

Weatherization and Intergovernmental Program: Update

NASEO 2012 Annual Conference

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DOE's Weatherization & Intergovernmental Program

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Weatherization & Intergovernmental: Charting a Future Course



Energy efficiency is top priority energy resource Savings, jobs, competiveness, economy, environment

- Leverage ARRA
 - Strategic Spending
 - Best Practices
 - Sustainable Financing
- Continued Progress
 - Evaluating Programs
 - Lead by Example
 - Replicating Models
- Growing Partnerships
 - States and locals
 - NGOs and Industry, Utilities
 - Financial institutions



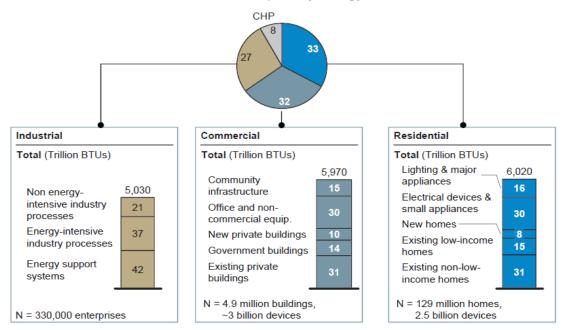
A growing energy efficiency industry that creates jobs, saves money & enhances competitiveness

Opportunity for Investment in EE Remains





Percent, 100% = 18,410 trillion BTUs of primary energy



Source: EIA AEO 2008, McKinsey analysis

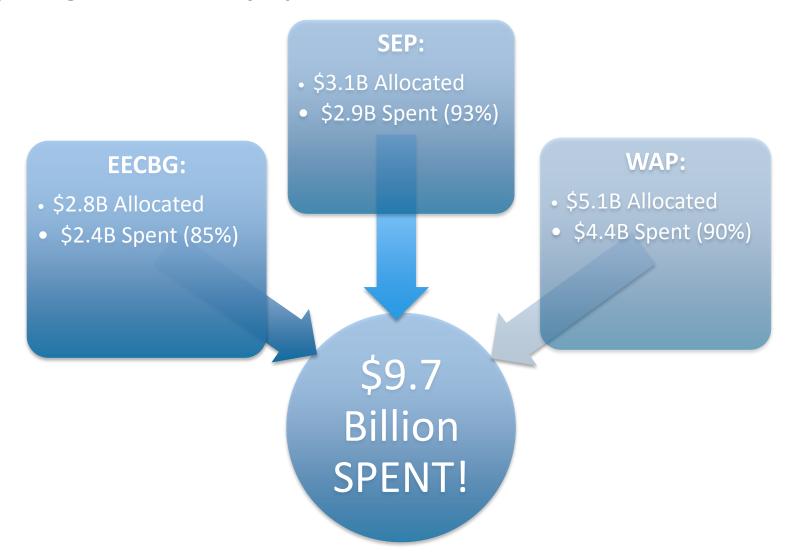
PRIORITIES

- Appliance programs
- Building codes
- Improvement / upgrade programs for existing buildings
- CHP
- Government focus
- Low income focus

Recovery Act: Financial Report



Total Spending under ARRA as of September 3, 2012



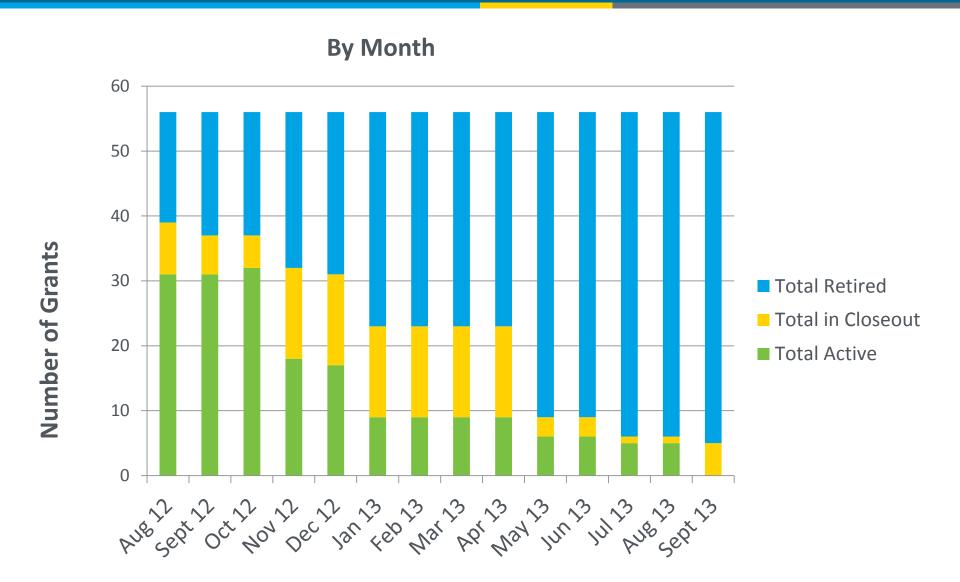
Recovery Act: Accomplishments!



