

Strategies for Improving Efficiency in Delivering Efficiency: Lightning Round (7 x 7)

Cynthia Adams, LEAP (VA)

Larry Earegood, Consumers Energy (MI)

John Schott, NYSERDA

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Efficient and Effective Program Marketing: Leveraging the Utility Audit Program

ACI Lightning Round

Cynthia Adams,
Executive Director, LEAP

Home Energy Checkup Fun Facts



- Direct install residential utility audit program *not* connected to HPwES
- 1 – 2 hr home evaluation (no diagnostics)
- Utility pays up to \$250 a rebate to LEAP
- Homeowner pays \$45 to LEAP
- Entry into HPwES/Lead Gen for Network
- 1000+ since Q4 2013 launch



Issues We Faced



How to generate and handle volume (3 / day / Energy Coach)?

- Marketing
- Scheduling
- Collecting data
- Managing homeowner leads
- Enhancing the offer

How We Overcame Them



Sprint-style staff meetings to optimize process:

- **Marketing: community partnerships**
(outreach and social media channels, not traditional advertising)
- **Scheduling: online scheduler and geobatching**
(added 3 coaches and increased checkup volume from 8 to 12/wk)
- **Collecting data: tablets and writeable pdfs**
(1 FTE + interns managing 2.5 coaches' packets, to 1 PTE managing 5.5 coaches' packets)
- **Managing homeowner leads: CRM**
(Decentralized customer management for better communications with customers and contractors)
- **Enhancing the offer: "cherries"**
(15% - 20% purchase CO detectors/filter locks; 7% radon detectors)

Results: \$256K in HPwES Support



- **\$209K in utility rebates**
- **\$37K in homeowner fees**
- **\$10K in sales of cherries/add-on products (phased in Jan-Feb timeframe)**

- **Ave HO payment: \$38**
- **Ave rebate: \$206**
- **Ave inventory cost / job: \$40**

- **Enrolled 249 homeowners in HPwES**
- **991 mWh in projected energy savings**

Home Performance with ENERGY STAR®
Improve Efficiencies Through Program Design

Larry Earegood
*Energy Efficiency
Programs Manager*

Consumers Energy

Count on Us

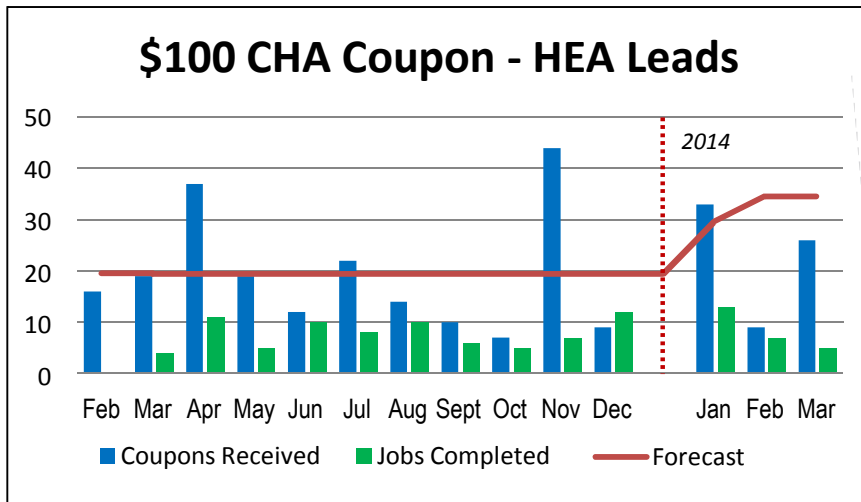
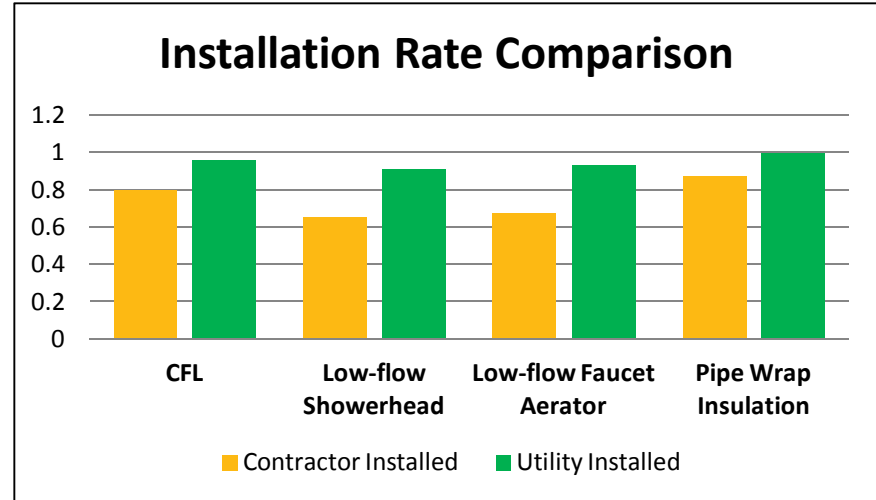
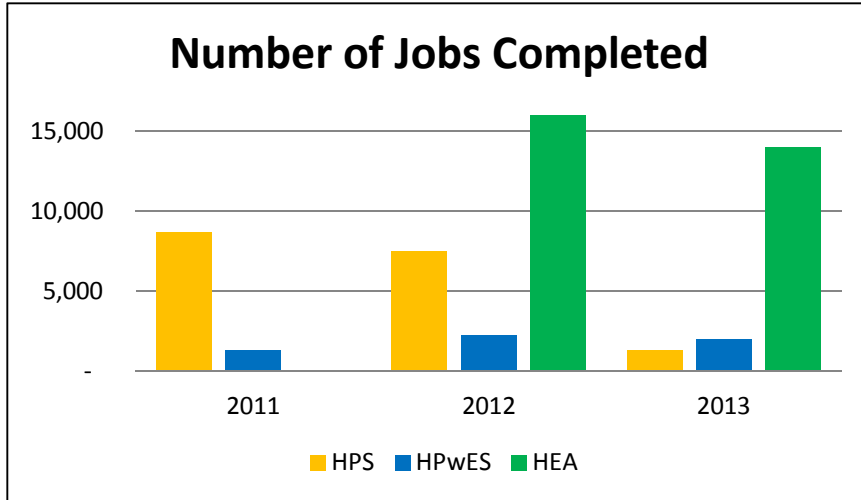
Program Lacked Identity and Efficiencies

