

## Peer Exchange Call Home Performance with ENERGY STAR and Home Energy Score Integration Webinar – Text Version

Here is the text version of the webinar, Peer Exchange Call Home Performance with ENERGY STAR® and Home Energy Score Integration, presented in January 2017. Watch the webinar here:

<https://youtu.be/zR8GjwTPUCc>

*Maddie Koewler:*

*Presentation cover slide:*

... and I work for CSRA. I support both Home Energy Score and Home Performance with ENERGY STAR. Before we get started, I want to go over a couple of logistics with you. First of all, this webinar is being recorded, and the link will be available tomorrow for anybody who's interested in seeing it. Please ask questions throughout the webinar. We'll be taking questions after each section. Please raise your hand when you have a question, and I will unmute your line. Or you can also use the question and answer section of your webinar panel. Looks like we've got a pretty diverse bunch of people on the line. We've got a lot of program implementers and utilities from across the country, so this should be a great group call. With that, I will turn things over to Gannate.

*Gannate Khowailed:*

*Presentation cover slide:*

Thank-you, Maddie. Good afternoon, everyone. This is Gannate Khowailed, account manager with the Home Energy Score program. And thank-you for taking the time this afternoon to join us. We have an exciting agenda. We are really excited about the resource that we will be discussing today. Both programs, the Home Performance with ENERGY STAR program and the Home Energy Score, are powerful as they stand on their own, but on a national level we see them stronger with integration. We see opportunity across the region and nation. We see opportunity in providing an energy efficiency message, and we see opportunity in providing you energy efficiency as a (inaudible). Overall, this opportunity could potentially make our homes across the nation more energy efficient. So we have started a peer exchange call that we are starting today with our partners in Missouri, Columbia Water and Light, and in Connecticut, Eversource and United Illuminating utility, and also in Wisconsin, Focus on Energy. But we intend to continue the conversation. We have a session planned at the upcoming ACI conference, and we have another opportunity at the Better Buildings Summit. And we plan to keep these conversations alive, so please let us know what topics you are interested in focusing on, what questions you have. And without taking things any further, I want to pass it to Joan Glickman, Home Energy Score program manager, to share some of her thoughts and give us a quick update on where the program's at and then we'll pass it off to Eli afterward, program manager for the Home Performance with ENERGY STAR program. Joan, could you take us forward, please?

*Joan Glickman:*

Sure, thank-you very much, Gannate and Maddie. Most of you are probably already familiar with the Home Energy Score. If you're not and you need any details after this call, please get in touch with us. We're happy to set up individual calls to go over details. So obviously I'm not going to go through all that right now, but I think Gannate did a great job of introducing the idea that the Home Energy Score is really about trying to make sure that people can recognize and value efficiency in a home. And so at time of sale, if you've made some great investments in your heating and cooling systems or insulation or air-sealing, you can get credit for that. It's not just an invisible item that the buyers are not aware of. So that's really the purpose of it. And in short, it's meant to be a miles-per-gallon type of rating for any

home, any single-family home in the U.S. To date, because of the great partners we've had, some of whom you're going to hear from today, they have scored more than 55,000 homes in many states around the country. We have more than 450 assessors. Those are the folks who actually go out and score the home. They can be contractors; they can be utility employees, home inspectors, others. And we've worked really hard and gotten a lot of great feedback from utility programs and other partners on how to make this as easy as possible. How to make it just simple for people to implement, to attach it to what you're already doing, whether it's Home Performance or some other program. And today we're obviously focusing on the link, and the important link we think it can have with Home Performance.

One of the ways we've made it easy to use is that a number of software vendors now tie their software to Home Energy Score. So it's through an API. If you're using an auditing tool or something that your utility had developed or one of the ones are out there, you can pretty easily, if it's already been done, but it's very easy -- you just basically with the push of a button, you can generate a Home Energy Score. We're also very committed to continuous improvement. For instance, we're releasing a new version of the Scoring Tool in a few days, on Valentine's Day. And that one will include the ability to put in different types of equipment that previously weren't in there. Minisplits, evaporative coolers, PV is now allowed, as well. And so it's something that we do listen to our partners. We try to make changes over time that are effective. And we also look at folks beyond the utility scheme. We work closely with state and local governments, Realtors, appraisers, lenders, to make sure that there is really a focus on kind of closing the loop from when somebody makes an investment, whether it's because a rebate is driving them, or because they're uncomfortable in their home, to the point where they're ready to sell the house, and then they can get credit for it. And the person buying it can hopefully find attractive financing because there are a couple mortgage products now that tie in the score. I should mention that there's a couple cities now that require the score at time of sale. And there's others that are looking into that. So that's certainly not a mainstream thing, but just something that you might want to be aware of. And I think the great link here and what we really want to focus on is how can the score help drive investment? Because we're not just interested in scoring houses for the sake of scoring houses. We're interested in getting people to improve the efficiency of homes across the U.S. And I think Home Performance with ENERGY STAR does a great job with that, and we hope the score can help enrollment in that, as well. Thanks very much. And with that, I'm going to turn it over back to Gannate.

*Gannate Khowailed:*

Thank-you. Eli? Would you also share a few comments, please, from Home Performance with ENERGY STAR perspective?

