Homes Group Strategic Plan
Conservation Advisory Committee

July 21, 2010

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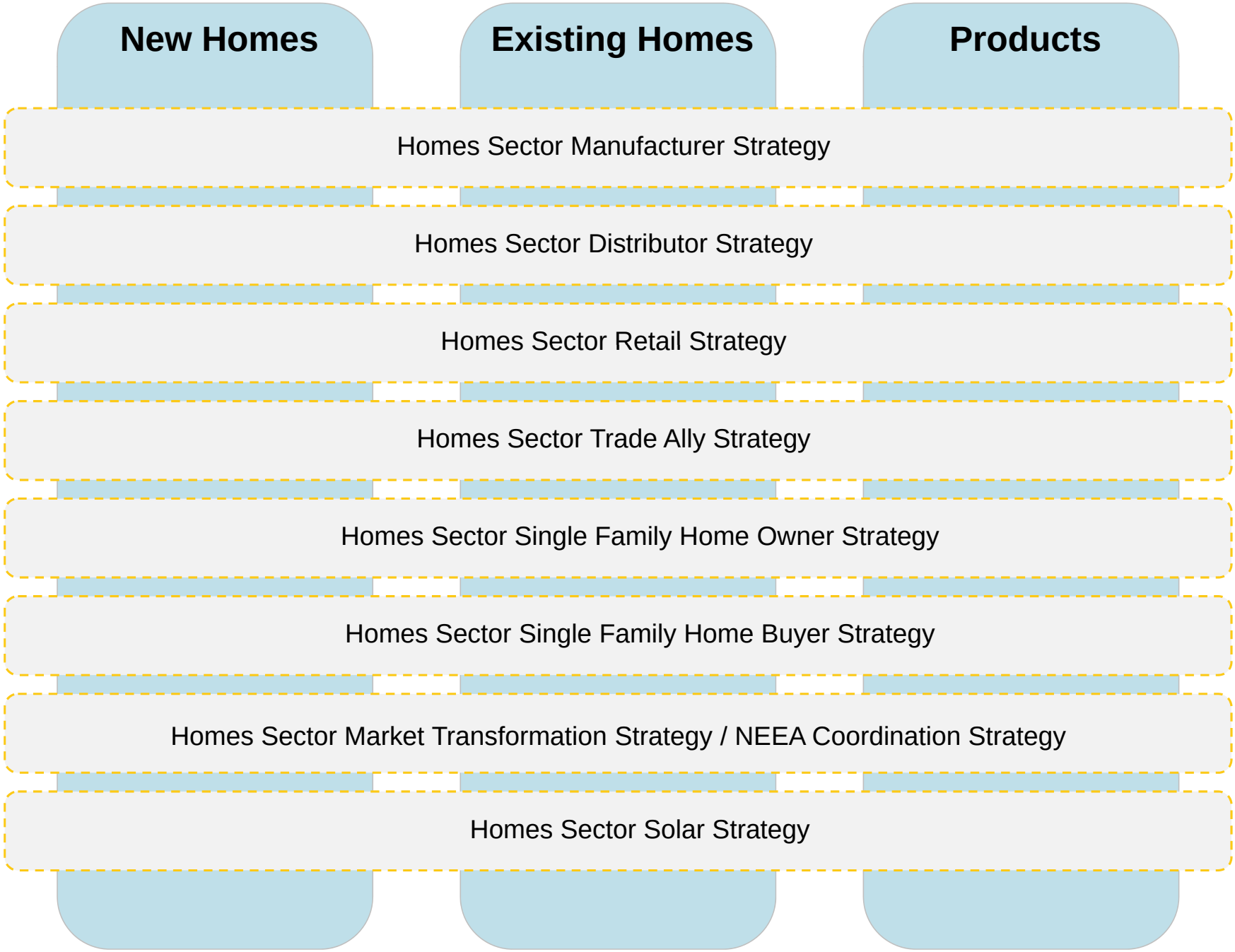
New Homes
Existing Homes
Products
Homes Sector Manufacturer Strategy
Homes Sector Distributor Strategy
Homes Sector Retail Strategy
Homes Sector Trade Ally Strategy
Homes Sector Single Family Home Owner Strategy
Homes Sector Single Family Home Buyer Strategy
Homes Sector Market Transformation Strategy / NEEA Coordination Strategy
Homes Sector Solar Strategy

Homes Sector Customer Segments

Manu-facturers	Distributors	Retailers	Trade Allies	Single Family Home Owners	Single Family Home Buyers	Other Home Occupants	Other
• Product / Equipment Manufacturers on Supply Side • CEE • NEEA	• Key Distributors • CEE • NEEA	• Product / Appliance Vendors	• Home Builders • Contractors • Realtors • Plumbers • Electricians • Solar • Designers / Architects	• Moderate Income Owners • High Income Owners • Collaboration with Low Income Owners • 2 to 4 Unit Multifamily	• Moderate Income Buyers • High Income Buyers • Collaboration with Low Income Buyers • Manufactured Homes	• Renters • Mobile Home Owners • Condo Owners • Remodeling Customers	• Students • Employees • Communities