- **HPwES model launched:**
 - Included “optional” Home Performance Survey (HPS) – Visual audit performed by contractors
 - DIs left behind contributed to low installation rates
 - Upsell tactics elevated customer concerns, inquiries and complaints
 - Included prescriptive insulation and window measures
 - Large base of contractors to select from became overpowering and confusing

Condensed to Basics and Core Services

- **Improve customer participation, satisfaction and experience**
 - Phased out HPS and instituted utility model – Home Energy Analysis (HEA)
 - Separated prescriptive measures into separate Insulation and Windows program
 - Enhanced list of contractors
 - Reduced list to most active businesses
 - Launched robust Web-based “contractor finder tool”

Impact and Results



Helping Michigan save energy. That's our Promise.



Benefits of New Model and Strategy

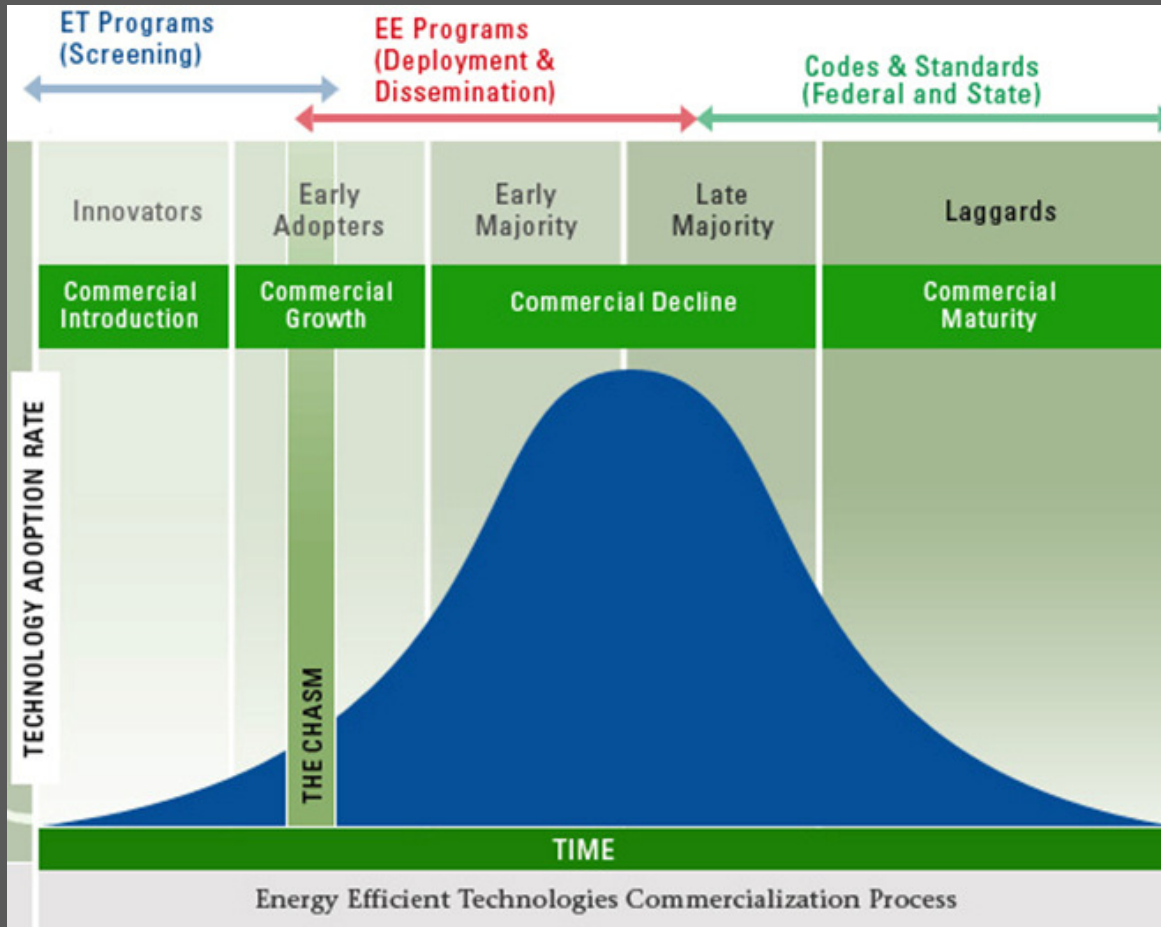
- Improved DI installation rates through HEA
- Improved customer satisfaction and decreased number of inquiries and complaints
- Increased education on program offerings across portfolio versus program specific
- Separating programs allowed for increased accuracy in forecasting and predictability, fostering program continuity throughout year
- Pathway to participation became clearer, yet didn't compromise options