*Eli:*

Yea, thank-you, Gannate, thank-you, Joan, and thank-you, Maddie. We are very excited about the Home Energy Score in the Home Performance with ENERGY STAR world. We believe that it gives us some functionality that we didn't necessarily have before. It provides a really simple assessment approach that helps Home Performance with ENERGY STAR sponsors and contractors drive leads. It enables different types of program offerings to comply with Home Performance with ENERGY STAR. So for example, if you have a single measure or an incremental approach to delivering efficiency, Home Energy Score can be sort of that first foray into the efficiency world for a homeowner and enable them to get onto a pathway toward improving performance. So we're really excited that it gives the Home Performance with ENERGY STAR program the ability to more easily attract and make more accessible to homeowners. We also think, as Joan was saying, it definitely supports establishing more value for efficiency and high-performance homes in real estate transactions. And we think having a tandem approach between Home Performance with ENERGY STAR and Home Energy Score is a very strong way

to establish that value. And for Home Performance with ENERGY STAR, we're also looking to keep the future returns related to Home Energy Score and seeing about how it might enable us to, for example, reduce or completely remove the idea of quarterly reporting for Home Performance with ENERGY STAR, if a sponsor is using Home Energy Score and has pre- and post-scoring. That may enable us to actually say we don't need any more quarterly reporting because we're getting that effective through Home Energy Score. It's possible that it could enable better quality assurance processes by sponsors and by the national program, to enable a focus on trend analysis and using data more appropriately to somehow reduce the need for field inspections. So we're looking at Home Energy Score as a way to be a cost-saving measure for programs, as well. Finally, it's also possible that we could -- we're engaging with our stakeholders to look at that -- possibility of using Home Energy Score as a mechanism by which we can establish a threshold performance level. If a homeowner meets that threshold performance level, it's possible they could get somehow additional recognition by ENERGY STAR, in some form. And so the score actually enables us to have that kind of structure to be able to bestow that kind of recognition. So those are things that we're very interested in, and I'm very, very eager to hear from our friends and family at Columbia Water and Light, United Illuminating and Eversource, as well as Focus on Energy, about their experience in working with Home Energy Score and the Home Performance with ENERGY STAR programs, and how it has enabled them to grow their programs and make them more valuable to their contractors and homeowners. So I'm hoping that's what we're going to get to today. And I think that's a point, and definitely I'm very, very interested in hearing discussion and questions and comments from all of you on the phone. So I'm going to turn it back to Gannate, and she'll take us through the discussion.

*Gannate Khowailed:*

Awesome. Thank-you, Eli. This is very helpful. Maddie, could you move to the next slide, please?

*First presentation slide:*

Perfect. So really what we are hoping -- we are structuring the call slightly different, where we are focusing on three anchor questions. The first question being, what are the different implementation models? How are you implementing the Home Energy Score and Home Performance with ENERGY STAR integration in your program? And the second question focuses on why are we doing the syndication and what is the value proposition?

*Next slide:*

And to keep us (inaudible), we want to also end with the third question on what are some of the challenges with implementation, and potentially have a discussion around how can we work around these challenges? So this is really the core, and no offense, really the most exciting part of this webinar today. We have three super-exciting stories: Columbia Water and Light. We have Terry Freeman, who will be sharing his perspective. Terry is an extension energy supervisor, and his afternoons he's an energy geek. So thank-you, Terry, for joining us. From Connecticut we have two strong utilities that are taking the programs forward in the state of Connecticut. Diane Del Rosso is supervisor of the (inaudible) program at Eversource, who's joining us. And we also have Elizabeth Murphy, who is a senior program administrator at United Illuminating. Last but not least, Paul Grimyser of Focus on Energy portfolio manager, will also be joining us. So we'll go in a round robin, with each of the speakers answering the questions. Hopefully it will not confuse you, but we also are taking the risk on confusing you, because we wanted to make sure that we are keeping you engaged. So hopefully we'll not confuse you. Please join us in a lively discussion, ask questions. We want to hear from you. We don't want to keep it any further. I'll pass it off with the next slide, please, to Terry.

*Next slide:*

And Terry, can you please take us forward and just give us a brief overview on how are you implementing the Home Performance with ENERGY STAR and Home Energy Score integration in your service territory?

*Terry Freeman:*

Will do. Thank-you for the introduction. As you heard, I supervise the energy services that our utility offers, and it's basically all the incentives and energy education for our customers. One of our premier programs is Home Performance with ENERGY STAR. That has really been one of the best assets we've had to making a difference and promoting energy efficiency and actually getting people to do something towards energy efficiency. We've been doing that since 2007, and it's been very successful. Next slide, please.

*Next slide:*

Part of that success is being able to offer a pretty robust energy rebate and a brief example of what we have there. We find that the incentive really makes a big difference in why people do it. Next slide, please.

*Next slide:*

Now for us energy professionals, a pre-assessment has got tons of valuable information. I could read that and glean lots of stuff, and I find it fascinating. But now our average customer, that's another story. What we found is they typically don't get past the first page. So what we did is made our first page where all the recommendations from the energy assessment are. Some go no further than that. And our hope is always that they'll do as many of the improvements that we recommend to them. Next slide, please.

