



LEARN. CONNECT. EXPERIENCE.

www.aesp.org



A Tale of Two Models: A Comparison of Existing Home Programs

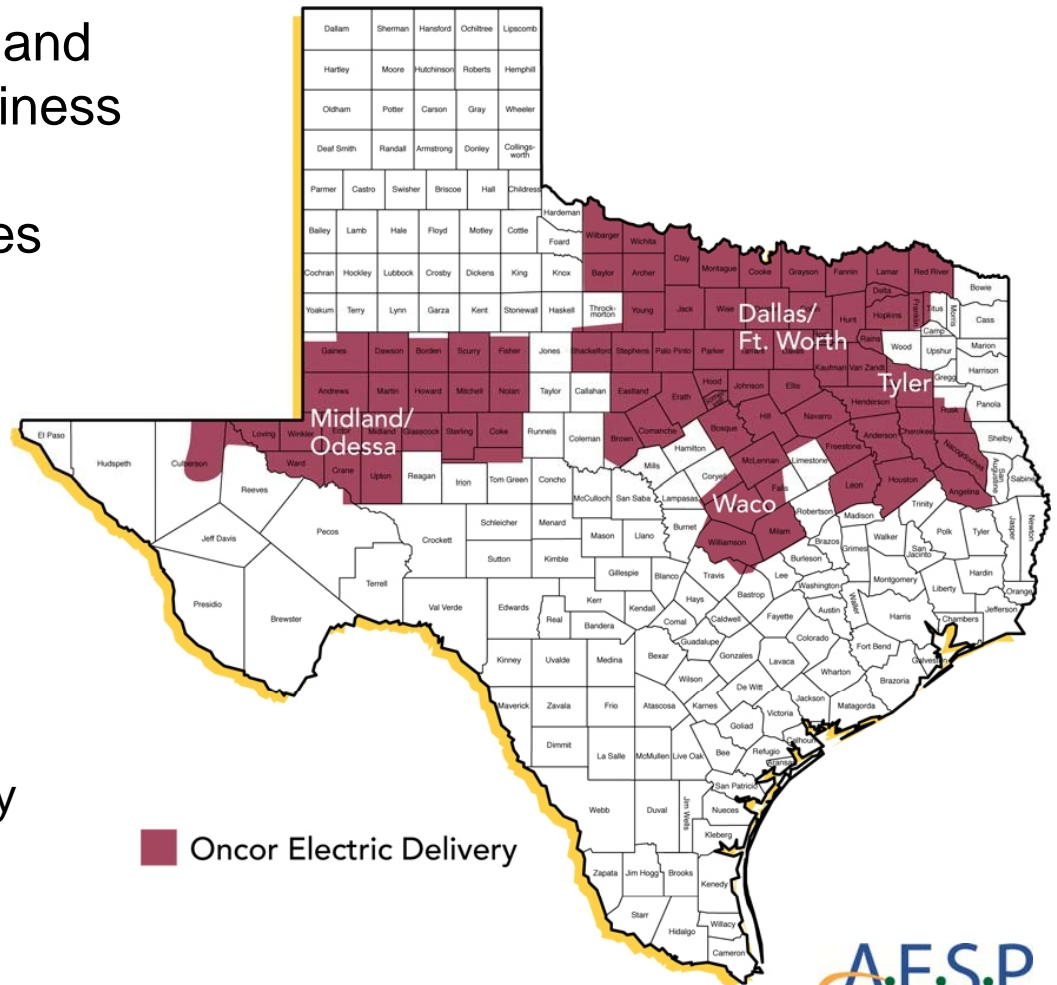
Brian Preston Smith



January 18, 2011

Introduction

- Oncor is a regulated electric and distribution transmission business that delivers power to approximately 3 million homes and businesses in Texas.
- Statutory Residential Energy Efficiency Programs
 - Home Energy Efficiency
 - AC Installer & Tune Up
 - Low Income Weatherization
 - ENERGY STAR® Multifamily Homes
 - ENERGY STAR Homes



Introduction

- Oncor's Energy Efficiency Commitment Programs
 - Committed an additional \$100M over 5 years beginning in 2008
 - Portfolio of 14 residential, commercial, and industrial programs
 - Complement existing statutory programs
 - Pilot new programs
- Launched Residential Audit and Home Performance with ENERGY STAR Programs in Q4 2008
 - Achieve deeper energy savings per project
 - Leverage robust infrastructure of contractors and HERS Raters