Strategies for Improving Efficiency

A look into NYSERDA's software systems and automated approval process

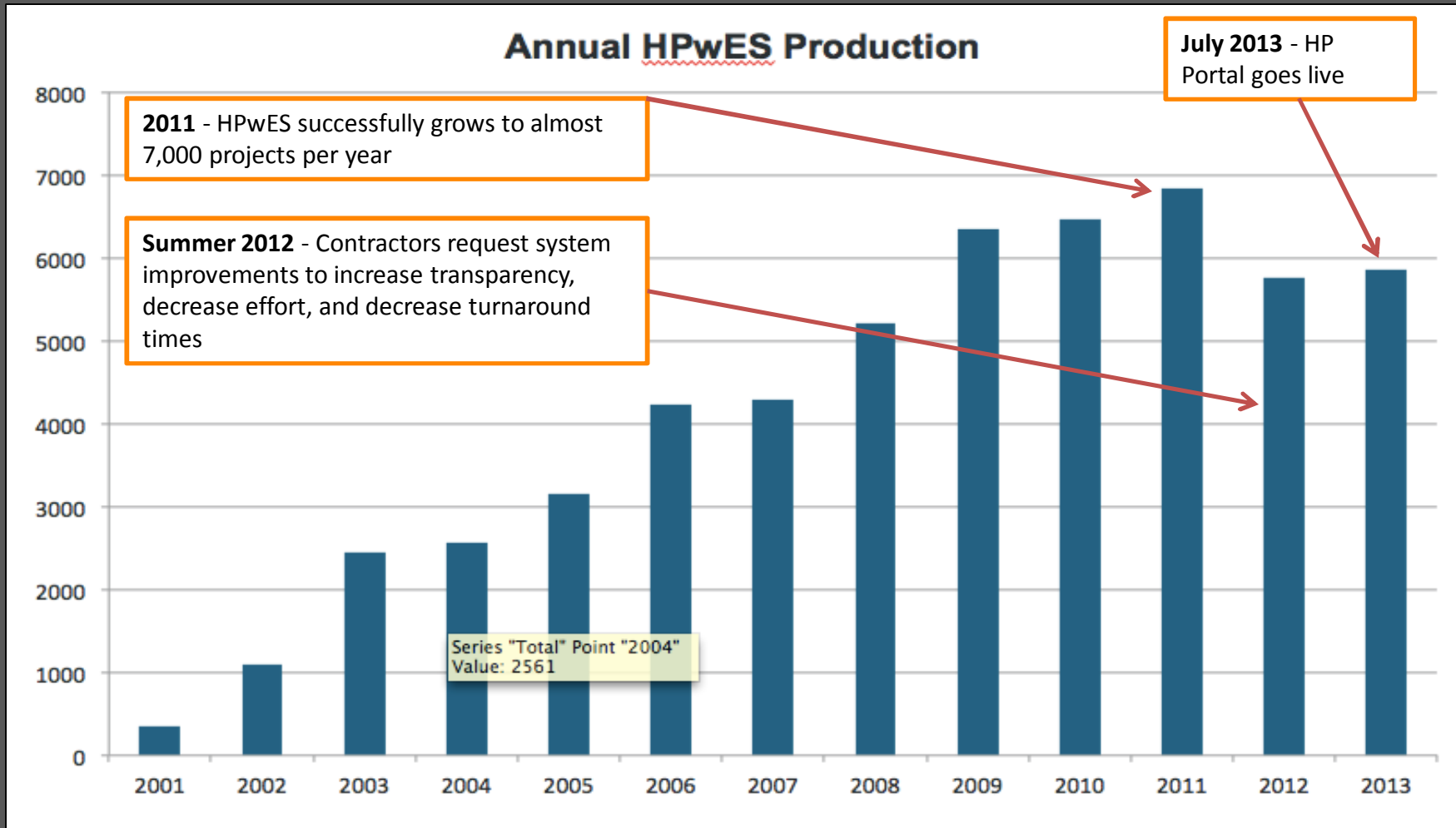
John Schott

Market Transformation



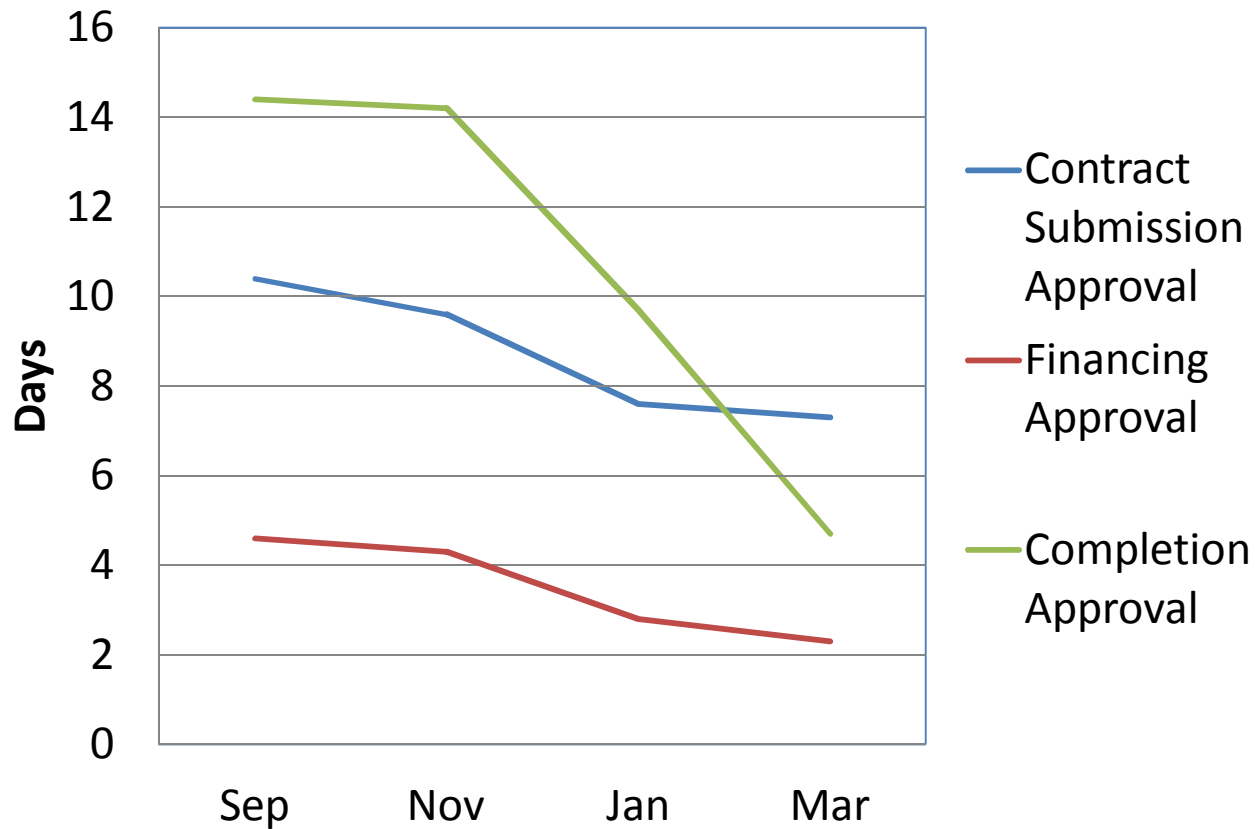
- 5,000,000 1-4 family homes
- 1-2% of building stock retrofitted annually
- 50k-100k annual retrofit goal

57,000 Retrofits Completed to Date



Program Software Enhancements

Project Approval Timeline



Benefits

- Powerful Analytics
- Automated Workflow
- Increased Transparency
- Online Forms
- Centralized Platform

Next Steps: Simplify the Process

What's the Goal? – Reposition the program to achieve 8,500 projects/year in the immediate term with annual growth of 15%

- Savings based incentive structure – deemed vs. modeled?
- Adding new energy modeling software tools
- Automated approval process
 - Validates HPXML
 - Checks for minimum data requirements
 - Validates program requirements
 - Screens for savings reasonableness

