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NeighborWorks of Western Vermont  
Senate Appropriations Committee – April 4, 2018

Thank you for the opportunity to testify and for your work on the state budget. I am here once again to request a state appropriation of \$250,000/year for FY2019 so that we can continue our work to expand the HEAT Squad program statewide.

As you know, HEAT Squad serves anyone who wants our services, but our target customers are households with incomes below 120% of area median income – working class Vermont homeowners. Along with providing a low-cost home audit for energy efficiency, health and safety, we ensure that homeowners have access to incentives and technical assistance to achieve energy and cost savings. We provide customer assistance through the entire process, from learning about what their home needs to prioritizing projects, securing a contractor and ensuring high quality work, and securing any incentives or rebates available. We can also provide low-interest loans if the customer needs them.

HEAT Squad currently serves the 5 southern counties, and we have a grant that is allowing us to begin our work in the three Northeast Kingdom counties. A state appropriation would allow us to fill in the gaps between those areas, and also reach the northwest corner of the state over the next several years.

The reason we are asking for a state investment is because expansion of HEAT Squad requires an up-front investment to hire needed staff, develop agreements with contractors and community partners, and build demand for the program. As we can increase volume, the program becomes self-sustainable.

I have submitted a sheet with some data and facts about our program, and I will just highlight a few things here:

- Every dollar of state appropriation for the HEAT Squad can leverage a 1:1 match of federal Community Development Financing Institution (CDFI) funding for our low-interest loan program, which helps homeowners with home maintenance, rehab and efficiency.
- Our Northern Borders grant, which is supporting our work in the Northeast Kingdom, can be renewed, but we do need to show that we have matching funds for future years.
- We work with local contractors to ensure top quality work for our clients, and we also help contractors to build their businesses with technical assistance and professional development. Since 2010, HEAT Squad has generated over \$12,000,000 in revenue for contractors who work with us.

Thank you again for your time and thank you for your consideration of our request for \$250,000 for FY19 to give us a chance to demonstrate great results to you, as we continue to expand HEAT Squad statewide.



# Invest \$250,000 in HEAT Squad...

... and HEAT Squad will expand statewide, directly improving the lives and finances of the families we serve while creating jobs and revenue for local contractors.

## SAVINGS

- **\$900** per HOUSEHOLD annually
- Over **\$1 MILLION** in Rutland County annually

## CO<sub>2</sub>

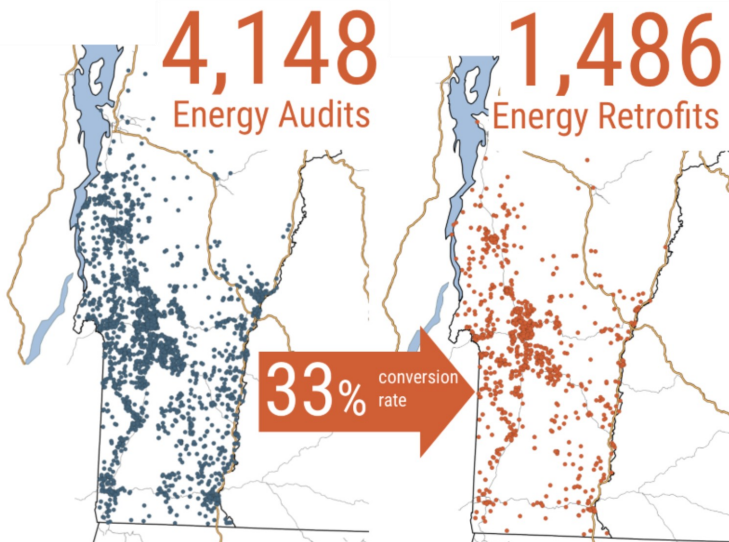
- **5,000** lbs saved per home
- **7,500,000** lbs of CO<sub>2</sub> saved annually

## JOBS

- **62** contractors jobs
- Over **\$12,000,000** generated in revenue

## HEALTH

- Improved health conditions for elderly & asthma/COPD patients
- **24%** report fewer asthma symptoms