Major Customer / Market Segments

Niche Customer/ Market Segments

Manufacturers

Strategies
• Refocus efforts within the Consortium for Energy Efficiency that optimize the currently time commitment / level of interaction from the ETO Homes Sector • Concerted effort s to host conferences and networking opportunities • Continue to work with NEEA to coordinate efforts with manufacturers • Continue to use this segment to drive both higher levels of federal and local codes and standards • Coordination across Homes Sector and the planning group to coordinate rand prioritize relevant technical issues and program strategies

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Distributors

Strategies
• Leverage their networks for knowledge and to disseminate information • Offer split incentives with a portion of the incentive dedicated for the distributor • Potential to leverage large distributors to provide solar equipment • Proactively seek out relationships • Host conferences for distributors and their retailers

Retailers

Strategies
• Establish a coordinated strategy across the sector that optimizes touch points with retailers and leverages opportunities across all program areas. The sector strategy will also ensure that we are delivering a consistent and coordinated message across all product areas. • Work with PMCs to develop a targeted retail program . Using existing data analyze the high sales / high savings retail locations and provide increase levels of service rewards. • Establish a program ally strategy that leverages retailer's install / contractor networks • Create a tiered program ally strategy that rewards high quality / high volume program allies • Refine the rural retailer strategy that promotes ETO messages and program within local communities • Grow the large retail strategy through the promotion of a better understanding of the benefit s of the ETO Trade Ally Network • Improve coordination between PMCs • Improve coordination with NEEA • Enhance the retailer incentive strategy

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Trade Allies

Trade Ally Strategies

- Develop a tiered trade ally strategy that prioritizes trade ally status based on performance and business model effectiveness.
  - Provide recommendations to trade allies on business model best practices
  - Allocate projects based on the tiered strategy methodology (i.e., award high value projects to top tier trade allies).
- The Homes Sector also plans to incent trade allies to cross-sell and have the basic knowledge and understanding of other Energy Trust offerings.
  - Implementation of the strategy through a tiered incentive program that rewards trade allies for selling offerings outside of their direct specialty (i.e., incent window contractors to link to insulation and solar).
- Tap into the indirect trade ally segment that act as middlemen in the trade ally strategy, but serve as important agents in driving to meaningful savings and market transformation.
  - Designers/architects, engineers, developers, trade associations (i.e., WISE, Home Builders Association), mortgage lenders and home inspectors.
  - Work to leverage this group to endorsing ETO / trade ally services and equip them with the appropriate tools to help them promote their organizations.

Single Family Home Owners

Single Family Home Owner Strategies
• Position ETO as neutral 3rd party advisor with one stop shop options / holistic solutions • Leverage our tiered trade ally strategy to make energy efficiency measures simple and cost – effective • Provide a higher level of customer service by triaging customer in the initial screening phase – Screen customer through call centers / trade ally outreach for best fit solutions (i.e., HERs, HP, pay as your go strategies) to ensure that ETO provides the appropriate incentive structure for each customer – Provide call scripts to call center reps to answer common questions from customers – Promote renewable measures as an cross-selling option – Offer an improved customer follow-up strategy (in conjunction with new ISP technology) – Provide one review for energy efficiency and renewables • Offer a common labeling scale (EPS) • Drive single family home owners to ETO website for information on value proposition and energy efficiency options • Provide workshops that educate home owners on potential options • Provide peer to peer comparisons

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Single Family Home Buyers

Single Family Home Buyer Strategies
• Increase awareness of EPS as a tool to help home buyers understand the environmental impact and energy costs of a new home • Increase solar adoption in to new homes by making it easy for home buyers to add it as an option at the point of purchase • Develop a portfolio of products that support improved energy scores, including insurance and mortgage products • Continue ongoing efforts in manufactured homes on general home buyer awareness, education and cash incentives that encourage upgrades to energy efficiency homes • Continue collaboration with existing homes on EPS

