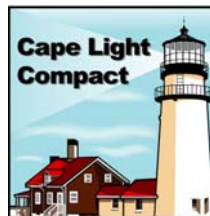


# Multi-family Retrofit Program (for Market Rate Facilities)

July 14, 2009



# Documented History of Market Barriers

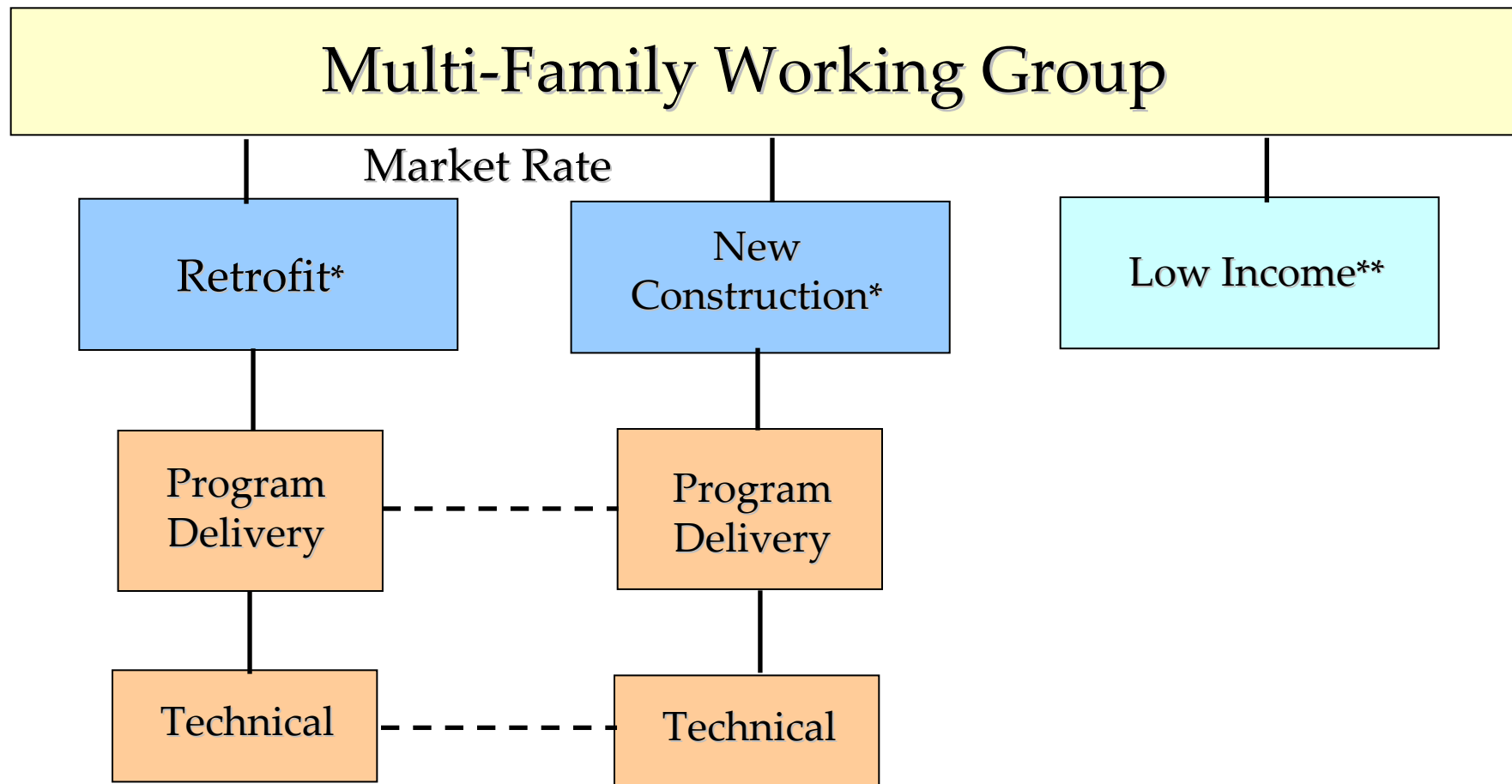
- Economic and Institutional
  - Split-incentive problems
  - Competing capital needs & access to capital
- Informational
  - Lack of information about building stock
  - Multiple decision makers
- Technical
  - Varying building systems and designs

Barriers identified in the 1990s are still prevalent today

# Key Points from EEAC Priorities Resolution

- Develop fuel- blind comprehensive programs that take a “whole building approach” to energy efficiency
- Ensure consistency and coordination across service territories
- Offer eligible program measures regardless of rate class
- Streamline the application process & provide seamless customer experience
- Encourage deeper savings

# Approach Includes Cross-Functional Team



\* Includes Gas and Electric PA staff representing the residential and commercial sectors

\*\* LEAN has developed a proposal for PA review for serving low-income, Community Development Corporation and Public Housing