*Next slide:*

Now if a customer decides to go on and make at least one energy improvement, what we came up with is a way for our contractors to easily figure out what the rebate is going to be for the customer and what their energy savings are. Now we streamline this Excel document and we did a lot of HERS modeling to try to come up with some average scenarios of what energy savings were for different sizes of the home and different types of home. So that was a great streamline process, but it by no means is as good as any energy modeling. And we still faced the issue that a customer didn't quite understand if you told them in this case where they'd save almost 34 percent off their heating and cooling costs, it really didn't connect with them so they had a good understanding of how that improvement benefited their house. They knew it benefited their pocketbook through the rebates and the savings, but they really didn't have a grasp on how it improved the house and what it meant to the house. Next slide, please.

*Next slide:*

So for us with the addition of Home Energy Score, now we've got a very straightforward energy modeling program that gives a basic score. And what we found is that customers -- most, anyway -- started understanding where their home stood. The basic understanding is that if you have a big home, it's going to use more energy than a smaller home. For most we can make that understood easily. And what we found is by doing a Home Energy Score before and after, the before one was a great way to show where they stood in perspective to how good their home could be with 10-year energy improvements. So we find that that's a great tool, great motivator to get someone to make energy improvements. And on the tail end, on the post-, the second inspection, then they get the reward of

seeing how good their improvements were and where they actually stand. And I think that's it for me. I could definitely go on more later in the presentation.

*Gannate Khowailed:*

Awesome. Thank-you. Maddie, could you move next, please.

*Next slide:*

And I want to pass it to Diane Del Rosso to just tell us a bit more about how the two programs are being implemented in Connecticut? Diane, would you please take it forward?

*Diane Del Rosso:*

Sure, thank-you, Gannate. Hello, everyone. Elizabeth Murphy will be jumping in later in the presentation, but I'll talk and answer this question: Implementing the integration between Home Energy Score and the Home Performance with ENERGY STAR program in Connecticut. Next slide, please.

*Next slide:*

For those of you who know anything about Connecticut, I think Connecticut is a little bit unique. Energize Connecticut is a partnership between the Connecticut Department of Energy and Environmental Protection and the utility companies, Eversource and United Illuminating, and with the gas companies that are owned by -- I'm sorry -- absolutely have an umbrella with Eversource and Connecticut Natural Gas and Southern Connecticut Gas. So we cover the entire state, these five utility companies -- two electric, three gas -- and we have a comprehensive energy assessment with the very first visit. We manage the programs together. We do everything together. So we have all of our vendors -- our vendors are required to operate statewide. And for \$124, the vendors go into a customer's home and as long as there is not a health and safety barrier, those vendors are able to do the blower door guided air-sealing, duct-sealing, change out lightbulbs to put in LEDs, and water-saving measures, as well as providing all of the customers with information on how to get additional rebates. This program also qualifies as a Home Performance with ENERGY STAR program. We're providing a lot of customer education to our customers. We provide a customer report. Our technicians are BPI certified, as well as being assessors for the Home Energy Score, and they review all of the opportunities in the home with the customers, and they also review all of the financing options that are available within the state of Connecticut. Next slide, please.

*Next slide:*

So when we were integrating with the Home Energy Score, we needed to be able to deploy across the entire state to all of our vendors, all of our technicians, so that all of our customers had the opportunity to get this great tool to help them understand their home's energy usage, and put them on the path to energy efficiency. So what we did is we had to make sure that all of the lead technicians were tested and passed the test to become assessors. We currently have 200 assessors. United Illuminating has developed a HES mobile application on a Droid tablet, and we integrated that tool through an API, as Joan had mentioned earlier, so that when the technicians are in the customers' homes, they're capturing all of the statistics about the home and all of the characteristics that are necessary, and we found that there was a little bit more information that was needed in order to generate a score. So that was all designed within that Droid tablet. Connecticut became the first statewide implementer in April 2015, and as of this point or the end of January 2017, we have completed over 18,000 scores. Next slide, please.

*Next slide:*

OK, so you can see, this is a couple of pictures of what that Android tool looks like. And you can see how there are the different little icons within the Droid tool that capture all the statistics of the home. And you can see the last one near the bottom that says "Home Energy Score." And there are some things within that, that we weren't capturing, basically the way the house is situated on the lot, and specific window sizes and that kind of thing. It was actually very minimal for an add, actually. So once the technicians have completed their full assessment, then all of their air-sealing, duct-sealing, water-savings measures and lighting, they're able to generate a score in the customer's home. OK. And that's all I have for now.

*Gannate Khowailed:*

Awesome. Thanks. 18,000 and counting. That's awesome.

*Next slide:*

So next we have Paul with Focus on Energy, Paul Grimyser, and their exciting story. Paul, would you talk to us briefly about integration and how you do it in Wisconsin?

*Paul Grimyser:*

Sure. Next slide, please.

*Next slide:*

Focus on Energy is a statewide energy-efficiency program helping customers implement energy-saving projects that otherwise would not be completed, or typically some projects into the schedule. Next slide, please. Next slide.

*Next slide:*

OK. So Focus started with Home Performance in the early 2000s. Annually, we complete about 1,500 to 2,300 projects depending on the year, but that number is becoming stagnant over the last couple of years. And so Focus in 2014 started a pilot with Home Energy Score. The pilot was actually started for our direct install program, where we started scoring homes in four different communities to see if that increased customer satisfaction and helped convert customers into other Focus on Energy programs. But before we could complete that study -- it was a study of how Home Energy Score worked with the direct install program -- we ended up rebidding some of our residential programs. Next slide.