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Homes Sector Areas of Focus

Achieve Our Savings Targets

Deep Understanding of Our Customers

Grow Our Effective Delivery Network

Educate Consumers to Drive Behavior Change

Work Effectively with Our Key Constituents

Streamline Our Processes

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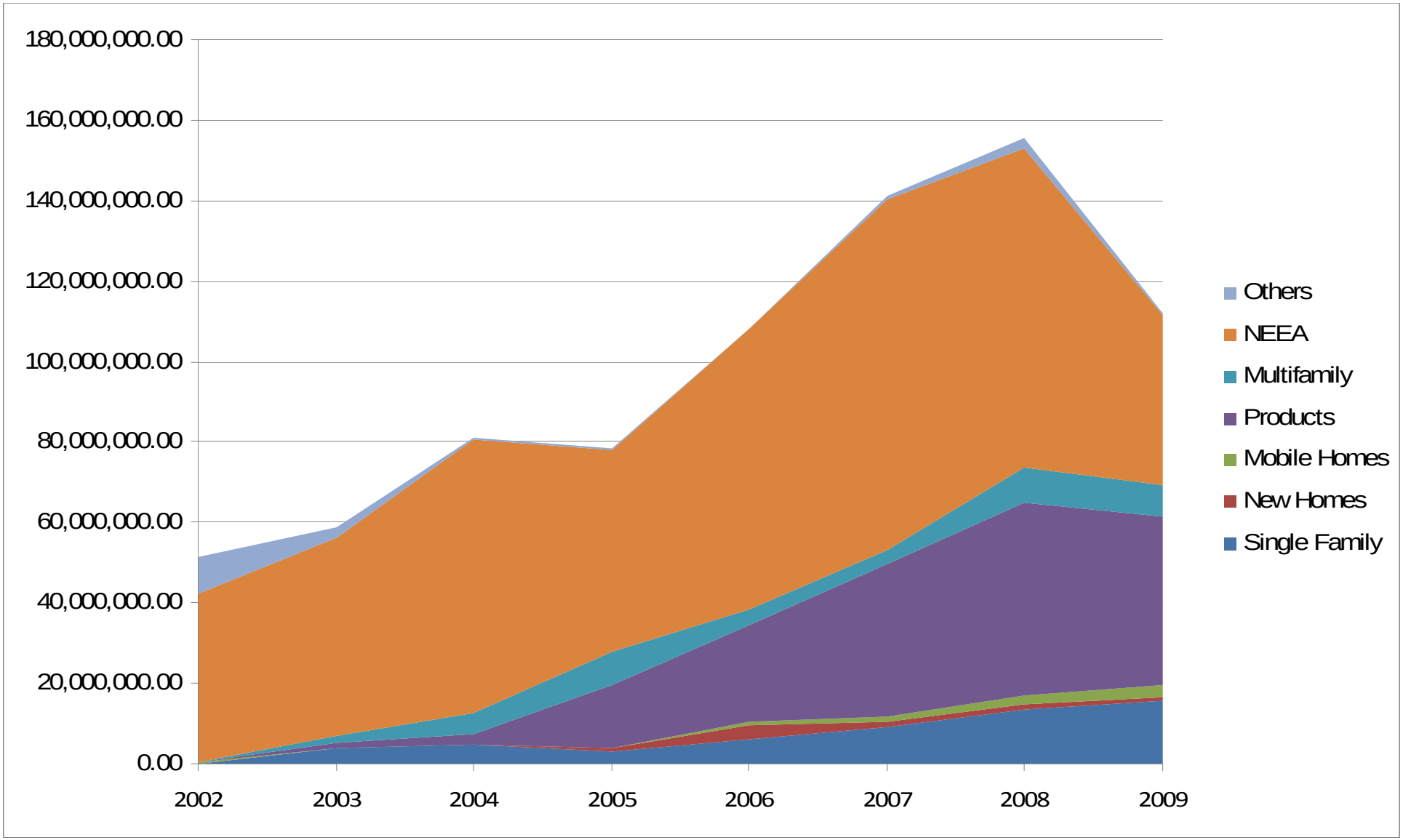
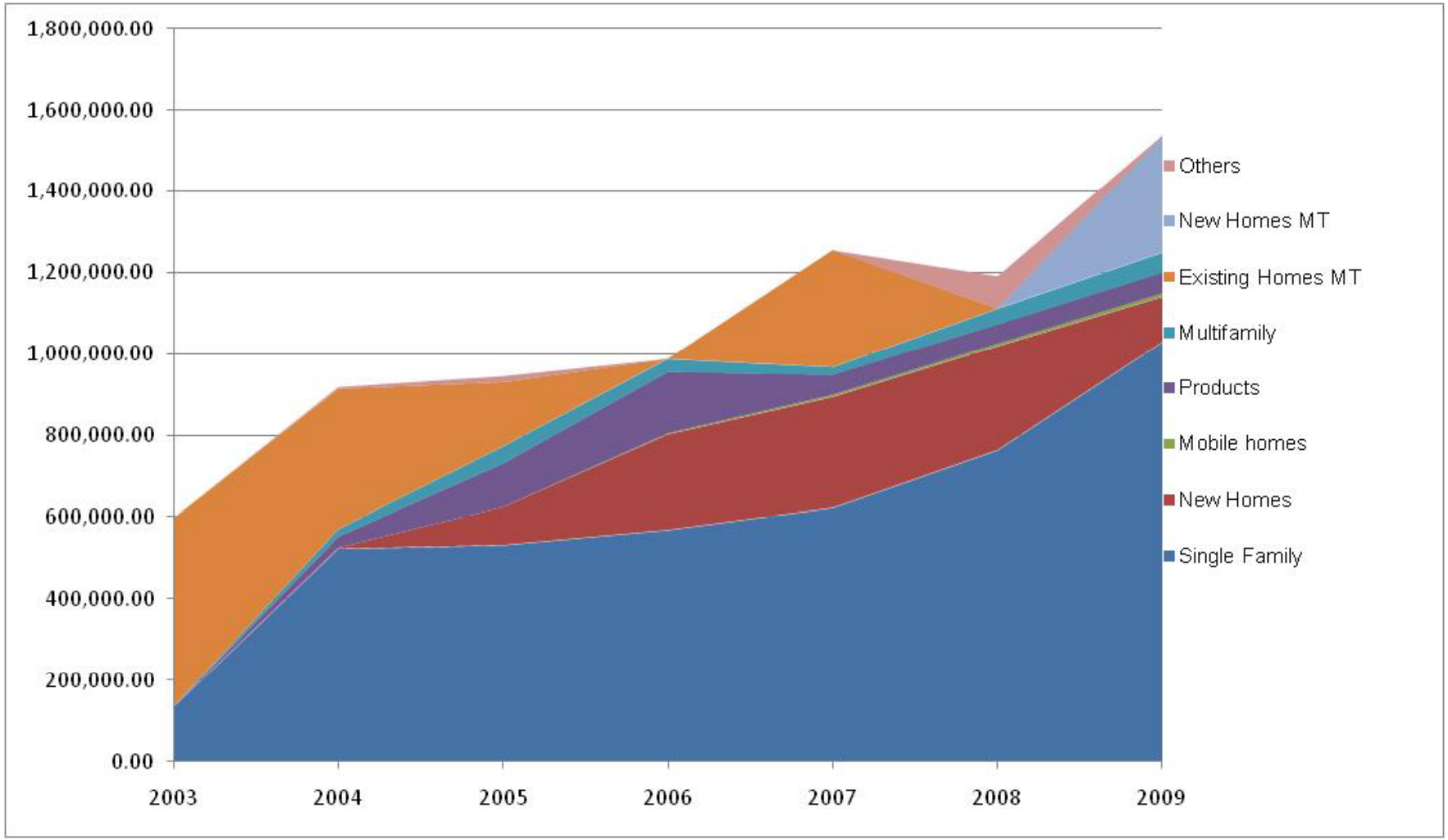
Homes Sector Areas of Focus Overlap with Energy Trust Strategic Plan Goals