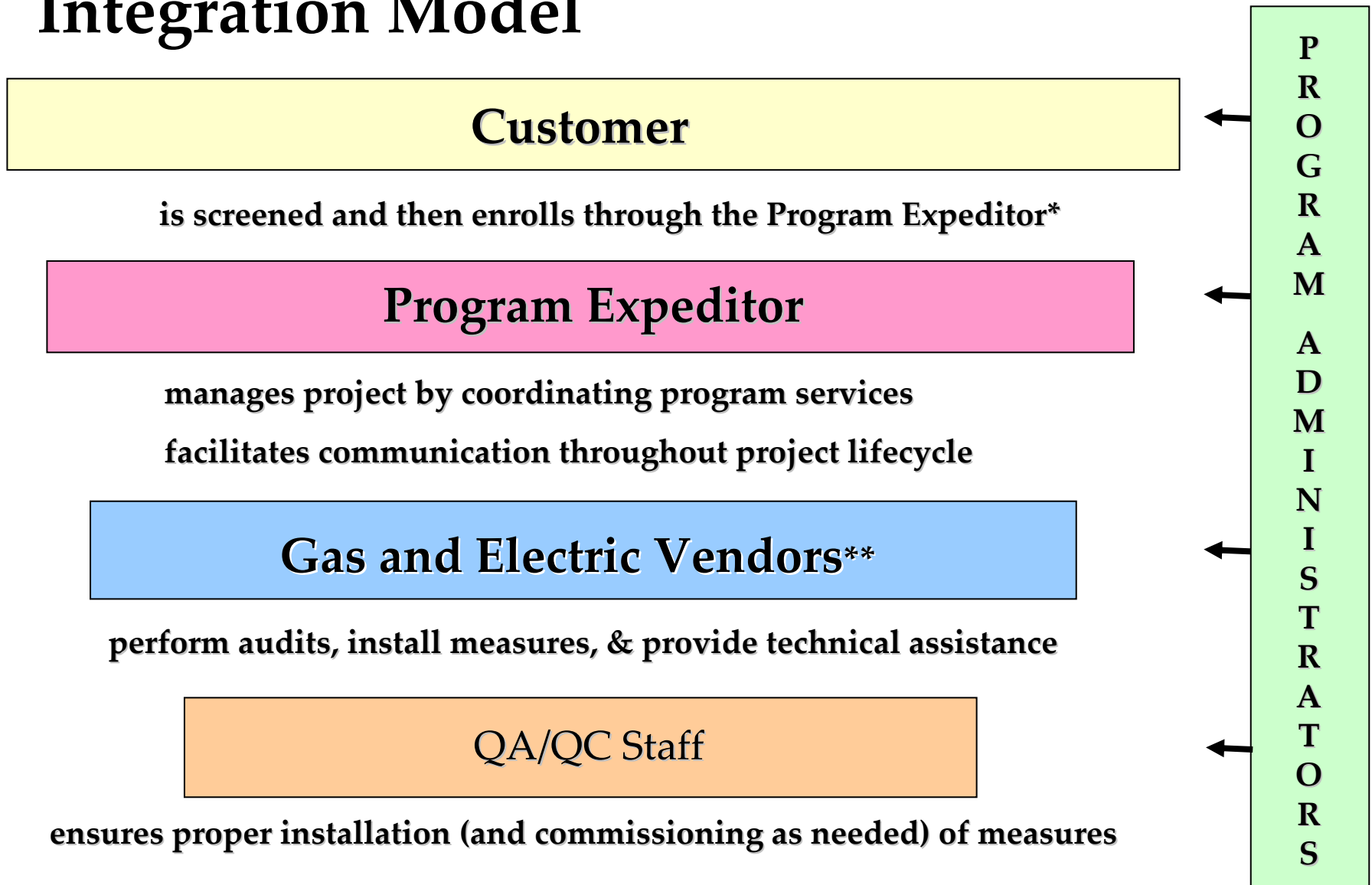
# Targeted Research Activity

- Market Rate Focus Groups
  - Retrofit in July 2009
  - New Construction in August 2009
- In-depth interviews with program administrators nationwide
- Webinars on Multi-family Programs
  - ESOURCE on July 8, 2009
  - AESP on August 6, 2009

# Program Administration

- Program will be administered cooperatively by gas and electric Program Administrators
- Multi-family Statewide Steering Committee
  - Promote best practices
  - Enhance program design over time
- Responsibility for achieving savings goals and managing budgets will lie with the Program Administrators

# Integration Model



\* Projects may be brought to Program Expeditor via multiple channels such as an Account Executive or a contractor

\*\* Customers will be able to use their own vendors provided that documentation of their qualifications is provided

# Summary of Benefits of Program Expeditor Model

- Provides Seamless Experience
  - Allows for tailoring project to needs of the customer based on screening criteria
  - Manages complexity for the customer
- Encourages Deeper Savings
  - Provides fuel blind & rate-blind audit\*
  - Offer includes all eligible measures regardless of rate
  - PAs are looking into measure packages and incentive structures and levels to encourage deeper savings

\* Pending approval for serving oil and propane customers

# Program Roadmap

Timeline	Milestones
Jul 2009	<ul style="list-style-type: none"><li>• Program Design with Integration Model</li></ul>
Oct 2009	<ul style="list-style-type: none"><li>• Updated measures and incentives</li><li>• Updated budgets and savings goals</li><li>• Draft work scope for Program Expeditor</li><li>• Evaluated program design options*</li></ul>
Dec 2009	<ul style="list-style-type: none"><li>• Finalize work scope for Program Expeditor</li><li>• Finalize process flow &amp; implementation plan</li></ul>
2010	<ul style="list-style-type: none"><li>• Implementation**</li></ul>

\* See Appendix for details.

\*\* Pending regulatory approval of the program.



# **APPENDIX**

# Program Design Options to be Evaluated

- Informing customers of the change in their energy consumption one year after participation
- Providing tools for customers to use in benchmarking their energy use against like buildings
- Implementing minimum training/certification requirements for participating vendors
- Offering incentives for soft costs such as building owner/operator training
- Providing milestone payments and on-bill financing to address financial barriers
- Providing customers with a mechanism for calculating their potential incentives for future years
- Conducting Deep Retrofit Pilot