TO: DEBBIE MENASHE AND THE STRATEGIC PLAN DRAFTING TEAM

FROM: MEYER, HOLLY

SUBJECT: BEYOND TRADITIONAL MARKET TRANSFORMATION: Proposal to Transform the Housing Stock by 2030

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CC: BILL EDMONDS

Rather than looking at homes measure-by-measure and fuel-by-fuel, consider a more aspirational and goal-focused approach: shoot to have all housing stock meet a certain gold standard for efficiency and incent them to this standard. This is a spin off the LEED system for awarding gold, silver and bronze. In order to meet a given threshold, a home must save x amount of energy or perform 3 out of 10 measures (for example) to receive a bronze certification. Incentives would be paid when customers achieved a given efficiency level, not for specific measures completed. This would encourage more bundling and eventually a whole home approach which represents better building science and significantly more energy savings than one-off measures.

To make this stick, the level should be reflected in various ways. When houses sell this should be reflected on the RMLS. For those not in the market their score could show up on their bill statements.

The basic utility service could be an energy audit and EPS which would state the measures necessary to reach given thresholds. A customer would have a set time period to complete the recommended measures before the score may become invalid.

For customers meeting the gold standard it may be fitting to opt them out of the PPC for 3-5 years. Theory being, that if all customers had gold standard homes we wouldn't need a PPC. That said, technology and building science continues to evolve so this would only hold true for a finite time period, at which point, the customer would again be required to fund the PPC.

Historically only owner occupied homes were realistically eligible for ETO programs. Having a clear and visible rating that renters could easily compare should help create market pull for these scores.

The Climate Action Plan – outlining changes in Multnomah County and the City of Portland to reduce carbon emissions 80% below 1990 levels by 2050 - may be an appropriate avenue to promote this concept and further link with existing efforts. Perhaps it would even become required that rental properties must meet at least a bronze standard before they can be rented.

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We need something that's easy to understand in order for it to stick. Energy efficiency is techy and wonky and the average Joe doesn't get into it much.

This would spotlight current housing stock and measure the advances in that stock rather than just looking at sales of code equipment vs high efficient and measuring our success in that manner.

For additional discussion or questions, please contact Holly Meyer 503-319-7984 or holly.meyer@nwnatural.com.

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