Accelerate energy efficiency investments	*Maintain support for a variety of renewable energy technologies*	*Encourage innovative technologies and practices*	*Support development of clean energy businesses*	*Provide excellent customer service to all ET participants*	*Bring a broad perspective to two year budgets and action plans by considering their overall balance and equity*	*Communicate the value of energy savings and renewable energy generation*	*Maintain an efficient, effective and transparent organization that responsibly invests ratepayer funds*
Achieve Our Savings Targets *Establish a Deep Understanding of Our Customers* *Work Effectively with Our Key Constituents* *Streamline Our Processes*	*Work Effectively with Our Key Constituents* *Streamline Our Processes*	*Establish a Deep Understanding of Our Customers* *Educate Consumers to Drive Behavior Change* *Work Effectively with Our Key Constituents*	*Grow Our Effective Delivery Network* *Work Effectively with Our Key Constituents* *Streamline Our Processes*	*Establish a Deep Understanding of Our Customers* *Grow Our Effective Delivery Network* *Educate Consumers to Drive Behavior Change* *Streamline Our Processes*	*Achieve Our Savings Targets* *Establish a Deep Understanding of Our Customers* *Work Effectively with Our Key Constituents* *Streamline Our Processes*	*Establish a Deep Understanding of Our Customers* *Grow Our Effective Delivery Network* *Educate Consumers to Drive Behavior Change*	*Achieve Our Savings Targets* *Work Effectively with Our Key Constituents* *Streamline Our Processes*

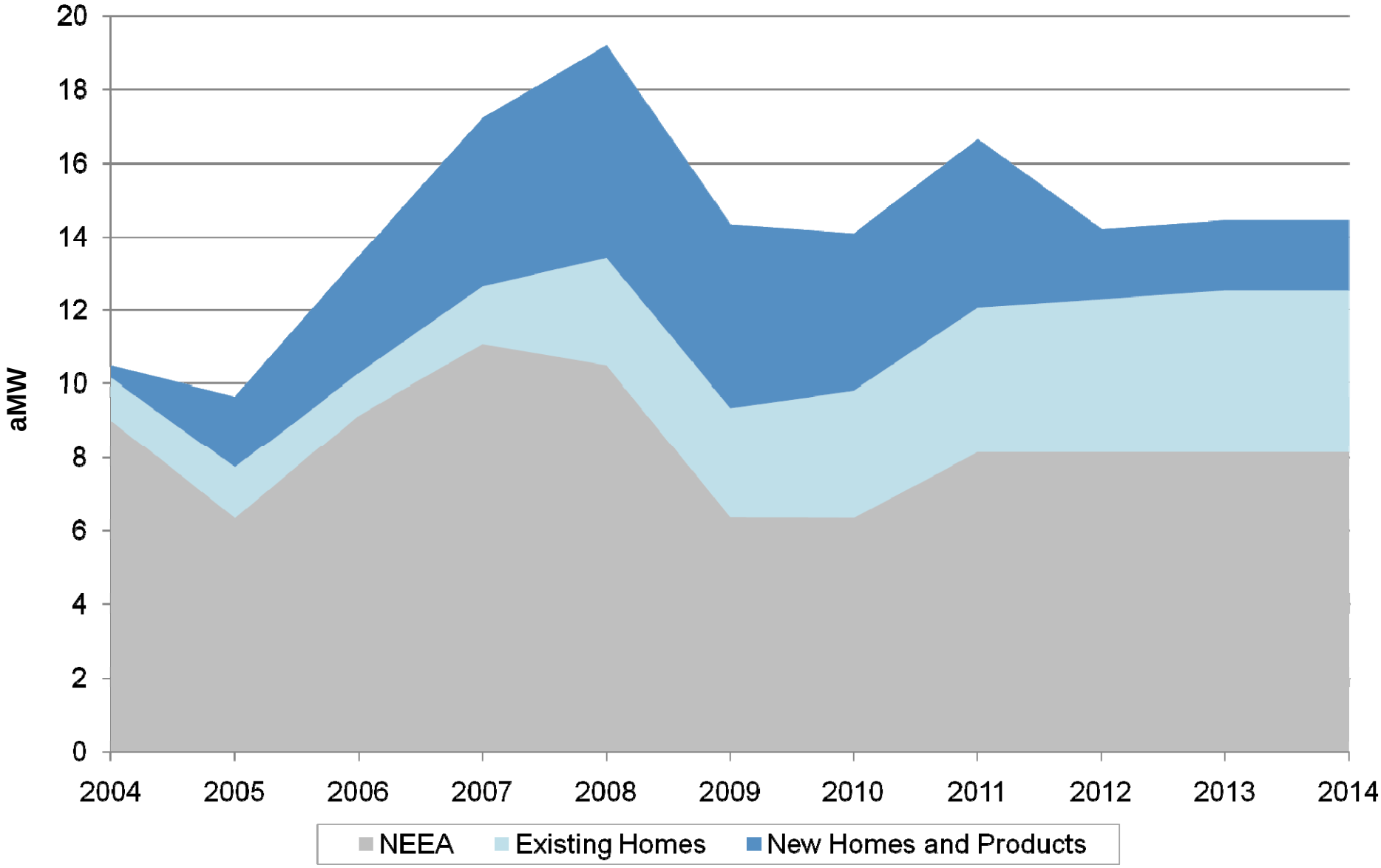
Homes Sector kWh Acquisition 2002 - 2009