Deploying HPXML: *Building a framework for the future*

Gavin Hastings
Arizona Public Service



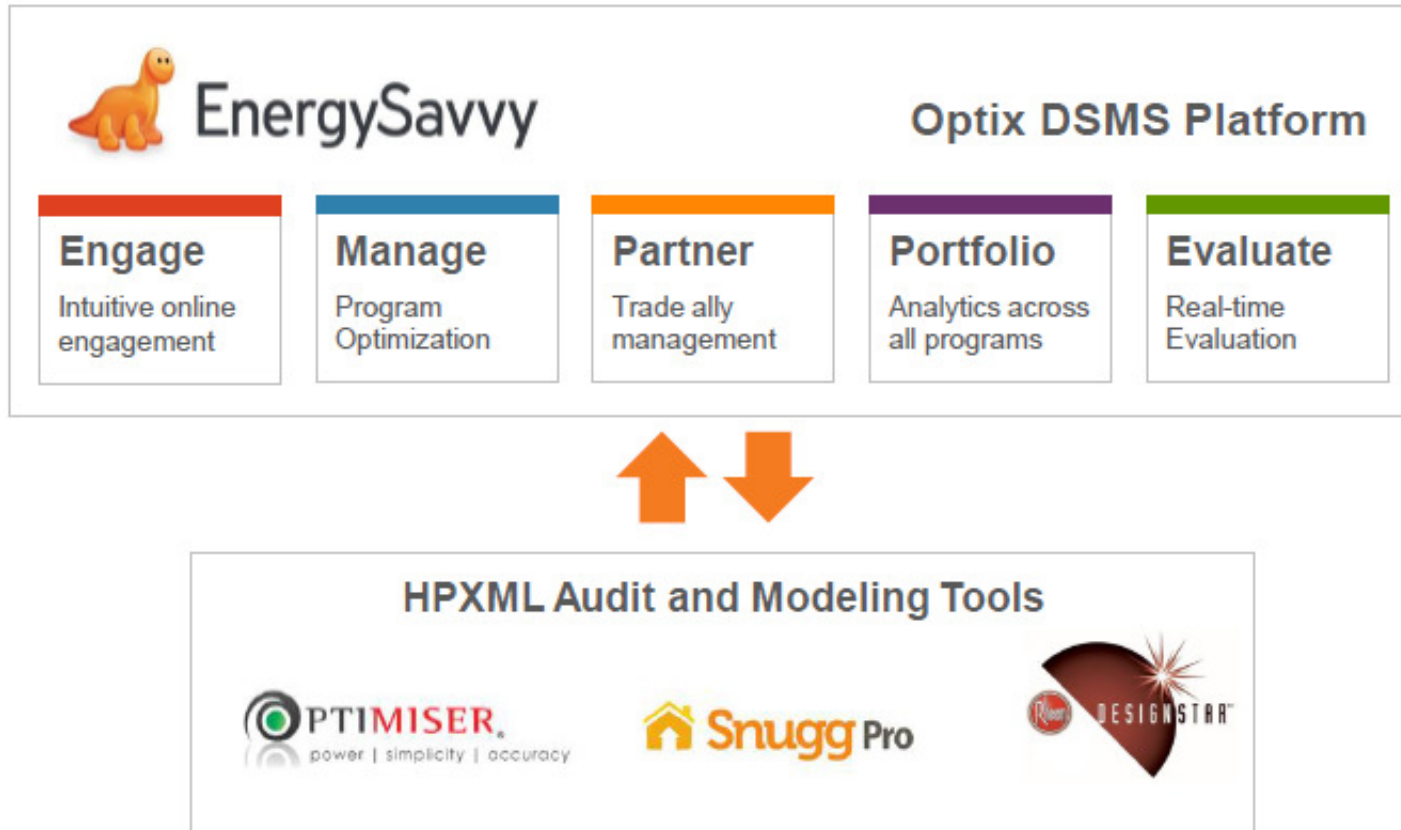
Project Goals:

Drive costs out...

... while driving innovation in.

- Give contractor's choice in tools.
- Reduce transactional costs.
- Increase program flexibility.
- Accelerate program transparency, through better data.