*Next slide:*

So in 2016, we rebid our Home Performance program, and as part of that rebid, we worked with our implementer and the software provider to get Home Energy Score integrated into the Home Performance with ENERGY STAR assessment tool. So as part of that, we realized we had to train all of our Home Performance trade allies. So our implementer developed a training program or a training program for the trade allies that they could train in about eight hours all the trade allies and get them through the test for Home Energy Score. And we incentivized those trade allies to take that testing, so it's kind of an additional requirement for them. So we offer them a free tablet that they could use with the software to score homes and to also do the Home Performance with ENERGY STAR assessment. So through that training, 95 percent of the 40 trade allies that took them have the same day ended training. It was really, really successful. To help encourage the trade allies to use the Home Energy Score, we've added a contractual KPI for our implementers to get 75 percent of Home Performance assessments to include the Home Energy Score. We are also working on integrating the Home Energy Score into a certificate of completion that would be generated to the software as part of the Home Performance with ENERGY STAR assessment as a completion report. And then also our TSD provided us

an additional funding for rural broadband initiative this year, and our goal is to make the Home Energy Score required in order for trade allies to access that additional funding. So we hope to motivate them to just get in the habit of including Home Energy Score in every single assessment. Next slide.

*Next slide:*

2017, we're looking at doing a stand-alone Home Energy Score assessment tool. And this wouldn't necessarily be for the Home Performance trade allies; this would be for all these other stakeholders that currently aren't offering the assessment or currently not participating in Focus on Energy that they would be able to offer an introductory assessment or Home Energy Score. We'd like to limit the price of that to \$100 or less. And then we're in the process of developing a value proposition for all of those stakeholders. I'll kind of talk about that in the next section. But it would include the QA/QC and also mentoring for any of the stakeholders that start doing the Home Energy Score. The way we are packaging this, without getting into too much detail, is that once they've completed the Home Energy Score training, they could buy Home Energy Score packs of 20 through the tool. And then they could turn around and sell those for up to \$2,000 -- \$100 per Home Energy Score -- making about \$1,500 for every 20 assessments that they would do. This would give them access to the scoring tool and all the licensing that would come. They would have a QA/QC included that would be done by our staff. And then it would also give them support and mentoring.

*Next slide:*

Next slide. All done for right now.

*Gannate Khowailed:*

Awesome. Thank-you, Paul. Maddie, could you check to see if we have questions? So far, it's very interesting how these programs have Home Performance with ENERGY STAR and Home Energy Score, and each of them, implementation is distinctly unique. So with Terry with Columbia Water and Light focusing on the customer engagement piece and highlighting the score before and after, while Connecticut's approach has been with streamlining it, making sure that it's incorporated into their tool, and getting to scale with the 2000. And Focus on Energy, I think they really like a very strong training program and going with (inaudible) and taking it statewide in 2017. Very interesting efforts. Feel free to ask questions. If we don't have any questions now, Maddie, we can just move forward and talk about value proposition. Awesome.

*Eli:*

Gannate, this is Eli. I do have a question for the three panelists. I think it may be helpful to the audience if they could just describe some of the first -- really the first step or the first two steps of how they approached this integration, and what was really, really important that they wanted to get right, right out of the gates with this. Was it stakeholder engagement? Was it some kind of program design element? If they could just describe a little bit of what was really, really important to them right out of the gates to get this right? I guess, if we could start maybe with Terry, -- Terry, can you speak to that?

*Terry Freeman:*

Yea, I can go ahead and go. Yea, one of the most important things for us was training and education of our partner contractors. We wanted to make sure that they knew for sure how to use the Home Energy Scoring Tool, and that was kind of self-motivating, because we wanted to ensure that we got a good assessment, a good interpretation of what Home Energy Score was looking at, so that everybody was giving us a quality product. That was really something we wanted to make sure we got right.

*Gannate Khowailed:*

Awesome. And Connecticut, Diane or Liz, do you have input there?

*Diane Del Rosso:*

I can tell you what was really important to us, and it's similar to what Terry said. We wanted to make sure that our customers ultimately had a real consistent experience, and from one part of the state to the other part of the state. And since we're doing the Home Energy Performance projects in the scale of 10,000 to 15,000 a year, we wanted to make sure that the tool was integrated within the Android application that we already had our technicians using. And yes, from there it led to a broad scale, making sure that all of the vendors and their technicians were trained and educated and knew why it was important and what they needed to do. So that was our goal.

*Gannate Khowailed:*

Paul, do you have something to add here?

*Paul Grimyser:*

Sure. I concur with Diane and Terry in that by integrating, having an integrated tool. But other things that we did is that we trained internally first. So all of our staff went to the training. And everybody who was going to be involved with Home Energy Score from even the implementer or administrator, really, had to go through the training and understand it first before we ever engaged the trade allies. An idea was that if they understood it as well as they needed to, to pass the test, then they could help convince the trade allies -- help them through it, and then convince them of the value and kind of walk them through the various aspects about it. That was the only thing I really had to add.

*Gannate Khowailed:*

Thank-you. I have a quick question here, so maybe we'll take it quickly and move on, obviously to keep on schedule. So the question for the three programs is did you use the Home Energy Score recommendations, or do you rely on your own? And just to speak on behalf of the program, for Home Energy Score we developed recommendations to make sure that programs have something to go back to, as a backup plan. But if the program has more customized recommendations that will take into effect, maybe the local incentive or other local factors that potentially could impact, we are comfortable stepping back and letting the program implement their own recommendations. So we are flexible with that. But maybe quickly, Paul, do you use Home Energy Score recommendations, or do you rely on your own?