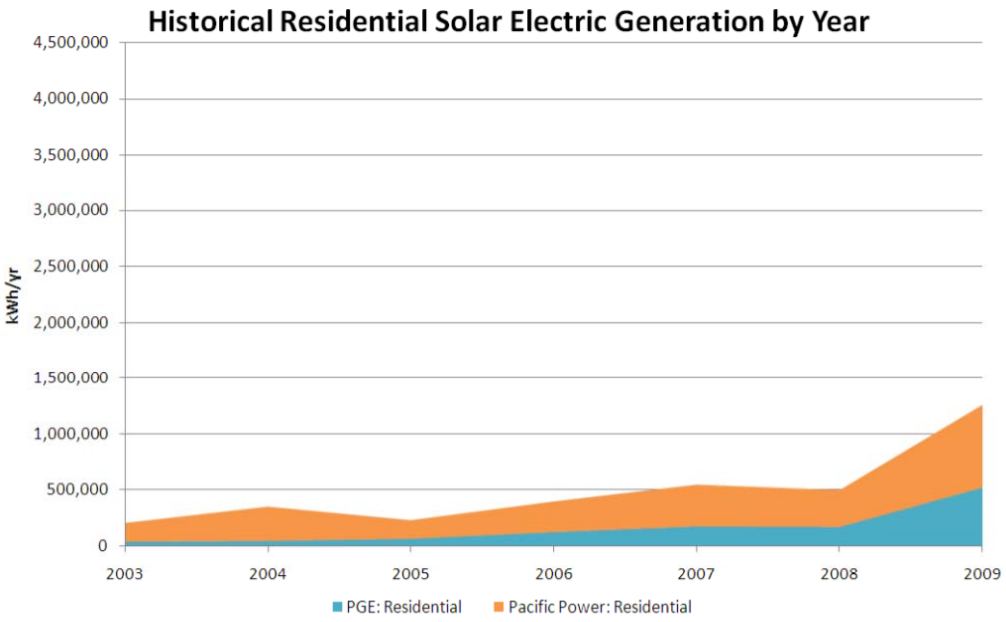
Homes Sector Therm Savings Acquisition 2002 - 2009