Selected ARRA achievements through June 30, 2012:

- 14,000 jobs created or retained in the second quarter of 2012
- Nearly 180,000 Buildings Retrofit for Energy Efficiency
- 36,000 Renewable Energy Systems Installed
- 270,000 energy efficient traffic signals installed
- 170,000 energy efficient streetlights installed
- 765,000 homes weatherized, including 218,000 multi-family units





Closing SEP ARRA Grants



Final Report

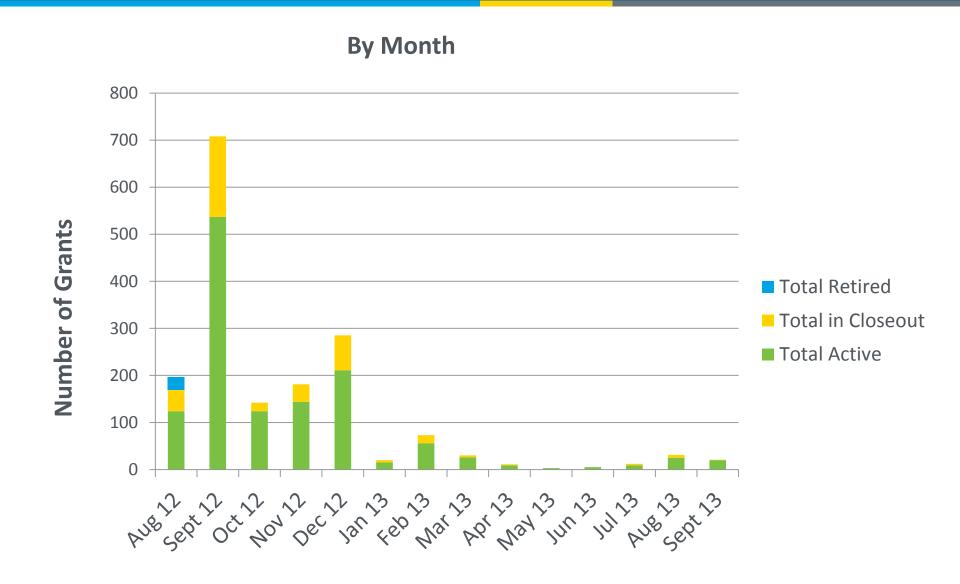
- Opportunity for States to summarize the results of their investment of ARRA funds
- Intended to be the aggregation of existing information (RFPs, SOWs, press releases, reports, metrics)
- Not intended for writing new material or duplicating other reports for the state.
- Direct questions to your PO

Post-ARRA Financing/"Evergreen" Programs

 States should continue managing these programs as they have in the past with respect to: DBA, Buy American, NEPA, SHPO, and metrics

EECBG ARRA Grant Closeout Progress





Financial Mechanisms: Sustaining Efficiency into the Future



Employing Public Funds to Develop Private Markets:

Community Development Financial Institutions

DOE is actively recruiting partners to promote access to capital and local economic growth in urban and rural lowincome communities across the nation through these funds.

Revolving Loan Funds

SEP and EECBG
Grantees placed over
\$660 M of their ARRA
funds into Revolving
Loan Funds (RLFs) in
an effort to create self
sustaining programs
that will support EE/RE
into perpetuity.

Energy Savings Performance Contracts

DOE is actively disseminating best practices around standardized processes and contracts, financing, data collection and benchmarking, through the work done using SEP FY12 Competitive Awards.

