PA Home Energy/ West Penn Power Sustainable Energy Fund

ENERGY STAR 2010 Partner of the Year Award—Energy Efficiency Program Delivery Category: Home Performance with ENERGY STAR®/Established Market

Introduction

The West Penn Power Sustainable Energy Fund (WPPSEF) is committed to developing new innovative clean energy programs that benefit West Penn Power (WPP) electric ratepayers. The WPPSEF has worked with the U.S. Environmental Protection Agency (EPA) and Department of Energy (DOE) to promote ENERGY STAR throughout the 23county WPP service region. In 2004, the WPPSEF became an ENERGY STAR partner to promote ENERGY STAR labeled products. This laid the foundation to develop the Keystone Home Energy Loan Program (Keystone HELP) with AFC First Financial Corporation (AFC). Keystone HELP provides low-cost, unsecured financing to consumers for the installation of ENERGY STAR labeled products in their home.

In July 2010, the WPPSEF and AFC entered into an agreement that will enable AFC to continue to offer the PA Home Energy program throughout Pennsylvania with ongoing support by Performance Systems Development (PSD). Under the agreement, AFC is charged with the day-to-day operations of PA Home Energy and the further statewide expansion of the program. PSD will continue to provide technical assistance, contractor mentoring, and quality assurance. AFC will administer the Home Performance with ENERGY STAR program for the WPPSEF who retained the formal program sponsorship with the U.S. Environmental Protection Agency. WPPSEF received EPA's ENERGY STAR Special Recognition Award for Excellence in Energy Efficiency in 2009 and 2010. This nationally competitive award recognizes the WPPSEF for its commitment to energy efficiency and environmental protection as an ENERGY STAR Partner.

Core activities in late 2007, 2008, 2009, and 2010 have included program design, development and filing of the EPA Implementation Plan, hiring and expansion of program staff, development of workforce infrastructure, marketing and public outreach, developing and implementing reporting procedures, implementing quality assurance measures, offering additional training, assistance, and networking opportunities to service providers, and developing partnerships with the state, economic development agencies, and utilities.

PA Home Energy's effect on the residential energy market has increased substantially in 2009 and 2010. The infrastructure of trained and certified service providers, as well as the program's substantial marketing efforts, is changing how Pennsylvanians think about residential energy. As the program progresses, PA Home Energy's certified service providers are touching a growing number of newly constructed and existing homes, both within and outside the WPPSEF territory.

Program Design and Updates

PA Home Energy is designed to promote energy-efficient new home construction and a whole-house approach to energy-saving improvements in existing homes, utilizing the ENERGY STAR Qualified New Homes and Home Performance with ENERGY STAR national program models. Key design features of the PA Home Energy program include:

- Program support for both new home construction and energy improvements for existing homes.
- Consistent standards of service and a commitment to quality assurance for consumers.
- Service Providers (consultants, contractors, builders) trained to national standards.
- Tiered consumer incentives built on performance for homeowners in the WPPSEF territory.
- Marketing to drive consumer demand for energy-efficiency services, and to spur recognition of PA Home Energy as a program of expertise in the residential energy marketplace.
- Program designed to be piloted in the WPP service region and then expanded statewide.

To promote statewide expansion and overall penetration of PA Home Energy, key elements to 2010 (and forward) include:

Increase Contractor Enrollment

• While the RESNET/BPI dual certification is the cornerstone of PA Home Energy, further development of the contractor base is dependent upon a BPI only standard. The dual requirement will still be the premier standard for PA Home Energy, however the BPI only minimum standard will introduce new contractors to the program who may ultimately earn the RESNET credential and further add brand equity to the program.

Contractor Membership

- As the transition to AFC occurred this year (2010), part of the long term success of the program is establishing a revenue stream as the program moved to the private sector.
- Creating a fee based membership will be key to generating a revenue stream and will be additionally beneficial as the contractor base grows with the BPI only tier.
- While there is value in current PA Home Energy status, it will be important to build upon lead generation, equipment discounts and brand awareness to provide a return on investment for the service providers.

Software upgrade

• Current PA Home Energy service providers have been trained on the latest version of Green Energy Compass with the Surveyor component.

- The updates provide modifications to the energy tracking, benchmarking, reporting and project management software in use for PAHE Home Energy
- The addition of Surveyor provides a high-quality solution to produce modeled savings predictions and customer reports in a timely and cost-effective manner.

Outreach

PA Home Energy's impact on residential energy efficiency in Pennsylvania has increased substantially in 2010. PA Home Energy now has 86 service providers, and has trained over 200 individuals through both RESNET Rater and BPI Building Analyst Trainings. In addition, PA Home Energy provides ongoing technical and business-process support for its service providers and facilitates the PA Home Energy Annual Conference (March 2010).

Consumers are provided with access to information on energy efficiency, green building, and the PA Home Energy program via an online website, a variety of media promotions, and a number of home shows throughout Pennsylvania. To further extend outreach, PA Home Energy has established a consumer membership program

Consumer Membership

• For a nominal fee, consumers can become members of PA Home Energy and receive valuable information about energy efficient building/retrofitting and learn about the "whole house" approach.

In conjunction with this enhanced consumer outreach, regional chapters of PA Home Energy will be promoted throughout the state. The goals of the regional chapters include:

- More rapid statewide expansion of PA Home Energy by having local marketing and support.
- Peer to peer support for individuals entering the energy industry.
- Communicating PA Home Energy's message on a comprehensive basis.

Market Impact

PA Home Energy's certified service providers are ramping up the numbers of homes they are affecting, as they incorporate the program's standards into their business models. PA Home Energy's results, in terms of numbers of affected homes, and energy savings, have grown in 2010: the total number of completed home performance jobs now standards at 180.