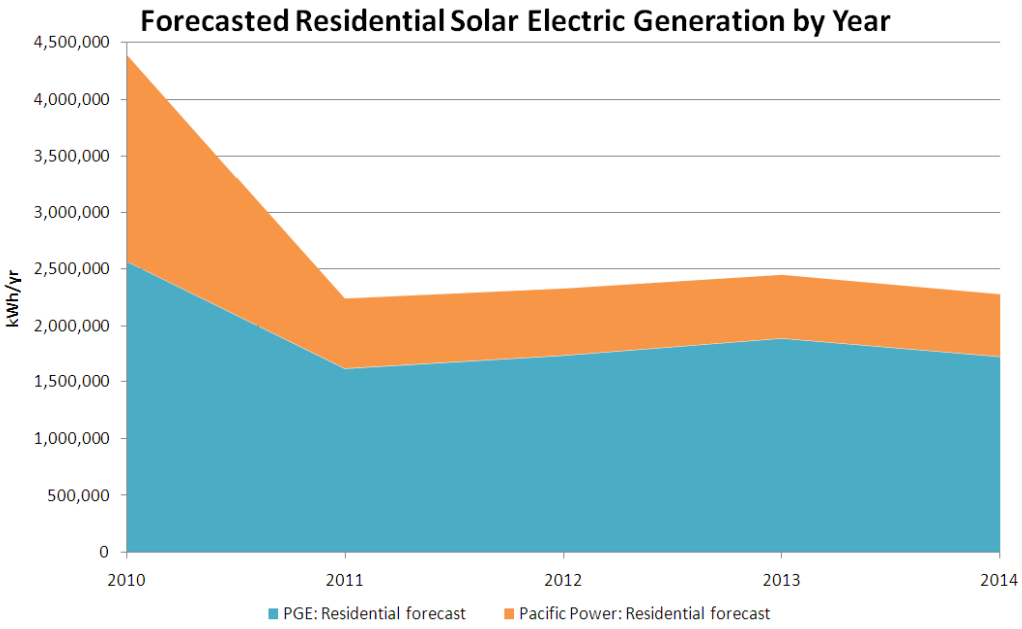


Homes Sector Electric Yearly Historical and Projected IRP Savings Estimates



Solar Historic and Forecasted Generation





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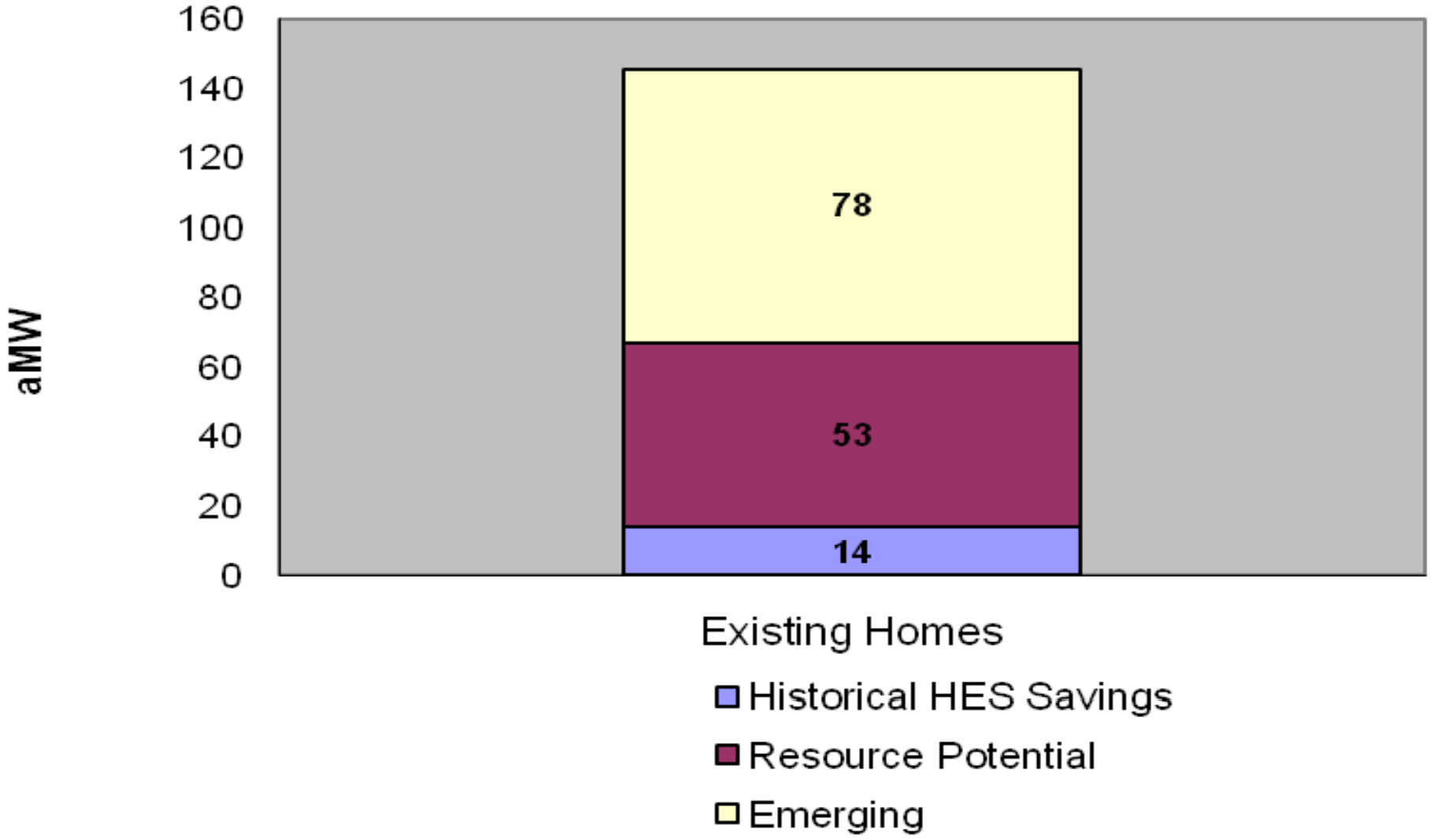
HES Electric Historical Savings vs. Resource Assessment

