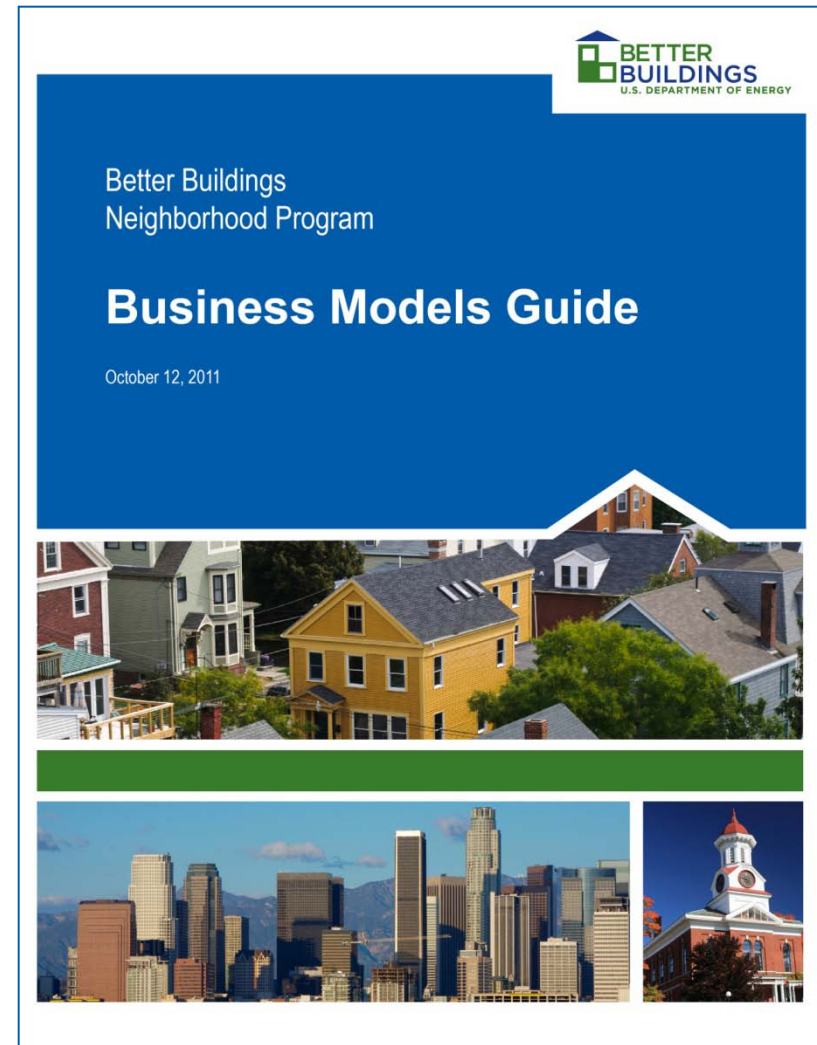
- **EECBG AND SEP GRANTS**
- **EECBG**: \$20M
 - 13 cities in 8 states and 1 territory
 - Atl. & Decatur, GA; Carrboro, Chapel Hill, & Charlotte, NC; Charleston, SC; Charlottesville & Hampton Roads, VA; Huntsville, AL; Jacksonville, FL; NOLA; Nashville, TN; U.S. VI
 - Partnerships with local nonprofit, Regional Energy Alliances (REAs)—to undertake projects in Charlottesville, Richmond, Arlington County in N. VA, Blacksburg and Roanoke



- **EECBG AND SEP GRANTS**
- **SEP**: \$2.9M
- LEAP is a 501c3 nonprofit; Serves central, northern VA
- Home Performance with ENERGY STAR; BPI certification, test out, and verification of energy savings required
- \$250 rebate on assessment, \$1,000 rebate for whole home improvements with 20%+ energy savings
- “1-stop-shop” IDs, bundles up to \$1,250 in other rebates

BUSINESS MODELS STUDY

- January through July 2011
- Interview and analyzed six key actors in the market:
 - Remodelers
 - HVAC Contractors
 - Home Performance Contractors
 - Retailers
 - Utilities
 - Non-utility program administrators
- What are their business models



Much more information available



Better Buildings Neighborhood Program

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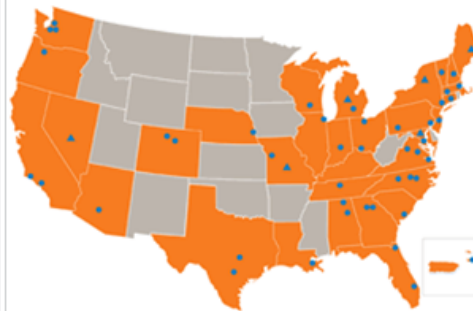


The Better Buildings Neighborhood Program is helping over 40 competitively selected state and local governments develop sustainable programs to upgrade the energy efficiency of more than 100,000 buildings. These leading communities are using innovation and investment in energy efficiency to expand the building improvement industry, test program

delivery business models, and create jobs.

Quick Links	
Government/Program Professionals	Access Tools and Resources Get Started
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Home/Building Owners	Learn About Energy Upgrades Get New Ideas
Media Professionals	Read About People Who Have Upgraded Their Buildings

Better Buildings in Your Neighborhood



New Materials and Resources

May 2012

- Read new Partner stories: [Energize New York](#) and [Energy Upgrade California](#)

April 2012

- [Watch Seattle's Partner Spotlight video](#)
- [Read new Partner story—Indianapolis](#)
- Explore new promising approaches—see below

Make Connections and Learn From Colleagues!

Residential Energy Efficiency Solutions: From Innovation to Market Transformation

July 9-11, 2012

Arlington, VA

[Learn more and register](#)

What's new with the Better Buildings Neighborhood Program?

Promising Approaches



Partners offer more attractive financing options and larger incentives to customers who pursue greater energy efficiency savings.

Program partners are testing innovative ways of delivering energy efficiency upgrades:

Communitywide competition
Loans that stay with the property
Community workforce
University partnership
Equipment loans for businesses
Energy advisors
Fast financing approval
Carrotmobs
Rating contractor performance
Neighborhood sweeps



Get Inspired!

www.betterbuildings.energy.gov/neighborhoods

THANK YOU