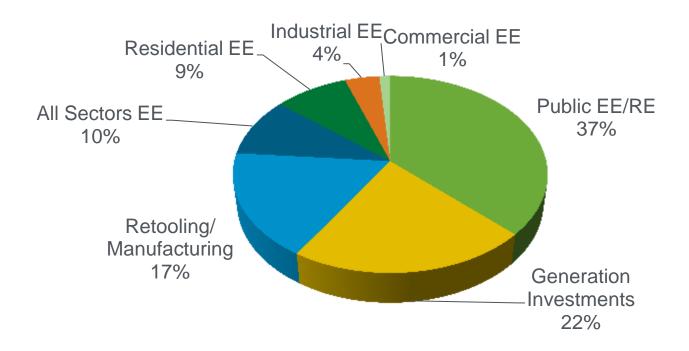
Qualified Energy Conservation Bonds

Over 100 issuances for \$670 million of project funding for public building retrofits, renewables projects (including support for private projects in MA & CO), and projects with funding for residential and commercial loan programs.

State Energy Program Revolving Loan Funds



\$590M Allocation, 35 States

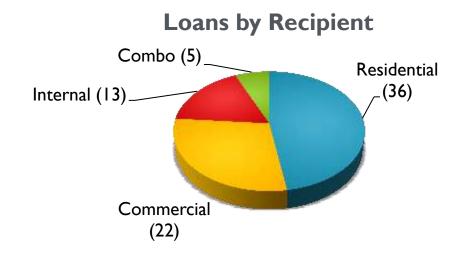


\$25M of which is deployed in Loan Loss Reserves

EECBG Loan Programs



- Total Loan Programs: 76
- Total Loan Program Budgets: \$76 Million
- Total Value of Loans Made to Date: \$55 Million
- Private Capital Enhancing EECBG Funds: \$64 Million



2012 SEP Competitive Awards Area of Interest 1



\$7.9 million committed to 13 states to stimulate energy efficiency in buildings

States will target a 20 percent or better improvement or increase in energy efficiency across their selected portfolio of public facilities by 2020 (from a 2011 baseline).

Arizona

Hawaii

Illinois

lowa

Maryland

Massachusetts

Mississippi

Missouri

New Jersey

New Mexico

New York

Rhode Island

Wisconsin





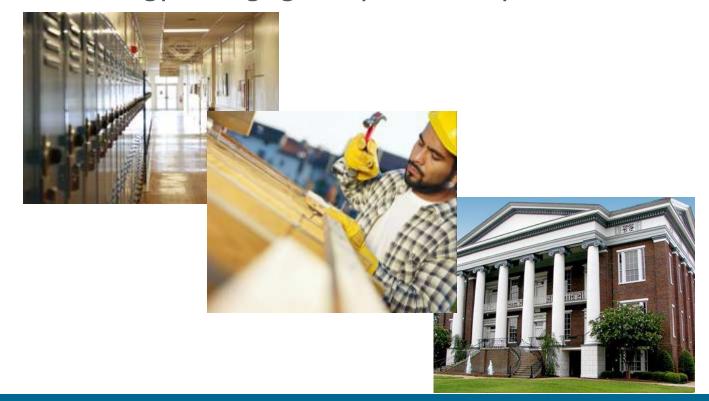
2012 SEP Competitive Awards Area of Interest 2



\$1 million Committed to Stimulate Energy Efficiency Action

Assisting states in generating policy and program frameworks to support investment in cost-effective energy efficiency and establish or increase a statewide energy savings goal by calendar year 2015.

Washington



Stimulating EE Action Since 2010



2010 SEP Competitively Selected States under Area of Interest 2

Alaska

Award: \$700,000

54% Spent (as of September 10, 2012)

- Improving EE by 15 percent in the state by 2020.
- Expanding current EE and conservation education and outreach efforts
- Collecting and tracking end-use energy data with a GIS-based database
- Analyzing current regulatory and policy framework as it relates to incentives or barriers to energy efficiency improvements.

Texas

Award: \$500,000

81% Spent (as of September 10, 2012)

- Developing local policy and program delivery frameworks that stimulate investment in cost-effective, long-term energy efficiency improvements.
- Focus on municipal and electric cooperative utilities that do not have state-regulated energy efficiency policies and programs in place.

