

Community-based Energy Efficiency and Renewable Programs: Aggressive Goals, Comprehensive Services:

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Why a Community-based Approach?

- Make Significant Local Impact on Climate Change
- Maximize and Rationalize Access to Federal, State, and Local Energy Efficiency, Renewable Resources
- Reduce Energy Cost Burdens for City Government, Entire Community
- Create Jobs, Local Economic Development

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Using the City as an Aggregator

- City is a natural aggregator of energy demand, public incentives, and private investment
- City uses its “brand” to rally businesses, institutions and residents to reduce energy use, carbon emissions, and reliance on foreign energy sources
- Stakeholders have a trusted relationship with the City
- The City has authority to deal with all sectors
- City can establish property tax, solid waste, or water bill to offer on-bill financing

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Elements of Successful Program Designs

- Lessons learned from:
 - Cambridge Energy Alliance
 - Southeast Energy Efficiency Alliance
 - Cincinnati Energy Alliance
 - New York City: via Natural Resources Defense Council
 - New Hampshire’s Jordan Institute
 - What Others have done in cities from Portland to Berkeley to Babylon to San Francisco and Palm Springs

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Framework: The Long View

- Future Sticks
- Intermediate Benchmarking with Recognition
- Present Carrots
- Unprecedented Social Marketing Effort
- Workforce Training Investment
- Pay for Performance Utility Incentive
- Independent Organization with Strong Mission
- Appropriate Timing
- Sustainable Program Funding Mechanisms

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Future: Sticks

- Mandatory Existing Building Standards
- Phased In: Largest First
- Flexibility in Meeting Standard
 - BTUs/ft²
 - Prescriptive Measures
 - Implement audited 5-year payback measures

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Intermediate: Benchmarking

- Methodology must have consensus
- Revise every few years
- Must be prominently displayed in Lobby, on Real Estate sales contracts
- Should be combined with Recognition Program for High Scores

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Present: Carrots

- Resource Acquisition Basis (and strong M&V)
- No Cost Small Building Visits
- Multiple Points of Entry for Customer
- On-Bill Financing
- Address electricity, water, & heating fuels
- Pay for Performance
 - Rewards Behavioral Responses
 - Mitigates Contractor Bottleneck Problem

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Unprecedented Social Marketing Effort

- Akin to Sustained Political Campaign
- Branding analogous to "Energy Star"
- Targeted Messages to Various Markets
- Community Basis Vital
- Distribution Channels Numerous
 - Web, internet, Facebook
 - TV, radio, newspapers
 - Door to Door, Personal
 - CEO Affinity Groups by Industry
 - Trade Allies
 - Telemarketing, Bill Stuffers, Posters

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Independent Organization to Provide One-stop Service

- Marketing and Outreach
- Case Management
- Program Design
- Workforce development Center
- Aggregator of Demand
- Quality Control
- Financing Program Designer

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Pay for Performance Utility Incentive

- Needed as Option for all EE Programs seeking High Participation
- Advantages
 - Can overcome contractor bottlenecks
 - Can overcome Utility Program reporting requirements
 - Rewards Behavioral Practices
 - Easy to Measure: Pre and Post-Billing Analysis
 - Adjust for Weather and Occupancy
 - Can't be only Program offering as complex buildings are too difficult to monitor by billing analysis only

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Accelerated Workforce Training

- Coordinate Planning
- Do Accurate Forecasts of Future Need
- Start with Grade School Curricula
- Involve All Stakeholders, all training institutions
- Subsidize Curricula, Students
- Certify and Re-certify
- Don't Forget Building Inspectors, Facility Managers
- Housing Authority Residents Deserve Priority

Attention
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Appropriate Timing

- Mandatory Standards 4-6 Years out
- Benchmarking in 2-3 years
- Carrots Take into Account Contractor Capacity
- Focus on Workforce Development Now
- Time Marketing Campaign to Capacity of Response

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Accessible, Affordable Financing Program

- Must Address Shortcomings of Most EE Financing:
 - Interest Rates too high
 - Term Too Limited
 - Creditworthiness Standards

Two Models Stand Out

- * Property tax assessment; special tax districts
- * On Bill financing of utility bill (including water)

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Affordable Housing Community Opportunities

- Strategic Plan Addressing all ARRA programs:
 - HUD Green Retrofit Program
 - HUD Competitive Capital Fund
 - Low Income Weatherization (addressed earlier)
 - State Energy Program
 - Competitive Energy Efficiency Community Block Grant
 - Local Utility Incentives
 - Energy Performance Contracting: Where PHAs Can Set Example

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How Should Communities Take Advantage of These Opportunities?

- Create an energy team and identify a coordinator or “champion”
- Identify opportunities and needs
- Obtain technical assistance as required
- Develop strategic energy plan
- Address community's goals and needs across sectors
- Prioritize projects
- Secure funding and support services
- Leverage funding streams
- Comply with key grant requirements
- Engage partners
- Implement plan

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Communities Need to Consider How Best to:

- Access more funding, and more quickly
- Spend money wisely, with maximum returns
- Spend money equitably in your community
- Leverage additional funding most effectively
- Create most local jobs
- Reduce energy use!

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Key Ingredients to Program Success in Short-Term

- Program Design that overcomes barriers in all sectors, including Affordable Housing;
- Major Marketing Campaign
- Leadership: Political and Civic
- Affordable Housing Community Major Player

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