*Paul Grimyser:*

We use own recommendations that are generated through the Home Performance assessment right now, and then just set the score kind of on top of it.

*Gannate Khowailed:*

Perfect. How about you, Terry? Which recommendations do you use? Home Energy Score, or do you make your own?

*Terry Freeman:*

We really rely on our own, because they revolve around the rebate incentive program that we have. That said, Home Energy Score does align pretty closely with it. So there is a lot of confusion between our program and what Home Energy Score recommends. It's not really an issue.

*Gannate Khowailed:*

Perfect. And then, Connecticut, I'm envisioning you use your own? So the Home Energy Solution program? Is that accurate?

*Elizabeth Murphy:*

Gannate, this is Liz. I was actually planning on touching upon this in my response to the second question. But we actually have our technicians present both the recommendations in the Home Energy Solutions customized report, as well as in the Home Energy Score report. And one of our big pushes for 2017 will be ensuring alignment between the recommendations contained in each report.

*Gannate Khowailed:*

Perfect. Thank-you.

*Joan Glickman:*

Just so everybody on the phone is clear: Again, as Gannate said, you can either use the ones that are generated by the Scoring Tool, or you can use your own. If you use your own, then you can rescore based on those recommendations, so that the score itself reflects what the improvements would be. Obviously the initial score wouldn't change, because it's still whatever the house is right now, but the score with improvements would reflect whatever the efficiency program utility is putting in. Thanks.

*Gannate Khowailed:*

Perfect. Thank-you. So let's jump straight into the value proposition. Maddie, could you move to the next slide please?

*Next slide:*

And I think we have Liz. Liz, you want to share with us a bit on the value proposition?

*Elizabeth Murphy:*

Sure. Here in Connecticut, we found that the integration of the Home Energy Score as part of our Home Performance with ENERGY STAR program, which as Diane mentioned, falls under the Home Energy Solutions brand, has really added value to the overall customer experience. So it's enhanced our customers' understanding of the services that are delivered as part of the assessment. And during the Home Energy Solutions visit, customers, as I just mentioned in my response to one of the questions, customers are provided with two reports, the Home Energy Solutions report in addition to the DOE Home Energy Score report. So we're working on aligning the recommendations between those two reports to ensure consistency and minimize customer confusion. We've discovered that offering an additional report actually reinforces the importance of moving forward with energy efficiency upgrades. So that's certainly a value added there. Another benefit is that customers easily understand the analogy of comparing the score of their home to a car's miles-per-gallon rating. So our technicians feel that it's an easy explanation to help educate customers on their home's energy usage and the potential benefits of further improvements. It's really simple to show a customer the home score today and then what the increased score will be with the installation of deeper upgrades. So the technicians really like that. And lastly, the score provides the customer with a roadmap for their energy efficiency projects, and alongside their potential improved score, shows them the associated projected financial savings. Customers we find really want to understand the potential return that's associated with the money they're investing into their home, and the Home Energy Score report provides an easy vehicle to showcase that possible or that potential return. Next slide, please.

*Next slide:*

The utilities have been working very collaboratively with the Connecticut Green Bank in an effort to integrate energy efficiency as part of the solar installation process for residential customers in Connecticut. And I think this is something that makes the work that we're doing here in Connecticut related to the score a little bit unique. So energy efficiency plus renewables is certainly a big focus for us in 2017. For those of you who are not familiar with the Connecticut Green Bank, it's the nation's first green bank, and it was designed to accelerate the deployment of clean energy by using limited rate payer funds to attract private capital investment in clean energy projects. So on the residential side, it offers financing products and incentives to support renewable energy projects. In order for a customer to access residential solar incentives and some financing options, the Green Bank has an energy audit requirement. Participating in Home Energy Solutions is one way to satisfy that requirement. Last year at the encouragement of the utilities, the Green Bank adopted the Home Energy Score as another pathway for homeowners to meet the energy audit requirements. So it was really exciting. And in fact, the Home Energy Score report is now the Green Bank's preferred proof of participation. And the Home Energy Solutions program, for customers that are applying to access residential solar incentives or the Home Energy Solutions Smart-E loan bundle, which essentially offers a low-interest rate for customers that have received Home Energy Solutions and that are subsequently pursuing deeper add-on measure financing. So that's very exciting. And if you could please advance to the next slide.