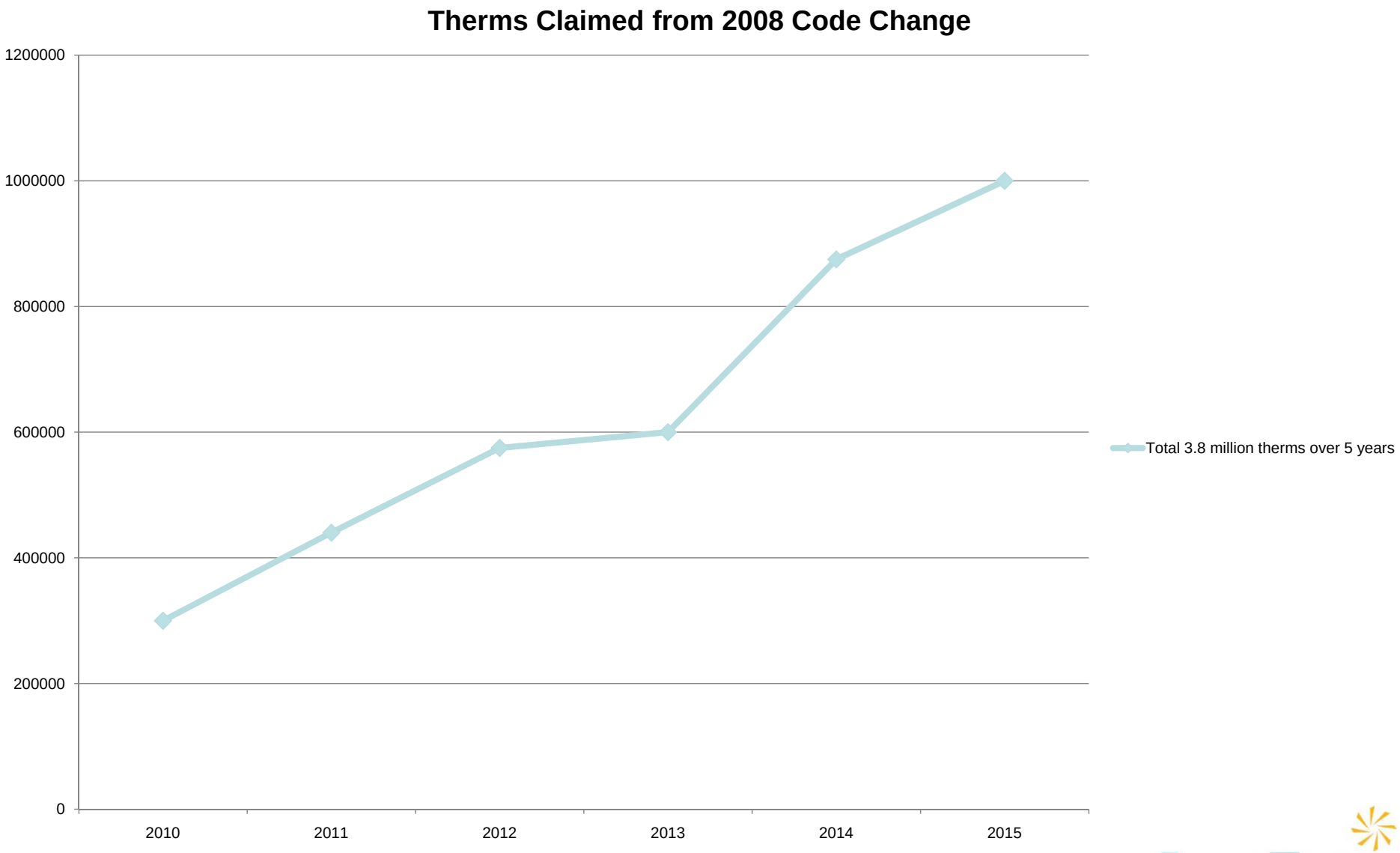


New Homes Program

New Homes Program Goals and Metrics
1) *Meet or exceed the New Homes savings goals in a cost effective manner* → energy savings targets & market transformation savings
2) Increase penetration / market share within the new housing market → 20% in 2011, 12% in 2012 (code change in effect), 15% in 2013, 20% in 2014, 10% in 2015 (code change in effect)
3) *Increase Energy Performance Score (EPS) awareness* → By builders and home buyers
4) Promote broader market transformation strategies within the New Homes program → pave the way for building codes

New Homes Program Areas of Focus
▪ Support the market for the next code change in 2014
▪ Continue to work with mortgage brokers, insurance organizations, appraisers and realtors
▪ Roll out EPS for new and existing homes
▪ Drive down market barriers
▪ Increase solar adoption in new homes

Market Transformation



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New Homes Program

Activity	5 year goal	2011- 2012 Actions
Savings goals through market penetration	20% in 2011, 12% in 2012,15% in 2013, 20% in 2014, 10% in 2015 MT savings from 08, 11, and 14	EPS, support the market (training, technical assistance, design, SOS, rover, etc.), incentives for savings, support green and net-zero, contractor certification, builder differentiation.
Drive down market barriers (cost, building science education, technology, home design, and consumer demand)	Smooth 2014 code process, demonstrated improvements of identified barriers	Builder survey of barriers, new design incentives?, bulk buys?
Support real estate professionals	Preferred mortgage and insurance products, appraiser training, RMLS listing	Revamp realtor offerings, outreach, support, collaboration, pilot new products
EPS Awareness	Increase in builder and consumer awareness	Joint marketing with existing homes, consumer questions, revamp web pages for both, EPS web portal?, behavior pilot?
Adoption of solar	8% of new homes have solar installed	Trainings, specialized trade allies, update EPS to reflect solar, bulk buy, revise incentives, BOS education