Mississippi and Kentucky

Award: \$1 million (\$500,000 each)

57% Spent in Total (as of September 10, 2012)

- Making EE an integral part of the energy resource portfolios within the regions.
- Supporting the development of policies and programs that will lead to utility investment in efficiency in the Southeast and Midwest, thereby reducing air pollution and greenhouse gases through a reduction in energy consumption

2012 SEP Competitive Awards Area of Interest 3



\$5 million Committed to 8 States to Improve/Develop a Fee-Based Self-Funded Public Facilities Energy Retrofit Program

Assisting states in developing/improving and implementing programs that design model templates, contracts and other mechanisms to facilitate portfolio-wide financing of energy efficiency retrofits to public facilities statewide

California Minnesota

Virginia North Carolina

Kentucky Washington

Nevada Alaska





Self-Funded State Energy Savings Performance Contract (ESPC) Program



SEO Offers TA

- •Education ESPC Basics
- •Get the "go" decision consensus from decision-makers (administration, legal, finance, facilities)
- Facilitate procurement and contracting process
- Engineering review of audit

State Successes WA, KS & PA

SEO Receives Fee

- Fees support continued TA for initial
- •Fees also begin to offset cost of TA for new clients – sustainability!

Years 1 & 2

SEO ANNOUNCES:

Fee-Based TA Services for ESPC Projects. No up-front cost - fee is paid later through project savings

Years 1 & 2

CLIENTS SERVED:

#1 State agency

#2 School District

#3 City

#4 University

Clients Develop Projects

- Decision to proceed
- Select an ESCO
- Enter into audit contract to identify opportunities
- •Negotiate a performance contract to implement the project

SEO COLLECTS FEES

(% of project cost)

#1 Collect \$ 59,900

#2 Collect \$ 10,500

#3 Collect \$ 47,800

#4 Collect \$110,000

Year 3

CLIENT S DEVELOP ESPC PROJECTS:

#1 \$3,000,000 project

#2 \$200,000 project

#3 \$1,500,000 project

#4 \$10,000,000 project

Year 3

Clients Complete Installation

- Establish financing
- •Engineering, construction, installation
- •ESPC financing pays for all project costs including SEO fee
- •Fee paid to SEO

clients, project management, etc.

19

DOE Efforts to Address EE Challenges



Using convening power, recognition for excellence, technical expertise, technical assistance to develop consistent approaches, best practices, objective information

- Results-Oriented Business Models
 - Consumer
 - Financial Firms
 - Program Administrators
 - Contractors
- Improved Access to Financing
- Skilled/Trained Workforce
- State and local policies aligned with cost-effective EE



Better Buildings Challenge Better Buildings Neighborhoods



Best practices (ESPCs, RLFs)



Workforce guidelines, training, credentials



State Energy Program SEE Action

Weatherization Plus 2015 Initiative



An expanded focus on whole-house energy usage and whole-community efforts.

Since 1999, Weatherization has engaged in a strategic process to outline 5-year goals for the Program to achieve.

The Wx Plus 2015 initiative faces challenges for planning for the program in a diminished resource environment while creating a framework that will support expansion and revitalization as resources are available.

A Committee report due out this fall will outline the following initiatives :

- Streamline the Program
- Improve the Quality of Services
- Leverage Additional Resources
- Take the Communications Initiative
- Encourage New Market Development







Work Done Right

- The Standard Work Specifications:
 Doing the work right
- Accreditation of Energy Efficiency
 Training Programs:
 Training folks to do the work right
- Home Energy Professional Certifications:
 Proving that you can do the work right



How DOE can assist you



Training and Technical Assistance

- The Solution Center: > 600 resources such as webcasts, toolkits, guidebooks, calculators, databases, curricula, blog, etc.
- Community Energy Strategic Planning Academy: an interactive and collaborative workshop forum