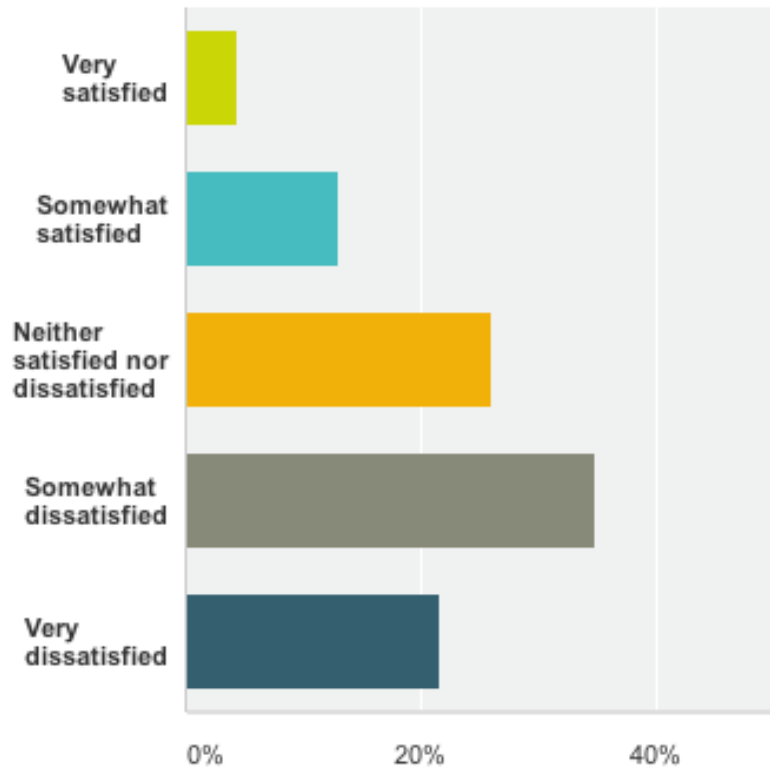
New APS Software Environment



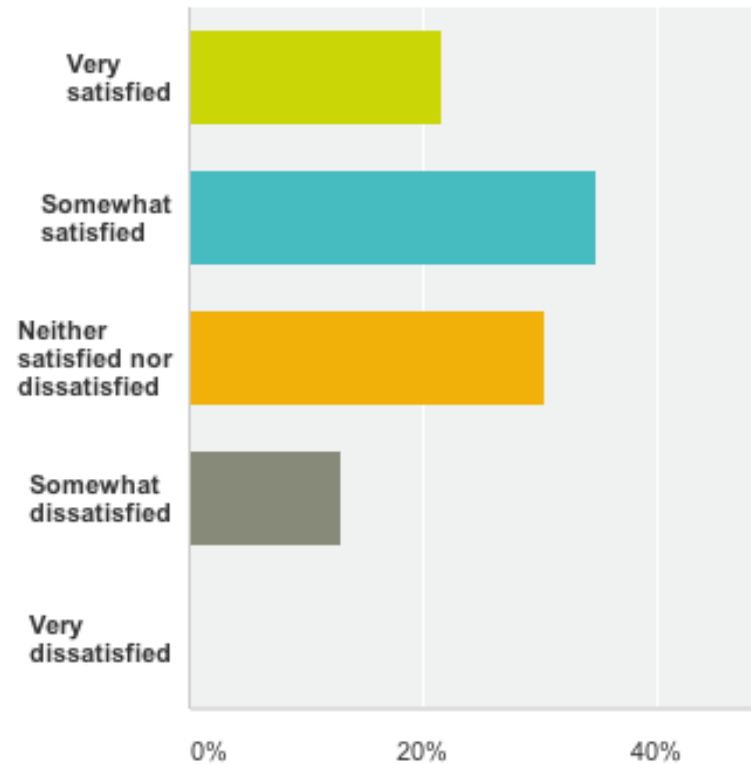
Launched in Nov. 2013: over 2,000 HPXML transfers to date.

Result of Our Efforts

Previous Software Environment



New Software Environment



+ reduced administrative time per job by 31%

Things to Remember

Drive costs out...

... while driving innovation in.

- HPXML is a powerful tool and can be adapted to meet your needs.
- Aggressively pursue simplicity.
- Create systems that can evolve **with** the market.
- Data should not flow only one way.