Goals of Programs

Residential Audit Program

- Establish state-wide standard for comprehensive audits
 - Integrates RESNET and BPI standards
- Enhance existing Rater infrastructure
- Increase understanding of energy efficiency and promote value of audit
- Provide homeowners with customized reports and direct them to incentives

Home Performance with ENERGY STAR

- Develop of performance contractors
- Increase demand for home performance contracting infrastructure
- Achieve cost effective kW and kWh savings

Comparison of Programs

Overview of Structure

FY2008 – 2010	Residential Audit Program	Home Performance with ENERGY STAR
Budget (2008 – 2010)	• \$2.0 MM	• \$1.9 MM
Goals (2008 – 2010)	<ul style="list-style-type: none"> • 141 auditors trained • 2,400 audits performed • Develop standard • Capture behavior & market impacts 	<ul style="list-style-type: none"> • 600 kW demand reduction • 1,763,089 kWh energy savings
Incentive Structure	<ul style="list-style-type: none"> • \$200 to auditor for initial audit • \$100 to auditor for test-out audit 	<ul style="list-style-type: none"> • Up to \$1,500 to homeowner • Up to \$225 to contractor based on installed measures
QA	• Variable % onsite inspections	• 5% onsite inspections
M&V	• Not applicable	• Deemed savings

Comparison of Programs

Overview of Structure

	Residential Audit Program	Home Performance with ENERGY STAR
Service Provider Model	<ul style="list-style-type: none"> • Independent Auditor 	<ul style="list-style-type: none"> • Performance Contractor
Auditor Requirements	<ul style="list-style-type: none"> • Auditor <u>must be</u> RESNET certified HERS Rater • Texas Home Energy Audit- (TX HEA) certified 	<ul style="list-style-type: none"> • Service Provider must maintain <u>at least</u> one full-time employee who is BPI Analyst (TX HEA accepted)
Audit Tool	<ul style="list-style-type: none"> • RESNET-approved software 	<ul style="list-style-type: none"> • Proprietary software
Audit Output	<ul style="list-style-type: none"> • Improvement Analysis Report in 2 weeks 	<ul style="list-style-type: none"> • Improvement Analysis Report • Quote for contractor services

Observations

Results to Date (as of Nov 2010)

2010	Residential Audit Program	Home Performance with ENERGY STAR
# of Audits	590	NA
# of Projects	NA	523
Incentive Spend	\$939,863	\$1,595,830 (no financing)
Demand Reduction (kW)	None captured	525.54 (avg. 1.00 per home)
Energy Savings (kWh)	None captured	1,521,134 (avg. 2,908 per home)
# of Service Providers	23	43

Observations

Key Observations by Primary Goal / Objective

Goal / Objective	Residential Audit	Home Performance with ENERGY STAR	Key Observations
Energy Savings	○	●	Difficult to track energy savings achieved by Residential Audit as incentives are not paid as part of the program.
Payback/ ROI	○	○	Over a years to generate results. More than two years to be cost effective.
Brand Affiliation	○	○	Integrate with overall marketing and customer engagement strategy.

- Good – Program support objective with no changes .
- Needs Improvement – Program may not currently support objective. However, may if slight modifications are made to program design.

Observations

Key Observations by Primary Goal / Objective

Goal / Objective	Residential Audit	Home Performance with ENERGY STAR	Key Observations
Customer Education	●	●	Both programs increase awareness and encourage action.
Customer Follow-Through	○	○	Residential Audit does not offer incentives, and HPwES does not track audits, making it difficult to track follow-through.
Economic Development	●	●	Both programs require trained service providers and support local economic development.

- Good – Program support objective with no changes .
- Needs Improvement – Program may not currently support objective. However, may if slight modifications are made to program design.

Conclusions

- Comprehensive audit program can play an important role in a DSM portfolio

Area	Considerations
Energy Savings Goals	Can deliver greater savings per project. Consider energy savings goals and timeframe to achieve.
Cost-effectiveness	May take up to two years before realizing cost-effective energy savings depending upon the cost-effectiveness calculation used, program budget, and existing infrastructure and capabilities of contractors.
Customer Service	Provides higher level of customer service and education that can enhance customers' affiliation with utility if integrated into overall customer experience management strategy.

Thank You

Brian Preston Smith
Geavista Group
214.923.9157
bpsmith@geavistagroup.com

Save the Date



22nd National Conference & Expo

February 6-10, 2012
Hilton San Diego Bay Front

