



HOME FREE NEVADA **2010 ANNUAL REPORT**

12.15.10

Name of Sponsor: HomeFree Nevada

Location: State of Nevada

Contractor Recruitment and Training

HomeFree Nevada is a new program with a signed partnership agreement submitted on August 23, 2009 and operates within the State of Nevada, primarily within the Las Vegas metropolitan region. To participate in HomeFree Nevada's program, individuals must become a certified HERS Rater and a certified BPI Building Analyst. Training is made available through private, non-profit, and government providers. As a part of the 2009-2010 Legislature and American Recovery and Reinvestment Act funding, the State's "Green Jobs Bill" made training dollars available through Department of Labor and Weatherization Assistance Program grants and through the State of Nevada's Department of Employment, Training, and Rehabilitation. HomeFree Nevada was a named training partner through a collaboration with Easter Seals of Southern Nevada and has paid subrecipients to train individuals to the HERS/BPI standard. To date, there have been at least 125 auditors trained through WAP (DETR) training programs including through HomeFree Nevada-Easter Seals partnership—30 have HERS/RESNET certifications and 90 have BPI certifications.

Firms providing auditing and contracting services may apply to HomeFree Nevada by completing either a HomeFree Nevada Auditor OR Contractor Application Form and Participation Agreement, which specifies the following requirements:

Applicants must:

- Provide a Signed Participation Agreement with HomeFree Nevada
- Provide verification of RESNET Certified HERS Rater with a Provider and BPI Certified Building Analyst for individuals performing Auditing services (Contractors must be a BPI Certified Building Analyst and pass the RESNET written exam only)
- Complete HomeFree Nevada's Mentoring Program
- Provide a copy of valid State, County and Local Business Licenses
- Provide a copy of a Nevada Contractor's License and Bond (Contractors only)

- Provide a copy of completed W-9 Form
- Provide verification of General Liability Insurance (\$1,000,000 minimum)
- Provide verification of Professional Liability Insurance (\$1,000,000 minimum) (Contractors)
- Provide verification of Automobile Liability (\$500,000 minimum)
- Provide workman's Compensation (as required by law; employer's liability - \$500,000)

In addition, both Auditors and Contractors must meet additional regulations and requirements (as they apply) within the HomeFree Nevada Auditors and Contractors Program Guide and Quality Assurance Program. To date, 18 firms have signed Auditor and/or Contractor Participation agreements and are listed as active affiliates with HomeFree Nevada.

Quality Assurance Activities

In accordance with the terms and conditions of participating in the Home Performance with ENERGY STAR program, HomeFree Nevada developed a program for Quality Assurance and Quality Control utilizing the Quality Assurance Protocol in Section 5 of the Sponsor Guide – a fundamental first step for a program a little more than a year old. These guidelines are used in conjunction with the HomeFree Nevada Guide for Auditors and Contractors. The Quality Assurance Program serves a dual purpose: to ensure that Auditors and Contractors are meeting all program guidelines and technical standards and to provide a mechanism for constructive feedback intended to improve Auditor and Contractor diagnostic capabilities, comprehensiveness, quality of work, and homeowner relations. Contractor feedback is viewed as key to maximizing program benefits, ensuring persistence over time and providing a pathway to successful market transformation.

HomeFree Nevada evaluates whether participating HomeFree Nevada Auditors and Contractors have performed a complete job including an energy audit to HERS/RESNET and BPI standards, whether the installed improvements that reduce energy use in the home, improve comfort, or address specific building performance problems are installed correctly, whether a scope of work is satisfactorily completed, and whether the tests and inspections are observed to be completed properly.

The Quality Assurance and Quality Control guidelines for HomeFree Nevada Auditors and Contractors, include:

- Complete auditor and contractor evaluations, including Job Report Reviews and On-site inspections
- The establishment of follow-up and corrective actions
- Homeowner feedback protocol
- The development of Auditor and Contractor Performance Records
- Enactment of program compliance and disciplinary action procedures.

This Quality Assurance/Quality Control Program was approved by the HomeFree Nevada Board of Directors in June 2010 and submitted to Home Performance with ENERGY STAR. HomeFree Nevada hired a Program Manager in September 2010 who has begun implementing the Program and performing Quality Assurance procedures during the fourth quarter of 2010. To date, 5 Quality Assurance/Quality Control evaluations have been completed, with an additional 10 scheduled.

Marketing Activities

At this time, HomeFree Nevada has limited resources for marketing the program and has been working with its partners to develop outreach and marketing materials. HomeFree Nevada does maintain a website and has worked with the City of Las Vegas and NV Energy to promote the program. Links have been set up on partners' and affiliates' websites and marketing materials have been distributed through the community through conventional means, such as City Council newsletters.