Strategies for Improving Efficiency in Delivering Efficiency:
Lightning Round

***Program Delivery Efficiencies
Through Automated Data Review***

ACI National Conference, April 30, 2014

Emily Salzberg

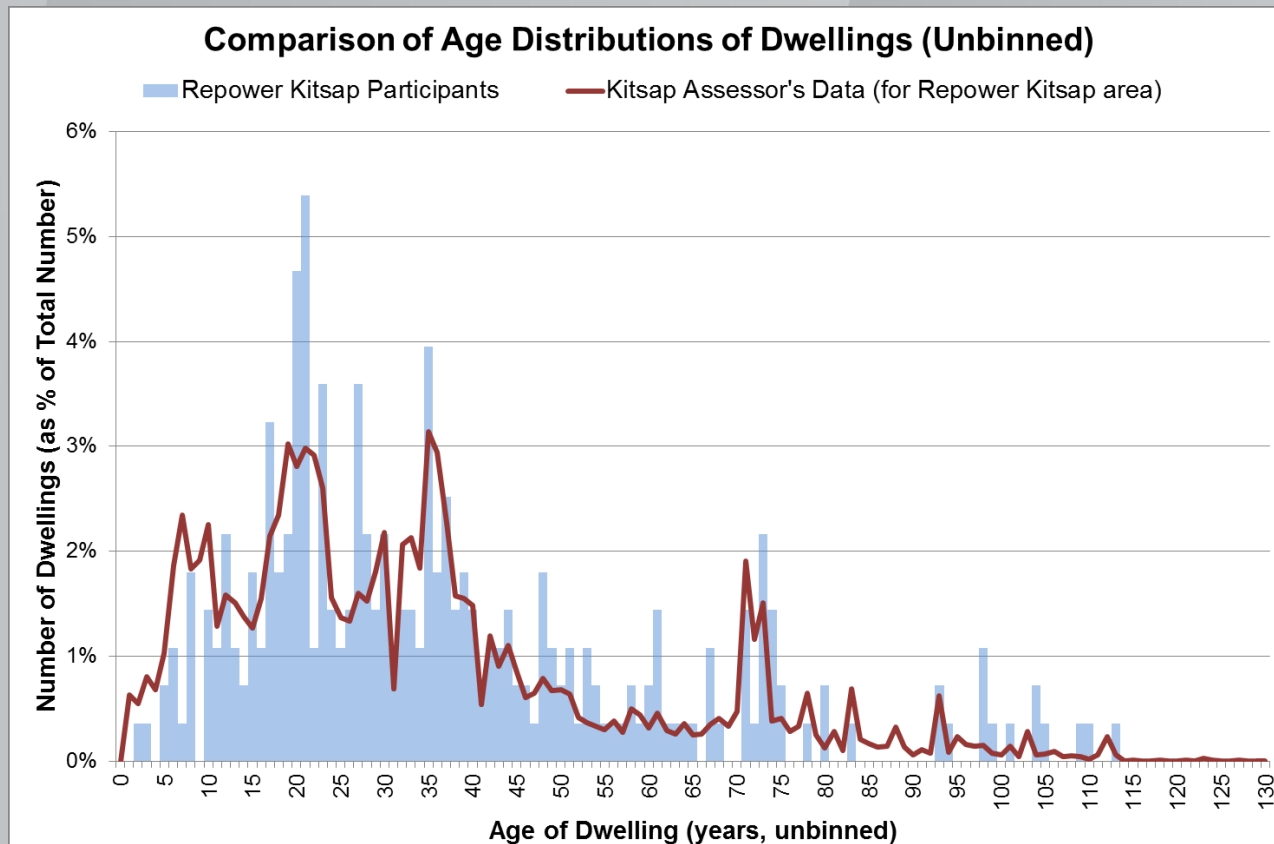
Program Manager, WSU Energy Program

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Early Investments Pay Off — Do More with Less

- Invest in data systems early to validate and refine program assumptions
- Make the administrator's role as easy as possible
- Add value, not burden, to programs delivered
- Replicate successful systems where it makes sense



Multi-Tasking Audit Data

Challenge: The RePower program offers services in a community with multiple challenges:

- Housing stock
- Workforce skills
- Quality assurance
- Program goals



Approach: Consolidated analysis of program data to identify key patterns:

- Profile of housing stock assessed and upgraded
- Potential for targeted marketing of candidate homes
- High-priority homes for on-site quality assurance
- Trends in auditor “errors” to indicate training needs



Program Efficiency Results

Health and safety:

Combustion safety “flags” were used to:

- Identify workforce training needs
- Indicate high-priority QA homes



Focused delivery:

- Identified candidate homes for targeted marketing and upgrade conversion
- Revised incentive structure to target measure packages

Number and percent of dwellings with each of the seven issues:		
Issue:	Number of Dwellings	Percent of total buildings in study
House Leakage	185	67%
Attic Insulation	145	52%
Leaky Ducts	133	48%
Duct Insulation	67	24%
Wall Insulation	37	13%
Foundation Type/Insulation	35	13%
Windows	34	12%
(No issues identified)	20	7.2%

Number and frequency of dwellings, grouped by the number of issues present per Dwelling		
Number of Issues per Dwelling	Number of Dwellings	Percent of total buildings in study
0	20	7%
1	76	25%
2	76	27%
3	58	21%
4	35	13%
5	15	5.4%
6	3	1.1%
7	1	0.4%



Partnerships and Economies of Scale

Adam Buick

Presented to ACI National Conference

April 30, 2014



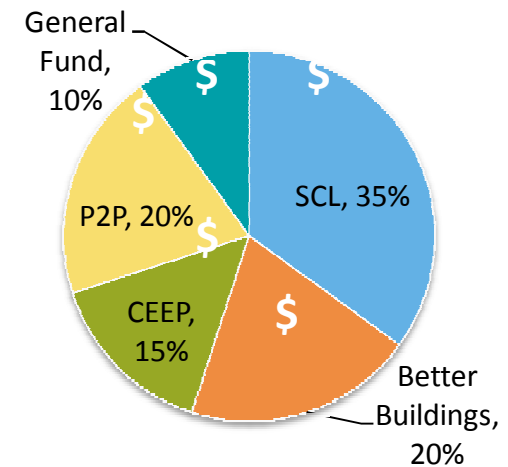


Partnerships are Worth It

Community energy efficiency programs **can** sustain without ARRA funding by identifying opportunities for collaboration, building strategic partnerships, and creating economies of scale



CPW pilot phase (2010 – 2013)



CPW 2.0 (starting 2014)





Post-ARRA Challenges

Issue: How can OSE reduce program costs given post-ARRA funding constraints?