National Residential Retrofit Guidelines

Workforce Guidelines for Home Energy Upgrades





Best Practices

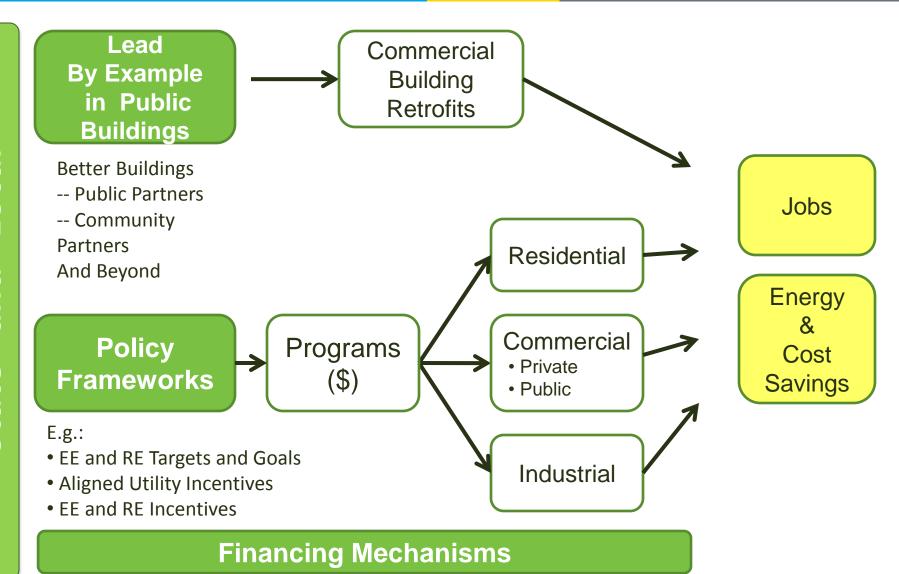
- Case Studies on successful clean energy programs to highlight key replicable best practice elements that successful EECBG and SEP grants have implemented, and the tangible results realized as a result of cost-effective investments.
- Dashboards providing highlights from the first batch of case studies

Value of Technical Assistance Program



- Build enduring clean energy capacity at the state, local, and tribal level
- Provide the tools and resources are stakeholders need to succeed
- Increase the return on and sustainability of Recovery Act investments
- Create communities of peer exchange and learning





Better Buildings Challenge: Outcomes



- 300 Attendees at BBC Summit, June 26-27
- 37 New Partners Announced
 - 6 States: DE, MD, MA, NC, IA, MN
- DIVERSITY of Partner Recruitment

Standing up models around the Nation – 42 State and Municipal Partners



CHALLENGE PARTNERS & ALLIES REPRESENT

2 BILLION

SQUARE FEET COMMITTED

\$2 BILLION

IN FINANCING THROUGH ALLIES

+300

MANUFACTURING FACILITIES

PARTNERS are challenged to commit to:

- Setting public energy savings goals
- Announcing innovative strategies
- Sharing implementation strategies and results

BBC Milestones



- ✓ DOE Secretary Chu highlights the Better Buildings Challenge at the Clinton Global Initiative in June; DOE and White House profile inaugural partners
- ✓ President Obama and Former
 President Clinton officially launch the
 program in December 2011
- DOE Announces 36 new states, local governments, and school districts have joined President Obama's Better Buildings Challenge at Public Sector Summit, June 26-27, 2012



President Obama at Penn State University February 3, 2011

BBC: Current Partners and Allies



100+ public, private and nonprofit organizations:

- 23 Commercial Partners
- 10 Better Buildings, Better Plants
 Partners



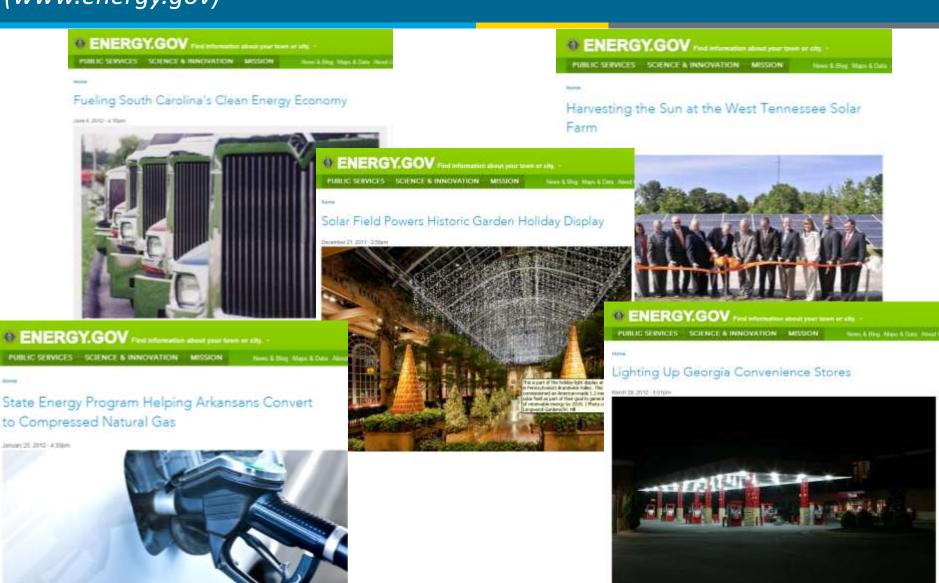
- 42 Community Partners
- 17 Education Partners
- 13 Financial Allies
- 2 Utility Allies

Together, they represent:

- ~2 billion square feet of commercial and industrial space committed
- 300 manufacturing plants
- ~\$2 billion in private sector financing

Your Projects are on DOE's Blog! (www.energy.gov)







QUESTIONS?