HomeFree Nevada has distributed all ENERGY STAR materials to affiliated companies. Each company is required to display HomeFree Nevada and ENERGY STAR logos on their materials for jobs that would be included in the program. In addition, HomeFree Nevada's Rebate Program has been utilized as an effective selling tool in affiliates' individual marketing campaigns. HomeFree Nevada has also worked with and plans to continue working with other public, private, and non-profit organizations, such as Nevada ENERGY STAR Partners

Although marketing has lagged behind other aspects of the program, funds have been budgeted for marketing under the Nevada Retrofit Initiative. Once obtained in 2011, these funds will help HomeFree Nevada spread word of its offerings statewide.

Major Program Modification to Current and Future Plans

Although the program is new, HomeFree Nevada has made significant strides due to funding agreements between the organization and local governments, including the Cities of Las Vegas, North Las Vegas, and Henderson and Clark County.

After submitting its partnership agreement, program development and planning meetings commenced in September 2009. The City of Las Vegas Green Building Program launched a pilot rebate program for energy audits recognizing HomeFree Nevada as standard for existing residential retrofits and coordinated rebate payments with local utility NV Energy's A/C tune-up program. Auditor and Contractor meetings announced the program to the private sector. Five mentoring groups began completing jobs with approved companies meeting standards. Training and mentoring program also began with Easter Seals using Recovery Act funds.

In December of 2009, the City of Las Vegas Green Building Program launched its second pilot phase by working with HomeFree Nevada to modify its standards and submission requirements. Partnership and funding discussions with Clark County, City of North Las Vegas, and City of Henderson began as well.

During the 1st Quarter of 2010, HomeFree Nevada's Board hired a new interim executive director and began 2010 program planning. The HomeFree Nevada Board of Directors held a retreat where Vision, Mission, and Goals were adopted and Home Performance with ENERGY STAR program changes incorporated.

After successfully creating demand in the community, the City of Las Vegas Green Building Program begins offering rebates for comprehensive home energy audits, retrofits, and test-outs in April 2010. The City of Henderson enters into an agreement and programs EECEBG funds for HomeFree Nevada. By June, the City of Las Vegas entered into an agreement and programmed EECEBG funds for HomeFree Nevada, no longer committing City funds for rebates. The

HomeFree Nevada Quality Assurance/Quality Control Program was also introduced. Meanwhile, HomeFree Nevada partners with the Nevada State Energy Office to submit an application for State Energy Program grant funds for the “Nevada Retrofit Initiative,” which would expand HomeFree Nevada statewide.

During the 3rd and 4th Quarter of 2010, the City of Las Vegas EECBG funded program began, rebating homeowners across the region for jobs completed to Home Performance with ENERGY STAR standards while a search for a Program Manager began. By October, the HomeFree Nevada Board was expanded statewide and a Manager was hired to implement the Quality Assurance program while the DOE funded the Nevada Retrofit Initiative under State Energy Program.

After meeting with Home Performance with ENERGY STAR manager Chandler von Schraeder at the Profits with Home Performance seminar in Las Vegas and Reno in November, discussion of modifying program standards began in preparation for 2011 by developing a Strategic Plan. The program’s strengths, weaknesses, opportunities, and threats are to be discussed by the end of the year as well as consideration of general program issues and ideas for improvements. Some of the considerations include:

- The Board’s creation of a “home inspector” standard that accounts for the Program for Evaluating Energy Consumption as the state mandated “point of sale” regulation that was developed and finalized in December;
- Full integration of a revolving loan fund;
- Developing a new comprehensive program plan that reflects current program practices. This would be inclusive of a marketing plan;
- Removal of a requirement for third party test-outs;
- Increasing the rate of QA/QC inspections;
- Modifying program offerings to include:
 - Non-incentivized “point of sale” inspection (as described above)
 - A “Silver” package – a less intensive, non-rated audit/retrofit (specific ECMs qualify) with reduced incentive
 - A “Gold” package – the comprehensive package with full rating (as program exists now) with full incentive
 - A bonus incentive – no strings attached incentive for meeting x% energy savings
- Operational improvements to simplify program submissions and other requirements, where possible.

In 2011, these action items, if approved by the HomeFree Nevada Board of Directors, will help HomeFree Nevada:

- Fulfill its requirements of the HPwES agreement, including Quality Assurance/Quality Control
- Fulfill ARRA requirements between all local governments
- Better prepare HomeFree Nevada to receive NSOE (SEP) funds for the Nevada Retrofit Initiative
- Help HomeFree Nevada and the industry adapt to “point-of-sale” regulations as enacted
- Help HomeFree Nevada increase its transparency and improve the efficiency of its operation in order to move forward with a statewide expansion