Challenges

- Many players, diverse interests
- High program costs
- SCL cost-effectiveness test
- Reduced funding
- Government program unsustainable

Approach

SCL and OSE contract with a single non-profit organization—Clean Energy Works—to operate:

- Community Power Works
- SCL Energy Audit Program
- SCL Single-family Weatherization Program

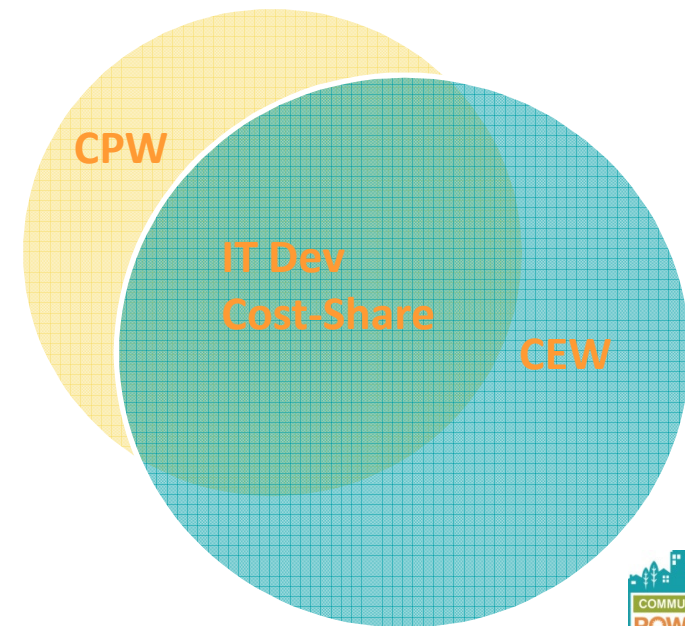


Seattle Solution

Issue: How can OSE reduce program costs given post-ARRA funding constraints?

Community Power Works is partnering with Seattle City Light and Clean Energy Works (Oregon) to bundle program offerings for customers and achieve economies of scale.

Expense Category	Reduced Costs
Program Design	Integrated design
Customer Service	Shared reps
Reporting	Data alignment
Evaluation	Shared fixed costs
Marketing	Bundled offering
Fund management	Flat transaction fee





Turning Challenges as Opportunities

- Look at players and gaps in the market as opportunities
- Collaborate and build trust with utilities from the beginning
- Demonstrate program value to stakeholders and funders
- Embed evaluation in a robust adaptive management strategy
- Focus on up-front and continued collaboration with stakeholders in decision-making process
- Don't be afraid of innovation
- Leverage co-benefits to access myriad funding sources



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Innovations to Simplify, Engage, and Access Capital

Strategies for Improving Efficiency in Delivering



Simplify: LA County Prescriptive

Retrofits Features

- Multiple measures required, but without modeling
- Simplified points-based rebates per measure
- Incentives \leq \$3000, \$10/point
- Streamlined approval for projects and rebates

Results

- Over 1,700 projects in first nine months
- Current goal is for 2000 more in a year



*Strategies for Improving Efficiency in Delivering
Efficiency:*

ACI National Conference 2014

Engage:

CHERP

Features

(California Home Efficiency Retrofit
Promotion program)

- Four target communities in LA County (pilot)
- Endorsements from local organizations, cities, and opinion leaders
- Training/managing volunteer networkers to engage homeowners in home retrofits

Results

- Extensive volunteer networks in operation
- Active interest in communities statewide



Access Capital: HERO Residential Property Assessed Clean Energy

(**Features**)

- State loan loss reserve; loans bundled for resale
- Capital providers see reduced risk, new market
- Favorable financing (20 years, transferable)
- Variety of EE measures & solar allowed

Results

- 15,000 retrofits in Riverside County, no



Simplify, Engage, and Access Capital: Efficiency PAYS[®]

Features

- Both water and energy savings, on-bill repayment
- Single- and multi-family buildings
- Self-funded, scalable program, no upfront cost
- Utility surcharge is less than total utility bill savings

Results

- Windsor, CA pilot: 5% of residences in 18

QUESTIONS?

U.S. DEPARTMENT OF
ENERGY