Thank You

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BACKUP SLIDES

Guidelines for Home Energy Professionals: Weatherization Workforce









Installer/
Technician

Auditor

Crew Leader

Inspector

http://www1.eere.energy.gov/wip/certifications.html

Guidelines for Home Energy Professionals: Foundation for Success



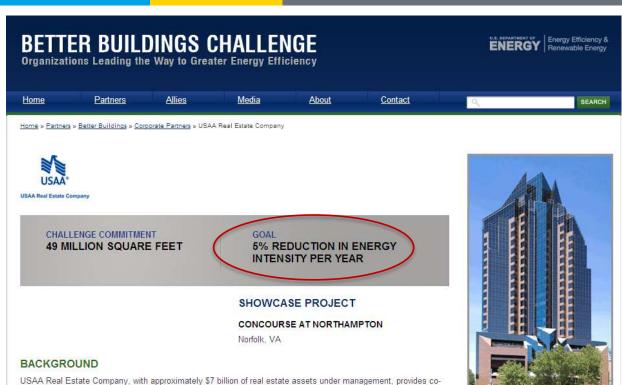


BBC Showcase Projects Corporate Partner



Norfolk, VA

USAA Real Estate committing its portfolio of almost 50 million square feet consisting of 60 industrial buildings, 39 office buildings, nine multifamily/mixed use projects, and seven hotels (totaling 115 buildings) to the BBC.



USAA Real Estate Company, with approximately \$7 billion of real estate assets under management, provides co investment, acquisition, build-to-suit and development capital for corporate and institutional investors. The USAA portfolio consists of office, industrial, multi-family, retail and hotel properties as well as investments in real estate operating companies. USAA Real Estate is a subsidiary of USAA, a leading financial services company, serving military families since 1922.

As long standing leaders in energy efficiency and sustainability, USAA Real Estate Company is becoming a partner of the Better Buildings Challenge (BBC) in order to support improved energy performance in buildings and further demonstrate the business case. USAA is committing its portfolio of almost 50 million square feet consisting of 60 industrial buildings, 39 office buildings, nine multifamily/mixed use projects, and seven hotels (totaling 115 buildings) to the BBC.

For the assets owned each year, in alignment with its goal of reducing energy use by 5% per year, USAA will be identifying and undertaking a number of energy reducing projects and will continue to implement performance enhancing operations within its portfolio, and will work with the Better Buildings Challenge to demonstrate the results and successes of these projects.

BBC Showcase Projects Education Partner

Home » Partners » Better Buildings » Educational Partners » Douglas County School District, NV





Garnerville, NV



CHALLENGE COMMITMENT
945 THOUSAND SQUARE FEET

GOAL 20% REDUCTION IN ENERGY INTENSITY BY 2020

SHOWCASE PROJECT

GARDNERVILLE ELEMENTARY SCHOOL

Garnerville, NV

BACKGROUND

The Douglas County School District is the 6th largest in the state of Nevada, with about 6,300 students. DCSD is currently implementing a guaranteed energy savings performance contract to target facility upgrades and infrastructure repairs.

The Douglas County School District (DCSD) serves the communities of Gardnerville, Minden, Genoa and Zephyr Cove at Lake Tahoe, nestled among the 751 square miles of the Sierra Nevada Mountains and Carson Valley. DCSD is the 6th largest in the state of Nevada, and provides a high quality education to over 6,200 students. Douglas County School District is committing to a 20% energy reduction by 2020, and will retrofit approximately 944,910 square feet across eleven (11) schools and multiple support facilities. DCSD has recently completed an energy savings performance contract targeting facility upgrades and infrastructure repairs in all eleven (11) of its schools and as additional improvements are made through bond initiatives, energy efficiency standards are implemented to continue reaping the benefits of energy savings. DCDS will be highlighting their energy efficiency upgrades at the Gardnerville Elementary School which is currently under renovation.



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