*Next slide:*

I'll talk a little bit more about our partnership with the solar industry. As part of these efforts to better integrate energy efficiency and solar, the utilities and Green Bank are hosting quarterly matchmaking events throughout 2017. And we've named the series Coffee And ..., and the intent is to discuss topics at each meeting that cross multiple industries, including energy efficiency, solar, insulation, HVAC, and home improvement. We hosted the first event in January, and it was very well-attended with lots of great discussion. One of the agenda items was a discussion about the Home Energy Score. And we highlighted what it is, how it works, how people in the room can start using it. This was really a great opportunity to reinforce the benefits to the existing assessors that were in the room, as well as encourage new individuals who had never even heard of the score, or maybe heard about it but didn't quite know what it was, to encourage them to become qualified assessors. So currently in Connecticut, there are two partners operating: BPI and Energize Connecticut. We provide two pathways for delivering -- or at the event, we provided attendees with two pathways for delivering the score to customers. First, individuals can become an assessor under the BPI program, and start scoring homes independently. Or secondly, they can partner with a Home Energy Solutions vendor to offer to their customers the Home Energy Score as part of the Home Energy Solutions assessment. So for those that were opting to partner with Home Energy Solutions vendors, we really encourage them at that event to use the matchmaking series as an opportunity to start making connections. And we were also really excited, at our Coffee And ... event, to share the news that solar will be incorporated within the score in 2017. And as you can imagine, this was of particular interest to the solar contractors in the room. And I was approached by multiple solar installers at the conclusion of the meeting who were requesting more information about becoming an assessor, or how to go about partnering with a Home Energy Solutions vendor. So I gather that they perceived the value in offering the score and/or Home Energy Solutions services to their customers because first they see it as an opportunity to easily communicate the benefits of solar in a new way, and then ultimately they can sell it as an upgrade. And also just for \$124, they can provide their customers with access to a whole suite of energy efficiency services, including the Home Energy Score and also a streamlined method of satisfying the energy audit requirement to access Green Bank incentives. So we're looking forward to continuing the collaboration and hopefully getting more homes scored in 2017. Thank-you.

*Gannate Khowailed:*

Awesome. Thank-you so much. And from now on if anyone would keep it brief, between three and five minutes, I owe you chocolate. I'll bribe you with chocolate. To keep it brief and make sure that we get through the content. Very good. Paul, I want to give you the first chocolate. Would you please keep it brief?

*Paul Grimyser:*

*Next slide:*

Sure. The value add to our 2017 initiatives to expand Home Energy Score, and just offer that as a stand-alone assessment. And what we think here is that it will get greater stakeholder engagement, will be identifying new stakeholders that currently aren't offering assessments, to bring them in and have them offer the Home Energy Score, such as HVAC contractors, renewable trade allies, nonparticipating contractors. And we think that there will be greater participation, which will drive new leads into Home Performance, as more homes are scored. A lot of these, the scores would not actually be doing like here, doing insulating more, it would be focusing on other aspects of their project, and so that would drive leads into Home Performance. And then we can also use data from the Home Energy Score and the reports that they provide to us for the downloadable report, to analyze and target those customers, and that ties that into several other pilots that we're working on, including financing and then also cross-training our HVAC trade allies with BPI, to offer like a whole home improvement for those that aren't able to or aren't interested in going solely into homes. Being able to offer the Home Energy Score is definitely a step to offering a full assessment and a complete-ment. So I will stop there.

*Gannate Khowailed:*

Paul, this is very appreciated.

*Next slide:*

Terry, would you share some of your insights on the value proposition between integration? And if you could keep it to three to five minutes, that would be awesome.

*Terry Freeman:*

Sure. Yea, the first value that I'd like to talk about is the ease of integration. You don't have to have any special tools. You don't have to have any software. You can rely on Home Energy Score's website to do it all for you. Early on, when we started our Home Performance program, we told our contractors each year when they signed their agreements with us that when we chose a modeling program that they were going to be required to do it. So they add that on to their pre- and post-assessment for free to the customer. We're already giving them money to buy down the cost of the assessment, so this really wasn't a big sacrifice on their part, because we're already giving them up to \$500. And the big thing is, our data sheet has 750 points of possible data that could be collected. And Home Energy Score requires less than 50 points. So it wasn't really a big deal for them to gather that information, because they were already getting it anyway. And then after just a few hours of training, you can jump online, enter the data on the Home Energy Score's website, and within less than five minutes, you've got the home scored. So that alone is a great value. Next slide, please.

*Next slide:*

I talked a little bit about the training. Early on as the program started and we started offering it in 2012, and at that point partners were required to do the training -- not really required; there was some stuff available. But really to make it successful, we felt that the training was a requirement on our part. Now, Home Energy Score offers the training online, so that has decreased the burden on us. We still have a

mentoring program when we get a new partner contractor, so we still want to make sure that the training that they've used and the certification they get from Home Energy Score is valuable, that they actually know what they're doing. So that mentoring process is still something that we insist on doing. Next slide, please.

*Next slide:*

Now the quality assurance that is required for us to do -- at first glance you might think that that's a burden, that's an inconvenience. But really, what it is, is that quality assurance is similar to what HERS rating does. And what that does for us is really add to the credibility of what the scoring is, because it's not just some random person using some random software that's coming up with their own interpretation of what it is. That component of making sure that they're double-checked randomly, even at 5 percent, really maintains that reliability, enough so that FHA and Fannie Mae now incorporate that into part of their loan process. Next slide, please.

*Next slide:*

Another thing for us is the partner data export. Now, for those of you who aren't familiar with that, that is a huge asset. From the modeling program, it creates around 750 points of data that we can download and slice and dice on our end any way we like. What I have found is that for the annual report that I supply to DOE with our energy savings, this provides that in a huge way. It provides way more than we had before. A lot of our deemed savings now isn't used at all, because we've got actual modeling to prove both mBtu that are used and kilowatt hours that are used, and any other fuels that are picked in there by our customers. So that's a big value in itself. Next slide, please.