Products Program

Products Program Goals and Metrics
1) *Meet or exceed all energy savings targets* → annual savings goal achieved & market transformation savings 2) *Increase the adoption of the refrigerator recycling program* → Increase harvest rate from 1.3% to 3% 3) *Evolve efficiency tiers on incented products* → incentives for higher tiers, market transformation savings 4) *Maximize savings from specialty lighting* → increase annual savings, plan exit strategy

Products Program Areas of Focus
▪ Strengthen retailer relationships ▪ Increase the harvest rate for recycling ▪ Increase opportunities to bring in new ideas/products into the pipeline ▪ Improve ease of applying for incentives ▪ Collaborate with other efforts that promote products

Products Program

Activity	5 year goal	2011- 2012 Actions
Savings goals	Increasing every year	See below
Increase fridge harvest rate	To 3% by 2015	TV ads, utilize charities/groups, coupons, $50 incentives, etc.
Simplify application process	Drop processing time	Online, at point of sale, remove receipt requirement?
Retailer Management	Multiple MOUs	One point of contact, more fridge pick-up, point of sale incentives, data sharing
Maximize savings from lighting		Specialty lighting, low income, plan exit strategy
New products into pipeline		Cold water detergent, zero mercury CFLs, cold cathode lighting, LED lighting, set top boxes, outdoor landscape lighting, or heat pump driers
Coordinate with other products programs		NEEA's top 10, NEEA consumer electronics, BPA lighting and showerheads

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Manufactured Homes Program

Manufactured Homes Program Goals and Metrics
1) *Meet or exceed all energy savings targets* → annual savings goal achieved 2) *Increase the market share for efficient homes* → Market share for manufactured homes (need to calculate baseline) 3) *Increase % of manufactured homes that are beyond ENERGY STAR* →Increase Eco-rated and Earth Advantage certified, increase homes using mini-split heat pumps

Manufactured Homes Program Areas of Focus
▪ Provide training for retailers ▪ Make program participation easier for retailer ▪ Help more manufacturers build beyond ENERGY STAR requirements ▪ Make it easier to learn about efficient manufactured homes on our website

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Manufactured Homes Program

Activity	5 year goal	2011- 2012 Actions
Savings goals through market penetration	10% rate of program homes Eco-rated in 2011 and 12% in 2012. E* baseline in 2013. DHP 5% in 2011 and 2012 and then a 15% rate after that.	See below. Add DHP as incentive. Direct work with manufacturers. Add focus on modular homes. Close coordination with NEEM.
Move beyond ENERGY STAR		Direct work with manufacturers to drive down costs. Promotion and education.
Retailer training & easier participation		Training and incentives. Online retailer application.
Consumer awareness		Improve web site, detail benefits, provide peer recognition

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Existing Homes Program

Existing Homes Program Goals and Metrics
1) *Increase market awareness and demand for home energy retrofits* → energy savings targets & prescriptive and performance based measure activity
2) Address customer barriers to participation/diversify program delivery offerings→ Customer satisfaction; timeline from audit to retrofit; and success of innovative delivery channels
3) *Increase the effectiveness of the Trade Ally Network as a program delivery channel* → % program savings by trade ally tier; customer satisfaction accessing TA; geographically diverse project installations
4) Streamline approach(es) to identifying and triaging a customer's energy needs and housing characteristics → consumer awareness of home energy use/costs; customer satisfaction with audit process; post audit rates of action
5) *Establish building efficiency label (EPS) that drives the customer to act and reinforces customer investments* → adoption of EE/RE measures as a factor of home value; demand for energy information associated with real estate transaction

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Existing Homes Program

Existing Homes Program Areas of Focus
▪ Refine program offering for each customer segment ▪ Simplify program participation / increase customer satisfaction ▪ Increase efficiency in program delivery ▪ Provide geographically diverse service ▪ Implement trade ally rating system ▪ Maximize regional community, program, and industry stakeholder relationships to increase market penetration

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Existing Homes Program

Activity	5 year goal	2011- 2012 Actions
Simplify customer participation	Address customer barriers/ diversify program offerings	Develop 'Triage' approach; Innovate service offerings by customer segment; modify customer support
Increase market awareness and demand for retrofits	Broad customer awareness and adoption of EE/RE options on existing homes	Innovate program design (incentives, financing, and delivery channels); CEWO/EEAST
Increase efficiency in program delivery	Cost-effective programs	Process improvements: website, forms, tablets, data management, customer support ; balance program costs vs. delivery
Provide geographically diverse services	Broad, cost-effective reach among IOU territories	Evaluation of regional representative strategy; enhance cross-promotion of products, solar, ETO general; increase 'rural' participation and delivery
Establish building label/EPS	Building label drives customer action/reinforces investments	Integrate EPS into program services; increase market awareness; develop phased EPS
Refine Trade Ally Network	Highly-qualified trade allies, driving customer participation	Adjust TA requirements to align resources to performance, modify as necessary; Increase business development/sales support

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