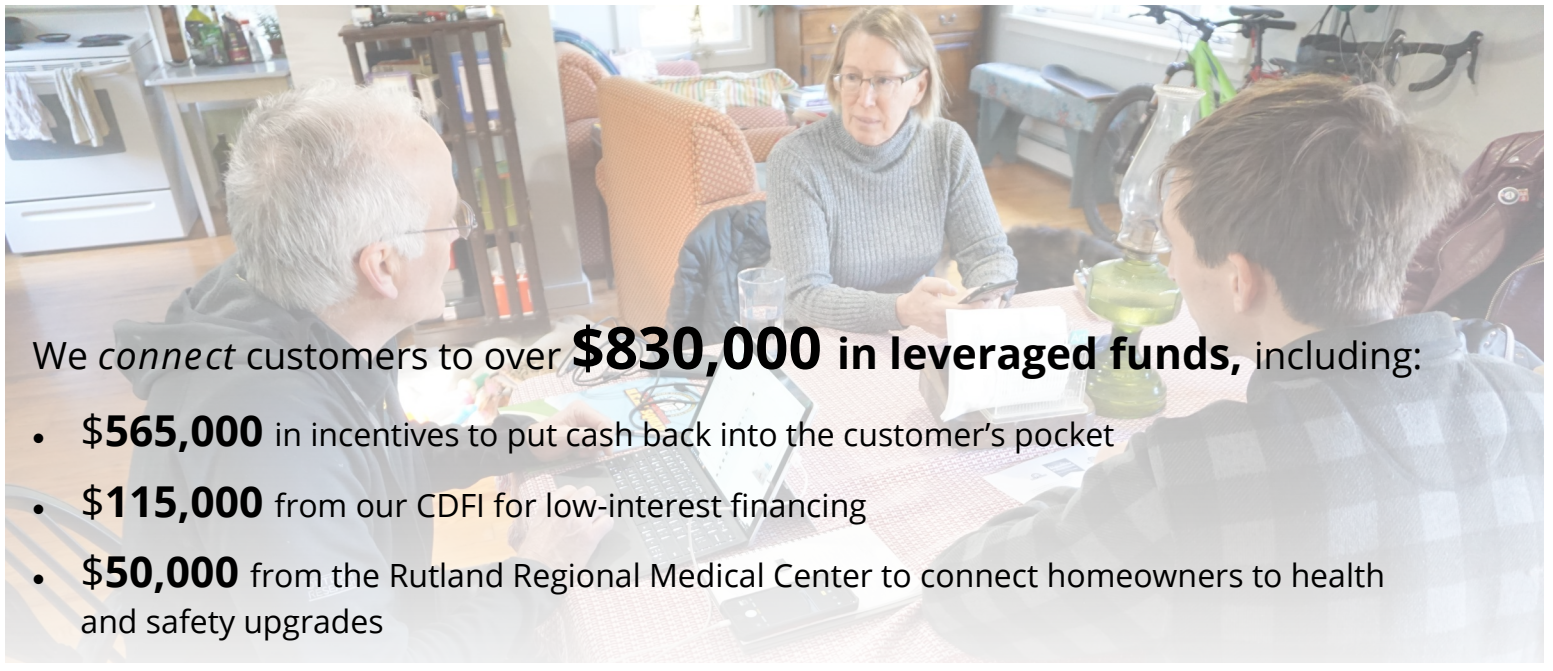
HEAT Squad provides a hand-up for low and middle income families that keeps them **warm, safe, and dry** in their homes.



# One call does it all

## The successful strategy of HEAT Squad since 2010:

- **Educate** homeowners about energy efficiency and what is best for their home
- Offer **low-cost**, comprehensive energy audits and **same day audit reports**
- Objective **advice, guidance,** and **professional help** at every step
- Referrals to **trusted**, local contractors
- Connect homeowners to NWWVT's **in-house affordable financing** and to applicable **rebates**
- Conduct a **quality review** of the finished efficiency project



We *connect* customers to over **\$830,000** in leveraged funds, including:

- **\$565,000** in incentives to put cash back into the customer's pocket
- **\$115,000** from our CDFI for low-interest financing
- **\$50,000** from the Rutland Regional Medical Center to connect homeowners to health and safety upgrades

## To bring HEAT Squad to all Vermonters...

**HEAT Squad is proposing to expand statewide** and to continue to target households with incomes below 120% of area median income, assuring that low and moderate income homeowners have access to incentives and technical assistance to achieve energy and cost savings.

HEAT Squad serves five counties, earning about 40% of its operating budget from fees charged to contractors and customers. **As the volume of business increases, the sustainability ratio improves.** In seven years, HEAT Squad will have served 8,000 customers and will be self-sufficient.

**We are requesting \$250,000 a year to fill the gap in operational funds so we can help Vermonters be warm, safe, and dry in their homes.**