*Next slide:*

Of course the next one we're trying to get done, and this is a slow process, is we want to incorporate Home Energy Score so it becomes synonymous with the real estate transaction. What we want to do is, by requiring Home Energy Scores for all of our Home Performance, is we're creating a saturation. And what we find is that real estate requires really a lot of saturation for their appraisers to come in and add value. And of course, we've done some training with real estate agents to get them up to speed and start getting that awareness of Home Energy Score. And we want to start getting to where it becomes the same household word that we've established with Home Performance with ENERGY STAR here in our area. And ultimately, what we want to get to is that that score is on the MLS. So it's something that retrievable by any real estate agent. That's all I have for now.

*Gannate Khowailed:*

Awesome. Really, the two of you could not have said this any better. We really appreciate your support, and as well for all the great work that your two programs, both the programs, Home Performance with ENERGY STAR and Home Energy Score, is really indebted for all the great work partners do on these. Just to add here, briefly: The power for brand communication of Home Performance with ENERGY STAR, the technical support, and the processes in place create the perfect infrastructure for the Home Energy Score to be implemented in the real estate transaction and beyond. So we can truly see that the integration together of both programs are just so much more powerful. And for this last section, we want to focus on some of the challenges as it relates to the implementation. But please keep the questions, comments -- between the few of your programs, we could have sit and talk for hours and hours -- so we're trying to keep it short and really appreciate your words today. So Maddie, let's move to the next slide.

*Next slide:*

And Paul, do you want to go first, this round, and just talk to us briefly about the challenges and you can make it sound better than they actually are.

*Paul Grimyser:*

Sure. The challenges here aren't really with the tool. It's really with getting stakeholders to understand the value that the tool brings to them. So for like renewable and HVAC trade allies currently don't in Wisconsin have an assessment report, this would bring the value proposition to them, the value proposition we'll be going after, they would. Inspectors are already mandated in Wisconsin to do the Home Energy Score, but a lot of them don't have training, don't have assessment tool, so we'll be going after those inspectors, offering those services to them. Nonparticipating trade allies -- this is a lower point of entry where offering a Home Energy Score with the work that they're currently doing might help raise their level of work and kind of the way that people see them.

*Next slide:*

And then also, green Realtors -- they've expressed an interest here in the Madison area, in being able to score homes, so we'd like to engage with them. Really, the big requirement for Focus on Energy is to create the marketing demand for Home Energy Score. So doing a lot of promotion, getting a lot of awards out, relying on case studies and other things like that, that we can put out in the media, about where Home Energy Score is successful so that customers ask for it, and it's not just a one-sided kind of demand-driven project. Next slide.

*Next slide:*

Our challenge, though, for Focus on Energy is really identifying the funding to get Home Energy Score stand-alone assessments. And \$100,000 and then developing procedures in agreement, and updating our internal documents to be able to take on a new line of green allies. Engaging the stakeholders, getting everybody bought in to kind of our plan for 2017, the new Home Energy Score stakeholders, but also our Home Performance trade allies, implementers, public service commission, energy office, you know the list goes on and on. But then to offer the training and build the support for those new stakeholders as they come into Focus on Energy, so they don't fall through the cracks and get annoyed with the program. We hope to offer this hopefully by midyear, and we're really excited. Thank-you.

*Gannate Khowailed:*

Thanks again, Paul. We appreciate it.

*Next slide:*

So Terry, do you want to join us and add some light on some of the challenges?

*Terry Freeman:*

Oh, sure, yea. I think awareness and understanding of the score for us is one of the big issues that we have faced. What we found is that our contractors are a big part of educating the customers and explaining the score. And what we heard over and over from them, is that well, some people get it, but there's that certain small percentage of people that just never really truly understand what that score means. They have that mindset that when they look at that score on 1 to 10, if their house -- in this example, if it's the best it can be is a 9, they just never could quite understand why they couldn't be a 10. And they just have a hard time getting excited about anything less than a 10. Now what we try to do, of course, is educate them that they really should be looking at the score today and the score with improvements, because the score with improvements is the best their house could be. But we struggle with that. And we still struggle with that, with some people. And then on the low end of the scale,

homes that score a 1, a 2, or 3, in that range, and the best they can be is that, it gets a little tough to see improvement, especially if your house is, the best it can be is a 1, and it scores a 1, you're not going to see any movement on the scale, so it's kind of hard for a customer to get excited about that, as well. Next slide, please.

*Next slide:*

So the challenge for us is, well, what are we going to do about that; how are we going to fix that issue? So what we did is add a complement document to the Home Energy Score, and all we did with this efficiency score is we just took the mBtu of the house of the score today and the score with improvements, the best it could be, and we tried to give that perspective to a customer of this is how it matters to you, this is what it means to your house. In this case, example I give is like, this home is 90 percent of being as good as it could be with 10-year cost-effective improvements. We struggle with that one still. Next slide, please.

*Next slide:*

The other one is building software in-house. Due to budget constraints and unfortunately, we have a very, very smart IT department that has the ability to do this, the downside is it's an add-on to their already existing duties, so any time you develop something new, it just seems to take forever. We are over two years in the development of our tracking software. So that's an issue. We're patiently waiting. It's slowly developing. Now, down the road what we want to do is add an API connection with Home Energy Score so that the energy data that's already entered is going to align, and we can kind of decrease some of the double data entry, and that's going to go a long ways toward helping our partner contractors, make it easy for them to do reporting. And that's it for me.

