

Residential Retrofits, Cost-Effectiveness & Home Valuation

NASEO Annual Meeting – Buildings Committee
San Antonio, Texas
September 12, 2011



National Home
Performance Council

National Home Performance Council

- Mission to promote whole home energy performance
- Stakeholder engagement and organization
- Research and special projects
- Information/Education Support for Policy Initiatives



Making Residential Retrofits About Home Performance

***"Quality means doing it right when no one
is looking."***

Henry Ford



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Home Performance Stakeholders

- Contractors
- Utilities
- State Energy Officials
- Legislators
- PUCs
- Manufacturers
- Realtors...



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Advancing Quality Home Performance Programs

■ Keys to Successful Home Performance Programs:

- Trained Contractors
- Goldilocks Incentives
- Appropriate timeframe, QA
- Financing Opportunities
- True cost-effectiveness evaluation



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NHPC Report Coming Soon!

- **Upcoming NHPC Report Highlighting State Energy Programs!**
- **Spoiler Alert:**
 - FL, NH, OR, MA, NY, PA, NJ, WI, KY, AZ, VA
 - October 2011



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Advancing Innovative Policies

- Know your surroundings
 - Take steps today for a better tomorrow
 - State/Regional Leadership
- Seek Common Ground
 - Stakeholder agreements
 - Coalition Building
- Take Homes to the Next Level
 - Policy Support: Research, Education
 - Managing expectations....



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New Policy Initiatives

“You always pass failure on the way to success.”

Mickey Rooney



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Legacy of Home Star

- House Hearings, Passed
 - Senate Hearing, Introduced
 - President Mentions Again...and Again...
 - State Activity Increased
 - Training Capacity Increased
 - DOE Preparations
-a failure?

Tax Incentives, Program Initiatives

- Tax Provisions – 25E, 25C
- Gold and Silver State Provisions
- REEP
- PowerSaver Loan Program
- DOE' s Home Energy Score
- *Workforce Guidelines for Home Energy Upgrades*



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Utility Cost Effectiveness Testing

- You don't know what you don't measure.
- If you measure wrong, you know nothing.



Changes Needed to the TRC et al.

■ 10 Concerns Need Addressing:

- Level of Application
- Time frame
- Proportion of Measure Cost Considered
- Discount rate
- Value other avoided externalities
- Non-Energy Benefits
- Effective Useful Life (EUL) of measures
- Value carbon savings
- Net to gross
- Dual utility jurisdictions



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Temporary and Permanent Solutions to the TRC

- Standardized best practices for applying the Total Resource Cost (TRC) test
- Use the Program Administrator Cost Test (PACT) also known as Utility Cost Test
- Modify utility incentive structures to encourage not discourage efficiency.



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NHPC Report Released!

GETTING TO FAIR COST- EFFECTIVENESS TESTING

*Using the PACT, Best Practices for the
TRC, and Beyond*

Join the effort-Comment Today!

WWW.NHPCI.ORG/TRC



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Getting information to flow...

- NHPC chairs BPI working group responsible for developing data collection and transfer standards;
- Standardization of data collection sets and HPXML will make it easier to collect and transfer data from one system to another;

...Faster, Cheaper, Better

- Standards will allow more data to be collected at less cost;
- Improve programmatic capacity to measure and evaluate, QA, analysis of savings;
- Important cost-saving potential for all participants, including contractors, program administrators and utilities;



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Crucial Need for Home Valuation

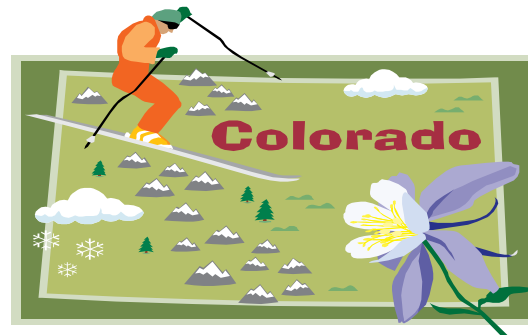
■ The Need to Green the MLS

- Limited and Easy to Understand Data Fields
- Stakeholder Consensus and Education
- State leadership

■ A Market at Last

- Appraisers
- Realtors

■ Colorado Example



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NHPC MLS Report

Unlocking the Full Value of Green Homes

*Why Green Multiple Listing Services are a
Key to Residential Energy Efficiency*

April 2011



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Looking to the States

- Leadership is needed!



- The Nursery of Policy Innovations



- The future after ARRA Funds...



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Thank You!

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