*Gannate Khowailed:*

Awesome. Thank-you, Terry. And we are heading up at 3, and we just have I think one more slide, (inaudible), so folks will turn off the recording. If you can stay on the line for one more slide, that will be great. If not, we will make sure to send you the recording afterward, as well. And I know we have another question that came in, so maybe we would answer this briefly, as well. Thanks again to our speakers for staying on the line for a few more minutes. Would that work for you, speakers? Paul, Terry, Liz, and Diane? (multiple voices) Perfect. Awesome. So Diane, do you mind just wrapping up with the challenges for Connecticut program?

*Diane Del Rosso:*

*Next slide:*

Sure. As I mentioned earlier, we did a statewide deployment at large scale. So this is kind of old news, because we did this a couple years ago. Getting those assessors trained and working in the field was really a very large challenge. With the old testing methodology, proctoring an exam, it was quite difficult. Managing the QA mentoring process can also be challenging when we're dealing with so many assessors and 40 different vendors and that kind of stuff. But we tried; it requires some real dedication to organization and consistency, particularly among the utility staff, and of course, we're deploying this together -- United Illuminating and Eversource. So we have to do a lot of communicating and be in agreement with how we implement. Ensuring the scores are delivered as part of the Home Energy Solutions assessment is really important to us, because we want our customers' experience to be consistent across the state. That can be a challenge, too, when there are so many going on. And what we are doing is providing an initial score after air-sealing and duct-sealing has taken place. But we're not providing a final score after the recommendations are completed. So this is an additional implementation challenge for us, because we're paying for the initial score with all of the other

upgrades that are being done as part of that first test assessment. So there aren't really funds to do that final score. And just ultimately, I have to tell you that the Department of Energy staff is always very receptive to hear about what's going on, and what the challenges are. And they are very good to help develop solutions to some of the things that we're working on. And namely, the whole testing, the online testing portal, was a huge improvement over proctored exams, as an example. So thank-you. Today. I just want to end on a note of thanks to the team at the Department of Energy.

*Joan Glickman:*

Thank-you so much, Diane. You've been great, all of you, to work with.

*Gannate Khowailed:*

We have literally one question, and then I'll pass it back to folks, if they have any quick closing remarks. But this has been great; thank-you all so much. And we'll keep the discussion going. So the question for the panelists are, are homeowners paying for the assessments, using Home Energy Score, in any of these programs? So, Paul, would you mind answering if Home Energy Score, are they paying separately for it, or is it part of the Home Performance audit? How does that work?

*Paul Grimyser:*

Sure. What we're planning to do is offer the Home Energy Score for \$100 or less. It would be like an introductory assessment. It would still require a homeowner to move on to the Home Performance assessment, to get a blower-door, do the combustion testing, and everything like that. But right now, if you just go into our Home Performance program, an assessment between \$300 and \$500. So we feel like this is a good opportunity for people who just wanted a light assessment, maybe want to understand is their home efficient, or some answers to some basic questions. And then once they're ready to actually make improvements, that's where we convert them into Home Performance. And we would work with trade allies not to charge them the full assessment fee for Home Performance if they've already had a Home Energy Score.

*Gannate Khowailed:*

Thank-you, Paul. How about you, Terry? How does it work in Columbia Water and Light?

*Terry Freeman:*

Could you repeat the question, Gannate?

*Gannate Khowailed:*

Sure. The question is, are homeowners paying for the assessment, for Home Energy Score? Is it part of the Home Performance with ENERGY STAR assessment? How does this work when it comes to charging the homeowner?

*Terry Freeman:*

OK. Since we're already paying a contractor an incentive to do the pre- and post-assessment, there is no charge at this time. What we anticipate is that when the real estate market gets involved and point-of-sale Home Energy Scores are starting to be done, we've already asked our contractors what they would charge. And they were thinking they could do it for around \$150, if they're not doing anything else but Home Energy Score. I anticipate that if we ever get to that point, and it is a real estate requirement, that the cost will come down. But at this point, it would be \$150.

*Gannate Khowailed:*

Thank-you, Terry. How about Connecticut? Liz or Diane, how does this work for your program? Do homeowners pay for it? For the Home Energy Score as part of the Home Performance with ENERGY STAR audit, or separately?

*Elizabeth Murphy:*

We're currently offering the Home Energy Score as part of the Home Energy Solutions assessment, which is offered to customers for \$124. So last year, it was a \$99 assessment. We will be increasing the copay in \$25 increments over the next several years, bringing it up to \$174 in 2018. But it is offered as part of that low copay.

*Gannate Khowailed:*

Perfect. Thank-you, Liz. This has been great. Joan and Eli, do you have quick closing remarks that you'd like to share before we let folks go?

*Joan Glickman*

No, I just look forward to seeing folks at the Home Performance conference next month, and we'd be happy to set up meetings. I really want to thank everyone for participating today, the speakers in particular. We really appreciate not just today, but every day that we work with you guys. You guys are great.

*Eli*

I'll echo that. I think we're thrilled to have these partners on, and we're certainly going to have to take them to a nice dinner. They spoke very, very nicely about our programs. So thank-you for that.

*Gannate Khowailed:*

Awesome. I really appreciate everyone's time. For Joan, this afternoon, the speakers, thank-you for all the great work you do on the team, and thank-you for all of our other partners. Contact information for the speakers are on the slides. We will share the recording. Feel free to get in touch with us or with them, if you have any other questions. And have a wonderful rest of the day. Thank-you. Bye-bye.